

Public Administration and Public Policy

# Handbook of Organizational Consultation

Second Edition, Revised and Expanded

edited by  
Robert T. Golembiewski

# **Handbook of Organizational Consultation**

## PUBLIC ADMINISTRATION AND PUBLIC POLICY

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59. *Public Administration: A Comparative Perspective, Fifth Edition*, Ferrel Heady
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Edited by  
Robert T. Golembiewski

The University of Georgia  
Athens, Georgia



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*To Helen Golembiewski Yarmy, who was important in setting my early course  
and who helped keep me on it at several points  
when things could easily have gone awry.*

*To Albert Yarmy, who has been far more than a brother-in-law  
and who remains a model for playing the cards one gets dealt  
with resolve and with effect.*

## Preface to the Second Edition

It has again been rewarding to assemble some of the best practitioners and researchers to pick their minds, in effect, in front of a worldwide audience on topics that are gaining increasingly global attention. The sum of all of us working together has generated a useful second edition of the *Handbook of Organizational Consultation*, which I believe justly deserves even more attention than accorded to the first edition.

From an elemental point of view, this second edition rests on an obvious rationale. Consultation remains one of the fastest-expanding areas of application, inquiry, and experimentation, and this second edition of the handbook attempts to stay abreast of those yeasty developments. In addition, in selected particulars, this second edition endeavors to join in inducing some of those future developments, as contrasted with keeping up with them, which of course is a reasonable challenge in itself. This edition appears seven years after the publication of its predecessor. That short interval suggests a noteworthy acceptance of the approach of the handbook, and an audience that is asking for even more of the same.

Particularly satisfying has been the acceptance of this volume outside of North America, especially since the "emerging" management theory and practice will clearly be global, *if* they are to be successful. Hence, I am gratified by the substantial numbers of non-U.S. consultants and scholars who appear in this second edition. In fact, about 20% (more or less) of the authors in this second edition come from outside the United States.

This handbook is at the center of work to which I have assigned a growing priority over the years. To explain, I have been involved in several other efforts to make "management" what its founders intended—a broad-ranging set of interests, methods, and values thrusting toward the generalizable, if not universal. Under the entrepreneurial leadership of M. Afzal Rahim, for example, I have been fortunate enough to help in the worldwide efforts under the flag of the International Conference of Advances in Management (ICAM). In addition to a now-yearly professional meeting, ICAM has for several years published a book a year on the theme current topics in management,\* and also publishes two quarterly journals—the *International Journal of Organizational Analysis* and the *International Journal of Conflict*, both of which are nearing the end of their first decade of publication.

This handbook is also consistent with the growing international thrust of the Organization Development Institute, which is a major organization development (OD) or organization development and change (ODC) membership group. Don Cole has been a persevering advocate of testing the generalizability of the methods and values of OD and ODC; and he has been especially keen on

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\*See, e.g., Rahim, M.A., Golembiewski, R.T., Lundberg, C., eds. *Current Topics in Management*. Greenwich, CT: JAI, 1998.

the potential for the peaceful resolution of conflict, especially internationally. Every year OD Institute supports a domestic "information exchange" as well as a yearly overseas conference, with the last having been in Dublin, Ireland, and the next scheduled for Zimbabwe.

In short, the *Handbook of Organizational Consultation* is in good company and shares some worthy causes.

This second edition builds on the old—on "even more of the same"—even as it builds on much that is new. The working definition of even more of the same deserves substantial attention, for that bare description camouflages as well as reveals. To explain this old/new balance, the basic structure and philosophy of this handbook remain as they were. This is particularly clear in Chapter 1, "Six Orientations for the Reader: An Interpretive Introduction." That text has been changed in incidentals from the first edition—it has been substantially slimmed down everywhere and updated wherever necessary—but basically, those orienting cues remain as they were. The book's version and philosophy of approach thus remain essentially as they were, and the basic structuring of the selections has been retained. This structure seems central to me and it is best reflected in six extensive tables that, now as in the first edition, show readers how the several selections might be used to develop different "orientations" to consulting roles and activities. Some users might thus prefer to focus on "stages in consultation," and Table 1 in this chapter provides guidance for such an orientation, or other users might rather use the selections to examine what Table 6 labels as "substantive issues in consultation." Still other users might meet their teaching/consulting needs by variously nesting the six tables, and the orienting cues also provide some guidance for such a compound approach to consultation.

While these elements remain "steady as she goes," however, the bulk of the book can be said to be "new," or at least new enough to justify the energy and paper that went into the second edition. Some summary characteristics of the 130 chapters operationally define the senses in which the volume is new or new enough; thus just under one-half of the expanded set of selections did not appear in the first edition, and over 90% of the selections are new titles while the remainder appeared in the first edition but have been substantially revised. That leaves about one-third of the selections reappearing "as was" from the first edition, basically as "oldies but goodies."

In the first edition I listed a substantial catalog of those who helped in the unfolding of myself as a person seeking to develop growing competencies about theoretical issues that have practical relevance, as well as about practical concerns that have theoretical power. Let me here add to that list a few names of more recent relevance to that unfolding: Robert Boudreau, Craig Lundberg, Joanne Preston, and M. Afzal Rahim.

As usual, the production of the text was in good hands. Sandra Daniel was the central person in preparing the hefty manuscript, with the numerous issues both subtle and procedural that are involved in preparing such an assemblage for publication, and without some panicky rush to deadlines. She has been with me on numerous projects over the past 30 years, more or less, and still has the capacity for more. Deep thanks go to her, from me and by implication from the many users of this volume. This time, Sandra received a valuable assist in preparing the manuscript from Geneva Bradberry and Ashley Bell.

The University of Georgia continues to provide a locus for doing what the muse desires, and that association has been long and fruitful. Indeed, no one would have predicted this long joint venture. My thanks go to the many citizens of Georgia, whose hard-earned taxes have helped me mightily in doing what I could to advance the arts and sciences of management.

The dedication remains as it was in the first edition but it would be absolutely churlish of me if I failed to emphasize that much of the Golembiewski infusion into this volume comes from Peg, my wife of more than 40 years, who has a way of bringing out the best in me and muffling the worst. To others, this seems like unconditional positive regard on Peg's part, but that at once says a bit too much and a lot too little.

ROBERT T. GOLEMBIEWSKI

## Preface to the First Edition

Consultation has become one of our fastest-growing service areas, and this volume attempts to respond constructively to the burgeoning need for a comprehensive learning resource. It remains true that a consultant's best instrument is her or his "warm body"—which provides data about the surrounding world, and about the reactions of people to that world as well as to the consultant. Increasingly, however, our knowledge of consulting grows, requiring a mental storage system well stocked with ideas, approaches, research findings, and ethical guides.

This volume seeks to provide a learning resource describing the state of the art as well as the state of the science of consultation. Experienced consultants can use this book as a complex of check points to assess their own substantial experiences and knowledge bases, and perhaps to build beyond them. Aspiring consultants may see the volume as reflecting what they can build toward. Thus, aspiring consultants can increasingly seek to internalize major empirical and ethical aspects of practice as experienced consultants have come to know them. They can also work over time to better integrate such materials with their own unfolding experiences—from successes, for sure, but perhaps most especially from "failures" or "surprises."

Hence this volume's long list of contributors and its own substantial length. Length for its own sake is mere bulk. Here length reflects some basic facts. There is much to be learned and communicated and—despite the real dangers of "canned" materials mindlessly applied—there are many "wheels" in consultation that simply do not have to be reinvented time and again.

This basic belief about the conservation of energy also underlies the choice of the mix of contributions in the *Handbook*. Many excellent selections already existed, and they are reprinted here in spite of their calendar age. For most of the contributions in this volume, however, new pieces were commissioned. As much as possible, "wheels" were invented only when necessary.

In addition to being comprehensive, and even sometimes at odds with that objective, the *Handbook of Organizational Consultation* also seeks to be user-friendly. Hence the multilayered organization of this volume, which the Introduction details. Consultation can be approached from numerous perspectives; the Introduction emphasizes six perspectives as being especially strategic as well as convenient. Detailed outlines show how the reader can organize the numerous contributions in this volume to exploit each of those perspectives. Thus one table details how several contributions shed light on the various phases in a consultative relationship, and that demonstration is far from trivial. For example, an intervention acceptable at one phase might be pointless or even seriously counter-productive at another phase. Another table helps the reader orient the selections toward the organization levels at which consultation can occur, based on the general principle that where a person sits often determines what is seen, heard, understood, or felt. Four other perspectives also help the reader approach consulting activities from different and enriching viewpoints.

This basic pattern of organizing around multiple perspectives is no mere fancy embroidery. This volume in effect proposes that there is no best way to consult. However, we know much about each of the several perspectives that consultants have to take into account. The science of consulta-

tion tells us much about many of the crucial relationships in nature—what is related to what, and under which conditions. The art of consultation implies applying ethical and value sensibilities in blending what we know scientifically; such knowledge is never complete, nor will it ever provide cookbook directions for consultation. The growth-oriented practitioner basically needs to learn more about taking all of the six perspectives (and others as well) into simultaneous account in consultancies. In this learning tool, we have the luxury of building length and strength concerning each of the perspectives, to aid growth-seeking consultants in preparing for what they have to do—often as reflex actions—in applying multiple perspectives to dynamically unfolding consultations right now.

Not all possibilities for arraying the selections are exhausted in this volume, but that does not dismay me. Indeed, I hope that many readers will be motivated to develop their own organizing orientations. These may be "better" orientations, or ones simply more suited to the personalities and practices of those who develop them. In either case, such efforts will show that the reader really engaged the *Handbook*, and that this volume helped energize and empower the reader to move on in his or her individual direction.

Whatever else occurs between the reader and the *Handbook*, this volume will fail if the user comes away from reading and internalizing it absent a growing sense of excitement and a heightened energy. I believe that the quality of our lives will be influenced substantially by the character of consultations, especially where we seek to move efficiently and effectively toward new ideals in the ways we organize relationships and work. This will demand our very best and ideally will induce an energy surge sufficient to enrich our sense of consultative practice as well as to apply ourselves to realize that sense with greater conviction and force.

By definition, consultation rejects the oversimplification that lone individuals—even those on white horses—do much of useful consequence, and so it is with this book. My indebtedness is great in number and awesome in magnitude. Broadly, debts are owed to the many scholars and practitioners whose efforts inspired this volume. More specifically, the numerous contributors to this volume also deserve thanks. On a personal note, many individuals contribute in various ways to this *Handbook*, directly and indirectly, over its long period of gestation. Special thanks go to Arthur Blumberg, Wayne Boss, Stokes Carrigan, Alan Cahoon, Rick Daly, Bill Eddy, Rick Hilles, Alan Kiepper, Pete Laviolette, Kent Nethery, Mark McConkie, and Joe Whorton. No project of these dimensions gets done without substantial help. Special thanks also go to Sandra Daniel and Ekaterina (Kathy) Scherb. Sandra handled the many clerical and typing aspects of this project. Kathy did a lot of the proofreading and was solely responsible for the author index. Robin Fayman served effectively in her role as production editor.

Finally, in the terms used by one eminent physicist, if this handbook helps people in seeing better and farther it is only because the volume obviously rests on the shoulders of so many talented contributors, both direct and indirect. Focusing those contributions has been a task I have long wanted to do, and one that brought a very large net balance of pleasure and even joy. I hope that readers and users have similar reactions.

ROBERT T. GOLEMBIEWSKI

## Contents

Preface to the Second Edition	v
Preface to the First Edition	vii
Contributors	xvii
1. Six Orientations for the Reader: An Interpretive Introduction <i>Robert T. Golembiewski</i>	1
2. Development, Transition, or Transformation: Bringing Change Leadership into the Twenty-First Century <i>Linda S. Ackerman Anderson</i> <i>Dean Anderson</i> <i>Martin Marquardt</i>	27
3. Selecting and Energizing a Team <i>Jan D. Antoszkiewicz</i>	41
4. Managers and Project Leaders Conducting Their Own Action Research Interventions <i>Jean M. Bartunek</i> <i>Timothy E. Crosta</i> <i>Robert F. Dame</i> <i>Daniel F. LeLacheur</i>	59
5. Linking Measurement to Motivation <i>Robert D. Behn</i>	71
6. The Consulcube: Strategies for Consultation <i>Robert R. Blake</i> <i>Jane Srygley Mouton</i>	87
7. Consultation in Schools as Organizations for Learning <i>Arthur Blumberg</i>	93
8. Five Stages for Self-Evaluating Organizations <i>Gary D. Borich</i>	99
9. Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview <i>R. Wayne Boss</i>	107
10. The Psychological Contract <i>R. Wayne Boss</i>	119
11. Models of Development and Issues They Raise for Consultants <i>Robert A. Boudreau</i>	129
12. Operating Systems Interventions <i>Vincent Bozzone</i>	137
13. American Quality: Born Again <i>Richard E. Byrd</i>	149

14. Team Building and Its Risks <i>Richard E. Byrd</i>	157
15. Using the Search Conference Technique for Team Socialization and Strategic Planning <i>Allan R. Cahoon</i>	163
16. Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management <i>Archie B. Carroll</i>	169
17. Preentry Issues Revisited <i>Cary Cherniss</i>	183
18. Applying Action Research to Public Sector Problems: International Perspectives <i>Rupert F. Chisholm</i>	189
19. Using Large System Designs and Action Research to Develop Interorganizational Networks <i>Rupert F. Chisholm</i>	197
20. Perceiving, Evaluating, and Responding to Change: An Interlevel Approach <i>David Coghlan</i>	213
21. Making Teams Work: Implications for Consulting Practice <i>Susan G. Cohen</i> <i>Diane E. Bailey</i>	219
22. Sociotechnical Systems Consultation <i>Thomas G. Cummings</i>	235
23. Performance Appraisal Techniques and Applications: Guides for Consultants <i>Dennis Michael Daley</i>	243
24. Managing Organizational Conflict <i>Daniel Dana</i>	255
25. A Two-Phase Planning Process for Managing Change in Organizations <i>C. M. Dick Deaner</i>	263
26. Micro and Macro Perspectives on Gain Sharing: Achieving Organizational Change with Alternative Reward Strategies <i>Elizabeth M. Doherty</i> <i>Jerry L. McAdams</i>	271
27. Goal-Setting Programs: An Agenda for Practitioners <i>Ronald G. Downey</i> <i>Karl W. Kuhnert</i>	281
28. Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching <i>Sloane Dugan</i> <i>Kelly Fredell</i>	287
29. Strategies for Organizational Transition <i>Dexter C. Dunphy</i> <i>Douglas A. Stace</i>	295
30. Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants <i>Eric G. Flamholtz</i>	309
31. Sexual Harassment: What's Old, What's New? <i>Kelly Fredell</i> <i>Sloane Dugan</i>	321
32. A Statement of Values and Ethics by Professionals in Organization and Human Systems Development <i>William Gellermann</i> <i>Mark S. Frankel</i> <i>Robert F. Ladenson</i>	329
33. Issues in Ending Consultancies <i>Thomas N. Gilmore</i>	337
34. Alternative Models for Structuring Work <i>Robert T. Golembiewski</i>	347
35. Aspects of "Executive Constellations" That Can Trouble Consulting <i>Robert T. Golembiewski</i>	355

36. Balance as a Useful Metaphor for Consultation and Fly-Fishing, Too <i>Robert T. Golembiewski</i>	361
37. Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases <i>Robert T. Golembiewski</i>	365
38. Career-Planning Design <i>Robert T. Golembiewski</i>	371
39. Competence via Regenerative Systems <i>Robert T. Golembiewski</i>	375
40. Contextual Specificity in Consultation: Similarities and Differences between Business and Public Sectors <i>Robert T. Golembiewski</i>	379
41. Continued Employability: More of the Old Fast-Shuffle, or an Emerging New Balance? <i>Robert T. Golembiewski</i>	387
42. Demotion Design: An Option for Forward-Looking Organizations <i>Robert T. Golembiewski</i>	391
43. Diversity as Shining Goal or Sham? Equifinality Definitely Does Not Apply <i>Robert T. Golembiewski</i>	399
44. Easing the Rigors of Mergers: Some Guidelines from Experience <i>Robert T. Golembiewski</i>	405
45. Features of Energizing Data <i>Robert T. Golembiewski</i>	409
46. Fine-Tuning Appreciative Inquiry: Two Ways of Circumscribing the Concept's Value-Added <i>Robert T. Golembiewski</i>	413
47. Flexi Time and Employee Control over Work <i>Robert T. Golembiewski</i>	419
48. Giving Effective Feedback <i>Robert T. Golembiewski</i>	423
49. Group Norms as Levers for Consultants <i>Robert T. Golembiewski</i>	427
50. Humans as Need-Fulfilling: Implications for Consultants <i>Robert T. Golembiewski</i>	433
51. Lessons from Downsizing: Some Things to Avoid and Others to Emphasize <i>Robert T. Golembiewski</i>	435
52. Managerial Responses to Transitions in Adult Development <i>Robert T. Golembiewski</i>	441
53. Managing Transitions <i>Robert T. Golembiewski</i>	449
54. Model This, Model That: Consultants Can't Do without Them <i>Robert T. Golembiewski</i>	453
55. Musings about Transformation: Is That Someone on a White Horse Coming around the Corner? <i>Robert T. Golembiewski</i>	457
56. Organization Cultures via Distinguishing Assumptions <i>Robert T. Golembiewski</i>	461
57. Organizational Development in the Family <i>Robert T. Golembiewski</i>	467
58. Organization Stages and Consultant Choice Making: A Critical Junction <i>Robert T. Golembiewski</i>	477



59. Perspectives on My Consulting Practice: Looking Backward While Moving On <i>Robert T. Golembiewski</i>	481
60. Process and Structure as Central in Total Quality Management <i>Robert T. Golembiewski</i>	487
61. "Promise Not to Tell": Confidentiality in Consultation <i>Robert T. Golembiewski</i>	493
62. Psychological Contracts at Work <i>Robert T. Golembiewski</i>	497
63. Resilience and Change at Three Levels <i>Robert T. Golembiewski</i>	501
64. Risking Consultative Relationships to Stay Really Alive <i>Robert T. Golembiewski</i>	503
65. Role Analysis Technique <i>Robert T. Golembiewski</i>	507
66. Role Negotiation as a Controlling Design <i>Robert T. Golembiewski</i>	509
67. Sensing Groups in Consultation <i>Robert T. Golembiewski</i>	513
68. Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact <i>Robert T. Golembiewski</i>	517
69. Stakeholders in Consultation <i>Robert T. Golembiewski</i>	529
70. Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis <i>Robert T. Golembiewski</i>	535
71. <i>The Dominant Intervention Theory and Its Selected Shortfalls</i> <i>Robert T. Golembiewski</i>	543
72. <i>The Intervenor's World: Overall Features and Special Traps</i> <i>Robert T. Golembiewski</i>	549
73. <i>Three Models of Learning: Choices and Consequences</i> <i>Robert T. Golembiewski</i>	555
74. <i>Toward a Process Orientation</i> <i>Robert T. Golembiewski</i>	559
75. <i>Town Meeting as a Super-Optimum Solution in a Cutback Mode</i> <i>Robert T. Golembiewski</i>	563
76. <i>Vision or Core Mission</i> <i>Robert T. Golembiewski</i>	571
77. <i>Voluntary Organizations: Some Worthwhile Lessons</i> <i>Robert T. Golembiewski</i>	575
78. <i>Confrontation Design: Training and Relational Learning</i> <i>Robert T. Golembiewski</i> <i>Arthur Blumberg</i>	579
79. <i>Third-Party Consultation: Basic Features and One Misapplication</i> <i>Robert T. Golembiewski</i> <i>Frances Rauschenberg</i>	585
80. <i>High-Performing Teams: A Definition</i> <i>Tom Isgar</i> <i>Susan Isgar</i>	591
81. <i>Quality of Work Life for Consultants</i> <i>Tom Isgar</i> <i>Susan Isgar</i>	597
82. <i>The Interview as a Consulting Tool: Lessons from the Hiring Interview</i> <i>Tom Janz</i> <i>Gregory B. Mooney</i>	607

83. The Perils of Intensive Management Training and How to Avoid Them <i>Robert E. Kaplan</i>	617
84. Facilitating Organizational Change through Survey/Feedback and Implementation <i>Karl W. Kuhnert</i> <i>Eric Gerber</i>	631
85. Approaches to Organizational Needs Assessment <i>Karl W. Kuhnert</i> <i>Mary Anne Lahey</i>	641
86. How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications <i>Mary Anne Lahey</i>	651
87. Productivity and the Quality of Work Life <i>Edward E. Lawler III</i> <i>Gerald E. Ledford, Jr.</i>	661
88. Forecasting the Future: The Delphi Method in Organizational Consulting <i>Robert Loo</i>	671
89. Project Management for Organizational Consulting <i>Robert Loo</i>	677
90. How to Give Meaningful Praise <i>Robert A. Luke, Jr.</i>	689
91. Managing the Older Worker <i>Robert A. Luke, Jr.</i>	691
92. Emotions and Consultancy: Toward a Psychology of Helping <i>Craig C. Lundberg</i>	693
93. Knowing and Surfacing Organizational Culture: A Consultant's Guide <i>Craig C. Lundberg</i>	701
94. Cross-Cultural Perspectives <i>Rolf P. Lynton</i>	715
95. A Model for Negotiation <i>Willem F. G. Mastenbroek</i>	721
96. Organizational Innovation as the Management of Interdependencies in Networks <i>Willem F. G. Mastenbroek</i>	725
97. Downsizing as a Mode of Organizational Change <i>David L. Mayfield</i>	735
98. Ethical Issues in Organizational Consultation <i>Dan P. McCauley</i>	743
99. Essential Competencies for Internal and External OD Consultants <i>Gary N. McLean</i> <i>Roland L. Sullivan</i>	749
100. Organizing in the Knowledge Age: Anticipating the Cellular Form <i>Raymond E. Miles</i> <i>Charles C. Snow</i> <i>John A. Mathews</i> <i>Grant Miles</i> <i>Henry J. Coleman, Jr.</i>	755
101. An Intersection: Collaboration and Self-Concept <i>Kathryn J. Miller</i> <i>C. M. Dick Deaner</i>	767
102. A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective <i>Yoram Mitki</i> <i>Abraham B. (Rami) Shani</i> <i>Torbjörn Stjernberg</i>	777
103. Group Support Systems: An Organization Development Intervention to Combat Group-think <i>Shaila Miranda</i> <i>Carol Saunders</i>	787

104. Privacy: Legal and Ethical Considerations for Consultants <i>Daniel J. Montgomery</i> <i>Laura B. Pincus</i> <i>Gary R. Heald</i>	799
105. Organizational Change as Applied Art: Blending Pace, Magnitude, and Depth <i>Kenneth L. Murrell</i>	807
106. Process Consulting Guidelines for Development Assistance, with Case Study <i>Kenneth L. Murrell</i>	815
107. Techniques for the Management of Organizational Change <i>David A. Nadler</i>	821
108. The Production of Usable Knowledge <i>Dorothy Norris-Tirrell</i> <i>Joy A. Clay</i>	829
109. Process Consulting in a Content Field <i>Jeremiah J. O'Connell</i>	835
110. A Burnout Workshop: Design and Rationale <i>Ayala Malach Pines</i>	841
111. Burnout in Organizational Consultation <i>Ayala Malach Pines</i> <i>Amnon Caspi</i>	851
112. Managing Organizational Change: A Primer for Consultants and Managers <i>Herman Resnick</i>	857
113. Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers As We Enter the Twenty-First Century <i>Paul M. Roman</i> <i>J. Aaron Johnson</i> <i>Terry C. Blum</i>	865
114. Tailored Management Development as a Vehicle for Strategy Implementation <i>Gerard L. Rossy</i> <i>Alan M. Glassman</i> <i>Joan G. Dahl</i>	881
115. Models of Consultation: What Do Organizations of the Twenty-First Century Need? <i>Edgar H. Schein</i>	893
116. Time Management Hints <i>Robert Schulz</i>	903
117. Creating the Learning Organization: Beyond Mechanisms <i>Abraham B. (Rami) Shani</i> <i>Yoram Mitki</i>	911
118. Creating Work Cultures with Competitive Advantage <i>John J. Sherwood</i>	921
119. Essential Differences between Traditional Approaches to Consulting and a Collaborative Approach <i>John J. Sherwood</i>	939
120. Self-Awareness: An Essential Element Underlying Consultant Effectiveness <i>Robert Tannenbaum</i>	945
121. Values, People, and Organizations <i>Robert Tannenbaum</i> <i>Sheldon Davis</i>	947
122. Defective Group Decisions: Diagnosis and Intervention in Situations of Misguided Agreement <i>Daphne Gottlieb Taras</i>	951
123. Roles in Group Development <i>William Underwood</i>	961
124. Strategic Planning <i>Peter B. Vaill</i>	965

125. Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective <i>William Van Buskirk</i> <i>Dennis R. McGrath</i>	973
126. Consulting as Empowerment: Building Capacity through Participatory Research, Experiential Learning, and Awareness <i>Judith F. Vogt</i>	985
127. Critical Factors in Team Success: Diagnostic Questions for Team Leaders and Facilitators <i>Ruth Wageman</i>	995
128. Rethinking Organization Development for the Learning Organization <i>Karen E. Watkins</i> <i>Robert T. Golembiewski</i>	997
129. Developing Effective Community Groups <i>Joseph W. Whorton</i>	1009
130. Using Success as a Framework for Community-Based Needs Assessment <i>Joseph W. Whorton</i>	1019
Author Index	1027
Subject Index	1039

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**I—  
Six Orientations for the Reader:  
An Interpretive Introduction**

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This volume takes a comprehensive approach to a burgeoning arena of human activity—the complex acts of providing help, which many conveniently call "consultation skills," or "con skills" for short. Consultants of all stripes and persuasions should find much between the covers of this book that will meet their needs and suit their interests. At the same time, however, users will find this volume most compatible with the approach to consultation that is usually called organization development, or OD, but that is also variously referred to by such initials for related consultancies as OT (for organization transformation), OE (for organization effectiveness), OI (for organization improvement), and QWL (for quality of working life).

If this volume were a medicine, in fact, it would be classified as a broad-spectrum drug. By design, this book intends to be of wide service.

Let us briefly introduce three prime targets. First, but only because *something* must lead off, this volume proposes to be *the* major learning resource in a wide variety of formal courses at the undergraduate and especially the graduate level. Its users will be found in many contexts—business schools, public administration programs, nursing and allied health care, education, development administration, and on through a very much longer list. Target users will be in normal degree programs, in extension work leading to degrees or certificates in a broad range of specializations, or in various short courses and seminars.

Second, this volume also should be useful in a broad array of in-service settings. It could thus be the basic text in the various con skills workshops that nowadays are so popular in so many areas of collective human effort in industry and government.

Third, this volume also will serve many of the needs of all consultants, both those "internals" who are full-time employees of their client system as well as those "externals" who are part-time freelancers or who have their own full-time consulting shops.

**I—  
A Note on Core and Contexts**

These expansive ambitions having been stated, some tethers also need detailing. Elementally, no one volume can do it all, because that ideal "it" encompasses both *core* and *contexts*. "Core" refers to the fundamentals of consultation, while "context" refers to the multiple arenas within which consultative activities can occur—in specific organizations in public or business sectors, in health care, and so on.

With the ideal being out of sight, this book focuses on the core, on the fundamentals of consulting activities. Its 130 chapters are chosen to be compatible with numerous contexts, but like the proverbial iceberg, nine-tenths of that compatibility lies below the surface. None of those readings deliberately intends to exclude any context, but at the same time this book does not dwell on any one

context. Various contexts do get special if not comprehensive attention, however—public agencies, schools, businesses, voluntary organizations, and so on.

So let there be fair warning. Consulting activities constitute a *what* that also happens *somewhere*, and success always involves mating *core* to a specific *context*. This volume concentrates on the former, as noted. Experts in various contexts can do that job on site better than it is done here, and such integration will often be enhancing and even vital. The following list illustrates the far-larger array of contexts, or arenas for application:

Organization development: Burke (1987), French and Bell (1995), Golembiewski (1979, 1990), Cummings and Whorley (1993)

Industrial or commercial settings: Partain (1973), Perkins et al. (1983), Henning (1997), Nadler (1998), and numerous others

Schools or in educational administration: Blumberg and Greenfield (1986), among many others

Human services and several mental health professions: Applebaum (1981), Goodstein (1978), and others

Hospitals and medical services: for example, Boss (1989), Caplan (1970)

Public management: Chisholm (Chap. 18), Golembiewski (1995), Golembiewski and Kiepper (1988), and others

Organizational excellence: Bradford and Cohen (1984), Nadler (1998), and other possibilities

What may be called "industrial social work," as in the various employee assistance programs: Roman, Johnson, and Blumberg (Chap. 7), in this book

Religious organizations: Coghlan (1998)

Numerous voluntary organizations: Golembiewski (Chaps. 40, 77), in this book, as well as Coghlan (1996)

## II—

### Two Useful Take-Off Points

This volume is rich with possibilities, but let your editor suggest two possible points of departure for users of this powerful inventory of selections. Consider the following:

Edgar H. Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?" (Chap. 115)

John J. Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach" (Chap. 119)

Many ways of using this volume could highlight these selections at start-up. Schein provides broad and insightful coverage of several consultancy models, and relates those to needs he sees emerging in (and often challenging the coping capacities of) organizations as they are coming to be. In useful reinforcement, Sherwood narrows his focus to traditional models of consultation versus the collaborative model in better keeping with this volume and its underlying values and sympathies.

## III—

### Six Goals toward Comprehensiveness

Having said this much about where users might begin, let your editor detail the range of approaches this volume can serve. Directly, the intent of this book to serve as the core resource for multiple approaches to consultation is reflected in six additional factors.

Consultancy as a growth industry

The universality of the growing reliance on consultation

The multifaceted character of consultation

The need to distinguish roles from activities that are consultative

The crucial part that consultation plays in the linkage between hierarchy and specialty, or between authority and information

The range of ethical considerations relevant to both consultative roles and activities

A—

**Consultancy As a Growth Industry**

In its various forms, consultancy everywhere is one of the major growth industries; it is both burgeoning and ubiquitous. The point cannot be supported precisely, but two perspectives fully support the present position.

First, no reliable estimates are possible about that substantial volume of consultation that amounts to a kind of cottage industry—freelancers and part-timers who are professors, for example—but the number of part-time individuals and informally organized firms involved in consulting is huge and growing, without doubt. Over the years, estimates of growth rates of several thousand percent would not be outlandish.

Second, the growth curve for formally organized firms is definitely off the charts. During decades in which the growth spurt was particularly pronounced (Patenaude, 1979, p. 203), the number of stand-alone consultancies in this country doubled or tripled each decade. Note also that many business and government organizations in the last several decades began assembling substantial "internal" consulting cadres in more or less permanent offices dealing with OD, job involvement, QWL, quality circles, and total quality management, among numerous other emphases.

The trend line for both internal and freestanding consultancies still seems tilted upward, although its slope seems to have leveled off a bit. One indicator—the supply of "how-to" books—is long and growing, and the demand for these books remains strong (e.g., Bellman, 1990, Porter, 1979).

B—

**Universality of Consultancy**

Business, government, and voluntary sectors of activity are about equally likely to employ consultants, and the trend line for the kind of consultation the editor favors—OD—exceeds even the broader bullishness. The growth of the OD profession has had as sharp a rate of growth as any other, and more so than most arenas of consultancy, to put the matter conservatively.

One point suggests the full argument. The first advertisement for an "organization change agent" appeared in the *New York Times* in the mid-1960s. Today, some fifty universities supply master's degrees in OD, and doctorate programs also are proliferating.

Some stark statistics underscore the magnitude of this proliferation. In the federal government, global expenditures for consultants from 1960 to 1980 zoomed up by more than 500%, while civilian employment rose by less than 20% (Rosenblum and McGillis, 1979, p. 220). Numerous reasons account for this striking asymmetry, of course. The growth spurt reflects contracting out to consultants, as well as other nontraditional ways of accomplishing the public's business (e.g., Saint-Martin, in press).

C—

**Consultancy As Protean**

Consulting activities also are protean and multifaceted, and this elemental yet awesome fact also urges comprehensiveness—even requires it. Four points illustrate this broad characterization.

1. The multiple facets of consultation get ponderous characterization in a definition by the U.S. Office of Management and Budget. This definition *excludes* all research, as well as the performance of operating activities and their supervision. The definition of consultation *includes* all advisory services "relating to the development of agency policy," as well as "advice on organizational structure and methods," "analysis of the impact of programs," and "policy and program analysis evaluation and advice" (*Federal Register*, 1977). These foci relate to the guts of public management, of course. The situation does not differ in other contexts—in business, voluntary organizations, and so on.

2. The consultant can function at several levels of social complexity, often at the same time. The prime targets for consultation thus include individuals and small groups as well as huge aggregates of people and capital. Your editor's own clients include consulting firms with up to thousands of professionals.

3. Consultation can emphasize several methods or approaches, singly or in complex combinations. The focus can thus be on *interaction*—on how people in various aggregations deal with one another—or on the *policies and procedures* that variously influence or determine that interaction or that may even motivate behavior in stark opposition to those policies and procedures. Alternatively, the consultant may focus on the *structures of work*, or the technology. Both interaction and structure can powerfully circumscribe human interaction, even warp it into torturous shapes.

4. Consultation activities may be roughly distinguished as relatively generic or as basically site-specific, but in practice mixed variants dominate. No doubt the dominant mix involves differences in both core and context for consultation, as the earlier discussion emphasizes.

In sum, the effective consultant must be prepared to act across broad realms of experience with a range of approaches, *or at least must be aware* of those realms and approaches. The excellent consultant takes both core and context into explicit account, but consultancy often falls far short of the ideal (e.g., Wildavsky, 1979; Szanton, 1981). Perhaps the prototypic shortfall involves this myopia: a tool from a core dominates all contexts—give a less-experienced person a hammer and all the world can seem like a nail.

**D—**

#### ***Consultation As Role and Activity***

We need to briefly distinguish behavior from general role—consultation from consultant, activities from roles. Many more people participate in consultation than identify themselves as consultants, to put the point directly, so not only consultants need enhanced consultation skills—far from it, in fact.

Three variants of the consultant/consultation distinction illustrate the present point—that we are all engaged in consulting activities not only for much of our working hours but also far beyond the working day. Consultation occurs not only at work, but also in families, in volunteering, and so on.

Traditional organization theory distinguishes "line" from "staff," as does practice in many business and public agencies. The staff role is defined in terms of advice and consultation to the line, which is "in command." Staff may be considered internal consultants in these terms, and persons in such roles constitute an important target for this book (e.g., Henning, 1997). They are variously "on tap."

Much consultation comes from those variously "outside the chain of command." They may be freelancers or members of outside consulting firms. They are external consultants who should also find this volume useful.

"Line" officials have roles that emphasize authority and responsibility, and although they are not consultants by role, they often get involved in consultation. This occurs in two basic ways. The line official thus will often be involved in consultative relationships with both internal or external consultants, and these can be useful (even vital) associations.

In addition, the line official may also have a range of consultative associations with superiors, peers, and subordinates in problem-solving settings. Indeed, the line official's role increasingly requires greater consultation and less of the authoritative aspects traditionally associated with the line role.

**E—**

#### ***Consultancy and Linking Authority with Information***

Consider now a critical linkage nourished by consultation—whether viewed as a role or as activities—connecting hierarchy with specialty and linking authority with information. This linkage is central in all organized life (e.g., Saint-Martin, in press).

The consultant's role is a critical one in representative systems and promises to become more so as our political systems move into new arenas that have to be managed with growing thoroughness, sensitivity, and technical skill. Lerner (1976, pp. 7–8) sagely reflects the point in his treatment of politicians and experts, noting that the politician has "nominal, formal responsibility for making

decisions on issues of public interest." Our highly technical society, however, requires expertise and hence propels "experts into decision-making circles that are still nominally the exclusive domain of politicians." The expert and the politician can contribute different skills and orientations to the same job, and precisely these differences in skills require that they be brought together efficiently and effectively. That is to say, the expert and the politician come together because authority, *to be exercised wisely*, needs information and know-how. Lerner nicely closes the loop. He notes that "information, which dictates the best courses of action, needs authority to facilitate or sanction that action."

Sometimes politician and expert roles are combined in the same person, but we should not count on it.

This interface of authority and expertise can come in many forms. The relationship can be between adversaries or collaborators, it can be integrative or at cross-purposes, or it can be timely or tardy, but relationship it *will* be, for good or ill. And it implies tensions and complex interdependencies that will test the best among us, as well as the best that is in us. This is the full sense of Wildavsky's (1979) *Speaking Truth to Power*.

F—

### **Consultation and Ethical Tethers**

Especially given its growth rate and universal application, consultation runs the risk of being an awesome unguided missile (e.g., Szanton, 1981). Consultation can both pollute authority and be polluted by authority, as it were. It is all a matter of appropriate expectations about expertise and its uses and specific applications. Hence the central role of ethics and values in consultation. Technocratic views of consultation will not suffice. Although focusing on some set of skills or abilities would simplify the present task, technocratic views alone blur and distort the challenges that need to be faced. The "missile" stands in need of a guidance system, in short; consultative roles and activities require ethical attention and restraint.

The need for ethical attention and restraint can be established in several ways, but here we consider only one set of motivators. Although the most flush years may be behind us, consultancy can still inspire a kind of gold-rush quality; witness such book titles as *Consulting: The Smart Man's Way to Riches* (Porter, 1979).

Such boosterism can be overdone, and easily. Fortunately, some counterbalances exist, as in Bellman's *The Consultant's Calling* (1990), which seeks to highlight integrity and values in what is offered as "the most difficult white-collar profession in the world." Moreover, this volume must be sufficiently comprehensive to circumscribe the subtleties associated with ethics and efficacy. For what reasons? They include providing readers with serviceable guides for what should be done, reasonable guidance as to how that might be done, and reliable information about the success rates of particular interventions under specific conditions.

IV—

### **Putting Design in the Service of Comprehensiveness**

These six motivators of comprehensiveness have direct implications for the design of this volume, and three of these major implications require at least brief treatment, in sum

Running the risk of "heft" while minimizing "heaviness"

Arraying all selections in terms of each of the six orientations

Illustrating how learning matrices can be formed by combinations of the six orientations

Broadly speaking, these design features seek to make the book both flexible and user-friendly while still respecting the numerous details and complexities required by a comprehensive volume. The point can be put sharply. This volume will not pander to readers, but it seeks to inform them rather than to herniate them. For example, this volume has a strong how-to orientation, but also insists that the reader pay substantial attention to issues of *why* and *what*. "Why" issues emphasize values and ethics. "What" issues relate to the basic processes and dynamics—to theories, or operating pictures of reality.

A—

***Heft Versus Heaviness***

Comprehensiveness requires a broad selection of *readings*, and hence this volume is not suitable for carrying around in one's jacket pocket. Definitely, it cannot advertise itself as a consultants' "little book."

Within the limits imposed by the subject matter, however, the volume seeks to be determinedly user-oriented. For example, selections are chosen for their spritely and multiple-purpose character, as contrasted with leisurely developments of limited themes. Editorial cuts increase *this helping content per page*, so to speak. For example, selections often emphasize bottom-line features—empirical features, concepts, or summary theories—while they eliminate some of the underlying analysis, statistical treatment, or detailed proof.

B—

***Arraying Selections by Each of Six Orientations***

As the major reflection of the user-friendly character of this volume, all selections are arrayed in terms of six orientations that help provide a full picture of consultative roles and activities. These orientations are

Stages in consultation  
Scales of applications  
Hierarchic levels of applications  
Classes of interventions  
Skills for consultation  
Substantive issues in consultation

Tables 1–6 detail subheadings for each of these orientations that will help guide the reader. The tables also identify some of the selections reprinted below that are relevant to each one of the headings. Not all contributions relevant to each topic are identified, in large part because most contributions have multiple relevancies.

1—

**Orientation I:  
Stages in Consultation**

Conveniently, we begin with "stages." As with all of life, consultation has a beginning, an end, and an in-between. The full sequence of stages in a consulting relationship is usefully anticipated because more often than not the stage we are in can be so preoccupying as to encourage neglect of other stages. This implies that consultants often can "fail" as they "succeed"; they can meet today's needs by complicating what must be done tomorrow. The ideal consultation seeks to meet today's needs with a useful view of what tomorrow probably will bring.

Table 1 arrays contributions directly relevant to highlighting seven consultive stages, whose meaning is pretty much self-evident even if often neglected. A kind of fore-and-aft illustration will help the present purpose. The consultation process thus begins with scouting, which refers to one of the major requirements of consultancy: find a client, first, and preferably one with whom mutual benefit is a reasonable possibility. Curiously, scouting often does not get the conscious attention its head-of-the-line position implies.

Much the same may be said about the two end-of-game phases: disengagement and closure as well as debriefing. Conscious attention to them is often spotty and inadequate, and understandably so because of inadequacies at the earliest stages. As is the case with much of life, it is hard to make up for a poor start with an effective rush toward the end of the consultation. In many cases, the problems of a consultancy start-up that is innocent of the requirements of succeeding stages can never be overcome. In this sense, consultation typically is more like constructing a building than it is like a 100-yard dash. If the building's foundations are weak, subsequent artistry will seldom do anything but conceal the damage. In contrast, a really excellent runner may be able to overcome a slow start, especially if the competition is not so hot.

Let us be more specific about this interaction of earlier and later stages to make an obvious point but hopefully in a revealing way. Disengagement seeks to avoid two extremes: building depen-



dence of the client on the consultant, and generating a sense of loss or even rejection on the part of the client when it is time for consultants to move on after they have left in place not only a product but better still processes, skills, and values that will be useful to their clients. Both dependence and a sense of abandonment are real possibilities, and need to be avoided. Consciousness about avoiding these dual undesirabilities is best raised right at the beginning, even in the scouting phase, and certainly at entry and contracting.

Similarly, closure and debriefing are also related to what happens in the earliest consulting phases. Inadequate contracting may not only result in poor action planning and ineffective implementation, but poor contracting can also complicate closure in the final phase of a current project. Relatedly, failure to extinguish tension systems may mean trouble for the next project. Indeed, failures at closure can leave the consultant with a growing burden to carry—unfinished business, or "garbage."

2—

### **Orientation II: Scales of Applications**

Consultation is multidimensional, and Table 2 focuses on six "scales of application," which refer to sheer increases in the scope and size of the target for consultation.

The various scales of application pose central issues, and can be tricky in the bargain. Certainly the historical track record provides no confidence that things will somehow work out in the absence of a determined awareness that differences in the scale of an application can be profoundly significant. For example, many OD consultants specialize in small group settings, as in team building or sensitivity training.

Success at one level does not guarantee success in settings of different scales. An "organization" is not just a "*big* small group," in sum, or even a collection of small groups. This book of readings draws insistent analysis to this point, especially by focusing on the systemic character of consultation as well as on concepts appropriate for different scales of application, as Resnick emphasizes in "Managing Organizational Change: A Primer for Consultants and Managers" (Chap. 112) and as Coghlan insists upon in "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach" (Chap. 20).

Many problems also are interorganizational, but the consultant typically will be restricted as to the scale of an application. Coghlan also provides major guidance here. The basic challenge is intervening at one level while avoiding or minimizing similar or greater problems at other levels. In heroic consultations, interventions in one arena not only take other arenas into account, but those interventions also simplify life in other arenas. "Solving" a problem at one level by displacing it to another is much like throwing one's dead cat in the backyard of a neighbor. You get rid of one problem, but only at the cost of creating a greater problem or problems. See also Chisholm (Chap. 18).

3—

### **Orientation III: Hierarchic Levels of Applications**

Table 3 deals straightforwardly with hierarchic levels at which consultation can occur. Orientation III does not merely repeat its predecessors. Note that the same scale of application—let us say for a pair of individuals—can occur at all of the hierarchic levels of application isolated in Table 3.

Orientation III is thus only *apparently* straightforward. Even if in a preliminary way, let's try to be somewhat more than simple in this important regard. We draw attention here to a single aspect of the need for consultants to be sensitive to the level of application, to illustrate the broader point. For example, a central issue in consultation resolves around the usefulness of specific classes of consultative efforts at various hierarchic levels. One rule of thumb: the higher in the hierarchy you go, the greater the relevance of interaction-centered approaches; and the lower in the hierarchy you go, the more the consultant is advised to test for the applicability of structurally oriented interventions. Indeed, at very high levels of organization, relationships—whether they feature interaction characterized by trust and confidence, or win/lose competition and suspicion—may be all that exists between executives, or at least relationships constitute much of what exists.

Like all rules of thumb, of course, this one has its limits, but it does typify the kinds of issues to which Table 3 helps draw attention—issues about which specific consultants must develop their own philosophy based on the available but incomplete research literature. For one such level-specific effort, see Golembiewski's "Aspects of 'Executive Constellations' That Can Trouble Consulting" (Chap. 35).

**TABLE 1** Orientation I: Stages in Consultation**Generic issues**

Blumberg, "Consultation in Schools as Organizations for Learning"

Byrd, "American Quality: Born Again"

Gellermann, Frankel, and Ladenson, "A Statement of Values and Ethics by Professionals in Organization and Human Systems Development"

Golembiewski, "Balance as a Useful Metaphor for Consultation and Fly-Fishing, Too"

Golembiewski, "Competence via Regenerative Systems"

Golembiewski, "Managing Transitions"

Mastenbroeck, "Organizational Innovation as the Management of Interdependencies in Networks"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"

O'Connell, "Process Consulting in a Content Field"

Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"

Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experiential Learning, and Awareness"

**Scouting**

Cherniss, "Preentry Issues Revisited"

Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"

Golembiewski, "The Intervenor's World: Overall Features and Special Traps"

**Entry and contracting with client**

Boss, "The Psychological Contract"

Golembiewski, "Stakeholders in Consultation"

Mastenbroek, "A Model for Negotiation"

Tannenbaum and Davis, "Values, People, and Organizations"

**Diagnosis and data collection**

Golembiewski, "Features of Energizing Data"

Golembiewski, "Sensing Groups in Consultation"

Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"

Janz and Mooney, "The Interview as a Consulting Tool: Lessons from the Hiring Interview"

Kuhnert and Gerber, "Facilitating Organizational Change Through Survey/Feedback and Implementation"

Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"

Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"

Norris-Tirrell and Clay, "The Production of Usable Knowledge"

Taras, "Defective Group Decisions: Diagnosis and Intervention in Situations of Misguided Agreement"

Whorton, "Using Success as a Framework for Community-Based Needs Assessment"

**Action planning**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Bozzone, "Operating Systems Interventions"

Byrd, "Team Building and Its Risks"

Cahoon, "Using the Search Conference Technique for Team Socialization and Strategic Planning"

Chisholm, "Applying Action Research to Public Sector Problems: International Perspectives"

Deaner, "A Two-Phase Planning Process for Managing Change in Organizations"

Dunphy and Stace, "Strategies for Organizational Transition"

*(table continued on next page)*

**TABLE 1 Continued**

Mastenbroeck, "Organizational Innovation as the Management of Interdependences in Networks"

Rossy, Glassman, and Dahl, "Tailored Management Development as a Vehicle for Strategy Implementation"

Vaill, "Strategic Planning"

Whorton, "Developing Effective Community Groups"

**Implementation and evaluation**

Antoszkiewicz, "Selecting and Energizing a Team"

Behn, "Linking Measurement to Motivation"

Borich, "Five Stages for Self-Evaluating Organizations"

Chisholm, "Using Large System Designs and Action Research to Develop Interorganizational Networks"

Cummings, "Sociotechnical Systems Consultation"

Doherty and McAdams, "Micro and Macro Perspectives on Gain Sharing: Achieving Organizational Change with Alternative Reward Strategies"

Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"

Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"

Golembiewski, "Role Negotiation as a Controlling Design"

Nadler, "Techniques for the Management of Organizational Change"

Resnick, "Managing Organizational Change: A Primer for Consultants and Managers"

Sherwood, "Creating Work Cultures with Competitive Advantage"

**Disengagement**

Gilmore, "Issues in Ending Consultancies"

McCauley, "Ethical Issues in Organizational Consultation"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experimental Learning, and Awareness"

**Closure and debriefing**

Boss, "The Psychological Contract"

Isgar and Isgar, "Quality of Work Life for Consultants"

Pines and Caspi, "Burnout in Organizational Consultation"

4—

**Orientation IV:****Classes of Interventions**

Table 4 emphasizes several classes of consultative interventions or approaches, and for some obvious reasons. The well-prepared consultant will be able to consider a range of classes of interventions for any client or consulting opportunity. This does not necessarily mean that one has to be expert across that full range, although that would be ideal. Few of us can even pretend to measure up to that ideal, but that does not mean that we can avoid struggling against habit and comfort with what "seemed to work" the last two (or 20) times. Sadly, one can overrely on the same design—a kind of Johnnie-one-note who does not recognize that the very design that succeeded in one situation can be doomed to failure in another.

Table 4 also draws attention to two aspects of interventions or approaches: generic and specific. The first aspect focuses on the range of considerations that can influence the choice of an intervention. Obvious reasons urge the consultant to give substantial attention to both the science and philosophy influencing choices between interventions, not only at the point of decision but more especially throughout the continuing development of the career of the well-prepared consultant. Clients often will have their own ideas about appropriate approaches or designs, for example, and these ideas do not necessarily reflect truth and virtue even as they are important and can be insistently proposed. Client participation and ownership are central goals in many consulting interventions, of course, and they should not be jeopardized lightly, hence the relevance of such contributions as Blake and Mouton, "The Consulcube: Strategies for Consultation" (see Chap. 6).

**TABLE 2** Orientation II: Scales of Applications**Generic issues**

Blake and Mouton, "The Consulcube: Strategies for Consultation"  
 Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"  
 Dana, "Managing Organizational Conflict"  
 Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"  
 Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"  
 Golembiewski, "Model This, Model That: Consultants Can't Do Without Them"  
 Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features and Ways of Blunting Their Impact"  
 Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"  
 Isgar and Isgar, "High-Performing Teams: A Definition"  
 Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"  
 Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"  
 Lundberg, "Emotions and Consultancy: Toward a Psychology of Helping"  
 McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"  
 Resnick, "Managing Organizational Change: A Primer for Consultants and Managers"

**Individuals**

Boudreau, "Models of Development and Issues They Raise for Consultants"  
 Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"  
 Golembiewski, "Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases"  
 Golembiewski, "Career Planning Design"  
 Golembiewski, "Competence via Regenerative Systems"  
 Golembiewski, "Demotion Design: An Option for Forward-Looking Organizations"  
 Golembiewski, "Giving Effective Feedback"  
 Golembiewski, "Humans as Need-Fulfilling: Implications for Consultants"  
 Golembiewski, "Resilience and Change at Three Levels"  
 Golembiewski, "Three Models of Learning: Choices and Consequences"  
 Golembiewski, "Managerial Responses to Transitions in Adult Development"  
 Luke, "How to Give Meaningful Praise"  
 Luke, "Managing the Older Worker"  
 McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"  
 Pines, "A Burnout Workshop: Design and Rationale"  
 Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers as We Enter the Twenty-First Century"  
 Schulz, "Time Management Hints"

**Pairs**

Dana, "Managing Organizational Conflict"  
 Golembiewski and Rauschenberg, "Third-Party Consultation: Basic Features and One Misapplication"

**Small groups or teams**

Antoszkiewicz, "Selecting and Energizing A Team"  
 Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"  
 Byrd, "Team Building and Its Risks"  
 Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"  
 Golembiewski, "Group Norms as Levers for Consultants"  
 Golembiewski, "Organizational Development in the Family"  
 Isgar and Isgar, "High-Performing Teams: A Definition"  
 Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"

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**TABLE 2 Continued**

- Miranda and Saunders, "Group Support Systems: An Organization Development Intervention to Combat Groupthink"
- Van Buskirk and McGrath, "Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective"
- Larger groups or departments**
- Bartunek et al., "Managers and Project Leaders Conducting Their Own Action Research Interventions"
- Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"
- Cummings, "Sociotechnical Systems Consultation"
- Golembiewski, "Role Analysis Technique"
- Golembiewski, "Role Negotiation as a Controlling Design"
- Groups of groups, or organizations**
- Blumberg, "Consultation in Schools as Organizations for Learning"
- Borich, "Five Stages for Self-Evaluating Organizations"
- Bozzone, "Operating Systems Interventions"
- Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"
- Doherty and McAdams, "Micro and Macro Perspectives on Gain Sharing: Achieving Organizational Change with Alternative Reward Strategies"
- Dunphy and Stace, "Strategies for Organizational Transitions"
- Flamholtz, "Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants"
- Golembiewski, "Alternative Models for Structuring Work"
- Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"
- Golembiewski, "Vision or Core Mission"
- Golembiewski, "Voluntary Organizations: Some Worthwhile Lessons"
- Kuhnert and Gerber, "Facilitating Organizational Change Through Survey/Feedback and Implementation"
- Loo, "Project Management for Organizational Consulting"
- Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"
- Miles et al., "Organizing in the Knowledge Age: Anticipating the Cellular Form"
- Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"
- Nadler, "Techniques for the Management of Organizational Change"
- Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers as We Enter the Twenty-First Century"
- Rossy, Glassman, and Dahl, "Tailored Management Development as a Vehicle for Strategy Implementation"
- Sherwood, "Creating Work Cultures with Competitive Advantage"
- Vaill, "Strategic Planning"
- Large-system designs**
- Behn, "Linking Measurement to Motivation"
- Chisholm, "Applying Action Research to Public Sector Problems: International Perspectives"
- Chisholm, "Using Large Systems Design and Action Research to Develop Interorganizational Networks"
- Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"
- Networks, interorganizational**
- Cahoon, "Using the Search Conference Technique for Team Socialization and Strategic Planning"
- Carroll, "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management"
- Chisholm, "Using Large System Designs and Action Research to Develop Interorganizational Networks"

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**TABLE 2 Continued**

Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"

Golembiewski, "Stakeholders in Consultation"

Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"

Lawler and Ledford, "Productivity and the Quality of Work Life"

Lynton, "Cross-Cultural Perspectives"

Mastenbroek, "Organizational Innovation as the Management of Interdependencies in Networks"

Whorton, "Developing Effective Community Groups"

The choice of an intervention can involve subtle issues. Consultants seldom wish to lose a client, but sometimes discouraging words must be uttered in the hope that they will be heard and acted on. Success here will require a clear personal philosophy of intervention as well as a good grasp of what (if any) available research and experience have to say about the success rates of specific interventions under diagnosed conditions. This book of readings provides some detail about both sets of issues, while also acknowledging that the last word has not yet been spoken and probably never will be. This causes no problems, as long as consultants persist in trying to improve "good practice," given that any definition always should be a candidate for upgrading by evolving standards. Hence the relevance of several contributions below, including your editor's "Risking Consultative Relationships to Stay Really Alive" (Chap. 64) and "Three Models of Learning: Choices and Consequences" (Chap. 73).

Table 4 also draws attention to several specific classes of interventions that might be applicable at given times and places. The specific classes relate to interventions or approaches that deal singly or in combination with interaction between people, policies, and procedures and the structuring of work and the formal relationships between people. The effective consultant will not necessarily be comfortable with all entries in each class of intervention, but one cannot have too much knowledge in this area. That knowledge has diverse features: knowing which class of intervention seems most appropriate, especially when a consultant has some favorite interventions that might cloud good judgment; knowing what skills and weaknesses a consultant has; knowing when to move ahead alone and when to ask for help; knowing what to keep and what to throw away, in the words of a country-and-western song; and perhaps especially, knowing when you need help because of clarity about what you don't know, at least very well.

5—

**Orientation V:  
Skills for Consultation**

The first four orientations involve various kinds of doing, and doing implies qualities that the consultant must supply—qualities that involve skills, attitudes, and knowledge concerning the self and a variety of possible focal persons or groups. The more adequate that supply, obviously, the more effective the consultant and the healthier the consultative relationship, hence the centrality of the headings in Table 5 and the readings associated with them.

The focus in the fifth orientation is conveniently on "skills," but that represents an imprecise shorthand for a broader constellation of qualities. These qualities include knowledge and useful instincts about behavior and organizational phenomena, a range of aptitudes for data gathering and diagnosis, an ability to present oneself effectively, and a broad set of supporting attitudes and values.

Table 5 rests on two ways of highlighting this constellation of qualities involved in consultation. "Skills" there are seen as related to persons as well as to systems.

Person-related skills have an obvious relevance to consultancy. Indeed, many have proposed that the most important tools of consultants are their "warm bodies"—their abilities to sense and feel what reason alone might highlight but also might distort or camouflage. The sense of it gets reflected in the subtitle of a book by Bellman (1990), *The Consultant's Calling*. He notes that his focus is squarely on "bringing who you are to what you do." See also Bob Tannenbaum's contribution in this text (Chap. 120).

The convenient label of this section encompasses multileveled realities. They include sensing

**TABLE 3** Orientation III: Hierarchic Levels of Applications**Generic issues in consultation**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Borich, "Five Stages for Self-Evaluating Organizations"

Boudreau, "Models of Development and Issues They Raise for Consultants"

Carroll, "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management"

Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"

Dana, "Managing Organizational Conflict"

Deaner, "A Two-Phase Planning Process for Managing Change in Organizations"

Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"

Gilmore, "Issues in Ending Consultancies"

Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"

Golembiewski, "Balance as a Useful Metaphor for Consultation and Fly-Fishing, Too"

Golembiewski, "Career Planning Design"

Golembiewski, "Giving Effective Feedback"

Golembiewski, "Managerial Responses to Transitions in Adult Development"

Golembiewski, "Managing Transitions"

Golembiewski, "Vision or Core Mission"

Kuhnert, "Facilitating Organizational Change Through Survey/Feedback and Implementation"

Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"

Mastenbroek, "A Model for Negotiation"

McCauley, "Ethical Issues in Organizational Consultation"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

Murrell, "Process Consulting Guidelines for Development Assistance, with Case Study"

Norris-Tirrell and Clay, "The Production of Useable Knowledge"

O'Connell, "Process Consulting in a Content Field"

Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"

Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experiential Learning, and Awareness"

**Internal consultants**

Golembiewski, "Risking Consultative Relationships to Stay Really Alive"

Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers as We Enter the Twenty-First Century"

**External consultants**

Blumberg, "Consultation in Schools as Organizations for Learning"

Golembiewski, "The Intervenor's World: Overall Features and Special Traps"

Golembiewski, "Risking Consultative Relationships to Stay Really Alive"

Isgar and Isgar, "Quality of Work Life for Consultants"

**Direct supervisors of service providers or producers**

Bartunek et al., "Managers and Project Leaders Conducting Their Own Action Research Interventions"

Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"

**Managers of supervisors, or middle managers**

Bozzone, "Operating Systems Interventions"

Lawler and Ledford, "Productivity and the Quality of Work Life"

Loo, "Project Management for Organizational Consulting"

*(table continued on next page)*

**TABLE 3 Continued****Managers of managers, or executives**

- Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"
- Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"
- Dunphy and Stace, "Strategies for Organizational Transition"
- Flamholtz, "Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants"
- Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"
- Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"
- Golembiewski and Blumberg, "Confrontation Design: Training and Relational Learning"
- Miles et al., "Organizing in the Knowledge Age: Anticipating the Cellular Form"
- Nadler, "Techniques for the Management of Organizational Change"
- Sherwood, "Creating Work Cultures with Competitive Advantage"
- Vaill, "Strategic Planning"

**Intact teams**

- Antoszkiewicz, "Selecting and Energizing a Team"
- Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"
- Byrd, "Team Building and Its Risks"
- Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"
- Cummings, "Sociotechnical Systems Consultation"
- Isgar and Isgar, "High-Performing Teams: A Definition"
- Taras, "Defective Group Decisions: Diagnosis and Intervention in Situations of Misguided Agreement"
- Wageman, "Critical Factors in Team Success: Diagnostic Questions for Team Leaders and Facilitators"

and feeling qualities; consultants' abilities to be aware of and to disclose their reactions as well as to provide feedback to others; an ethical sensitivity in dealing with others; and the bundle of abilities related to making oneself easily and credibly available to others under conditions of the risk and threat common in consultation. Warm bodies in these senses obviously constitute very important tools for consultancy.

Table 5 also refers to system-related skills and knowledge, and here a consultant's warm body needs to be complemented by a "well-stocked head," as it were; that is, person-related skills emphasize behavioral qualities and ways of being and becoming. System-related skills put much more emphasis on cognitive knowledge—on what one knows about recurring patterns and significant indicators in collective settings, and on what one knows about various data-gathering and analytical techniques when one cannot rely on "getting around to talk to everybody." Well-stocked heads consequently constitute very important tools for consultancy, and hence the emphases in several of the headings of Table 5, especially "Technical and Theoretical Knowledge."

The issues involved with person-related and system-related skills have caused zesty dispute, especially when framed in either/or forms. Does interpersonal sensitivity determine the consultant's degree of success and usefulness to himself and others, or does knowledge dominate? Our view is that the questions are poorly put; rather, *the* question should be: In what ways can we best develop *and then combine* person-related and system-related skills?

6—

**Orientation VI:****Substantive Issues in Consultation**

The well-equipped consultant is a marginal person in many senses, to use the sociologist's definition of *marginality* as referring to the relatively comfortable existence of a person in two or more cultural settings. In these terms, the consultant has to be a part of several settings without



**TABLE 4** Orientation IV: Classes of Interventions**Generic issues**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Golembiewski, "Competence via Regenerative Systems"

Golembiewski, "Managing Transitions"

Golembiewski, "Risking Consultative Relationships to Stay Really Alive"

Golembiewski, "Three Models of Learning: Choices and Consequences"

Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"

Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"

Norris-Tirrell and Clay, "The Production of Usable Knowledge"

Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experiential Learning, and Awareness"

**Appreciative inquiry**

Golembiewski, "Fine-Tuning Appreciative Inquiry: Two Ways of Circumscribing the Concept's Value-Added"

Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"

**Burnout**

Golembiewski, "Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases"

Pines, "A Burnout Workshop: Design and Rationale"

Pines and Caspi, "Burnout in Organizational Consultation"

**Career development**

Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"

Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"

Golembiewski, "Career-Planning Design"

**Coaching or counseling**

Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"

Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"

**Conference techniques**

Cahoon, "Using the Search Conference Technique for Team Socialization and Strategic Planning"

Chisholm, "Applying Action Research to Public Sector Problems: International Perspectives"

Whorton, "Developing Effective Community Groups"

**Conflict resolution**

Dana, "Managing Organizational Conflict"

Golembiewski and Rauschenberg, "Third-Party Consultation: Basic Features and One Misapplication"

**Cross-cultural**

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"

Lynton, "Cross-Cultural Perspectives"

**Culture or climate**

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"

Sherwood, "Creating Work Cultures with Competitive Advantage"

Van Buskirk and McGrath, "Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective"

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**TABLE 4 Continued****Demotion**

Golembiewski, "Demotion Design: An Option for Forward-Looking Organizations"

**Diagnosis**

Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"

Golembiewski, "Model This, Model That: Consultants Can't Do Without Them"

Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"

Wageman, "Critical Factors in Team Success: Diagnostic Questions for Team Leaders and Facilitators"

Whorton, "Developing Effective Community Groups"

**Employee assistance**

Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers as We Enter the Twenty-First Century"

**Family**

Golembiewski, "Organizational Development in the Family"

Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation"

**Feedback**

Golembiewski, "Giving Effective Feedback"

Kuhnert, "Facilitating Organizational Change Through Survey/Feedback and Implementation"

Lundberg, "Emotions and Consultancy: Toward a Psychology of Helping"

**Gain sharing**

Doherty and McAdams, "Micro and Macro Perspectives on Gain Sharing"

**Goal setting**

Behn, "Linking Measurement to Motivation"

Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"

Lawler and Ledford, "Productivity and the Quality of Work Life"

Nadler, "Techniques for the Management of Organizational Change"

**Group development**

Antoszkiewicz, "Selecting and Energizing a Team"

Bartunek et al., "Managers and Project Leaders Conducting Their Own Action Research Interventions"

Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"

Byrd, "Team Building and Its Risks"

Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"

Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"

Miranda and Saunders, "Group Support Systems: An Organization Development Intervention to Combat Groupthink"

Underwood, "Roles in Group Development"

**Individual development**

Boudreau, "Models of Development and Issues They Raise for Consultants"

Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"

Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"

Golembiewski, "Managerial Responses to Transitions in Adult Development"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

*(table continued on next page)*

**TABLE 4 Continued****Management education**

- Blumberg, "Consultation in Schools as Organizations for Learning"  
 Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"  
 Rossy, Glassman, and Dahl, "Tailored Management Development as a Vehicle for Strategy Implementation"

**Mergers**

- Golembiewski, "Easing the Rigors of Mergers: Some Guidelines from Experience"

**Needs assessment**

- Borich, "Five Stages for Self-Evaluating Organizations"  
 Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"

**Negotiation**

- Golembiewski, "Role Negotiation as a Controlling Design"  
 Mastenbroek, "A Model for Negotiation"

**Political systems**

- Chisholm, "Applying Action Research to Public Sector Problems: International Perspectives"  
 Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"  
 Golembiewski, "Stakeholders in Consultation"  
 Nadler, "Techniques for the Management of Organizational Change"

**Process analysis**

- Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"  
 Golembiewski, "Toward a Process Orientation"  
 Murrell, "Process Consulting Guidelines for Development Assistance, with a Case Study"  
 O'Connell, "Process Consulting in a Content Field"  
 Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"

**Quality of working life (QWL)**

- Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"  
 Lawler and Ledford, "Productivity and the Quality of Work Life"

**Reductions in force**

- Golembiewski, "Demotion Design: An Option for Forward-Looking Organizations"  
 Golembiewski, "Lessons from Downsizing: Some Things to Avoid and Others to Emphasize"  
 Mayfield, "Downsizing as a Mode of Organizational Change"

**Self-help**

- Isgar and Isgar, "Quality of Work Life for Consultants"  
 McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"  
 Pines and Caspi, "Burnout in Organizational Consultation"

**Sexual harassment**

- Fredell and Dugan, "Sexual Harassment: What's Old, What's New"

**Skill building**

- Golembiewski, "Balance as a Useful Metaphor for Consultation and Fly-Fishing, Too"  
 Golembiewski, "Giving Effective Feedback"  
 Golembiewski, "Resilience and Change at Three Levels"  
 Luke, "How to Give Meaningful Praise"  
 McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

*(table continued on next page)*

**TABLE 4 Continued****Sociotechnical and structural**

Bozzone, "Operating Systems Interventions"  
 Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"  
 Cummings, "Sociotechnical Systems Consultation"  
 Golembiewski, "Alternative Models for Structuring Work"  
 Golembiewski, "Role Analysis Technique"  
 Lawler and Ledford, "Productivity and the Quality of Work Life"  
 Miles et al., "Organizing in the Knowledge Age: Anticipating the Cellular Form"

**Start-up**

Isgar and Isgar, "High-Performing Teams: A Definition"  
 Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"  
 Vaill, "Strategic Planning"

**Strategy formulation and implementation**

Carroll, "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management"  
 Deaner, "A Two-Phase Planning Process for Managing Change in Organizations"  
 Dunphy and Stace, "Strategies for Organizational Transition"  
 Golembiewski, "Managing Transitions"  
 Vaill, "Strategic Planning"

**Structures and procedures**

Golembiewski, "Alternative Models for Structuring Work"  
 Golembiewski, "Flexi Time and Employee Control Over Work"  
 Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"  
 Loo, "Project Management for Organizational Consulting"  
 Miles et al., "Organizing in the Knowledge Age: Anticipating the Cellular Form"

**Surveys**

Kuhnert, "Facilitating Organizational Change Through Survey/Feedback and Implementation"  
 Norris-Tirrell and Clay, "The Production of Usable Knowledge"

**System building**

Deaner, "A Two-Phase Planning Process for Managing Change in Organizations"  
 Dunphy and Stace, "Strategies for Organizational Transition"  
 Golembiewski, "Continued Employability: More of the Old Fast-Shuffle, or an Emerging New Balance?"  
 Golembiewski, "Vision or Core Mission"  
 Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"  
 Nadler, "Techniques for the Management of Organizational Change"

**Team building**

Antoszkiewicz, "Selecting and Energizing a Team"  
 Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"  
 Byrd, "Team Building and Its Risks"  
 Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"  
 Gilmore, "Issues in Ending Consultancies"  
 Miranda and Saunders, "Group Support Systems: An Organization Development Intervention to Combat Groupthink"  
 Taras, "Defective Group Decisions: Diagnosis and Intervention in Situations of Misguided Agreement"

**Termination**

Golembiewski, "Lessons from Downsizing: Some Things to Avoid and Others to Emphasize"  
 Mayfield, "Downsizing as a Mode of Organizational Change"

*(table continued on next page)*

**TABLE 4 Continued****Time management**

Schulz, "Time Management Hints"

**Total quality management**

Byrd, "American Quality: Born Again"

Golembiewski, "Process and Structure as Central in Total Quality Management"

**Wellness**

Golembiewski, "Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases"

Pines and Caspi, "Burnout in Organizational Consultation"

Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities, and Barriers as We Enter the Twenty-First Century"

being set off-balance by the multiple pushes and pulls of those several identifications, at times cross-cutting if not at directly crossed purposes. Part of the consultant's motivation, then, is to become accepted by client systems without "going native," to understand and appreciate client cultures without being a true believer.

Why not go native? The consultant's contribution also involves applying to a host system the values and technologies represented in the person of the consultant, and in that sense a consultant may be decidedly "in" a system but should not be "of" a system, hence going native implies a forfeit of an opportunity to serve in a "marginal" role by contributing knowledge and sensitivity of which client is insufficiently aware and about which an outsider can more easily see and talk.

If consultants develop such a balance, they can be particularly helpful when it comes to "the big picture." The concerns that impact on consultancy and may be served by consultants are called "substantive issues" in Table 6. They range from aspects of our social and political policies to more narrow professional concerns of consultants. We illustrate here, but only gently. Of pervasive relevance are issues of values and ethics, which suffuse consultation. See especially the last substantive issue in Table 6.

Other substantive issues in Table 6 that require consistent attention involve public policy. For example, consultation should be aware, consistently and insistently, of issues associated with affirmative action. Still other substantive issues may be characterized by significant ebbs and flows. Consultation in boom times thus may have very different qualities from that under cutback conditions. The targets for intervention may differ quite dramatically, for one thing, from growth to cutback. The examples of substantive issues can vary, to put the point in general terms, and the selections in Table 6 certainly do not corral all the most popular issues of the day, not to mention the most significant ones, but highlighting even a few issues here has a singular intent. To the degree that consultants have a grasp of multiple substantive issues, to that degree they can better fit and fine-tune their activities. Indeed, perhaps the basic consultant artistry involves interventions that meet immediate needs even as they are sensitive to the range of substantive issues illustrated in Table 6. Briefly but revealingly, the consultant will succeed in the long run to the degree that these "small" and "big" pictures do not become so differently focused that bridging them is difficult or impossible.

C—

**Building Matrices from Combinations of Orientations**

Obviously the six orientations can be combined in various ways, depending on the interests of various users. In fact, there are fifteen possible matrices, considering only the possible pairings of the six single orientations selected for attention here: stages of consultation X scales of applications; stages X levels of applications, and so on. Inventive minds can create more complicated matrices,

**TABLE 5** Orientation V: Skills for Consultation

A. *Person-related skills*. Ability to function well in ambiguous and even hostile settings

**Generic issues**

Boss, "The Psychological Contract"

Dana "Managing Organizational Conflict"

Gilmore, "Issues in Ending Consultancies"

Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"

Golembiewski, "The Intervenor's World"

Golembiewski, "Resilience and Change at Three Levels"

Golembiewski and Rauschenberg, "Third-Party Consultation: Basic Features and One Misapplication"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

Miller and Deaner, "An Intersection: Collaboration and Self-Concept"

Pines and Caspi, "Burnout in Organizational Consultation"

**Consultant competencies**

Golembiewski, "The Dominant Intervention Theory and Its Selected Shortfalls"

Golembiewski, "Risking Consultative Relationships to Stay Really Alive"

Mastenbroek, "A model for Negotiation"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultant"

Murrell, "Organizational Change as Applied Art: Blending Pace, Magnitude, and Depth"

**Cultural sensitivity**

Blumberg, "Consultation in Schools as Organizations for Learning"

Golembiewski, "Organization Cultures via Distinguishing Assumptions"

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"

Lynton, "Cross-Cultural Perspectives"

Van Buskirk and McGrath, "Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective"

**Diversity**

Cohen and Bailey, "Making Teams Work: Implications for Consulting Practice"

Fredell and Dugan, "Sexual Harassment: What's Old, What's New?"

Golembiewski, "Diversity as Shining Goal or Sham? Equifinality Definitely Does Not Apply"

Luke "Managing the Older Worker"

**Feedback and intervening**

Golembiewski, "Giving Effective Feedback"

Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"

Janz, and Mooney, "The Interview as a Consulting Tool: Lessons from the Hiring Interview"

Luke, "How to Give Meaningful Praise"

**Making ethical choices**

Gellermann, Frankel, and Ladenson, "A Statement of Values and Ethics by Professionals in Organization and Human Systems Development"

Golembiewski, "Promise Not to Tell: Confidentiality in Consultation"

McCaughey, "Ethical Issues in Organizational Consultation"

Montgomery, Pincus, and Heald, "Privacy: Legal and Ethical Considerations for Consultants"

Tannenbaum and Davis, "Values, People, and Organizations"

**Mentoring**

Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"

**Self-Knowledge**

Boudreau, "Models of Development and Issues They Raise for Consultants"

Isgar and Isgar, "Quality of Work Life for Consultants"

Tannenbaum, "Self-Awareness: An Essential Element Underlying Consultant Effectiveness"

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**TABLE 5 Continued****Self-presentation in interpersonal settings**

Boss, "Preventing Regression in Team Building: A Longitudinal Study of the Personal Management Interview"

Golembiewski, "Aspects of 'Executive Constellations' That Can Trouble Consulting"

Golembiewski, "Competence via Regenerative Systems"

Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"

Tannenbaum, "Self-Awareness: An Essential Element Underlying Consultant Effectiveness"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experiential Learning, and Awareness"

**B. System-related skills****Designing interventions**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Borich, "Five Stages for Self-Evaluating Organizations"

Byrd, "Teambuilding and Its Risks"

Cahoon "Using the Search Conference Technique for Team Socialization and Strategic Planning"

Carroll, "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management"

Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"

Cummings, "Sociotechnical Systems Consultation"

Golembiewski, "Alternative Models for Structuring Work"

Golembiewski, "Easing the Rigors of Mergers: Some Guidelines from Experience"

Golembiewski, "Features of Energizing Data"

Golembiewski, "Fine-Tuning Appreciative Inquiry: Two Ways of Circumscribing the Concept's Value-Added"

Golembiewski, "Lessons from Downsizing: Some Things to Avoid and Others to Emphasize"

Golembiewski, "Resilience and Change at Three Levels"

Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"

Golembiewski, "Three Models of Learning: Choices and Consequences"

Isgar and Isgar, "High-Performing Teams: A Definition"

Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"

McLean and Sullivan, "Essential Competencies for Internal and External OD Consultants"

Rossy, Glassman, and Dahl, "Tailored Management Development as a Vehicle for Strategy Implementation"

**Diagnosing systems**

Cherniss, "Preentry Issues Revisited"

Golembiewski, "Model This, Model That: Consultants Can't Do Without Them"

Golembiewski, "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact"

Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"

Loo, "Forecasting the Future: The Delphi Method in Organizational Consulting"

Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"

Norris-Tirrell and Clay, "The Production of Usable Knowledge"

Whorton, "Using Success as a Framework for Community-Based Needs Assessment"

**Data gathering**

Golembiewski, "Sensing Groups in Consultation"

Janz and Mooney, "The Interview as a Consulting Tool: Letters from the Hiring Interview"

Kuhnert, "Facilitating Organizational Change Through Survey/Feedback and Implementation"

Loo, "Forecasting the Future: The Delphi Method in Organizational Consulting"

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**TABLE 5 Continued****Evaluating interventions**

Behn, "Linking Measurement to Motivation"

Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"

Lawler and Ledford, "Productivity and the Quality of Work Life"

**Formulating strategy**

Dunphy and Stace, "Strategies for Organizational Transition"

Flamholtz, "Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants"

Vaill, "Strategic Planning"

**Goal setting**

Behn, "Linking Measurement and Motivation"

Deaner, "A Two-Phase Planning Process for Managing Change in Organizations"

Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"

**Knowledge of profession's development**

Byrd, "American Quality: Born Again"

Gellermann, Frankel, and Ladenson, "A Statement of Values and Ethics by Professionals, in Organization and Human Systems Development"

Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"

Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"

**Organization politics: System smarts and native cunning**

Carroll, "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management"

Golembiewski, "Managing Transitions"

Golembiewski, "Stakeholders in Consultation"

Nadler, "Techniques for the Management of Organizational Change"

Whorton, "Developing Effective Community Groups"

**Self-presentation in systems**

Bartunek et al., "Managers and Project Leaders Conducting Their Own Action Research Interventions"

Gilmore, "Issues in Ending Consultancies"

Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"

Murrell, "Process Consulting Guidelines for Development Assistance, with Case Study"

O'Connell, "Process Consulting in a Content Field"

Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach"

Vogt, "Consulting as Empowerment: Building Capacity Through Participatory Research, Experiential Learning, and Awareness"

**Technical and theoretical knowledge**

Borich, "Five stages for Self-Evaluating Organizations"

Bozzone, "Operating Systems Interventions"

Daley, "Performance Appraisal Techniques and Applications: Guides for Consultants"

Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"

Golembiewski, "Three Models of Learning: Choices and Consequences"

Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"

Loo, "Project Management for Organizational Consulting"

Miranda and Saunders, "Group Support Systems: An Organization Development Intervention to Combat Groupthink"

Taras, "Defective Group Decisions: Diagnosis and Intervention in Situations of Misguided Agreement"

Underwood, "Roles in Group Development"



**TABLE 6** Orientation VI: Substantive Issues in Consultation**Action planning**

Bartunek et al., "Managers and Project Leaders Conducting Their Own Action Research Interventions"  
 Chisholm, "Applying Action Research to Public Sector Problems: International Perspectives"  
 Chisholm, "Using Large System Designs and Action Research to Develop Interorganizational Networks"

**Affirmative action**

Fredell and Dugan, "Sexual Harassment: What's Old, What's New?"  
 Luke, "Managing the Older Worker"

**Characteristics of broad environments (e.g., cultures, industries)**

Ackerman Anderson, Anderson, and Marquardt, "Development, Transition, or Transformation: Bringing Change Leadership into the Twenty-First Century"  
 Flamholtz, "Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants"  
 Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"

**Characteristics of specific targets (e.g., developmental phases, styles)**

Blumberg, "Consultation in Schools as Organizations for Learning"  
 Borich, "Five Stages for Self-Evaluating Organizations"  
 Boudreau, "Models of Development and Issues They Raise for Consultants"  
 Golembiewski, "Managerial Responses to Transitions in Adult Development"  
 Golembiewski, "Organization Stages and Consultant Choice Making: A Critical Junction"  
 Golembiewski, "Voluntary Organizations: Some Worthwhile Lessons"  
 Kuhnert and Lahey, "Approaches to Organizational Needs Assessment"  
 Lahey, "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications"  
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 Whorton, "Developing Effective Community Groups"

**Conflict**

Dana, "Managing Organizational Conflict"  
 Golembiewski and Rauschenberg, "Third-Party Consultation: Basic Features and One Misapplication"

**Consultant roles**

Cherniss, "Preentry Issues Revisited"  
 O'Connell, "Process Consulting in a Content Field"  
 Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"  
 Sherwood, "Essential Differences Between Traditional Approaches to Consulting and a Collaborative Approach"  
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**Compensation**

Daley, "Performance Appraisal Techniques and Applications: Guides for Consultants"  
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**Cultural issues**

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"  
 Lynton, "Cross-Cultural Perspectives"  
 Van Buskirk and McGrath, "Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective"

*(table continued on next page)*

**TABLE 6** *Continued***Evaluation**

Behn, "Linking Measurement to Motivation"

Borich, "Five Stages for Self-Evaluating Organizations"

Golembiewski, "Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis"

Mitki, Shani, and Stjernberg, "A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective"

**Goal setting**

Downey and Kuhnert, "Goal-Setting Programs: An Agenda for Practitioners"

Whorton, "Using Success as a Framework for Community-Based Needs Assessment"

**Innovation**

Mastenbroek, "Organizational Innovation as the Management of Interdependencies in Networks"

**Leadership**

Ackerman Anderson, Anderson, and Marquardt, "Development, Transition, or Transformation: Bringing Change Leadership into the Twenty-First Century"

Wageman, "Critical Factors in Team Success: Diagnostic Questions for Team Leaders and Facilitators"

**Learning organizations**

Blumberg, "Consultation in Schools as Organizations for Learning"

Shani and Mitki, "Creating the Learning Organization: Beyond Mechanisms"

Watkins and Golembiewski, "Rethinking Organization Development for the Learning Organization"

**Levels of intervention**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Coghlan, "Perceiving, Evaluating, and Responding to Change: An Interlevel Approach"

**Motivation**

Antoszkiewicz, "Selecting and Energizing a Team"

Behn, "Linking Measurement to Motivation"

**Negotiation**

Golembiewski, "Role Negotiation as a Controlling Design"

Mastenbroek "A Model for Negotiation"

**Organization politics**

Golembiewski, "Contextual Specificity in Consultation: Similarities and Differences Between Business and Public Sectors"

Nadler, "Techniques for the Management of Organizational Change"

**Personal well-being**

Dugan and Fredell, "Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching"

Fredell and Dugan, "Sexual Harassment: What's Old, What's New?"

Golembiewski, "Career Planning Design"

Pines and Caspi, "Burnout in Organizational Consultation"

Roman, Johnson, and Blum, "Employee Assistance Programs and Workplace Consultation: Change, Opportunities and Barriers as We Enter the Twenty-First Century"

**Productivity**

Cummings, "Sociotechnical Systems Consultation"

Lawler and Ledford, "Productivity and the Quality of Work Life"

Sherwood, "Creating Work Cultures with Competitive Advantage"

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**TABLE 6 Continued****Psychological casualties**

Golembiewski, "Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases"

Isgar and Isgar, "Quality of Work Life for Consultants"

Kaplan, "The Perils of Intensive Management Training and How to Avoid Them"

**Quality**

Byrd, "American Quality: Born Again"

Golembiewski, "Process and Structure as Central Total Quality Management"

**Strategic planning**

Dunphy and Stace, "Strategies for Organizational Transition"

Rossey, Glassman, and Dahl, "Tailored Management Development as a Vehicle for Strategy Implementation"

Vaill, "Strategic Planning"

**Stress management**

Golembiewski, "Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases"

Pines, "A Burnout Workshop: Design and Rationale"

Pines and Caspi, "Burnout in Organizational Consultation"

**Theories and models**

Blake and Mouton, "The Consulcube: Strategies for Consultation"

Golembiewski, "Model This, Model That: Consultants Can't Do Without Them"

Golembiewski, "The Dominant Intervention Theory and Its Selected Shortfalls"

Golembiewski, "Toward a Process Orientation"

O'Connell, "Process Consulting in a Content Field"

Schein, "Models of Consultation: What Do Organizations of the Twenty-First Century Need?"

**Values and ethics**

Gellermann, Frankel, and Ladenson, "A Statement of Values and Ethics by Professionals in Organization and Human Systems Development"

Golembiewski, "Musings About Transformation: Is That Someone on a White Horse Coming Around the Corner?"

Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide"

McCauley, "Ethical Issues in Organizational Consultation"

Tannenbaum and Davis, "Values, People, and Organizations"

of course, such as those that take into simultaneous account three or more of the six separate orientations. One could easily add to the detail of any of the six orientations selected here or increase the number of orientations.

Such additional combinations are numerous, and the inventive person with a personal computer of even modest power can arrange many matrices to suit diverse personal tastes. Go to it!

For obvious reasons, we cannot duplicate here all these multiple matrices, but perhaps the two most simple targets are stages in consultant X scales of applications. Even this "simple" case involves forty-two cells, the products of seven stages arrayed by each of six scales of application. The reader can grapple with the tougher cases, secure in the knowledge that useful "consultant muscle" can be built by this effort.

All in all, then, the user might find that following the model of combining the six orientations will inspire or require further search and learning. This could occur in several ways. A cell with a few or no selections thus could inspire a search for additional resources in the existing literature.

In addition, the user's future reading on consultancy might well be catalogued in the cells of one or more of the many possible combinatory matrices.

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## 2— Development, Transition, or Transformation: Bringing Change Leadership into the Twenty-First Century

Linda S. Ackerman Anderson, Dean Anderson, and Martin Marquardt  
Being First, Inc., Durango, Colorado

Building on an article in a 1985 issue of the *OD Practitioner*, we now see four types of change, which include *developmental* change, *transitional* change, *reactive transformational* change, and *conscious transformational* change. We will describe each one first, provide some examples, and discuss similarities and differences. Additionally, we will include some of the implications that each type of change has for leadership and for change strategy. Figure 1 portrays and summarizes all four types. Table 1 compares them across a range of relevant factors. (See pp. 30–31.)

### I— Developmental Change

Developmental change is the *improvement* of a skill, method, performance standard, or condition that for some reason does not measure up to expectations. Such improvements are often logical adjustments to current operations. They are motivated by the goal to "do better than" or "do more of" what already exists. In the context of organization development (OD) and applied behavioral science, developmental change also means increasing attention to human needs and values. The key notion is to strengthen or correct what already exists in the organization, thus ensuring improved performance, better continuity, and greater satisfaction. The process of development keeps people growing—alive and stretching what they are already doing.

In developmental change, the new state is a prescribed enhancement of the old state rather than a radical or experimental solution requiring profound change. The degree of pain triggering developmental change is usually low, at least in comparison to the other types of changes. This does not mean that developmental change is not important or challenging; it is. The risks associated with it, however, and the number of volatile variables tied to it, are considerably less than with the other three types of changes.

By definition, the gap between what the environment calls for and what currently exists when developmental change is needed is low. The threat to the survival of the organization is also low.

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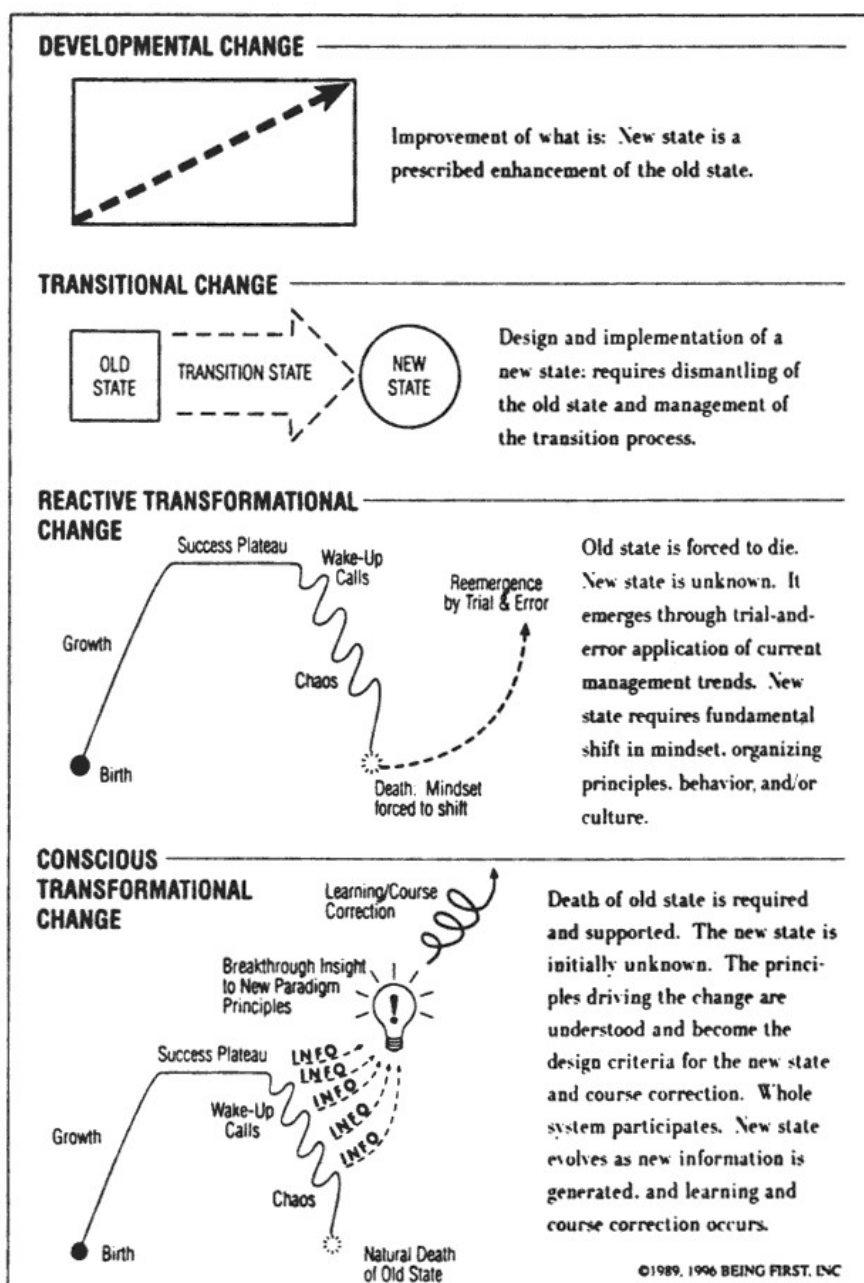


Figure 1  
Four types of change.

although it can still be used as a motivator. The impact on mindset is therefore generally minimal beyond gaining people's commitment to improve. The ease of closing the improvement gap, given people's familiarity with and commitment to what is required, is generally high. Given this, developmental change is best initiated through goal setting—or a challenge to excel—as opposed to remedial or punishing action.

There are two assumptions in developmental change: first that people are capable of improving, and second that they will if the appropriate resources, information, motivation, and training are provided. An assessment and problem-solving approach to identify, remove, or resolve what

has blocked better performance can readily be applied. The existing reward system is an essential tool for motivation, as is the sharing of information about why the developmental change is needed.

Developmental change can be applied to individuals, groups, or the whole organization. It can be observed, for example, through any of the following processes:

- Improving quality
- Increasing cycle time
- Team building
- Problem solving
- Training (both technical and personal, such as communications, interpersonal relations, supervisory skills)
- Improving communication
- Conflict resolution
- Increasing sales or production
- Meeting management
- Role negotiation
- Survey feedback
- Job enrichment
- Expanding market outreach

## **II— Transitional Change**

Our moral responsibility is not to stop the future but to shape it . . . to channel our destiny in humane directions and try to ease the trauma of transition.

—Alvin Toffler

Transitional change is more complex than developmental change. Rather than simply improving what is, transitional change replaces what is with something entirely different. Transitional change involves the achievement of an existing state over a set period of time. It requires the dismantling of the old state and the creation of the consciously designed new state. Transitions include reorganizations, mergers, divestitures, implementation of computers or technology, or the creation of new products or services.

Transitional changes are typically perceived as projects, and can be rather finite, with a specific start date and end date. They usually have a fairly clear outcome and are designed against a set of preconceived design requirements. Transitional change strategy is largely aimed at solving a perceived problem and reducing its threat to the survival or market standing of the organization.

Transitional change begins when organization leaders identify that a problem exists and that something needs to change or be created to better serve current or future demands. Once executives or change leaders have assessed the needs and opportunities at hand, they design a more desirable future state to implement. To achieve this new state, the organization must dismantle and let go of the old way of operating and move through a period of transition while the new state is being put into place. In the transition phase, people are not yet out of the old and not yet fully in the new. Significant chaos can be experienced during this time, especially if change leaders are not aware of the dynamics that accompany transitional change. There is much that can be done to minimize it and orchestrate a well-planned change effort, however.

Transitional change may be exclusively operational, technical, or structural in nature, requiring little human or cultural change. Because the human impact and requirement for personal change is fairly low, the change process can be "managed" or controlled more than in transformational change, in which the human impact is significant. This also makes transitional change much more predictable.

**TABLE 1** Four Types of Change Matrix

Type	Degree of pain felt	Primary motivation	Degree of threat to survival	Gap between environmental needs and current operations	Clarity of outcome
Developmental change	1	Improvement	1	1	4 It is prescribed against a standard.
Transitional change	2	Fix a problem	2	2	4 It is designed against criteria.
Reactive transformational change	3–4	Survival: change or die	3–4	3–4	1 It is not known; it emerges or is tried and corrected.
Conscious transformational change	1–4	Survival and thrival: drawn by the possibilities of the emerging paradigm	1–4	1–4	2 Principles of emerging paradigm provide some guidance: outcome emerges through trial and error and continuous course correction.

*(table continued on next page)*

If well managed, the period of transition includes an analysis of the impact of the new state on the old organization and its members. The results of this analysis indicate how much change is actually required and how long it will likely take. From this knowledge, a logical plan of action and an appropriate timetable can be developed to conscientiously guide the implementation of the new state. Often the transition phase is managed by two parallel structures—one that keeps the operation going and one that oversees changes impacting the technical, financial, or people ends of the business. When more than one initiative is required, a change strategy called a multiple project integration process can be used to provide for coordination and integration to minimize the chaos and competition for attention and resources. A good communication and participation plan can hold the whole thing together and aid employee involvement and commitment.

Throughout the interim period of disruption, the organization uses its vision, its new-state design, and its plan to guide its actions forward and to energize the change process. The plan may involve developmental change to increase the skills, teamwork, and know-how needed in the new state. Like developmental change, parts of the organization—be they locations, business processes, policies, or work practices—can go through transitional change without disrupting the entire organization. Disruption is also less than in transformational change because the impact on mindset, behavior, and culture is not a driving force.

### III— Transformational Change

Transformational change is the least understood and most profound type of change facing organizations today. Simply said, transformation is the radical shift from one state of being to another,



(table continued from previous page)

Type	Impact on mindset and paradigm	Focus of change	Orientation	Method of creating solution	Level of personal development required	How change occurs
Developmental change	1 Little, if any	Improvement of skills, knowledge, practice, and performance	To do better in a certain area; project-oriented	Expert-driven; training	1	Through training, skill development, communications, process improvement
Transitional change	1 Little, if any	Structures, practices, and technology (not culture)	Project-oriented; largely oriented to structure, technology, and practices	Problem solving; solutions created internally or externally	2	Organized process and support structures
Reactive transformational change	2-3 Forced to shift: old mindset chipped away at; change may be piecemeal	Overhaul of structure, practices, and culture; may be partial	Process-oriented within parameters of the project; requires shift in mindset, behavior, and culture	Emergent; trial-and-error based on tailoring current management trends and new practices	3-4	Leader-driven; emergent process
Conscious transformational change	4 Choice to shift made through new information; choice to look at the world differently	Principle-driven; align structure, practices, and culture to principles of the emerging paradigm	Pure process orientation; evolutionary; requires shift in mindset, behavior, and culture	Emergent; co-created with participation of all stakeholders (internal or external); aligned to the emerging paradigm	4	Principle driven; co-created emergent process

where the new state is uncertain until it emerges, and by definition is better able to meet the more sophisticated demands of the environment than the old "tried and true" state. Transformation usually results from radical marketplace or environmental changes coupled with the organization's inability to handle current and future requirements using its existing mindset, resources, skills, structures, and practices. The pain of the mismatch between the organization and the needs of its environment creates a *wake-up call* for the leaders of the organization. If the leaders don't hear or heed the call and the organization doesn't change to meet the new demands, the organization will struggle, decline, and ultimately "die." To survive, the leaders in one way or another must act on the wake-up call and begin the process of transforming to a new way of being and operating.

When heard, the wake-up call catalyzes a change in awareness, belief, and intention about what is necessary for the organization to thrive under a new or more complex set of conditions. The process of figuring out and creating the new state is not highly controllable, and requires organization members to be able to operate within a heightened state of chaos and uncertainty. Transformation, in fact, is the creation of a new order out of existing chaos. The new pattern is the product of both the chaos and the process that occurs to create a better new state.

We see two types of transformation occurring in organizations today. One we describe as *reactive*, where the transformation happens to the organization without its leaders having much constructive say. This forced transformation is largely the consequence of the leaders not wanting to change and therefore not acknowledging the signs that change is necessary. An example would be the shutdown of a plant or division because its performance threatens the survival of the organization. Often the outcome of this scenario is fought tooth and nail, adding to the pain, complexity, and

length of the experience. The other type of transformation is one we term *conscious*, where leaders proactively participate in the process, crafting as much of the journey and outcome as is possible. An example here is the conscious design and execution of a drastic shift in business strategy that is recognized as critical to future success and worthy of the investment. In either case, *reactive* or *conscious*, the generic process of transformation is the same. Differences between the two types will be discussed in detail later.

At the risk of oversimplification, the generic transformational process is one that begins with disruption, moves through death, and ends with inspired rebirth. Figure 1 includes a graphic representation of this process for both types of transformation. Applied to the organization, the generic process is something like what follows.

An organization is initially born out of a new idea that serves the needs of its environment. In serving these needs, it grows and matures until it reaches a level of success. The organization works hard to maintain its success, and over time functions on a plateau of sustained performance. Keeping the status quo is its primary goal in this phase.

Over time, the organization begins to experience difficulties in any number of areas: stagnation, equipment failure, productivity drops, and loss of control of costs and information. Threats from competition, inadequate resources and skills, market loss, or new demands from the environment add to its difficulties. It moves into a period of struggle between internally and externally driven chaos, and attempts to maintain some semblance of order and control (often treated as developmental needs, cost-cutting efforts, or "band-aiding"). Because of their attachment to the old success record, executives usually continue to deny, explain away, or overlook the series of wake-up calls for needed change, which get louder, more painful, and more costly as time goes by.

The disturbance level increases until finally something snaps—the organization is either forced out of business (with or without learning from the experience) or shifts its world view. The transformational moment is one in which organization leaders break through to a totally different view of their reality. A paradigm shift occurs, indicating an expansion of conscious awareness. The leaders, and subsequently the rest of the organization, suddenly recognize that the world is not as they first believed, and that now they must do something radically different, no matter how "successful" they used to be. Their mindset shifts, calling for subsequent changes in how they think, behave, organize, and lead. Something entirely new must be created.

The phoenix analogy is useful here: the transforming organization rises out of the ashes of its old beliefs. Behavior and form take a new direction, one that in its new world raises its performance capability by necessity to a much greater level of perceptiveness, functioning, and responsiveness. Armed with this insight, organization leaders proceed to formulate some entirely new direction that better serves the larger environment and matches their new view of reality. All new state work is driven by the shift in mindset, which ideally includes a deeper understanding of the transformational process, its emergent nature, and the requirement for learning, course correction, and behavior change. The shift in mindset in the leaders must be translated into cultural shifts for the organization, designed to support the new business directions. Culture then becomes a driving force for the organization's transformation. The different types of transformations take this insight to different levels, as we will soon see.

Once the shift in mindset has occurred, the process of discovering and designing the new state begins. Hopefully the new awareness provides a greater sense of purpose, which is necessary fuel for the continuous learning process of formulating the new state. It helps maintain direction in the face of prolonged uncertainty, since the death and rebirth process occurs over an extended period of time and cannot be controlled or mandated. The path to clarity is lined with trial and error, inquiry, and a healthy dose of self-reflection. The wide range of unpredictable variables, both human and organizational, cannot be regulated, but rather must be responded to in as proactive and creative a way as possible without succumbing to the "comfort" of the old solutions, beliefs, and behaviors. This occurs in differing degrees in reactive transformation and conscious transformation.

With this view of the generic transformation process as a backdrop, let's look at the two types of transformation with a sharper eye.

#### IV—

#### **Reactive Transformation**

Reactive transformation is so called because of the mindset held by the leaders and the conditions they create in the organization that forces the change to occur. The chaos period is prolonged by the leaders denying or rejecting early wake-up calls. Despite the building of discomfort, leaders persevere with the old "successful" way of thinking and operating until the pain associated with the use of the old ways becomes so great that the realization of the need for something new becomes critical. The heightened threat to survival becomes the wake-up call that finally gets heard. It is usually cataclysmic and harsh, forcing the organization into transformation.

Even though the leaders' mindset is affected by the realization, this awareness does not shift to the place where choice, clarity, and purpose drive the change. Nonetheless, most leaders will go to great lengths to make it appear that this is true. They will change because they have to, not because they want to. The emotional response and attitude that meets the challenge for change is driven by the desire to avoid the worst, and is often one of obligation and crisis. The leaders continue to wrestle with their beliefs and emotions, especially their desire to maintain and exercise control. With the forced change, there is an underlying tone in the organization that can be described as fearful, resistant, resentful, and even victimized. Words from the top are laced with threat—"Do it or get out," "Now or never," "Quick or die."

Reactive transformation occurs because leaders deny rather than embrace the need for radical change. Their suppression of the wake-up signals to change is not intentional. Typically they have attempted to address those that they understand with developmental change efforts such as training or increasing communications, or they have attempted to problem solve the symptoms with transitional changes that incrementally add to their search for the right answer. These efforts may temporarily "band-aid" the situation, but ironically, they can add to the pressure buildup for the transformational breakdown because they do not address the root causes of the upheaval.

In reactive transformation, once the call for transformation has been acknowledged, there is the recognition of the need for a new way of operating. The leaders know something must be different, yet they feel very out of control. They don't know what to do to fix their dilemma or their discomfort. The new state often requires an overhaul of systems, structures, business processes, practices, and culture. To respond, some react by "throwing spaghetti at the wall," hoping that something good will stick. They initiate "flavor of the month" change programs. They may make logical adjustments to the status quo or engage in a bargaining process as they attempt to maintain and exhibit some sense of control in the face of the unknown. Problem-solving and "band-aids" become the knee-jerk reaction. This makes for much less tolerance or willingness for participation in designing the future for open communication in the organization, even though useful information for the future state might exist elsewhere in the workforce.

A major issue in the reactive orientation is that leaders may recognize the change required in the business direction or operation, but not in the culture or leadership style, and certainly not in their own behavior. Personal or behavioral change is okay for the rest of the organization, but not for the leaders. Their need for control has been threatened, and they are hardly likely to entertain giving it up as their primary strategy. This limitation is often the tragic flaw in being able to truly transform the organization.

In the best of cases, the establishment of the new state occurs through a trial-and-error process that is often based on a search for safe, tested, or "known" solutions, and is accomplished by bringing in new management trends and best practices that have proven successful in other organizations. The new state is created as a reflection of somebody else's solution, and hopefully will prove to be the best one for the organization's current challenges. Because of the urgent need for certainty, reactive transformational change efforts are prime targets for "expert-oriented" consulting firms who seek out situations in which their tried-and-true solutions can be installed as "the answer." Transformational strategies such as business process reengineering, learning organizations, fast cycle time, autonomous work groups, and flat organization structures will be tried . . . with varying degrees of success. Are they guaranteed answers? Certainly not, although aspects of them are clearly of tremendous value.

Even though these leaders have gotten the wake-up call for the need to change the organization, they have not yet recognized the need to accomplish the change in a very different way from the way they have in the past. Their new direction may require transformation, but their process is likely to be a reflection of their old way of changing, thereby limiting the likelihood of creating a successful outcome. This is particularly true when they have not embraced the need to transform the organization's culture and leadership's mindset, style, and behavior, and are not willing to self-reflect and learn from the past. It is exacerbated when the big consulting houses are used to design the new solution and either leave implementation to the organization without guidance or attempt to implement in ways that are counter to the desired state culture because they do not specialize in transformational change strategies, especially culture change.

With the limitations of reactive transformation evident, we began to draw some conclusions about what else was possible in transformational change: how the leaders deal with and pursue wake-up calls for radical change, the process for conceiving the new state, the process used to design and achieve that emergent state, leaders' willingness to see the need for a transformation in their own and the organization's mindset, style, and behavior, and the inclusion of and priority to shift the culture in support of business outcomes. All of these factors, we discovered, could be handled differently. With this in mind, we now can turn to conscious transformational change.

V—

### Conscious Transformational Change

Planning often becomes totally ineffective when it tries to force evolution. Apollonic clarity and unambiguity impart power to man; but this power turns against him if he does not have the wisdom to listen to evolution.

—Erich Jantsch,  
*Design for Evolution*

This type of change is also driven by leadership mindset, but it is a very different one from that found in reactive transformation. Leaders in conscious organizations willingly choose to evolve their companies *and themselves*. They recognize that one will not happen without the other. To discover the most appropriate future direction, they have three key strategies. First, they proactively seek and incorporate all relevant new information from the environment, customers, and the organization and its people that may have an impact on the organization's ability to succeed and thrive in its ever-changing world. Rather than waiting for a heavy-handed signal for the need to change, leaders who embody the conscious orientation create the conditions, expectations, culture, systems, and practices that surface and use the earliest possible signs for change. They would rather be in the saddle of change than under its hoofs.

Second, conscious leaders look inside what the environment is asking for to discover the principles or paradigms that are creating the new demands. They seek an understanding of what is causing the market to do what it is doing, and what new reality is trying to emerge. They are after root causes, not symptoms. They listen deeply and intuitively to the signals they have been given. They seek to articulate the principles, assumptions, or conditions that most closely reflect their perceptions of the new reality. They will use these principles, assumptions, and conditions as design requirements, like a template, against which possible future state scenarios can be crafted and assessed. If they can figure out what the environment is moving toward, they can in essence midwife it into existence in their organizations and reap the benefit of more directly meeting the needs of the new marketplace.

Third, conscious leaders willingly investigate how they personally need to change, and how to think differently, behave differently, and treat people differently. Often their new principles and assumptions clarify a lot of what they should do and how they should be different. Let's look at each strategy in more depth and contrast them with the reactive mode.

In reactive change, wake-up calls are discounted. Because leaders resist the unknown, they keep their reactions and insights to themselves, thus minimizing participation and communication.

In conscious transformation, wake-up calls are sought and even generated by actively exploring the world through fresh eyes and inviting discrepant or seemingly aberrant information into the picture. Conscious organizations are highly participative, and openly communicate and share information. These organizations create structures, roles, norms, and systems that are charged with monitoring the horizon; designing scenarios of possibility and strategies that will have a direct impact on the marketplace, not just be in response to it. The market posture of Intel Corporation is a good example of a business strategy that is geared toward continuously creating its market.

Some organizations have an office of the future, customer strategy councils, or information generation networks that work in partnership with equally conscious customers who together want to create their future by choice. People become much more personally responsible and accountable for what they are doing and producing, individually and collectively. With each discovery and integration of new information comes a natural, chosen "death of the old mindset." Breakthrough insights are celebrated. Choice, initiative, openness, and a "can-do" attitude permeate the organization, overriding the fear and threat mentality so often found in the reactive orientation. This is not to say that conscious transformation is easy, flowing, or painless; transformation is still transformation. The climate in the organization, however, especially in its leadership, is much more hopeful, energized, open, and adventurous. People have more integrity and are far better able and willing to tell each other the truth in a way that strengthens their ability to cocreate desired outcomes together. The truth provides necessary information for change.

A great example of the second strategy, the power of discovering underlying principles, can be found in this country's electric utility industry, where they are facing deregulation and beginning to recreate their entire way of organizing, producing product, and relating to customers. Their shift from the complacent to the competitive, from the local to the global, and from the dependent to the empowered organization is no small feat. Do they have any recipes for how to succeed at this? No, and yet the necessity is paramount. So how is the new state designed?

It begins with asking what deregulation is about, what principles and beliefs are emerging. A comparison of old principles and beliefs with essential new ones will help illustrate. Consider Table 2.

**TABLE 2** Mindset Comparisons

Regulated mindset	Deregulated mindset
We are required to serve all customers. We therefore are entitled to a guaranteed revenue base.	We provide superior value to win customers to achieve profit.
We know what is best for customers.	We learn about our customers' unique needs by developing long-term partnerships with them and being of service.
Stability and reliability are highly valued; therefore change is slow and predictable.	Innovation and fast change are essential.
Mistakes are punished and to be avoided at all costs.	Mistakes are understood to be part of moving fast, learning, and evolving. Risk taking is essential.
We are required to treat all customers the same; therefore, one solution must fit all.	Multiple products are needed to meet unique customer needs.
Costs can always be recovered.	Costs are managed to increase margins.
My responsibility lies with my doing my own job well. I have a job for life.	I am openly accountable for my performance and my contribution to the overall organization. My employability is dependent upon my performance.

These beliefs are used to help craft the organization's future state. Solutions from other organizations can be investigated, as well as best practices. This information is considered, along with the organization's internal assessment about what the environment is calling for, but rather than trying to figure out a solution in the dark, the leaders' template of principles becomes the focus. A trial-and-error process of designing the organization is then geared to being able to more fully live these principles in behavior and word, and to more closely align the organization's structures, systems, culture, and processes to reflect and reinforce them in the organization. In effect, the principles of the organization's emerging paradigm are fundamental to the organization's new vision and new way of operating. The strategy for designing and facilitating the change effort is also designed to be a reflection of the new principles.

At Being First, we believe that on the eve of the twenty-first century a new paradigm is emerging about organizations and society. This paradigm is based on a set of principles and assumptions that appear to be foundational to a new way of operating and being for organizations and leaders. This set of principles is only one possibility for a design template for consciously transforming organizations. Similar to reactive transformation, nobody's "solution" should be considered to be the answer without serious exploration for its fit. The assumptions and principles of the emerging paradigm, as we see it, are highlighted below.

## VI—

### **Key Principles of the Emerging Paradigm**

We have identified seven key principles that appear to provide the basis of the emerging paradigm, and therefore the foundation for creating personal and organizational practices that will lead to success in the twenty-first century. These seven principles are as follows:

1. *Cocreating win-win-win*: I win, you win, and the larger systems common to us win. Pursuing the "big win," which aligns organizationwide support for common goals, is the top priority. The system is a unified whole, and all individuals and groups within it are integral to its overall success.
2. *Being personally responsible and empowered*: Understanding that you are the primary cause of your experience and results, and taking charge of improving them by dealing with the core beliefs and assumptions that generate them.
3. *Looking for and living in relationship*: Recognizing connections and interdependencies between events and people, and functioning effectively in relationship with others.
4. *Consciously learning and evolving*: Every situation, whether positive or negative, sheds new light on the situation and provides information that reveals how to better create what you want; learning is a requirement of long-term success and a desired condition for all experience and action.
5. *Working with*: Resisting and denying creates conflict, prevents learning, and promotes undesired results. Staying open and working with difficult people or problems provides the information needed to guide your actions toward success.
6. *Seeking to improve*: Choosing to have your decisions and actions always add value.
7. *Doing what is right*: Discerning "right action" requires you to look—from a values, integrity, and big win perspective—beyond your own survival needs to what makes sense for the long-term good of all parties and the whole system, given all the circumstances at play.

In our experience, organizational leaders are beginning to embrace these principles. Once they understand them and how to demonstrate them in word and behavior, they can begin to redesign work practices, cultural norms, and management systems to better reflect them. Examples of work practices that embody these principles are as follows:

Organizationwide goal setting supported by business unit goal setting to ensure a clear and meaningful big win

New levels of partnership between union and management, customer and suppliers, and marketplace competitors

Team and divisionwide rewards to reinforce shared accountability

Value-added communications in which people communicate their intended outcomes and desired impact on others, as well as the information they need to convey

Integrating a change process operating system that enables all major change to occur in a consistent way and furthers the desired culture as change is designed and implemented

Leadership conferences that focus as much on mindset, culture, and desired behavior as on business strategy

Conscious leaders see themselves as central to the change, but not in the old view of "the one in charge of everything." They are central to succeeding at the third strategy, embodying the changes in behavior and thinking required for the new principles to take root. They lead by being models of the new set of desired behaviors. This is not an intellectual process. It requires deep self-reflection and a willingness and ability to reveal doubt, anxiety, self-limiting habits and thoughts, and whatever else has fortified the old way of operating that blocks the new.

What kinds of new behaviors might be exhibited? The following are a few:

Acknowledging not having the answers and needing help to design the best future

Making management's learning and new insights from mistakes public, both personally and organizationally

Taking public risks

Being open to influence

Trusting others and the process

Investing in innovation and learning

Increasing participation and building community

Mediating differences and seeking to learn from others

Showing a willingness to let go of control and do things differently

Any of these behaviors may be significant, but the last one is critical. It is impossible to transform without letting go of what we know so well to make room for the new needs that beckon from the future. Leaders must release the old trapeze before the new one moves within grasp. The discontinuity can be deeply unsettling, which is one reason why transformational change requires focused personal development. Our human limitations can and must be expanded to support the process rather than impede it. Transformation is not possible without a leap of faith, individually and organizationally. It cannot be managed intellectually, by will, or through increased control, although this approach remains an active characteristic of the reactive mode. Training and coaching in personal development and diversity are integral strategies for facilitating transformational change successfully, and are especially central in the conscious orientation.

Transformation necessitates the ability to look within for the strength required to lead an organization into the unknown and still maintain a sense of unified purpose and collective effort. There can be profound angst in getting the wake-up call, and prolonged uncertainty in seeing the process of change through. There is a philosophical or spiritual aspect in leading transformation that involves the ability to observe, accept, and enable the chaos and inquiry to occur with commitment, compassion, and genuine encouragement, for without it, the organization can become incapacitated with fear, conflict, pressure, or competition. It is not uncommon to hear executives who have stayed in the saddle during this turbulent period reflect on how much "soul searching" they did during the process. This goes hand in hand with accepting that one does not have answers and cannot willfully control the process or outcome of change. There is, in fact, a significant element of faith, trust, and commitment required.

You might be asking, "How does one get to this transformed state of being? Look where most executives are today!" Ideally, conscious transformational change efforts begin with a collective leadership breakthrough. The goal of this experience is the creation of a shared picture of a whole new reality—a new mindset, supported by new behaviors and ways of relating that will make this mindset evident in the organization and in the change strategy. It is at this breakthrough session that the new principles for the future organization can begin to be identified and crafted. The leaders identify what ways of thinking and relating have held them back or limited their judgment and performance. They have the opportunity to clear up issues and conflicts that may impede their leadership through the upcoming turbulence and to formulate new ground rules for what it will take from them and their organization to succeed in the next chapter of their journey.

The breakthrough experience need not be only for the leaders at the top. The rest of management benefits greatly from achieving these outcomes, and in reality, need it as much as the top executives if the transformation is to be successful throughout the entire organization. Detroit Edison is a prime example of an organization that is putting its entire leadership ranks through a breakthrough experience we guided called "The Leadership Choice." In addition to the profound impact on leadership mindset and behavior, organizations such as Edison, in which unions are present, have found this type of experience enormously helpful in transforming the union-management relationships and the systems and policies that perpetuate the chasm between the two.

Once the breakthrough in thinking has occurred and people are more understanding of what transformation takes and how to act differently to support it, they can begin to craft the change process that will navigate them through the unknown. At this point, people can create a new future that will satisfy the workforce, their customers, the community, and themselves as people.

These three transformation strategies, the proactive seeking of new indications for radical change, the articulation of underlying principles for crafting a new future, and the commitment to personal change, are keystones in the conscious approach. In an era in which speed, competitive advantage, market share, and profitability are so prominent, these strategies are only beginning to gain momentum. They are not to replace other priorities, but perhaps to pave a different path to achieving them.

## **VII— Conclusion**

Industries and organizations facing transformation include automobile, textile, steel, information, communications, health care, education, government, defense, finance, insurance, and agriculture. These systems are not necessarily dying, but they must rethink how they operate now and in the future. Leaders of organizations must become more knowledgeable about the strategies available to them for meeting the challenges of transformation. Hopefully, this overview of the four types of change will aid their learning.

Each type of change may well be present in the organization simultaneously. It is important for leaders to make a clear choice about which type of change is driving their organization. Each type of change adds an increasing level of complexity to the strategy, from improving to installing, to a radical shift in operation, output, culture, mindset, and behavior. Leadership must go through a transformation, redefining what leadership is, how to do it, and what role it plays as the organization's future unfolds. It is our belief that as leaders become more aware of the power of leading by principle rather than by tradition or reaction, conscious transformation will become more commonplace than it is today. Leadership breakthrough, personal transformation, and a clear understanding of the process of change are at the heart of it.

Where yesterday transformation was mysterious and faddish, today it is a necessity. In many ways, our future is in the hands of leaders: leaders of organizations, leaders of our communities, leaders of government, ourselves as responsible citizens, family members, and professionals. It takes a tremendous amount of courage and integrity to identify the principles that we choose to have guide our lives and create our future. It takes even more courage and integrity to do this publicly



for and with organizations of hundreds and thousands of people working globally and having a far-reaching impact in the world by their actions at work. Because we are living and leading in an era of transformation, our principles must be those that we think and feel are the keys to our future, those that can unlock new ways of organizing, new products and services that better serve society in the twenty-first century, and new ways of being with each other as we strive to fulfill our life's work and purpose. We must become capable of looking beyond our conditioning to consciously discover and master what will create the future we want.

### 3— Selecting and Energizing a Team

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*When two people close to one another understand each other with their hearts, Their sweet words are as strong as the scent of orchids.*  
Confucius

Managers are often faced with a fundamental decision: Should a given problem or a given task be resolved independently or in a team? Both have merits and drawbacks, inherent opportunities and costs. Sometimes individual actions may be more effective than team-based ones. Managers must consider whether they will be able to achieve more acting alone or delegating the work to others. The time saved may then be devoted to other objectives.

It is worth reflecting upon the following questions when making such choices:

Is the creation of teams only a fad that will quickly go out of style?  
Is it a way of "passing the buck?"  
Does it represent the skillful utilization of synergy?  
Is it more than just the right way of leading?

### I— Acting Alone or in a Team

Individualism and teamwork are two opposing ways of conducting human activity and two philosophies. Each path has advantages as well as disadvantages, constructive and destructive components, and each elicits sundry emotional states and differently impacts the development of man (Figure 1). When selecting individualism, people assume much: that they are able and know how to act and that they will have time to carry out their intentions. Demonstrating self-confidence and determination, choosers of individualism select liberty and responsibility while concurrently moving toward being alone. Individualists are their own "helmsman, sailor and ship," and they expect others to leave them in peace and to remain uninterested in their undertakings. Ultimately they believe that they are capable of withstanding the pressures of being alone.

The exact opposite path is syndicate work. Guided by sociability or perhaps a herd instinct people refrain from individualism, opting for conformity to a consensus. They become attached to a team in which everyone is working together. Everyone may contribute thoughts (opinions) to a decision, and also can count on others. People working in favor of a team enrich others while concurrently enriching themselves. They contribute to the creation of new values and benefits, but at the possible cost of becoming only a link in a group. People usually strive to combine individualism with conformism, with greater or lesser success.

A person's abilities to perform are limited. It is possible, however, to strengthen, develop, or support them by creating teams that group the right experts, appropriately organized and cooperating.

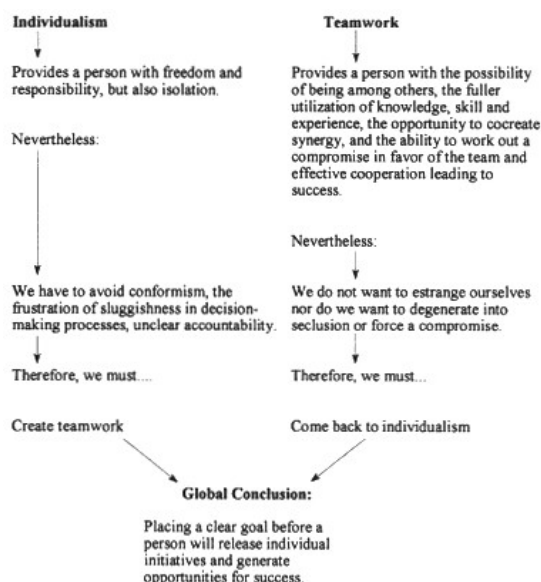


Figure 1  
Two approaches to human development.

The stiff formal organizational structures in an operating enterprise (institution, company) do not always fully use the knowledge, skills, and experience of the experts it employs, however. Experience shows that there are professionals in every organization whose knowledge may be utilized more efficiently and effectively. They will have to encounter such an opportunity by working in a task force targeted at resolving a given problem (e.g., Abell, 1993).

The idea of appointing task forces that are created especially for the purpose of resolving specific problems is as old as the world itself. Today they are established most frequently as a reaction to the lack of flexibility and the inefficiency of existing organizational solutions in industrial or administrative structures. Many business or administrative organizations owe their success to task forces. These teams may be used to uncover ideas, to formulate problems or tasks, or to find or implement solutions as well as for other purposes.

The first notice about the work of such interdisciplinary teams spun out of the enterprise's structure dates back to 1908 (Robb, 1972). In the initial period of industrial development, task forces were seldom applied. In recent years, the situation has changed. The interest in them and the attempts to implement them broadly have borne fruit in the form of such successful American ventures as the Apollo Program (1961–1969), thanks to which the space rivalry with the Soviet Union ended in total success for the Americans; they put a man on the moon and far more besides. Task forces are an optimum way of working in research and development, incorporating from 10 to 18% of the total number of employees. Only a few enterprises (concerns, corporations) do not use this type of organization (e.g., Schlesinger et al., 1992).

## II— Company-Based Task Forces

Teams are an important component of an organization. Their creation is one of the important tasks to be carried out by managers.

Task forces are a special kind of team and provide intermediacy between the organization and the individual. Practice seems to show unequivocally that teamwork is often greater than the sum of the work performed by its participants.

Although a team is a set of people that reflects unity, it does not simply constitute persons guided by specific motives. Particular processes of coaction—cooperation and rivalry—characterize team dynamics. They reveal themselves through integration, constant mutuality, and stimulation to perform better, also eliminating much of the resistance to proposed changes.

In organization settings, effective teams exert substantial influence over members and the work environment, for good or bad purposes; that is, effective teams will tend to have higher *or* lower productivity than mediocre groups. This may seem strange, but it merely reflects that both high and *low* productivity imply a high degree of influence over members' behaviors (Golembiewski, 1962). Also, teams can induce that influence that management has to help steer.

To explain, each team is characterized by its own intersubjective phenomena that transcend individual persons (e.g., norms, behaviors, and standards). The specific structures and processes distinguishing a given team exert a strong influence on the behavior of its members, stimulating them to act while inhibiting or forcing them to engage in unified behavior in pursuit of team aims and objectives. Effective teams also influence the behaviors and results of other groups or teams and even large organizations.

An awkward management may induce a group to turn against official purposes. This is why many managers prefer weak groups. They will not generate superior outcomes, but neither will they constitute major spheres of influence that weak managers often find threatening, hence the common existence of "divide and conquer" strategies among managers.

Moreover, a *team* is a specific group of people in a sociodynamic sense, which must additionally meet the following conditions:

It should comprise two or more people, but by no more than that number that allows for direct contact with another member of that set; with a greater number of people we may begin to speak about the need for formal structures of an enterprise in operation.

The contacts between them (interaction) should exceed a given minimum level.

The contacts (interaction) should be maintained over a period of time.

A group will conduct joint actions.

Group members will feel a sense of belonging.

Many groups are informal, but a *task force* (TF) can be included in a firm's organizational structure as a formal group. It operates like an independent microorganism for conducting a unique undertaking. It is expected that it will generate concrete results, and ideally the goal (objective) set out to be achieved is formulated concretely in a measurable form. The team is headed by an elected or appointed manager and is created by competent experts whose knowledge, experience, and skills are truly needed to resolve a given problem. Experts are both internal (from within the company) and external (from outside the company). A team is appointed to work for a specific period of time, and its composition may vary, depending upon its current work needs. Some experts leave the team after completing their work, while others participate periodically, depending upon fluctuating requirements. Employees are delegated to work in a team full-time, even for several months, or part-time, for several hours or days in a week. The delegated employee's remuneration, evaluation, and line of command are set. The team is substantially independent in the execution of the task, and should control work conditions as well as have access to the required material and financial means.

The team is usually considered a subsystem distinct from the organization. Everything that exists outside the boundaries of the team's subsystem makes up the environment. An enterprise

(institution, company, etc.) is thus part of that environment. Every TF (because of its composition and processes) has a different environment. The boundaries between a team and its environment may be difficult to define, but they can be neglected only at peril. These boundaries are shaped on the basis of actions, imagination, feelings, emotions, and the content of the social relations between a system and a team. An ineffective team or group will be incapable of maintaining its boundary, and this weakens and eventually undermines the group, hence the frequently fierce efforts to maintain these boundaries—their norms and sphere of influence. Passivity can lead to the destruction of the team. Activity is the preeminent group feature; the environment influences the establishment and formation of groups but only indirectly affects a team's activity (Stoner et al., 1995). Groups can—and do—usually support management that allows groups to maintain themselves, but inept or fearful management can inspire group resistance or destroy group influence that can generate superior performance (e.g., Kozminski \*, Obloj\*, 1989).

### III—

#### **The Causal Power of a Team**

The heart of every team is its personnel—the team members and the manager. When beginning work, members may be loosely identified or even strangers; they will differ from one another in their goals, needs, values, expectations, and temperament, as well as in their knowledge, skills, and expert experiences. The powerful forces of integration and differentiation soon begin, however. Even the most harmonious teamwork experiences stress and rivalry. Besides their professional differentiation, TF members are under the influence of a series of external factors over which they have little or no control—for example, the company's mission, its system of goals, the remuneration system, structure, organization, and company management, or the position and behaviors of their immediate superiors as well as other managers in the organization. These factors, in addition to the task assigned to the team, determine not only the composition of the group but also—and more importantly—the specific action processes in each team's development. Members of the group and the environment bring about changes in the team's boundaries and members, typically by verifying and modifying mutual contacts and influences (Morgan, 1986).

The immediate environment usually also exerts a substantial impact on a group. These immediacies usually involve the company's organizational units that are directly associated with the purpose for which the TF is operating, with their determinants, limitations, goals, organizational structure, and developmental dynamics. This immediate environment affects the team members directly and indirectly; the result of this influence makes itself manifest in decision-making processes and group cooperation in such critical variables as the following:

- The formulation of tasks for the team
- The team's composition
- The team's manager
- Technologies, teamwork, and the company
- Organizational structures
- The remuneration and punishment system, as well as the motivation systems

### A—

#### ***The Team's Life Curve***

Teams are not monoliths. The ways they function change over time. Processes of integration and rivalry are underway concurrently with processes of cooperation and destruction. Pulsating over time, they alter the mutual internal relations among team members, thereby stimulating or reducing a team's efficiency and effectiveness. It is therefore possible to observe the fluctuating aspirations that make up a team's life curve.

When beginning their work in a team the individual members are able to contribute only their knowledge, skills, and experience along with their own norms, standards, expectations, and aspirations. It is only sometime later in the process of a team's operation—and as a result of cooperation—that these attributes are processed by other team members—accepted or rejected or reinforced or

weakened, thereby creating new team and individual values (personalities). A TF thereby develops its own proper distinguishing characteristic whose fluctuation may be demonstrated in the team's life curve (e.g., Trompenaars, 1997). This occurs over six phases.

1. *Reconnaissance*—encompasses the process of getting to know one another, shaping the team, and setting its orientation. A great amount of uncertainty may be observed. Likes and dislikes are established.
2. *Differentiation*—entails the establishment of group structure, patterns of domination, and leadership. This frequently leads to storms, tensions, and internal struggles. Team members cease to be restrained, and they begin to look for coalition partners. This phase is often a turning point. Many teams fall apart during this stage.
3. *Integration*—incorporates and combines common elements unifying teams to determine its own proper force, fellowship, and status. Harmony and pressures toward conformity come to the foreground. Opinions are formed about who has what role and what kind of status, or which expectations will be fulfilled.
4. *Cooperation*—also known as maturity. Cooperation begins to run a routine course.
5. *Drifting*—a good understanding of the executive abilities of the cooperating team members allows some of them to take advantage of others. Cooperation gradually turns into an uneven workload and the abuse of status and position in teams or the company.
6. *Breakdown of cohesiveness*—trespassing a certain permissible boundary in abusing status incites the establishment of destructive centrifugal forces, leading to the team's collapse.

**B—**

### ***The Components of a Task Force's Causal Power***

A TF is judged by the results it produces in every phase of its life. Performance depends upon what this chapter terms the team's *causal power*. Performance must be adequately suited to the goal. It may be assessed as positive when creation takes the upper hand over destruction, and it may be assessed as negative when this condition is not achieved. Both creation and destruction are always eminent features of a team's operation. They appear overtly or covertly, and consciously or unconsciously. The causal power of a team depends upon many factors, including content-based power, decision-making power, communication power, and coexistence power. Their role and impact on causal power are characterized by a varying degree and intensity, depending upon the phase of achieving the result.

*Content-based power* demarcates the knowledge, skills, and experience that are necessary to work out a solution for the tasks assigned to the team. If there is little such potential, performance will suffer. Content-based power is also known as expert power, and it influences the quality, efficiency, and economics of the results obtained. Its force can be exerted in opposite directions. It may contribute to cohesiveness when it is treated as the vehicle of team pride, or it may contribute to distancing when it is the vehicle of destructive rivalry.

*Decision-making power* has great relevance. Teams may gather outstanding professionals whose knowledge, skills, experience, and wisdom are suited to the needs. They may develop a perfect solution (scenario) that will nevertheless not be implemented if there is a deficiency of decision-making power. Work will find a resting spot on a shelf or in "the file" absent the implementation of the scenario. For this basic reason, the strength of the influence that team members can bring to bear on decision-making power should be a major consideration when designing a group or TF.

*Communication power* encompasses the ability to exchange the knowledge, skills, and experience that are indispensable for working out solutions. It demarcates the boundaries of the ability to communicate in order to obtain total cooperation within the team. It depends upon the communication skills held by each team member and the ability to establish a climate that stimulates and develops attitudes and behaviors, strengthening the desire to

communicate and cooperate, as well as the skill of tapping the necessary knowledge from the TF's environment.

*Coexistence power* signifies more than traditional cooperation in a team. It calls for team members "to reside together" in order to cocreate and transcend the internal divisions that stem from differences in their status, role, and significance as perceived from outside the TF. First and foremost, this necessitates that team members understand their philosophies and interests. The coexistence power expresses the readiness to suppress particular interests in favor of (higher) goals.

IV—

#### **Diagnosing Content-Based Power**

The composition of the TF is determined by the problem to be resolved. The selection of experts for the TF is dependent upon the overall situation and the enterprise's staffing as well as the team's goals and designation. When appointing a team it is necessary to settle two issues: the participation of both internal experts from a given company and external experts, and the scope of services to be rendered by these experts. This duo requires the diagnosis of the intellectual potential, knowledge, skills, and experience of the enterprise's management, experts, and physical laborers.

P. F. Drucker (1996, p. 90)—a prominent American industry advisor—states that the number of qualified people is practically meaningless here. Their quality is much more important. He further emphasizes this point with a mathematical equation proposing that the number of competent researchers increases proportionally to the square root of the number of all employees in a research team, while the number of people capable of working highly productively in a systematic manner increases proportionally to the cube root of the number of all team members.

These relative proportions have powerful implications. To continue relying on Drucker, in order to increase the number of outstanding researchers from three to ten, one would have to increase the size of the entire team from 30 to 1,000 people. Most experienced people would agree with the hypothesis that the number of outstandingly efficient people in any given team—whether they are mechanics, hospital physicians, or university professors—will grow much more slowly than the size of the entire team. Every sales manager, every production manager, every chief accountant, every dean of every university faculty knows that it is necessary to matriculate and educate many "girls" or "boys" before happening upon a "woman" or "man" (Drucker, 1996, pp. 90–91). It is thus difficult to educate and rear a good expert, and it is easy to destroy that same expert.

In sum, the fact that specific resources are available is useless until they are utilized. In order for an enterprise to operate effectively in successfully discharging its tasks, it is necessary to know the value in action of its resources (i.e., intellectual capacity, knowledge, skills, and experience). This potential should be assessed with respect to the team's needs. P. F. Drucker claims that economic effects are obtained solely thanks to organizational leadership in a given field. He believes that the possession of normal skills is not sufficient to develop and render competitive services. One does not have to lead the entire industry. It is enough to be the best in one specific area of services. As long as a product or a service does not occupy a leading position, it is of marginal significance.

A—

#### ***General Orientation to the Capabilities of Human Resources***

From the point of view of a TF's needs, the first phase of diagnosing a company's human resources may be boiled down to three fundamental issues.

1. *What is the staff like now*—the managerial staff, the specialists, and the executives? This helps in coming to know the intellectual resources, knowledge, skills, and experience for the TF's needs.
2. *What would be the ideal staff?* This allows us to use our imagination about what we would like to have in place in a perfect world.

3. *Who will actually be working on the team?* Here we face the reality of the resources available to us.

These issues must then be turned into an indication of the usefulness of the company's human resource capability by establishing the good and bad sides, the company's balance of strengths and weaknesses. Former accomplishments should be reviewed with an eye to the enterprise's needs and then to the TF. P. F. Drucker (1996) expands the issues somewhat, which yields especially valuable information when different but equally productive enterprises have different experience in similar ventures. First and foremost, one must pose the following questions:

What have we done well and with less effort than others?

What do we do poorly, where others do not experience difficulties?

Clients or buyers may also be asked: What do we do for you that no one else does as well?

This questioning does not exhaust useful inquiry. The state of needs must also be checked using another set of questions.

What else do we need?

Do we perhaps need something totally different?

Do our experiences and conclusions confirm our beliefs about the level of our knowledge, skills, and experiences?

At this point we are very close to establishing the knowledge of the enterprise's staff that distinguishes it from others. This should be understood as an important type of knowledge.

Returning to the TF and the selection of staff, we may extend our analysis using four groups of questions.

1. Do we have the knowledge that the team really needs? Does the appropriate knowledge exist in our enterprise? Is this knowledge concentrated on generating good results? How do we distinguish ourselves from others?
2. How efficient are we at utilizing knowledge in our enterprise or team? Is this knowledge utilized properly? Is this knowledge concentrated in the right ways? To what degree is the knowledge amassed in the enterprise or team utilized in its products—information, services, or goods?
3. How may we augment the efficiency with which we utilize this knowledge in the enterprise or team? What necessary knowledge is missing? What has been passed over or omitted? How should we strive to improve the efficiency with which this knowledge is utilized in the enterprise or team?
4. How should we adapt this knowledge (as well as skills and experience) to each one of the enterprise's or team's goals and plans? What is the minimum number of persons in the individual groups and professional categories needed to attain goals? How many people in each group and category may be "whittled away" from current staffing? How many people in each group must be employed to carry out the tasks and plans of the enterprise (team)? What are the opportunities for finding these resources on the labor markets? What type of training and skills improvement (and in what area) must be delivered in order to perform the tasks and plans of the enterprise (team)? How should the enterprise's or team's specific tasks be planned in order to attain the maximum effect and satisfaction? How should the best TF members be selected and motivated (e.g., Kramer, Appelt, 1974).

**B—**

#### ***Predisposition to Work in a Team***

People are different. They have different predispositions and they are guided by different goals, therefore not every person is suitable to perform every task. Research has shown that the best results are obtained by teams that are composed of employees with *different* character traits and predispositions that are nonetheless *mutually complementary*.



The first step in this analysis is to determine the candidate's general usefulness in teamwork. There are three issues that must be considered before inviting (appointing) an expert to a team.

1. The general evaluation of a given expert's usefulness to the team's work. The following set of questions provides assistance in this regard. Are experts capable of formulating the essence of their work and problems? Do they know how to listen? Do they know how to express themselves? Do they want to speak the truth? Do they want to get to the truth? Do they want to generate additional value in their work? Do they know how to work in a team? Do they elicit conflict?

Despite appearances, it is not easy to talk about one's work. Work often is simpler to do than to talk about. Nor is it simple to listen; one must concentrate and subordinate one's thoughts to the person who is speaking. In order to rule, one has to know how to listen. This is particularly important for managers, as they may grow accustomed to issuing orders. Negative experiences hold people back from uncovering the truth, from sharing their knowledge and experience with others. At the same time, they wish to ascribe additional value to their own work (which is totally unnecessary), adding color and specific attributes to it. In these relations, logic in situations is exaggerated as if everything had been thought through and as if the execution were just a reflex action.

2. The assessment of the knowledge and skills held by experts in view of the team's needs. The following set of questions is helpful here. What is the level of a given expert's competence in the evaluation of others and in self-assessment? Do experts present the knowledge that is needed to carry out a given task? Is this knowledge overly limited to matching wits with the tasks to be accomplished in the future? May this knowledge be utilized in varying conditions? In principle, these direct questions do not require commentary here, but they may bedevil practice.

3. The evaluation of experts from the point of view of the TF's goals. Do they have professional ambitions? Do they have useful work, procedural, behavior models? Do they take professional risks? How do they respond to time pressures or to the passage of time? The lack of professional ambitions practically eliminates an expert from a TF, since the nature of the work to be carried out by such teams requires there to be professional ambition. The models that have been elaborated say something about their individuality. There are no effects in these types of teams without risk. Risk may be evaded in functional structures. The uneasiness associated with the passage of time represents a human's maturation to duties and accountability; this is a very complicated psychological and sociological phenomenon (e.g., Webber, 1986).

C—

### ***Personalities in a Task Force***

The next step in investigating the usefulness of experts is further analysis into their personalities and the roles that they desire to undertake in working within the confines of the team. This analysis will inform judgments about whether the team members will constitute a group of competing individuals incapable of working together or a team of coaching and compatible specialists who will not only complement one another but also stimulate each other to achieve greater efficiency and effectiveness. The differences that arise in cooperation among experts may be specified by comparing them to sports teams: a team comprising only outstanding individualities usually generates poorer results than a team of average professionals who understand one another and work together well. Note the Brazilian World Cup soccer team of 1998.

In research conducted for NASA, the assumption was adopted that a group comprising the most intelligent experts should attain the greatest success. It turned out, however, that such a team did *not* always achieve success. Genius contributes substantial content-based knowledge, but it can simultaneously become the cause of an excessive number of individual self-indulgences. A TF comprising people of less genius attained more substantial success when there was a creative person in the group, a person who inspired others to act.

On the basis of this research, eight personality classes or types were distinguished, describing

which action takers should be present in a team. Concurrently, it is advisable for these personalities to be blended. The domination by one of the types may lead to conflicts or the attribution of lower esteem to the remaining ones. The mediation and inspiration role played by the leader (manager) is huge here, but one must nevertheless remember that the selection of people always depends upon the type of task to be carried out.

1. *The company worker.* Concretely adapts to general statements and brings them into action. The primary person to implement the concept adopted. Organizational skills. Balanced. Disciplined, loyal, and upright. Logician and practitioner translating concepts into an intelligible language and into actions that are feasible. Divides the work among group members. The team gives this person its trust. Sudden events or changes do not throw the company worker off balance. This person maintains calmness, brings order. Not flexible. Looks for clear structures inside the team. Works systematically, methodically, effectively, and efficiently. Substantial professional knowledge, but is not indifferent when it comes to technological progress.

2. *The shaper.* Shapes the topic of the TF. Concentrates on the task while expecting the same from all other members. Strong personality. Dominating, extrovert, but rather scrupulous. Energetic. Impatient. Touchy. Prone to provocation. Emotional in disputes. Wants to stick to own ideas. Despite these traits, this person sometimes has doubts. Brings the task to completion. Ambitious. Decisively strives to achieve the goal. Often uses the team as a means to obtain the goal. Characterized by an attitude of rivalry. Sometimes intolerant when things are not proceeding according to what was originally imagined. Not always liked by the team. Gives rise to conflicts.

3. *The chairman.* The person leading the group, not necessarily a formal "chairman," but a person who strives to take over this position. Strong personality. Positive "vibes." Calms down nonproductive disputes. Reorients the team's attention from mutual combat to problem resolution and creativity. Cares about the team. Inspires. Acts properly with people, contributing to the development of their talents. Needs clear plans, an explicit goal. Devotes a lot of time to these issues. The right informal leader. Possesses natural authority. The coordinator of the team's work. Grasps ideas. Intelligent and disciplined. The attitude of rivalry is foreign to him or her, which fosters the team's desire to give him or her its trust and affinity.

4. *The creator.* Sower of ideas. The ability to have ideas is this person's main trait, thereby becoming the initiator of the team's creative activity. Provides the greatest number of ideas. Plays with problems. Likes to analyze them from different points of view. Personality traits include inspiration, idea generation, imagination, and originality, but also objectivity and globalization, including the skill and aptitude for reviewing matters from a bird's-eye view. Thanks to an active imagination this person is usually able to find a way out, even if the team runs into a blind alley. Far-seeing, even with regards to details, although this person prefers to devolve the small details onto others. Prone to rivalry, readily criticizes other people's ideas. Does not like to be criticized. Planning and abiding by a timetable are not strengths. Frequently is enchanted with own ideas, forgetting about the team's goals.

5. *The resource investigator.* Coordinates everything. Cares for good relationships and maintains the necessary contacts. Liked. Strong extrovert personality. Stable. Open to external proposals. Sociable. Pleasant in contact with others. Unconventional. Is not persistent in crises. Does not like routines or bureaucracy. Gathers and supplies information for a joint task. Knows everyone and is rarely seen sitting behind a desk. Always comes back with good "spoils" for the team. When sitting at a desk will almost always have a telephone receiver in hand. Fit to be the ideal intermediary, salesperson, and even manager.

6. *The monitor/evaluator.* Gets to the bottom of things until it "hurts." The main advantage of the work done by this person is looking for inconsistencies in the entire picture. This person's objective criticism gives rise to fear. Cold, calculated thinking and consistent situational analysis are counted among this person's advantages. Quickly detects errors

and is capable of finding the proverbial needle in a haystack. An introvert. Does not aim to dominate the team. States viewpoints without beating around the bush. Sometimes this person is not liked because of the criticism meted out without pardon. Needs the team's approval of ideas and persona.

7. *The team worker.* Workaholic. Likes to be ahead in work. Inspires the team with work. Does not get involved in petty disputes. Extrovert. Balanced. Liked. Interested in other people's private lives. Capable of sympathizing with others. Mediator during disputes. Avoids confrontation and tension. Knows how to listen to others. Gives the team a tone, conformity, rhythm, and harmony. Expert with a great amount of knowledge. Willingly refers to other people's ideas. One of the main pillars of the team if provided with leadership.

8. *The completer/finisher.* Introvert. Scrupulous. Disciplined. Wants to do everything very well (and frequently even better). Prone to being pedantic. Truly carries out the fundamental tasks and completes the work. Cares about details. This person is neither quick nor spontaneous. Sometimes is burdensome. Strong personality. During a period of failures this person tries to assume accountability. Exaggerated perfectionism and excessive feeling for order leads to controversies in the team, giving birth to stress and conflicts. Plays an important role in the team, although this is not always duly appreciated. When not appreciated this person becomes a hypochondriac. Gets on other people's nerves with complaints, thereby breaking up the team's harmony.

V—

#### **Diagnosing Decision-Making Power**

Even the best solution will be shelved if it is not accepted by the right decision maker. Decision-making power in a company should be analyzed in two areas.

The team's links to the decision makers, the ultimate authorities, and the sources of decisions about implementation

The strengths and opportunities of the TF manager

A—

#### **Connections to the Final Decision Maker**

The links that the TF manager and members have with the company's final decision makers exert a substantial impact on the TF's results. Put another way, the implementation of any scenarios ultimately depends upon their decisions. These links—including dependencies, opportunities, and mutual official and unofficial relationships—motivate people positively or negatively (STRATEGOR, 1993).

The relationships among the final decision makers must be diagnosed. Relevant questions include the following:

What are the real opportunities for work contacts between the team manager and team members?

What significance is attached to the subject of the team's work and its goals?

How is the team's professionalism evaluated?

What are the team's weaknesses?

B—

#### **The Task Force Manager**

The person of the manager is massively important for the effectiveness and efficiency of the TF. The basic problem of work boils down to the role that managers play in TFs. Should they be administrators with a tendency to steer the group bureaucratically or should they be leaders who inspire and stimulate experts to resolve problems effectively and efficiently?

The present position is clear. First and foremost, managers have to be good organizers and

planners and they have to know how to work with people. Beyond these crucial features, the most essential requirements for TF managers (leaders) follow (e.g., Heller, 1988, Labich, 1988):

The ability to recognize problems and concentrate actions on the principal matters at hand

The ability to organize the team's area of operation

Having the trust of colleagues and superiors while maintaining independence in terms of ideas and the assessments of events and facts

The skill and desire to defend the team's interests and to cope with the pressure brought to bear by functional units

Having the ability to look at things from a "helicopter"—in other words, the talent of quickly recognizing the overall problem and simultaneously dealing with its most important details

A feeling for reality—in other words, the talent of understanding what is feasible and getting a feel for changing circumstances

Imagination, or the talent of breaking away from known reality in order to perceive new opportunities; the ability to "go outside the box"

The aptitude for analytical thinking—in other words, the talent for breaking a complicated problem down into subproblems and components to facilitate problem solving.

The ability to link the skills discussed above and combine the ability to motivate others with professional competencies and the dynamics of action.

Topical literature contains much advice on the traits of the "best" manager, but they generally constitute overkill. As a useful approximation, it is possible to distinguish four types of TF managers. In each one of us a "portion" of each type lies dormant, but one of these types is usually dominant.

1. *The type I practical manager (foremost consideration—how?).* Searches for ways of applying projects and ideas. Wants to know and understand how everything functions. For this reason—before making a decision—devotes a lot of time to investigating information, concepts, ideas, and theories. After formulating a positive opinion about something, the type I manager will rapidly and decisively make difficult decisions. Prefers grounded knowledge, education, and experience. Constantly improving something, but is not very flexible. Wants to be a model for others, although the type I manager does not always know how to be a diplomat. As one who is oriented to the team's goals, does not always recognize co-workers.

2. *The type II logical manager (foremost consideration—what?).* A logical and matter-of-fact person. Very sober in evaluating facts and theories. Sometimes makes decisions slowly and is caught up with juxtaposing and comparing massive amounts of data, facts, and papers. Sometimes lacks spontaneity. Self-imposes excessive requirements and then tries to carry them out. Has the ability to put matters into order when there is chaos. The type II manager's concepts are always developed solidly. Thinks logically and gathers a lot of details. Has a natural authority and the strength of persuasion. Courageous: protects associates.

3. *The type III reconciliatory manager (foremost consideration—why?).* Is guided by trust and reconciliation. Nonschematic. Likes to listen and to exchange thoughts. Creative with a sense of humor and imagination. Looks at problems from different angles. "Can miss the forest for the trees." Has difficulties expressing decisions because the type III manager wants to incorporate too many options. Identifies with the task at hand.

4. *The type IV manager with enthusiasm (foremost consideration—what if?).* Likes to be enchanted. Often quick to act, but perhaps not prudent. Boredom can be unbearable. Searches for stimulants, changes, novelties, new opportunities. Motivates without difficulty and impediment. Is guided by the method of trial and error. Always present where something is happening. When the type IV manager deems it to be appropriate, engages in fraternization with the team. Demands work that goes beyond members' strengths. Does not always give clear explanations, while appreciating other members' initiative. Sees no

problem with getting work started; stimulates and encourages people to do it, but is not persistent in completing work. Willingly passes on secondary work to others, since the type IV manager usually has better ideas to carry out.

C—

### ***The Reasons for a Manager's Failures***

American research into the careers of managers has shown that nearly every manager is desperately afraid of failure. Regardless of the reason, a failure is considered to be something shameful and disgraceful, without considering why someone else received a promotion or why that person was let go. Nearly every manager encounters stumbling blocks on the way to promotion. Practically all managers have encountered difficult experiences such as having been passed over for promotions, making errors, or being fired. The most important thing is that those managers who advanced the most often were the ones who were able to put things back together after a disaster, who were able to overcome their own weaknesses, and who were able to admit their mistakes and not place the blame on others. Many of the managers in this research switched employers or even professions.

The primary reasons for the failures encountered by TF managers boil down to five fundamental issues (see Hymowitz, 1988).

*Inability to coexist with people.* This is the main reason for failure, especially in the initial and middle phases of a manager's career. It is very difficult for managers to realize that they have this trait, to admit to it, and then later to remedy or eliminate it.

*Inability to adapt.* This often-fatal reason stems from the obstinate retention of former ways of doing things, as when success leads to failure. If managers are incapable of throwing away old templates and adapting to new conditions, then they should change jobs or leave the company.

*The "only I can" syndrome.* This has defeated many teams. Each one of us wants recognition and awards, but some people think only about themselves to an excessive degree.

*Fear of taking action.* This is often elicited by the fear of defeat. Managers who choose this way of acting in order to evade failure in reality accelerate their fall.

*Incapability of starting over after a fall.* This often defeats people after a failure—when they feel humbled, terrified, and thus incapable of action. At this time it is worth remembering "The measure of people is not from what height they fall, but how they get up."

VI—

### **Diagnosing Communication Power**

Personality and the mutual relationships among future TF members are analyzed as the subject of diagnosis with respect to their ability to communicate and their willingness to cooperate. The ideal is to choose those specialists who will stimulate one another to work and to eliminate those individuals who may bring about destruction through their mutual relationships. The team needs specialists capable of communicating and of creating and fostering an atmosphere in which attitudes and behaviors that strengthen the interchange of knowledge, skills, and experience are developed, since they are indispensable in the generation of the required results.

Communication therefore occurs in a certain social system encompassing the TF and the environment at work, including social and professional status, education, experience, and intelligence. Communication is a sequence of events that occur in a given time period. The selection of information is affected not only by perception but also by the behavior of the direct players and the observers in the information process. Silence is one of the means of communication. Communication requires that there is a transmitter and a receiver. The most important component of good information interchange in a team is for the transmitters and receivers to trade roles as fluidly as possible. The act of communication itself entails two aspects.

1. Substantive content reflecting authentic or imagined reality

2. Associations stemming from the given relationship between the persons engaged in discussion, which involves interpretation of the substantive content

When diagnosing communication power in terms of a TF's efficiency and effectiveness, the following areas of the process should be analyzed:

1. Information flow in the company's organizational structure as it exerts an influence on the TF. The following areas are relevant;
  - a. The organizational structure of the company and the TF.
  - b. The formal and informal channels of information flow.
  - c. Professional traits.
  - d. The nature of the information associated with the professional scope of the problem at hand.
2. Information sources that ensure good information meeting needs, assumptions, and requirements. This information should possess the following traits:
  - a. *Efficiency*. It should entail current knowledge in a given area or be adequate to the needs under consideration.
  - b. *Quickness*. It should reach the recipient as rapidly as possible so that all changes that take place in a given period are incorporated.
  - c. *Authenticity*. It should contain data consistent with the facts after eliminating erroneous or false data.
  - d. *Substantiality*. It should be sufficiently compact and intelligible in terms of the issue under examination so that no additional or dispensable information could blur its fundamental significance.
  - e. *Detail*. Its degree of generality should be fitted to the recipient's needs.
  - f. *Ease of communication*. It should be formulated so that the content is received without distortion.
  - g. *Linguist rectitude*. It should be formulated professionally without violating linguistic correctness.
  - h. *Code rectitude*. It should be consistent with encoding and decoding systems in a given system for communicating information.
3. The personal relationships between the people who are engaged in the direct process of communication.

## VII—

### **Diagnosing Coexistence Power**

Coexistence power embodies a higher form of cooperation. It requires that team members "live together" in order to cocreate without regard to the divisions between them. Team members come from various social groups that differ in terms of age, education, and interests. These divisions contribute to important differences in their status, role, and importance as perceived from outside the TF. The coexistence power expresses the readiness to refrain from particular interests in favor of higher goals in order to achieve the necessary results.

## A—

### **Diagnosing Team Solidarity**

*Team cohesiveness* is central, and describes the solidarity that is a derivative of the attractiveness of cooperating. The solidarity and the durability of the team undergo substantial fluctuation. External influences and the internal relationships contribute to the accelerated breakdown of some teams via difficulties and threats, while in other teams those same destructive forces lead to increased solidarity and effectiveness of action. For each team member, solidarity represents a different degree of attractiveness to be on the team. Group solidarity is one of the factors associated with team and organizational culture.

Conformist teams are also characterized by a higher degree of cohesiveness. There is an explicit link between cohesiveness and conformism. The team's increased attractiveness for members causes

a unification of opinions. The lack of a conformist attitude (e.g., about not submitting to the team's goals, norms, and standards) can lead to the ostracism of a member by the group. The greater the cohesiveness, the more decisive the ostracism. The size of the group is inversely proportional to cohesiveness. Compact groups are characterized by more frequent and ample communication than groups that have less solidarity. The solidarity of a TF is affected by the following:

The similarity of work processes increases the probability of a strong and compact team.

The liking of other members.

The "importance" of the work performed—as felt by the team members—contributes to increased team durability, solidarity, and cohesiveness.

The prestige involved with working on a given TF. Working with specific people because of their professional, social, or political position may also contribute to higher motivation and greater satisfaction.

Zero-sum competitiveness weakens the team's durability and cohesiveness.

Threats (primarily external) can strongly cement groups that are cohesive, while they weaken all other teams.

Management style—for example, a group's solidarity often will rise with a participatory style, and then will fall with an autocratic style.

**B—**

### ***Social Status and Team Solidarity***

Teams are composed of sundry people from various social backgrounds and organizational spheres within the company. They must be recognized by the team members in order for the team to establish its own norms.

*Norms and standards* in a team are important markers of the system's boundaries. A team's standards are known by all team members and indicate the expectations about thinking, acting, and behaving in a group. They stem from the specific circumstances in which a group finds itself. Team norms may be passed on orally, in writing, or silently accepted regardless of whether a given member of the team is able to name them or not. Some of them must be observed absolutely by some team members (e.g., by the manager). Often in such instances one speaks about the roles that a given person is to fulfill. Norms can be general, or they can be defined numerically (e.g., a production rate of 37 units per hour). Deviations from norms and standards are rejected by cohesive groups.

*Internal social structure* causes TF to differ. Sooner or later, variegations will appear in teams regardless of the superior system. This variegation affects decisions, the team's stability, the realization of goals, the level and type of discussion, and the needs that are satisfied. The internal structure is usefully described by three arrangements.

Place in society

The formal structure of roles

Relative importance within the management structure

*Status* defines the rank of a unit in social systems from the system member's point of view. This position is not defined by provisions, but is spontaneous. Every company has many statuses. They depend upon the persons who perform the ranking (e.g., an employee's position in reference to the management, a professional and his or her knowledge and skills). Specific duties and privileges (what is permissible and what is not) or symbols (distinctions, e.g., "white" or "gray" collars) are linked to status. Depending upon organizational culture and time, three different status indicators may be distinguished.

1. The ability to obtain rewards
2. The amount of the rewards received
3. Services performed for the organization

Status congruity is present when the attributes ascribed to status overlap with the feelings toward the person in a particular role or status.

Research on *status versus team behavior* shows basic interdependencies between status and group behavior.

People with a high status and high status congruity show greater satisfaction when their behavior corresponds to standards and norms as compared with person of lower status.

Paradoxically, moreover, high-high type persons (HiHi) persons often have more freedom in finessing these standards and norms without sanctions from the team.

People with higher status are usually more active and dominating than people with lower status.

People with lower status can convey more information, but this information is less important to others.

C—

### ***The Specialist's Impact on the Team's Solidarity***

The increase in the level of team cooperation depends first upon the acceptance of roles, and then upon the stimulation exerted through the roles played by specialists and the team manager. *Role* is understood as the expected behavior among people with a specific position and status, thus position indicates formal standing within a structure for social cooperation. The position occupied by a given person may be attained or lost. In turn, roles circumscribe ways of behaving for a person in a given position. An analysis of roles shows the relationships between a person and the community. Role expectations are related to sanctions, and the following may be distinguished: necessity, obligation, and opportunity. A specific position usually requires the application of not just one but a set of roles, each appropriately fitted to a given situation.

In terms of *management structure*, each team has a formal manager, but it may occur that an informal manager (leader) will arise who will affect the team. The team selects one or several persons, who are given general or special functions giving them the (informal) right to influence team decisions, behavior, and results, regardless of the formal manager. The distinction of being an informal manager stems from his or her having a greater amount of knowledge, aptitudes, and personality traits that have an emotional effect (e.g., physical strength, ability to persuade, good appearance, internal warmth, and internal strength) and that frequently contribute to the team member's identifying with a person.

VIII—

### **Diagnosing the Strengths and Weaknesses of a Task Force's Work**

Another form of diagnosis TF looks at are the expected positive and negative elements that may appear over the course of its work. Every team contributes certain pluses and minuses to problem solving. For example, a team may make risky decisions less frequently than individual persons. The readiness to take on risk and boldness are generally ascribed to individuals and not to groups. Research shows, however, that the placement of decisions with a team can cause teams to select scenarios that are more risky. This phenomenon is called "risky shift" (e.g., Steinmann and Schreyogg, 1990). Several hypotheses explain this phenomenon, and also show the advantages of team-based problem solving.

*Diffusion of responsibility.* It is easier to accept greater risk when the consequences of the action are distributed across a group.

*Substantially higher level of information.* The knowledge, skills, and experience contributed to a team by its individual members and their discussions can expand the horizons of thought and efforts to find solutions.

*Varied approach to the problem.* Stems from the varied composition of the team, depending upon profession, experience, temperament, and so on. In no way is it possible to foresee which one of the approaches to a complicated problem will give the desired results. In



general, max mix seems to hold; the more information that is considered and the more perspectives and approaches that are taken into consideration, the greater the probability of finding the best solution.

*Greater acceptance of solutions.* First—better understanding of the decision (usually the team manager is more prone to undertake risk than team members; discussing and considering a greater number of arguments for the risk leads to making even riskier decisions). Second, decision-making independence, depending upon the team's composition, exerts an impact on the implementation of the solutions that have been worked out. The decision will not be effective if the people who are to implement the solution do not accept it and will not apply it. They will implement their "own" solutions (i.e., the ones that they have elaborated) more willingly and with greater effectiveness.

*Risk as a social value.* The presence of others can force people to support a risky solution so they don't appear cowardly.

*Better coordination.* Both during the design and implementation phase.

Teamwork, besides its manifest strengths, contains negative elements or *drawbacks*. Some illustrations include the following:

*False unanimity:* leads to illusions of there being an absence of threats and evokes groundless optimism. Unconditional belief in the morality of the group frequently makes it blind to the ethical consequences of decisions, which are assumed to be justified.

*Self-censorship:* team members silence their own doubts and judgments (which are often correct judgments) when their way of understanding the issue does not correspond with the group's main line of thought.

*Guards of accepted thinking:* there are group members who, by giving voice to noble slogans about unanimity, are acting as gate keepers who force potential decision makers to unify their thoughts so that they do not influence other group members with their own doubts.

*Domination by a single person:* a formal (or informal) leader may dominate discussions and may exert a strong influence on work outcome. Often one person "is shooting off at the mouth" and the others just do not want to risk a confrontation. The time loss means that decisions are made in haste and meaningless chatter is taken for discussion.

*Rationalization and stereotyping:* the team rejects or fails to appreciate facts that stand in opposition to the group's point of view, thereby justifying decisions in a "reasonable" manner. The opponents are perceived negatively as enemies or people who are too stupid, limited, or contrary to merit attention.

*Conflicting scenario-based solutions:* when undertaking teamwork all members declare their desire to find the best solution; however, some begin to defend their own ideas from a win/lose perspective. The struggle with the problem can be transfigured into a personal battle.

*Illusion of unanimity:* on the basis of the group's self-censorship and pressure, the conviction is formed (especially by the manager) that unanimity exists.

*Agreements and compromises that are reached too early:* some members may commit to a solution earlier. Instead of looking for the best and most favorable decision in a disinterested fashion, they argue with great resolve for their "own" project or they encourage others to discontinue work on other proposals.

*Waste of time and money:* this shows up when the TF turns into a "society of mutual adoration or admiration."

*No accountability:* if the team members are not integrated and if they are not inclined to bear total accountability, they may exercise less prudence in proposing a solution.

A—

### ***Diagnosing Factors Capable of Eliciting Positive and Negative Results***

Similar to the way in which the leader handles work and situations, the TF may encounter the following determinants, which will lead to benefits or nonbenefits. The way in which they are utilized depends to a great degree upon the leader.

*Lack of conformance.* Different options, concepts, and proposals may be a creative inspiration or they may lead to dissatisfaction, mutual dislike, and infighting. The leader's attitude is of fundamental significance in this situation; he or she will either set the group at conflict with itself or will stimulate the group to create (e.g., "both ideas are good, especially if they were to be combined into one solution").

*Conflict of interests.* Team members may have contradictory goals when analyzing the issue at hand, for example, from the perspective of their own professions or different points of view, and may employ their own jargon. The leader must find a "common language" and common goals in order to integrate the group.

*Risk taking.* This may lead to positive or negative consequences.

*Time requirements.* Group decisions are usually time-consuming if thoroughly discussed, but they are usually more elaborated and more valuable than individual ones.

*Change of opinion.* Teamwork always causes some people to change their opinions. Things are working well if the change is a positive one, and things are going poorly if someone retracts from well-founded arguments faced with group pressure.

In order to increase the chances of a team's success, directing it toward greater efficiency and cost-effectiveness, the following ideas may help.

Managers should wait to voice their viewpoints and withhold expressing decisive views as long as possible.

Managers should encourage—with the use of words and gestures, and with setting up the situation—the group members to voice their viewpoints actively, especially their doubts and critical comments. It can help to introduce the role of a "devil's advocate" to stimulate criticism and more broad-based discussion of the problem at hand.

It is good to divide a team into several subteams in order to discuss a problem. One useful consequence is the mitigation of the negative impact exerted by informal leaders and more active persons, since their destructive influence is directed at a subgroup and not at the entire group.

Gradual solutions. The problem is divided into several solution phases. After completing one, the next one may be undertaken.

"Turn the problem around" or "reframe" it to encourage surfacing of new information due to the different approach taken. How to prevent certain target behaviors, for example, might become an exercise in how to motivate behaviors that are inconsistent with or undercut the target behaviors.

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## Managers and Project Leaders Conducting Their Own Action Research Interventions

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Discussions of organization development (OD) and action research focus on the central role of a consultant (e.g., French and Bell, 1990; Neilsen, 1984). It is frequently assumed that OD works with and through a formally designated internal or external consultant.

Some modifications of this assumption were recently suggested. For example, Beer and Walton (1987) argue that managers, not consultants (regardless of whether they are external or internal), are most instrumental over the long run in retarding, creating, or championing organizational change. Literature addressing high-involvement management has begun to determine roles for managers that are consistent with this understanding (Manz and Sims, 1989; Mohrman and Lawler, 1988). Consequently, there is a developing appreciation that managers should take an instrumental role in creating planned change in their organizations. Accompanying this greater appreciation has come encouragement for managers to be trained in, and use, action research (McLennan, 1989).

The advice that managers should act as action researchers is useful. However, for it to be successfully applied, special issues associated with managerial application of action research need to be understood. Unlike consultants, managers typically have line authority and responsibility for people with whom they might act as action researchers. The relationship with these people extends beyond the intervention, causing a need to maintain working relationships. In addition, managers' interventions are likely to be within the context of the work of their particular unit, rather than the more general context of organizational change.

Literature discussing other new roles for managers suggests that a simple assertion that managers should act as action researchers is not likely to achieve successful practice. Managers in a position to mediate conflict among their subordinates, for example—a task similar to the third-party role prescribed for OD practice—often don't mediate well (Kolb and Sheppard, 1985; Sheppard, 1984). How can managers be assisted to carry out action research successfully? One means is through the provision of exemplars, descriptions or "stories" of successful action research practice by managers. Such stories provide particularly good teaching tools (e.g., Brown, 1990).

In this chapter we discuss action research interventions carried out by three of the authors, all of whom were acting from their organizational supervisory role either as manager or project leader. Their interventions took place in a bank, manufacturing company, and public utility, respectively. We then explore themes and issues regarding supervisor-led action research raised in the descriptions, noting in particular similarities and differences to action research processes described for

consultants. We will use the term *manager-led action research*, but in so doing, we mean action research led by anyone in a supervisory capacity, including project leaders.

Our purpose is *not* to develop one agreed-on model for action research by managers or project leaders; thinking in this area is too new. Rather, we hope to stimulate expanded understandings and new experimentation with the process. Argyris and Schön (1989) suggest one way of stimulating new understandings and experimentation. They propose that accounts of interventions can suggest "thematic patterns" whose generalizability can be tested in different action settings. Thus, we will propose themes regarding manager-led action research whose generalizability can be tested by managers and project leaders in their own settings.

To place manager-led action research in context, we first summarize the typical stages of the process, at least as it has been discussed for consultants. French and Bell (1990), Neilsen (1984), and others propose that action research typically takes the following form. A consultant gains entry into a system and contracts with its members regarding the approach to be followed. The consultant then works with the system members to determine a problem or objective of the system and to collect data about the problem or objective and potential factors associated with it. After analyzing the data, the consultant feeds them back to system members, and together the consultant and system members try to understand underlying factors (causes) associated with the problem or objective. System members plan action based on the diagnosis, take the action, and then evaluate it. This evaluation in turn potentially leads into another round of action research.

Nothing in this description demands that action research be carried out by consultants. It typically is, however, in part because consultants are more likely than managers to be trained in social science data collection and analysis, and in part because consultants are more likely to be seen as objective about an organizational problem than organizational or subsystem members. However, managers can deal with some of these issues, especially if they receive training in action research. In the cases described below, the authors were receiving university training in action research while carrying out their interventions.

## I— Bank

The bank intervention took place at a commercial bank that is known for providing high-quality services to the financial industry. The bank had recently changed its structure, functionalizing many services provided to clients. Among the first clients to convert to the new system was one of the bank's largest customers, a client bank.

Prior to the change in structure, the bank had committed significant management resources to the client. The bank reorganized management on the account by splitting out client-related functions. As one change, Robert Dame was promoted from assistant vice president to vice president responsible for processing one function for this and several other clients. A newer, experienced assistant vice president was introduced to the relationship under Dame.

The senior manager from the client, who wanted to interact with individuals she already knew, was upset about the new organizational structure. She reluctantly accepted the new structure, but said that she was very concerned about quality of service and that she would monitor it closely.

## A— *Nature of the Problem*

The bank's assistant vice president made an initial favorable impression on the client. However, shortly thereafter several critical events occurred that resulted in unfavorable comments about him. For example, the senior manager at the client called him indicating a major problem with a transaction. She requested that the assistant vice president immediately call her with an answer. He communicated the answer to her 50 minutes later. In addition, the senior manager attempted to contact the assistant vice president on two different problems. On one occasion his phone went unanswered and on the second the phone was answered by a pretaped message. In both cases, the senior manager needed someone to resolve a problem immediately. After these events, the senior manager and a senior relationship officer at the client called Dame to discuss the assistant vice president's unresponsiveness.

Dame discussed the problem with the assistant vice president, who gave several reasons for being unavailable and unresponsive, including having another client, attending meetings to discuss and understand the client's products and requirements, and attempting to understand events fully before discussions with the client. The assistant vice president's prior history and prior performance reviews did not indicate any problems interacting with clients, and he wanted to improve the situation. He and Dame decided to address the problem through action research.

**B—**  
***Contracting and Data Gathering***

Dame met with the assistant vice president to develop an agreement concerning their roles. They agreed that (1) Dame would gather data by observing and interviewing, both internally and with the client; (2) Dame and the assistant vice president would analyze the data, and from the analysis develop an action plan; and (3) time would be allocated in supervisor and staff meetings to assist in data gathering and feedback. Dame and the assistant vice president also established weekly meetings in which they could perform ongoing data analysis and make changes in how the assistant vice president was interacting with the client.

The themes that emerged from the data-gathering process are shown in Table 1. Shortly after the data were collected, the senior vice president in charge of Dame's area visited the client. The senior manager at the client had outlined the problems the client was having and requested that the senior vice president intervene. However, the senior vice president told Dame and the assistant vice president that he had confidence that the problems would be resolved.

**C—**  
***Data Analysis, Feedback, and Action Planning***

Dame and the assistant vice president identified common elements in the data in Table 1 and developed several proposed changes. These included the assistant vice president keeping the client informed on immediate problem issues every 10 minutes until resolved having his other client moved to another assistant vice president, and reviewing information that would provide him with a frame-work in which to respond to new products the client was developing.

To achieve these changes they developed a series of action steps the assistant vice president would carry out. These included immediately forwarding the phone calls to a secretary who would maintain a daily schedule of the assistant vice president's whereabouts, reviewing literature concerning the products and investments of the client, and assuming responsibility for the client's new

**TABLE 1** Themes from Meetings, Observations, and Interviews in the Bank

*Supervisor/Staff Meetings*

The assistant vice president did not understand the client's products/investments.

The assistant vice president needed to be more supportive of staff needs.

The assistant vice president did not stand up enough to the client.

The assistant vice president had too much work.

*Dame's Observations*

The assistant vice president was servicing (on an interim basis) an additional client, which inhibited his ability to be responsive.

The assistant vice president was attempting to understand an issue before responding to a problem.

The assistant vice president didn't understand the attention that the client was used to receiving from senior management at the bank.

The assistant vice president got defensive when talking with the client.

*Observations of the Client*

Turn off the electronic message service. An individual is needed on the other end of the line.

Update every 5–10 min until a problem is resolved.

The assistant vice president needs to learn our market and needs.

investments and products. They also agreed that Dame would identify a new person to assume responsibility for the assistant vice president's other interim client.

**D—  
Implementation**

The assistant vice president immediately carried out these action steps and, in addition, successfully completed several projects. For example, the client was introducing several new investment types. The assistant vice president researched how the investments should be handled and provided a comprehensive outline. Further, he initiated a comprehensive review of staffing requirements for the client based on projected growth levels. All of these actions led the client to make favorable comments about him.

**E—  
Evaluation**

The implementation of these steps led to significant improvements in the client's relationship with the bank. The assistant vice president began performing joint client presentations with potential new investors, operating statistics confirmed that the bank's services were being performed in a more timely and accurate manner than at any time before, and, finally, the client commented on numerous occasions that "things have never been better."

**F—  
Comment on the Case**

Through action research, Dame and the assistant vice president were able to improve the latter's servicing of the client. They jointly outlined action steps, thereby allowing the assistant vice president a say in the activities he undertook and reducing his resistance to change. The assistant vice president could see that the intervention had the support of top management and that it would improve his performance while not threatening his autonomy and security.

**II—  
Manufacturing Company**

The setting for this project was a medical electronics company that designs, manufactures, and sells a wide variety of patient heart-monitoring systems. Daniel LeLacheur is an industrial engineer in the company. The scope of his job encompasses such things as new product transitioning from design to manufacturing and searching out ways of enhancing product quality while increasing worker productivity.

LeLacheur had been employed with the company for about a month when he was named by the vice president of manufacturing as the project leader of a large-scale project. Its goals were to review the current manufacturing process from the grouping of all parts necessary to build a quantity of assemblies to final product shipment, to highlight problems and recommend a cost-saving system solution, and to implement the new system. This integrated manufacturing system was to increase product volume while maintaining flexibility, as well as enable automated material control and improved planning.

A work team was formed to carry out this task, consisting of LeLacheur as leader, a quality/test supervisor, a materials management person, and the division's manufacturing manager. They analyzed the current product flow and identified both problems with the process and potential solutions to the problems. As the analysis evolved, it became evident that the system they were creating would cause a radical change in the way the company did business.

**A—  
Problem Description:  
Organizational Acceptance of the Changes**

When the project began, the process of grouping parts was not performed in a controlled manner or place. Consequently, the assembly operators were constantly searching for missing parts. The assembly process also lacked continuity. The assembly area was set up in such a manner that products were fixed to turntables mounted on benches. Assembly operators moved back and forth along

these benches, performing individual steps to each assembly. Products were assembled up to the point that parts were discovered missing; they were then temporarily stored until the missing parts could be retrieved. Consequently, the production floor warehoused hundreds of incomplete monitors.

Some drastic changes in these procedures were necessary, which the integrated manufacturing system would address. The problem was not in the design of this system, but in its implementation and acceptance by the supervisory and subordinate assembly personnel who used the system and who would want a say in any changes made.

### **B— Diagnosis**

To diagnose this situation, LeLacheur focused on the subgroups who had first-hand contact with this new system: materials personnel, assemblers, testers, and supervisors/managers. The manufacturing vice president organized a meeting of the appropriate supervisors and managers, and introduced the work team to them. He explained the objectives of the project, assured them of the organization's financial backing, and allowed the work team to give a presentation of their findings concerning redesign. He then wrote a memo reiterating the details of the meeting with strong supportive statements.

The work team prepared a questionnaire to distribute to each of the four groups. It assessed each group's level of cohesion, pride, and motivation in their work and their feelings about supervision, since these factors seemed likely to be related to acceptance of the changes. It also prepared a copy of the current and proposed floor plans along with a detailed process description proposal, and asked for reactions. The resulting questionnaire thus combined an attitude survey with an opportunity for direct feedback.

### **C— Data Analysis**

The work team analyzed the questionnaire by subgroup and found differences among them in members' feelings about the new system and perceptions of their role in it. A summary of some pertinent responses is shown in Table 2.

### **D— Group Feedback Meetings**

The work group planned two feedback meetings. The first meeting's agenda centered on feeding back and discussing the survey results and trying to surface and rectify negative perceptions about proposed design changes.

As suggested by Table 2, three of the four groups had scored low on at least one of the categories assessed in the questionnaire. The materials group scored unfavorably in all three areas. In the discussion, the work team learned that the materials group felt enormous supervisory pressure to deliver materials on time and in the proper condition, a task which, upon their explanation, seemed next to impossible. They also felt that their contribution to the manufacturing process was held in low regard. The work team explained how the role of the materials group within the new system would become more focused and vital to success.

**TABLE 2** Average Scores on One Section of the Questionnaire Administered in the Manufacturing Organization

Group	<i>N</i>	Group cohesion	Pride and motivation	Feelings about supervision
1. Materials	6	3.25 <sup>a</sup>	2.75	4.25
2. Assembly	16	5.50	5.00	3.75
3. Testing	12	3.33	5.33	2.67
4. Supervision	6	5.33	6.00	5.67

<sup>a</sup>1 = low, 3.5 = average, 7 = high.



The assembly group had scored very low on feelings about supervisors. In the discussion, the work team learned that the assembly group believed that by going from the present method of assembly to a conveyORIZED one their tasks would be dehumanizing and monotonous. They preferred to keep the proposed tasks more in line with a turnkey assembly approach. The work team agreed to incorporate the assembly group's idea into the new system.

The testing group scored very low in both feelings about supervisors and group cohesion. In the discussion, the work group learned that the test personnel, because they ran very different pieces of test equipment and had diverse roles, saw themselves as individuals and not members of a team. They wanted to assist in specifying the layout of their individual work. The work team incorporated the input of the test group in preparing its design.

The supervisory group had scored very high on all three categories in Table 2. However, they also had reservations about the new system. These included potential disruption of the production delivery schedule caused by its implementation, and concerns about whether the system would allow for quality feedback to the assemblers.

At the end of the session, the work team announced that the second feedback session would consist of presenting revisions made to the system proposal based on the input of each group, reviewing these changes for concurrence and addressing additional concerns.

*E—*

**Action**

At the second feedback meeting the work team proposed setting up regular meetings until the system was fully implemented to make further refinements of system specifications. This idea was welcomed by everyone and approved by management.

They then presented a complete system process description package that defined and detailed the roles of each of the four subgroups using the system. They explained the various group responsibilities and how these had been revised based on the previous meeting. For example, the new assembly approach would remain a turnkey approach. In addition, they presented a new floor layout with work stations that with operator input would be custom-tailored to each individual's needs. This presentation was well received, and several more ideas were brought up for addressing at further meetings. It began to appear that participants from all the subgroups had formed a new and larger "team."

*F—*

**Project Follow-up**

One year after implementation of the integrated manufacturing system, the new, larger team had taken ownership of the system in terms of holding weekly meetings to resolve problems and integrate new technologies with it. The new system had become a showpiece for customer tours and trade magazine articles. Due to the success of the project, members of the work team adopted the same type of methodology for two other major change projects.

*G—*

**Comment on the Case**

Several factors contributed to the success of this project. LeLacheur, as a newcomer, gave others the impression of being very objective in evaluating their concerns. At the same time, due to his position in the company, he could converse with the assemblers or test personnel during lunch breaks and after hours, when communication barriers were usually lowered. He provided a valuable communication link between management and subordinates.

**III—**

**Public Utility**

Timothy Crosta is a staff member of the general manager's staff in the customer services department of a large public utility. Employees within the department include, among others, technicians and field managers. Prior to assuming this position, Crosta had worked as a field manager responsible

for 15 technicians, and one of the first tasks Crosta was given after joining the general manager's staff was to examine the utility's training procedures.

*A—*

***The Problem***

At the time the project started, individuals hired as service technicians spent 2–3 weeks in technical training school. They learned the basic skills required of service technicians but were by no means capable of working alone. Upon leaving the training school, technicians became members of the work crew. Field managers instructed new technicians on the general rules of the company and the new hires usually spent a week or two riding with experienced technicians in an effort to become familiar with the job. Then the new technicians became part of the productive work force.

Placing a new technician in the field ahead of his or her abilities to perform the job was problematic not only to the employee, but also to the customer. From a customer's perspective, the technician *is* the utility. Therefore, it was paramount to the image and well-being of the company that technicians perform their jobs well and be well trained.

*B—*

***Diagnosis***

Crosta decided to interview both new and experienced technicians, as well as field managers and training instructors, to learn their perspectives. He first attended a seminar the utility was conducting for all service technicians. There he distributed a questionnaire to the participants in which he asked them to list "roadblocks" in their jobs. The technicians mentioned several issues and concerns, such as poor interdepartmental communications and management-nonmanagement relations, but training appeared on a majority of the questionnaires. Many technicians felt that current training methods prepared them inadequately for the situations faced in the field. They also wished more input in training decisions.

This information was a foundation for further data gathering. Crosta decided to direct the data gathering toward both the technicians and their field managers, since the input of both would be critical for any action plan. Because the utility is so large and the information Crosta sought required visiting many work locations, he asked three people to assist him. Together they formed a consulting team.

Consulting team members rode with the technicians as they were doing their work, and asked questions about their work and training. They used a similar format with the field managers, but way gave the consulting team the chance to observe the technicians in their environment and to see as well as hear about roadblocks. It also was a useful means of viewing the technicians and field managers interacting with one another. At first the technicians were uncomfortable with their presence, but when the consulting team explained that their work was aimed at improving conditions, the technicians gradually became more cooperative.

*C—*

***Data Analysis***

At the conclusion of data gathering, the consulting team met to discuss their findings. The technicians they had interviewed and observed all had communicated a common message: Current training procedures did not prepare them adequately for the responsibilities required of a service technician. It was the short length of on-the-job training that was most disturbing to them. Both experienced and new technicians told horror stories of when they rode with another technician for a week and were then left to perform the job alone.

Interviews with the field managers shed light on the problem. They complained of the paperwork and other responsibilities that took time away from ensuring proper training for their new technicians.

The consulting team found that the technicians were very supportive of and helpful to one another. The field manager–technician relationship was more complicated. Many technicians were upset at being forced to assume responsibilities without adequate training, and therefore resented

their superiors. Some managers showed little patience for new hires who could not perform the technical skills within a brief time frame.

**D—**

***Feedback Session***

The consulting team decided to deliver feedback from the data they had gathered to a core group consisting of three technicians and three field managers, all of whom were selected by their respective general managers. The consulting team hoped that having members of both groups together would bring about more collaboration. This core group would then create an action plan. To facilitate their joint work, the group met at an off-site location, a local hotel.

The feedback focused on the field managers' frustrations over paperwork and the time it took from the training of new technicians. It also addressed the technicians' frustration over an insufficient training period. This feedback was validated by all those present. However, the group accepted these conditions because, as one member said, "that's the way we do business, and things won't change."

The mind set of "things won't change" was the biggest difficulty the consultants faced. The technicians and managers felt that no matter what was decided or discussed in the core group, everything would remain the same once the group members returned to work. The consultants had to convince this group that they were being given the authority to change these present training procedures they criticized so readily. Finally, they told the group that the project had the support of all the general managers, and this convinced them to some extent that a change could actually take place.

**E—**

***Action Planning and Action***

The next step was getting the group to collaborate on a means of improving training methods. At first this was difficult. There was finger-pointing between the technicians and managers which inhibited a total collaborative effort at the start. However, the first meeting ended with all participants agreeing that a problem existed with the manner in which the company trained new technicians. During later meetings, the group gradually began to understand their role and the importance of their efforts and to carry out action planning.

After several meetings, a final training package was created that met the approval of all members. A 6-week on-the-job training format was created to supplement a formalized 5-week classroom training curriculum. Evaluation of a field technician's preparedness to assume full work responsibilities was left to the discretion of the field managers.

**F—**

***Evaluation***

The program the core group developed was accepted by the entire company, management and nonmanagement alike. It was in its infancy when the company experienced a lengthy strike that caused serious damage to management-nonmanagement relations. Despite the hard feelings, the utility recognized that training could not suffer. Although it took a bit of time to get back on track, the training program continued to be implemented after the strike and to produce more knowledgeable technicians.

**G—**

***Comment on the Case***

In his experience at the utility, Crosta had noticed that consultants often needed considerable effort to gain acceptance from the group with which they were dealing. However, because Crosta had worked as a field manager, he shared common ground on which to communicate with group members. This helped considerably in gaining the cooperation of the core group.

## IV—

**Issues and Themes regarding Manager-Led Action Research**

From these descriptions, it is possible to trace a number of issues and themes relevant to manager-led action research. These suggest both similarities and differences between manager- and consultant-led action research.

*The initial assignment to carry out work that leads to the action research project is likely to come from the manager's superiors and to be part of the manager's job description.* In most cases of consultant-led action research, the decision to carry out a project is a joint one between managers and consultants, and represents "extra work" activity. In all three cases described here, however, the original job assignment came from superiors and was part of the manager's ongoing job duties. The source of the assignment meant that the intervention had the support of top management, a very important aspect of successful organizational change efforts (French and Bell, 1990). Action research represented the manner in which managers carried out the change project, not the work itself.

*The other participants in the intervention are likely to be subordinates who need to buy in to the change project.* As the cases here illustrate, the other participants in the intervention are likely to be people over whom the manager leading the intervention has some decision control. However, this relationship does not ensure that they automatically accept the type of organizational change being proposed or feel confident that they can achieve it. It is necessary for the manager to work out a contract with these participants, just as contracting is necessary for consultants. In the bank, for example, Dame worked out a clear contract with the assistant vice president regarding the course of the project. In the utility, the consulting team had to deal with resistance from the technicians and with the core group's doubt that they could affect change.

*The intervention is likely to be aimed primarily at increased productivity.* In many descriptions of OD, the stated aims of the intervention include a focus on improved group process. In contrast, in all three instances described here, the primary concern was with increased employee competence and productivity; improved processes might be a helpful by-product. Productivity is often the most important concern of managers in consultant-led organizational change projects (Moch and Bartunek, 1990, Chap. 3). This focus does not preclude the possibility that, as with the bank and manufacturing organization discussed here, organizational processes will change due to the intervention.

*Managers may find it helpful to constitute a consulting team to assist in the intervention.* Consultants often form consulting teams, especially when the number of participants in an intervention is large. As the interventions in the manufacturing organization and public utility suggest, consulting teams may also be helpful for manager-led interventions. The teams may be assigned by the manager's superior (as in the manufacturing organization) or formed by the manager conducting the intervention (as in the utility).

*Data gathering can take place through a variety of formal and informal means.* Most discussions of consultant-led action research describe three types of data gathering: interview, questionnaire, and observation. All of these methods were used in the interventions described here. A questionnaire was used in the manufacturing organization, observation in the utility, and interviews in both the bank and utility.

In addition to these formal data collection efforts, the managers had the opportunity outside of formal work activities for informal conversations that reduced resistance to proposed changes and expanded the possibilities for problem diagnosis. These conversations are frequently much easier to accomplish when the intervention is led by a manager.

*Feedback sessions can be integrated into the work day or conducted separately.* Most consultant-led action research assumes feedback sessions that are somewhat removed from work. This was the case with the intervention in the utility. However, as the interventions in the bank and manufacturing organization illustrate, feedback sessions can also be structured

into the normal work day. This type of structuring is easier to accomplish when the intervention is manager-led.

*The manager is likely to have a personal stake in the outcome of the intervention.* In consultant-led interventions, the outcome of the change project is unlikely to have a direct impact on the consultant. However, in the illustrations here, all three managers were carrying out interventions related to their job descriptions, and all three had a stake in the outcome. Such a stake is rarely addressed in discussions of interventions (Goode and Bartunek, 1990). It can increase both managers' motivation to do well and their anxiety about the intervention. Because of these factors, it might also lead managers to take a much more directive than participative approach, one in which they attempt to have substantial control over outcomes.

*The managers were all receiving training in action research while carrying out their interventions.* As noted earlier, managers called on to resolve disputes are sometimes not very effective. This lack of effectiveness is due in part to the fact that they have personal stakes in the issue being disputed, along with very little training in dispute resolution (Karambayya and Brett, 1989). Thus, it is important to emphasize that the managers described in this study were receiving university training in action research, training that included the opportunity for them to explore how true to the action research philosophy their interventions were. This type of training and opportunity for reflection is probably critical to the effective implementation of manager-led action research, especially when managers have personal stakes in the intervention.

V—

## Conclusion

We have proposed that people acting in a supervisory capacity may sometimes conduct their own action research interventions rather than depend on a consultant, and have illustrated such activities in diverse settings. The illustrations are not meant to suggest that manager-led action research will always succeed. As with consultant-led action research, a number of factors, such as change agent competency, top management support, participant resistance to change, and problems with data gathering, analysis, and feedback, affect success. Nevertheless, the cases illustrate that manager-led action research can be an effective means of change.

As we stated earlier, the point of this chapter is not to institutionalize one model of manager-led action research but to foster expanded thinking about the action research process. To achieve this aim, we have suggested several themes relevant to action research whose generalizability can be tested in other settings (Argyris and Schön, 1989). Based on our discussion, it is possible to explore, for example, whether managers are likely to succeed in projects they initiate entirely themselves, or whether an initial job assignment by their superiors is necessary for success. It is possible to explore more fully the relationship between managers and subordinates necessary for successful accomplishment of such projects. It is useful to determine whether productivity is likely to be the most successful initial motivator for manager-led action research efforts, when a consulting team is of help and how best it might be constituted, and how managers in different types of organizational settings, and with different types of backgrounds, can best collect data and feed them back. Finally, what are the implications for managers of the personal stake they will likely have in the outcomes of their interventions? What training is necessary for these personal stakes to foster rather than impede success?

As we commented above, this chapter represents a beginning of exploration of manager-led action research. Other managers' testing, exploration, and development of the issues and themes we have suggested can only lead to increased understanding of this type of work.

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## 5— Linking Measurement to Motivation

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How is measurement linked to motivation? The most basic answer comes from Haire's observation: "What gets measured gets done" (Peters and Waterman, 1982, p. 268). Still, anyone who employs measurements to motivate discovers that it is not all that easy, for what actually gets motivated, let alone done, may not be precisely what those doing the measuring intended. Using measures to motivate creates a number of practical problems.

## I— Establishing Measures Is Controversial

Measures are designed to capture how well agencies are achieving specific public purposes. Because many public purposes are controversial, however, establishing a method of measuring the accomplishment of these purposes can be similarly controversial. The lofty, vague words with which public purposes are often expressed can disguise fundamental, underlying disagreements. Only when we explicitly consider how to measure the achievement of these purposes may these conflicts become obvious. Thus, debates about measures are often surrogate debates about purposes. Consequently, to avoid the conflict that any such debate will generate, to avoid exposing the underlying disagreement about purposes, people eschew even attempting to select specific performance measures.

The controversial nature of selecting performance measures certainly applies to education. "Consensus on the overall goals of American education has, at least in the past, been elusive," note Hanushek and his colleagues. Consequently, "The question 'what to measure?' is one of the most contentious issues in standardized testing" of students (1994, p. 133).

## II— It Is Often Impossible to Measure Outcomes

Every public agency has been created to produce some kind of improvement in society, some kind of result, some kind of outcome. The real outcome that we seek from a public agency, however, may not be realized or measurable for years. If we want some kind of useful measure of how well the agency is doing now, we have to rely on its outputs or some other outcome surrogate—on some measure of what it has done this year.

We want our schools to fill students' heads with knowledge and analytical skills, yet we want our schools to educate students about more than the standard textbook subjects from reading to physics. We want our schools to do more than teach students to think analytically and creatively.

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Excerpted from Thurston PW, Ward JG, eds. *Advances in Educational Administration*, vol. 5. Greenwich, CT: JAI, 1997, pp. 29–49. Reprinted with permission of author and publisher. Notes have not been included.

We also want our schools to create future contributors to society. We want schools to help children mature into economically productive and socially responsible citizens. This is the ultimate outcome that we really want our schools to produce. This final result is certainly difficult to measure; moreover, it is very difficult to measure this result in any manner that can be used in any reasonable way to help improve a school's current performance.

The real outcomes of many public agencies do not appear for years or decades. Rather than measure the future outcomes we really want to achieve, we are forced to measure the outputs that we are actually producing now: the knowledge and analytical skills, for example, that are inside the heads of today's students. We exercise the natural human tendency to measure that which we can measure best, such as current students' ability to solve specific problems.

### III— Measures Can Distort Behavior

Not only do measures motivate behavior in desirable ways, they can also motivate behavior in undesirable directions. As Hanushek and his colleagues observe, "The problem with applying performance incentives to the management of education is defining what sort of incentives will work most effectively without also having undesirable side effects" (1994, p. 55). Similarly, Ladd worries about "whether the undesirable side effects of accountability and incentive systems can be kept to a tolerable level" (1996, p. 14).

In part, this problem emerges from our inherent inability to measure precisely whether or not we are achieving our public purposes. Usually, an actual measure is only a crude approximation of what we want to accomplish. For example, we want to educate children to be able to use mathematical thinking to solve a variety of complex and new problems, yet standardized tests usually ask students to use mathematical formulas to solve a number of standard problems. Students who do better on such problems will also do better when confronted with more complex problems. After all, understanding how to do simple mathematical problems is a prerequisite for undertaking more complicated analytical reasoning. Nevertheless, what we measure is not precisely what we want; it may not even be close.

As Haire (Peters and Waterman, 1982) reminds us, whenever we measure something in education or any business, people will respond. Measurement can produce that fortunate and unfortunate result—exactly what we asked for. But because we cannot measure what we want, what we get is what we asked for, not what we wanted. We suffer from our human limitations, our inability to measure the actual achievement of our real purpose. What gets done, therefore, is not what we really wanted but only what we could measure.

Of course, the people being measured are not stupid. They know what we really want. Nevertheless, they do what is being measured, either out of narrow self-interest (they want the reward that comes from producing the desirable measurement) or out of contrariness (they think it is stupid but decide that if that's what is wanted, that's what they will do). The result may be cheating, either honest cheating or dishonest cheating. The distinction between honest cheating and dishonest cheating is similar to George Washington Plunkitt's distinction between "honest graft" and "dishonest graft"; honest graft is quite legal while dishonest graft is not (Riordon, 1963, pp. 3–6).

Honest cheating is knowingly doing precisely what will be measured rather than seeking to accomplish the real purpose behind the measurement. In education, the obvious form of honest cheating is teaching to the test. The real purpose is to teach children to think mathematically. Because it is quite difficult, however, to measure our success at achieving this purpose directly and reliably, we resort to a surrogate: a standard test. Because this limitation is well known, because all teachers understand that it is impossible to measure the level of achievement of our true purpose, they can focus on the measure being used, not on the real purpose. They need fear no retribution. Yet it is hard to fault people for teaching to the test or engaging in other forms of honest cheating. After all, they were told quite clearly how their performance would be measured. The teachers were not told to achieve the real, but vague, purpose. They were asked to produce against a proxy, but specific, measure. As George Washington Plunkitt would often say: "I seen my opportunities and I took 'em" (Riordon, 1963, p. 3).



In contrast, dishonest cheating is, well, dishonest. It is clearly unethical if not downright illegal. The obvious example is the elementary school in Fairfield, Connecticut, that in 1996 was accused of erasing its students' erroneous answers and replacing them with correct ones. This is certainly dishonest cheating.

All measurements can distort behavior. They encourage people to focus on the measurement rather than the real purpose. They inevitably encourage both honest and dishonest cheating. And when the measurement is linked to some kind of reward, when the stakes of doing well against the measure are raised, the incentive to cheat does increase.

#### IV—

#### **Traditional Holding-People-Accountable Systems Create Many More Losers Than Winners**

What happens once the results are in, once all the measures have been recorded and tabulated? Usually, in a system designed to hold people accountable, some people or organizations receive rewards. The rest receive nothing or, perhaps, even some kind of punishment. Moreover, the number of awards is limited. Before the measurements were ever taken, the number of awards was arbitrarily fixed. South Carolina, for example, gives awards in the range of \$15,000 to \$20,000 plus some managerial flexibility to the top 25% of its schools. Dallas fixes not the number of schools receiving its awards but the amount of money to be distributed to both the winning schools and their teachers and other staff; approximately 20% of the employees in the Dallas schools receive awards each year (Clotfelter and Ladd, 1996, p. 35). For both these award programs, approximately three-quarters of the schools and three-quarters of the principals and teachers are labeled losers. Is this motivating?

If your school just missed the cutoff this year, you and your colleagues might well be motivated to do better next year—to work hard enough to win one of the awards. (If your baseball team just missed the playoffs this year, you and your teammates might well be motivated to do better next year—to work hard enough to make the playoffs.) But what if your school finished near the bottom? What if the improvement required to become one of the winners is colossal? Will your school really be motivated by this kind of reward system to strive to become one of those top 25% schools? How hard will you and your fellow teachers try if you know that you not only have to improve but also leap over at least half of the other schools to make the top 25%? (How hard will you and your baseball teammates work if, after two months, you find yourselves at the bottom of your league? How motivated to make the playoffs will you be once you realize that to do so your team must not only perform spectacularly but also all the other contenders have to collapse?)

Clotfelter and Ladd observe that "most recognition and reward programs perform some kind of adjustment of the absolute scores in an effort to give all participants a reasonable chance to be a winner" (1996, p. 26). This kind of adjustment is designed to ensure that the measurements do not discriminate against poor or minority districts or schools—to ensure that they have a chance to win. But if the number of rewards is fixed, not every district or school can win. All such an adjustment is doing is trying to make sure that every school has the same one in four chance of winning.

We Americans love competition. We believe in competition. We know that competition motivates. Sports is our model for competition. All the teams in a league compete to be, at the end of the season, the single, lone champion. Such competition is motivating for those who have a chance at winning.

Moreover, the competition is exciting. It is dramatic. It is fun to watch as teams drop out, as fewer and fewer teams remain and, in the end, one team is crowned the champion. It makes for great entertainment.

We are not, however, naive. We know that if we played out the season again, the result would not be identical. Maybe the Chicago Bulls would win again—just like the Boston Celtics and the New York Yankees of old. But the result would never be identical. Different teams would win some different games; often the same team would win the same games, though usually by different scores. Gould has argued that if we ran the evolutionary clock again, we would get a different result (1989, pp. 293–299; 1994). This may well be true, but we have little empirical experience with multiple

evolutionary seasons. We do have a lot of experience with multiple sports seasons. And we know that if we could somehow repeat a season (certainly less of a challenge than repeating the earth's entire evolutionary history), the ball would not bounce precisely the same way every time.

The teams in a sports league play the season to establish the one champion. But as every graduate of the Sportscaster's School of Clichés reminds us, on any given day any team might defeat any other team. The best team does not always win. All the result of a single game tells us is who was the best team on that single day. But that is what makes for the excitement, the drama, the entertainment: our knowledge that, in the end, only one team can win, and we do not know which one.

The objective of any public agency, however, is not to provide entertainment. The objective of any system of educational competition is not to generate excitement as schools compete to determine one sole champion. The objective of selecting winners and losers is not to create drama as everyone waits for the awards envelopes to be opened and the awards to be announced. The agency's objective is to achieve some public purpose. The school system's goal is to educate all children, not just those children in the few winning schools.

Any system of competition is useful only if it helps achieve this public purpose. As Clotfelter and Ladd state: "The ultimate test of recognition and reward programs is their effects on student outcomes" (1996, p. 47). Any system of competition is useful if it helps improve *all* students' abilities. Any system of competition is useful only if it motivates people—administrators, teachers, students, parents, and communities—to help *all* students learn. A system of competition that limits, a priori, the number of schools that can win will not do that. Instead, it will demotivate all those who conclude that their school has little or no chance of winning.

Clotfelter and Ladd note: "The morale problems in programs of merit pay for individual teachers are well known" (1996, p. 46). The losers do not like being labeled losers. But merit reward programs for schools create the same morale problems. The principal of one school whose teachers had worked very hard to win one of their state's awards told Clotfelter: "If they hadn't won, there would have been depression" (1995). Central administrators in that state report that local personnel call up and ask, "How come I didn't win?" This question and the anguish behind it requires these central administrators "to act as therapists" (Clotfelter, 1995). How motivational is a system of competition that creates depression and requires its top managers to devote a lot of time to offering amateur therapy?

Creating losers in sports is fine. Every game creates one winner and one loser—and from that comes the drama, the entertainment. We have the picture not only of Bobby Thompson being mobbed by his deliriously happy teammates. We also have the picture of a dejected Ralph Branca sitting alone on the steps of the clubhouse, slumped over so that all we can see is the back of his uniform with its big number 13. That's drama. That's entertainment.

Creating losers in a school system, however, is not fine. Our objective is not to have only one school win. Our objective is to have *every school win*. Our objective is not to have only one student win. Our objective is to have *every student win*. Yet too often we create a measurement and motivation system that automatically labels the vast majority of schools, teachers, and students as losers.

#### **V— Measures Can Discourage Cooperation**

Actually, cooperation is not discouraged by the measures themselves. Rather, cooperation is discouraged by competition for limited individual rewards that are won by ranking near the top of whatever is being measured.

Imagine that two baseball teams that compete in the World Series are not the two teams that performed the best during the regular season and the league playoffs. Imagine, instead, that these two teams are composed of all-star players, the individuals who performed the best at their particular position—pitcher, catcher, shortstop, and so forth—during the regular season according to some scoring system based on hits, fielding percentage, runs scored, and so on. What would happen during the regular season to teamwork? It would, of course, disappear as the players concentrated on their

own individual scores, not on their team's score. This simple change—from team rewards to individual rewards—would dramatically alter the incentives for teamwork.

If you want to foster teamwork, do not limit the number of people who can win rewards. If you want to foster teamwork, do not pit the individuals on the same team against each other. How much teamwork do you get between two gladiators in the pit?

Clotfelter and Ladd write of "the growing recognition that rewarding individual teachers encourages them to compete with one another rather than to work cooperatively" (1996, p. 27). This switch from cooperation to individual competition occurs, however, only if two conditions are met. First, the number of rewards is limited so that not everyone can win. Second, the rewards are won by individuals, even if they are nominally on the same team. If, however, everyone can win one of the rewards by achieving a predetermined goal—or, more precisely if everyone is on a team that can win one of the rewards by achieving a predetermined team goal, and if there are enough rewards for every team to win—then the members of a team will cooperate. Teams may even cooperate with each other. Yet this is competition, too.

There are, actually, two types of competition: 1) competition against each other, and 2) competition against a goal. In *competition against each other*, individuals or teams compete for a limited number of prizes, which go only to those who score the best. In *competition against a goal*, every individual or team has an opportunity to win the prize if it scores above a predetermined threshold—that is, if it makes its goal. Athletic competition is of the first type and is the most familiar. But this is not the only kind of competition. More important, the second type of competition—competition against a goal—can actually encourage cooperation. If every individual, team, or unit can win one of the rewards by achieving a predetermined goal—and particularly if each individual, team, or unit has a better chance to achieve its own goal if it collaborates with the others—then the competition will actually encourage cooperation.

For educators, there is an obvious parallel. Competition against each other is like norm-referenced testing. Competition against a goal is like criterion-referenced testing.

## VI— Simple Measures Can Be Unfair

Measuring the performance of a school looks relatively easy. Collect the scores of the students on some kind of standardized test and aggregate them. Sure, most tests have problems with either validity or reliability. But if we want to learn if children can do arithmetic, we can give them arithmetic problems. We have been doing it for eons.

What if some children come from wealthier homes? What if some children come from homes where the parents buy them books? What if some children come from homes where the parents read at least as much as they watch television? What if some children come from homes where parents read to them? What if some children come from homes where the parents help them study arithmetic? We are looking to measure the teaching performance of the schools, not the wealth of the parents or the teaching performance of the parents. Just using the students' absolute test scores produces a very predictable result: The schools in the wealthiest communities win; the schools in the poorest communities lose. Surprise.

There are two issues of fairness. The first is whether measurements themselves are fair. Unfair measures will not help managers evaluate or learn. The second issue is whether the measurements are perceived as fair. For any perception that the measures are unfair will limit the managers' ability to use them to motivate performance or to promote accomplishments.

Ladd notes that she and Clotfelter worry about "perceptions of fairness: an accountability system would be deemed unfair if it typically favored schools serving one type of student rather than another" (1996b, p. 13). Specifically, the biggest fairness problems, either real or perceptual, could occur in two situations: 1) if the measurements favored schools serving white students over schools serving minority students, or 2) if the measurements favored schools serving rich students over schools serving poor students. Clotfelter and Ladd argue that "any measure of school effectiveness

that is highly correlated with the racial or economic composition of the student body will be difficult to defend" (1996, p. 39).

## VII—

### **Measuring Today's Status Tells Us Where We Are, Not How Much Progress We Have Made**

During a political campaign, a candidate's pollsters and strategists worry less about what percentage of voters say they will vote for the candidate today and more about how that percentage changed since the last poll. To figure out what to do next, campaign managers need to know how much progress they have just made or not made, how much impact their latest strategy and tactics have had.

The same applies to public managers and to the measurement of school performance. High test scores are certainly good, unless they reflect a slippage from previous scores that were even higher. In this case, the data suggest that the school's principal and teachers need to rethink their current teaching strategy or at least the implementation of that strategy. Low rates of daily attendance are certainly bad, unless they have shown continuous improvement over the past eighteen months. In this case, the data suggest that the current effort to improve daily attendance is working. Public managers need to undertake measurement not only to generate data about existing performance. They need to collect these measures periodically to reveal the nature of any progress.

## VIII—

### **Complex Measures Do Not Motivate Anything**

Dallas, report Clotfelter and Ladd, has sought "to be scrupulously fair to schools" by adjusting a school's score for the demographic, social, and economic characteristics of its students. Unfortunately, the Dallas approach "is incomprehensible to most participants in the process and to most outside observers." As a result, the measure used by the Dallas school system to evaluate its schools cannot motivate improvement. As Clotfelter and Ladd write, "School officials neither understand the process nor have any idea what sorts of gains would have been required for them to achieve a high ranking" (1996, p. 35).

The same problem exists in Kentucky. Elmore, Ablemann, and Fuhrman (1996) report that "many educators and members of the public do not understand the index of school performance that the state uses" (p. 76). They quote one state official as saying: "It's too complicated. That's one of the most serious problems of it, and one of the reasons it's not trusted . . . is that people do not understand it" (p. 76). Both Kentucky and Mississippi use "formulas and calculations that are not clearly understood, which makes it difficult for such measurements to motivate useful reform" (p. 77).

Two of the five reasons that public managers measure performance are to evaluate and to motivate. (The others are to learn, to promote, and to celebrate.) Yet there is no reason to believe that the same measure will accomplish both purposes equally well. An evaluative measure has to be fair; if the measure is to reveal how well a public agency is doing, it has to treat all districts equitably. If one unit scores higher than another, it ought to be performing better. Every unit ought to have the same opportunity to score high. The measure ought not to give any kind of unfair advantage. For evaluative purposes, therefore, we create measures with a variety of complex adjustments designed to compensate for a number of potential sources of bias.

To motivate improved performance, however, a measure need not necessarily be perfectly fair, unless, of course, its unfairness convinces people and teams that trying is futile or even dishonorable. A motivating measure, however, does have to be clear. A motivating measure has to send clear signals about what people need to do to improve. A motivating measure ought to motivate everyone. To motivate improved education, a motivating measure ought to be so transparent that everyone—principals, teachers, students, staff, parents, and citizens—knows exactly who needs to do what next to improve the school's performance.

Public managers measure performance for at least five different reasons to help them with at least five different managerial functions. There is no reason to believe that any single measure will be best for all these functions. There may often be a significant trade-off between measures that

help managers evaluate fairly and measures that help managers motivate effectively. Complex measures may generate equitable evaluations but have little motivational impact. Simple measures may be constructive motivators but produce biased evaluations.

### **IX—**

#### **Measures Encourage the Hoarding of Limited Resources**

Even if the measures are very fair or are perceived as fair, even if everyone can win, a performance-driven system still encourages people and teams to accumulate resources. In particular, such a system of competition encourages the accumulation of those resources that are important to success and most difficult to locate and acquire. To the extent that measures are linked to rewards or punishments, organizations will seek the resources they need to do well by these measures. Even if the competition is against a goal, even if every team can win, teams will hoard those key resources that are essential for winning.

For the measurement of performance in elementary and secondary education, these key resources could include good teachers, good students, and good parents. Some district superintendents or school principals might decide that the best strategy for achieving their goal is not to improve the capabilities of their existing teachers, but to recruit the best teachers. Even though every district or every school could win—even though each district or school was competing to achieve its own goal, not to beat the others—the districts and schools would still be competing against each other for resources.

Of course, this competition for resources does generate some helpful learning. It reveals what resources are essential or, at least, are deemed essential. It reveals which of the many versions of these essential resources are best. For example, the competition among schools for teachers can do more than the principals' formal teacher evaluations to reveal to the district superintendent which individual teachers are really the best. The same competition could also reveal what teacher characteristics are necessary to achieve the next goal.

If measures are to motivate improved performance, those managing the performance-driven system will have to make sure that key resources are available to all. They will have to ensure that no individuals or teams can gain an unfair advantage by monopolizing control of some essential but limited resources.

### **X—**

#### **Measures Themselves Cannot Improve Performance; Organizations Also Need Resources**

Measures can motivate performance; they cannot produce it. The best-motivated students cannot do their math homework without pencil and paper. The best-motivated teachers cannot get their students to use mathematics to think analytically if they do not know how to undertake this kind of sophisticated teaching or if they, themselves, cannot use mathematics to think analytically.

If measures are to motivate improved performance, those managing the performance-driven system need not only to ensure that all individuals and teams have adequate resources. They also need to ensure that everyone has the knowledge and capability to use these resources. Improving performance often requires significant training devoted to improving organizational and individual capabilities.

### **XI—**

#### **A Dozen Hints for Designing a System That Links Measurement to Motivation**

Given all these problems, is it possible to use measurement to motivate? Or is the theoretical link between measurement and motivation too difficult, if not impossible, to activate? The answer, I think, is that it is possible—in practice as well as in theory—to employ measurement to motivate improved performance. Top leadership needs to be careful, however, to create a measurement system that reflects the realities of organizational circumstances and human behavior.

A—

***Start with a Few Easy Victories***

None of this will be simple. There will inevitably be mistakes along the way. So do the doable first. Adopt "a strategy of small wins" (Weick, 1984). Get some successes, reward them, learn from them, convince the skeptics that the measurement initiative is valuable and here to stay, convert a few of the real cynics, and then tackle harder problems.

For example, start by measuring the accomplishment of noncontroversial purposes. Do not start by attempting to measure how well the schools are increasing the students' self-esteem or their knowledge of practices for safe sex. Nothing will destroy a measurement program more quickly than attempting to measure the achievement of purposes to which there exists organized, aggressive opposition. Instead, begin with purposes that most people accept as overwhelmingly proper. That is undoubtedly one reason why measurement in mathematics has progressed further than for most other subjects. Most of us agree that two plus two equals four, and that all students ought to know this. Hanushek and his colleagues suggest that at the center of national educational purposes should be "fundamental cognitive skills: high levels of literacy, analytical ability, and scientific knowledge combined with the ability to reason abstractly" (1994, p. 165).

Start with some early victories. Design your initial efforts to be successful. Get a quick and easy win, maybe a number of such wins. Use these victories to convince the skeptics of the value of measurement. Make sure that you set up the motivations for the next stage.

B—

***Choose Simple Measures That Will Motivate the Behavior Needed Next***

Start by thinking about motivation instead of measurement. After all, when most of us hear "measurement," we implicitly, unconsciously think "evaluation." This creates one image of what kind of measures we need. If we are really looking to motivate, however, we may need very different kinds of measures.

For example, if the purpose of a measurement is to compare and evaluate schools, then a complex measure may be necessary. To capture all of the different things that we want schools to accomplish and to compensate for all of the differences among schools, we need to measure a lot of different variables and incorporate them all into our measure of performance.

If, however, the purpose of a measurement is to motivate behavior, that measure needs to be simple. People need to understand it. More significantly, people need to understand what exactly it measures. They need to be able to figure out what they and their school need to do to make this measure go up for their school. If a measure is to motivate, it should not obscure the behavior that is sought. To motivate, the measure should make it very clear what output we want the school to produce this year, even if it is not immediately obvious exactly how to produce it.

C—

***Give Everyone a Chance to Win***

We want every school to educate its students. We want every school to win. Consequently, we ought to create a system of competition that gives every school an opportunity to win. Do not arbitrarily fix the number of winners at a tenth, a quarter, or a third of the schools. Whatever the rewards for success are, make sure that there are enough so that every district and every school can win.

Clotfelter and Ladd write that "If rewards are to be given, then the schools must be explicitly ranked either overall or by type of school, such as elementary, middle, or high school" (1996, p. 27). Not necessarily. Awards can be given to all schools that score above a given preestablished threshold. In that case, all that must be done explicitly is to divide schools into two categories; those that score above the threshold and those that do not. There is no need to rank the schools, no need to publish each school's score. All that needs to be released are two lists: one list of schools that achieved their goal and the other of the schools that did not.

D—

***Reward Progress, Not Absolute Results***

Why do measures used to evaluate tend to become more complicated? Because we are trying to be fair. Because we do not think it is fair for schools in communities with both low family incomes and a low tax base to have to compete with schools in richer communities. So, we create a handicap system—just like they do in golf—subtracting points from the scores of richer schools or adding points to the scores of poorer schools.

Given that to make progress next year each school needs to accomplish something different, why not focus the efforts of each school on its next task? Consider, for example, two schools: the Tom Poorman School with average math scores of 400 out of 1000 and the Woody Rich School where this year's average math scores were 600 on the same scale. To ask both schools to improve their scores next year to 650 is hardly fair. That would not be giving both schools a real chance to win; for the Tom Poorman School, such a threshold goal would be impossible to achieve.

Consequently, why not have a different goal for each school? For example, each school's math goal for next year could be to reduce by 10% the difference between this year's score and some maximum achievable standard of, say, 800. The Poorman School would thus have to improve its math score from 400 to 440, while the Rich School would have to improve its math score from 600 to 620. Both would face significant, but different, challenges. Both could win.

Having a threshold goal that increases annually eliminates one of the complaints about adjusting scores for demographic differences. The argument is made that such adjustments imply that our standards for achievement, our expectations for performance, are lower for the students from poor communities than for those from rich communities. Such adjustments mean that schools in poor communities can win with a lower score. But with an increasing threshold goal, we are applying the same ultimate standard to all schools. We are also being realistic; we accept that it will take the Tom Poorman School longer to achieve this goal than the Woody Rich School. We want both schools to make progress. We want both schools to eventually get to the 800 standard. Therefore, we ask both schools to get themselves closer to the maximum achievable score. We ask each school to eliminate 10% of its gap.

E—

***Set Stretch but Achievable Goals***

We want every school to win. But we also want every school to have to work to win. Winning should not be automatic, even for the best schools. We ought to establish "stretch goals," goals that require schools to stretch themselves to win. Behind the use of stretch goals in business is the assumption that small, incremental goals permit most units within a firm to achieve their annual goal simply by working a little harder or a little smarter. Stretch goals are designed to get people thinking differently, to rethink how they perform their basic functions (Tully, 1994). Most schools are not apt to improve their math scores from 400 to 800, or even from 600 to 800, without redesigning their strategy for teaching math.

The first year's targets, of course, might not really be stretch targets. You need some winners in that first year. Remember: Start with a few easy victories. You need to convince people that they can win. You need to convince people from both rich and poor communities that their schools can win. For the first year of this measurement and motivation program, each school's goal might be to close its gap by only 5%. (In the first year, creaming is fine. It helps people learn and builds commitment.) In the second year, the goal might be to close the gap by 8%. Then, in the third and subsequent years, the goal could be to close the gap by the full 10%.

F—

***Do Not Rely upon the Same Measure to Motivate All Schools***

Usually, different schools, even within the same district, are performing at different levels. To improve this year, different schools need different performance targets. They will also need to do different things, perhaps fundamentally different things. There is no reason to assume that one single measure will be ideal for motivating these different behaviors. It may not make sense to attempt

to motivate the behavior of all schools by using some kind of least-common-denominator measure. For example, some schools may have daily attendance rates that are so poor that efforts to improve instruction in mathematics will hardly affect test scores. For such schools, the first year's goal might have nothing to do with mathematics scores; rather, it might be to increase the daily attendance rate to a maximum achievable standard of, say, 95%.

Using daily attendance to motivate the performance of schools has some obvious weaknesses. A school can achieve this goal with a little honest cheating. It can get the students into the school and still teach them absolutely nothing. If we believe that schools do educate, however, we have to get the students there before the schools can do this job.

Using daily attendance to evaluate the performance of schools also has some obvious weaknesses. Daily attendance is certainly not an outcome measure. It is not even an output measure. It is really only an input measure. It measures how many students we put in the school, not what we accomplish with them once we get them there. Nevertheless, despite its weaknesses as an evaluating measure, daily attendance may be very desirable as a motivating measure. That is, by measuring and rewarding daily attendance, we may be able to motivate precisely the kind of behavior that some schools need to improve performance.

For a school with low attendance, getting more students into the school is a significant challenge. To improve daily attendance figures, the leaders of the school will have to do a lot of things that we want them to do. They will have to make the school more attractive to delinquents. They will have to work with parents and community leaders to drive up attendance, perhaps even making changes to win the cooperation of parents and community institutions in their attendance drive. They will have to be creative in getting students to come to school. They might even try to make mathematics more interesting. Daily attendance is a poor evaluative measure—a poor outcome measure, and a poor output measure. It may, however, be an excellent motivating measure to drive an entire variety of desirable behaviors.

Of course, merely improving attendance is hardly an accomplishment. The students may be at their desks, but they may not be learning enough to even be promoted to the next grade. Consequently, after a school has eliminated the attendance gap, after a school has reached the maximum achievable attendance standard, it still may not be ready to tackle the mathematics goal. It might be better to motivate this school to focus on increasing promotion or graduation rates. The concept would remain the same. Establish a maximum achievable standard for promotion. Give each school the new, annual goal of closing the gap between this standard goal and their own promotion rate by 10%. Reward each school that achieves this annual goal until it has reached the standard, as long as it also continues to achieve the maximum achievable standard for daily attendance. Then, promote the school to a new performance measure, maybe mathematics, and use it to motivate behavior.

All this need not be very complicated. The strategy involves not a single goal but a hierarchy of goals. The first goal in this hierarchy might be to get daily attendance above 95% if a school did not achieve this level of performance last year. If attendance was only 75% last year, then daily attendance becomes this year's performance measure and, say, 80% attendance becomes this year's goal. Once a school achieves the 95% daily-attendance goal, that becomes part of its continuing annual performance goal along with a second performance measure, such as increasing the grade promotion rates or decreasing the dropout rate. To be successful in any given year, a school must improve its performance on its current measure, closing the gap between last year's measure and the maximum achievable standard by 10%. It must also maintain its performance at the maximum achievable standard for all the lower goals in the hierarchy.

Some schools need to solve very basic problems; they need to drive up attendance rates, grade promotion rates, or graduation rates. Other schools may have already solved such problems and now need to get their students to analyze complicated problems and to explain their conclusions and reasoning in a logical essay. We may need to motivate different schools to do different things. If so, we need to use different motivation measures.

Such a hierarchy of goals motivates each school to improve its performance. Such a hierarchy of goals will give each school an opportunity to accomplish something significant each year. Such a hierarchy of goals permits every school to win every year. Such a hierarchy of goals does not



discriminate against poor schools. Such a hierarchy of goals gets each school to concentrate its energies on what it needs to do next.

The schools that we want to motivate the most are the poorest performers. The schools that most need to develop a sense of accomplishment, a sense that they can improve are, again, the poorest performers. The schools whose performance we most need to continually ratchet up are the poorest performers. Any measurement and motivation system that fails to motivate the poorest performing schools, that fails to let these schools develop a sense of accomplishment and the confidence that more improvement is possible, and that fails to continually improve their performance is not designed to really improve a state or district's overall performance.

Drucker has suggested a number of "deadly sins in public administration." One such "strategy guaranteed to produce non-performance is to try to do several things at once" (1980, p. 103). Instead, Drucker argues that improved performance depends on concentrating on a priority. Creating a single performance goal to motivate a school's behavior establishes this priority. But if different schools have already achieved different levels of performance, they need different priorities, different goals. By creating a hierarchy of goals for schools, a district can be sure that each school is concentrating on a priority that is most appropriate for its level of past performance and its need for future improvement.

**G—**

***To Motivate Team Behavior, Reward Team Behavior***

Twenty years ago, Kerr wrote about "the folly of rewarding A, while hoping for B." Reflecting on the kind of management systems employed by both public and private organizations, Kerr observed: "Managers who complain that their workers are not motivated might do well to consider the possibility that they have installed reward systems which are paying off for behaviors other than those they are seeking" (1975, p. 781). The general lesson is clear. The specific lesson for people who seek to encourage cooperation among individuals ought also to be clear: If you want people to work cooperatively as a team, reward them as a team, not as individuals. It is pure folly to reward individuals while hoping for teamwork.

Ladd argues that "the school is the most appropriate unit of accountability" (1996, p. 11). Certainly, we want to encourage cooperation among teachers and others associated with a particular school. So give rewards to schools rather than to individual teachers. Or if we give out individual rewards, give them to all the teachers in each school that makes its collective performance goal. Dallas, for example, gives bonuses to all teachers and staff in a winning school (Clotfelter and Ladd, 1996, p. 35).

We also want to encourage cooperation among schools, not just within school. So why not give rewards to districts as well as to schools? Measures need not be collected only for teachers, only for schools, or only for districts. We can collect measures for all levels in a state school system. Similarly, rewards need not be limited to some levels. We can offer rewards for the achievement of goals at all levels. For example, a district might win a particular award when all of its schools reach a particular maximum achievable standard in daily attendance or when it closes its promotion rate gap by 10%.

**H—**

***Do Not Rely upon Monetary Rewards***

One reason for fixing the number of winners is that funds available for rewards are limited. If too many schools win, the rewards will have to be spread around and will be too small to motivate anyone. Given the turnover in legislative membership and the instability in legislative preferences, it is often difficult to sustain a level of monetary rewards over a period of many legislative sessions. Legislators are attracted to the common-sense theory of pay for performance; they are less attracted to the practical reality of funding it.

Even if monetary rewards are, or can be, made to be effective motivators, even if they are always available to public managers, why should we limit our motivational strategy to one motivator? Why not employ motivators that build upon an individual's need for love, belongingness, esteem, and even self-actualization—upon Maslow's entire hierarchy of people's needs? Why employ only one

motivator when other effective ones are also available? Why rely solely on motivators that are the most subject to legislative tampering and legislative revocation? Why not employ rewards that are cheap yet effective? Public managers who seek to motivate improved performance and school officials who wish to motivate improved school performance ought to invent a variety of ways to use psychological as well as material motivators.

**I—**

***Reward the Winners by Asking Them to Help the Losers***

Any system of measurement and motivation needs feedback. For measurement to drive improved performance, it also has to drive learning. In particular, it needs a mechanism to help the poor performers learn from the best. It makes sense, therefore, to give particular winners the task of each helping a particular loser to learn. Give the very best schools, principals, and teachers the assignment of assisting the schools, principals, or teachers who are having the most difficulty achieving their goals. This creates a feedback system that encourages learning.

At the same time, it motivates. You are not giving these winners more money; instead, you are giving them more work. In the process, you are also converting them into role models, leaders, and heroes. This is the reward.

These assignments need not go to those schools with the very highest scores. The scores, after all, do not even have to be known. Rather, this is a way to insert some intelligent, albeit subjective, judgment into the reward process. This is a way to reward the very best performers without producing resentment. It is also a way to help improve the performance of those who need it most.

A system of measurement and motivation need not rely on just the formal announcement of this year's successful schools to recognize and motivate performance. There are many other, more subtle ways to reward really outstanding performance. One is to use the task of helping the losers to recognize the really top achievers, to broaden their circle of belongingness, to enhance their esteem, and maybe even to provide new opportunities for self-actualization.

**J—**

***Pay Attention to the Details***

As Hanushek has emphasized, "The details matter a lot" (1996, p. 128). If we are to use measures to motivate, we need to think carefully about the specific measure we are using and how people will respond. How can they engage in honest cheating? How might they engage in dishonest cheating? Hanushek and his colleagues note the importance of the details in shaping incentives:

The effectiveness of an incentive system depends directly on how individuals act when faced with a given pattern of rewards. So rewards and punishments must be sufficient to get people to change their behavior, and they must be precise in their effect. Impact and effectiveness flow from the details (1994, p. 90).

You not only have to get the macro motivational theory right, you also have to get the micro motivational details right.

For example, what number should we use to measure the aggregate performance of each school's students on a standardized mathematics test? The mean? The median? Does such a detail make a difference? Absolutely.

Automatically, yet only implicitly, we usually assume that the score to best capture each school's performance is the average. We do not even stop to think of the motivational implications of using this most common arithmetical formula. We automatically assume that a school's score is the average of its students' scores. And for some evaluative or comparative purposes, this might be correct or at least acceptable. Yet, this is not the only choice of a measure of the school's performance; we could use the median rather than the mean. Moreover, slightly different measures can motivate significantly different behavior.

South Carolina, for example, has chosen to use the median gain of a school's students as a measure of that school's performance. This, note Clotfelter and Ladd (1996), has advantages and disadvantages.

The use of the median keeps teachers from focusing attention on students they perceive as fast learners who could make the school look good. However, it also gives them little incentive to give attention to students they perceive as slower learners (p. 31).

If the mean student gain is used to measure a school's performance, the same gain of any student's score contributes the same amount to an increase in the school's score; thus, schools and teachers are encouraged to concentrate on the students with whom, they believe, they can produce the biggest gains. If the median student gain is used to measure a school's performance, the only gains that matter are those of the students at and around the fiftieth percentile. Schools and teachers, therefore, are encouraged to concentrate on the students whose scores, they believe, will be near the median. For most schools most of the time, the difference between the mean and median scores will be very small. Yet the choice between them as a measure of school performance has large motivational implications.

What kind of behavior are we trying to motivate? Do we want schools to ratchet everyone up a little? Or are we really concerned that schools are failing those students who are doing most poorly? If so, why not measure a school's performance not by using its mean or median score on some standardized test but by using its tenth percentile score? What's magic about the average except that we use the word "average" in our daily lives and learned to calculate it in the eighth grade? What's magic about using the mean, or median, or some other more complicated measure of central tendency? Is the school's average grade really the best measure of its performance? Not if we really want to motivate schools to focus resources, attention, and teaching on those students who need the most help.

Measuring a school's performance with its tenth-percentile score can motivate very different behavior than using its average score. With the average score, the increase in every student's score counts the same; consequently, the school's math department will be encouraged to focus its attention on those students most capable of improving their scores. With the tenth-percentile score, however, improvements by the best students count for nothing; rather, the improvements that really count are those of the students scoring around the tenth percentile, the students in the lowest quintile. These are the students on whom the math department needs to focus its attention.

When a state or school system chooses from among the array of available standardized tests the one that it will use to measure student and school performance, it is not finished making the decisions about the measures it will use. For each school will generate a distribution of student results. How should this distribution of individual students' performance measures be aggregated to create a measure of the school's performance? How is the distribution of student scores to be employed to create a school score? There are a number of alternatives. Calculating the average is only the obvious answer, not necessarily the best. How the measure of school performance is created will have some important motivational implications. If, for example, the measure is chosen carefully and communicated intelligently, it might even motivate the students who do best in math to tutor those having the most difficulty. Such a measure of mathematical performance might also have important consequences for teaching citizenship.

**K—**  
***Experiment with the Details***

Will measuring, reporting, and rewarding a school's tenth-percentile score on a standardized math test create different incentives than will measuring, reporting, and rewarding the school's average score? Obviously. Will it create better incentives? Perhaps. That, however, is not guaranteed. How people will respond to different measures cannot be predicted perfectly. We will not really know until we try it.

"God is in the details," said the architect Ludwig Mies van der Rohe. But in which details? "Discovering those details should be the focus of experimentation," argue Hanushek and his colleagues. "Much more experimentation will be required to find performance incentives that perform" (1994, p. 90). We will never know which precise performance measures create which precise incentives until we try them.

Unfortunately, such experimentation, note Hanushek and his colleagues, "presents political

difficulties for legislators, for in pursuing it they must accept that nobody yet knows the details of programs that will improve schools." And, of course, no one campaigns for the legislature by explaining to the public that he or she does not have the answer. Yet, continue Hanushek and his colleagues, experimenting "means that instead of selling voters a solution to the problems of the schools, legislators must convince voters to embark on the search for a solution, a search that will require considerable effort, and some risk, on the part of voters themselves" (1994, p. 116).

What is needed is a strategy that might be best described as "management by groping along" (Behn, 1988; 1991, Chap. 7). We know what we want to accomplish: to create a system of measurement and motivation that drives all schools to improve the performance of all of their students. But we do not know how to get there. So, we experiment; we grope along. We try some things, see what works and what does not, make some changes, and try again.

This is the same strategy that individual schools will have to follow. They, too, know, or should know from the system of measurement and motivation, what they want to accomplish—to improve the performance of all of their students. But they, too, do not know how to get there. They must grope along.

**L—**

***Monitor Many More Measures Than You Use to Motivate***

To motivate behavior, it is usually best to use just one measure of performance. Employing a single measure eliminates confusion. It eliminates Drucker's sin of trying to do several things at once. It establishes a clear priority. It focuses people on producing one specific result.

But that single measure of performance can also distort behavior. It can encourage both honest and dishonest cheating. It may produce unintended and unpredicted consequences. The managers of any system of measurement and motivation need to know about these results, too. They need to be able to evaluate and to learn. To do this, they need to analyze a lot more data.

People need to monitor a variety of other performance measures. These should include measures that can help with the tasks of evaluation and learning. Are some schools that meet their math targets, for example, also doing better in reading comprehension? These measures might include some that are closer to being real output or outcome measures. They ought to include measures of performance that we anticipate or hope will result from people's efforts to improve against the single, motivating measure. Will improving daily attendance, for example, encourage schools to make math more interesting and also improve students' math skills? They certainly ought to include measures that could identify likely methods of cheating, both honest and dishonest, and that could catch the cheaters, particularly the dishonest ones.

Measuring performance has lots of purposes. To accomplish the motivation purpose, to drive the behavior of organizations and individuals, one specific motivation measure is most helpful. But to accomplish the other purposes, to evaluate, promote, learn, and celebrate, it helps to monitor a lot of other performance measures.

**M—**

***Try to Create Long-Term Support***

Performance measurement might be the hottest topic in government *today*. But what about *tomorrow*? Is this just another management fad to be quickly discarded when another management guru publishes another best-selling book. Or are the fundamental principles behind performance measurement sufficiently sound to outlast political and intellectual trendiness, to say nothing of the personal preferences of legislative and executive branch leaders?

Why should people take any system of performance measurement and motivation seriously? If the program is to be short-lived, why make the effort? Why should they exert all of the energy necessary to radically alter their behavior and their organization's behavior simply for some shortrun praise? Based on their past experience, people will worry that this program also will soon disappear.

Actually, what they may fear is that half of the program will soon disappear; that is, they may worry that the rewards will soon disappear. Only the measurements and the punishments will continue. That would be the worst of both worlds.

Consequently, those who seek to create a system of measurement and motivation need to create a structure of political support necessary to sustain the system over time. After all, the impact of any such system, the impact of any system designed to affect the behavior of professionals and institutions, will not be felt for years. "The three years since the beginning of the program" in Dallas, write Clotfelter and Ladd, "is probably too short a time for the program to induce the types of change in culture, personnel, and teacher training necessary to promote and sustain long-term gains in test scores" (1996, p. 47).

A continuous stream of small victories can help to create political support. If district superintendents, school principals, and teachers are winning and understand how they can continue winning, they may support rather than oppose the system of measurement and motivation. If this system generates a continuous stream of small but accumulating victories, it will serve to promote not only the winning school but also the measurement and motivation system itself.

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## 6— The Consulcube: Strategies for Consultation

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Three dimensions—focal issues, modes of consultation, and the client—form the Consulcube in Figure 1. Within it are a hundred cells, each representing the characteristics of a particular kind of intervention that might be employed with a particular client who is facing a particular problem resulting from an unproductive or self-defeating cycle of behavior. Using the Consulcube, then, any given intervention can be described in three ways; *what issue* the intervention is intended to help resolve, *who* is defined as the client, and what the consultant *does*.

The coding system illustrated in Figure 1 is to be utilized throughout this chapter. On the front of the cube an alphabetical letter designates each intervention/focal issue combination: for example, *A-1* denotes a theory/principles intervention with power/authority as the focal issue, *B-2* a prescriptive intervention with morale/cohesion as the focal issue, and so on. The numbers along the third dimension (from front to back) represent the different ways for viewing the question "who is the client?" As affixed to any letter, the numbers refer to any one of the hundred cells. Thus *C-3-3*, for example, means "a confrontational intervention to help resolve a norms/standards problem within an intergroup situation"; *E-3-5* "an acceptant intervention to help resolve a problem of norms/standards in a larger social system"; and so on.

The Consulcube provides a framework within which various consultant-client interactions can be categorized, compared, and evaluated in terms of their richness, variety, and utility. These main features now will be briefly described and discussed. In general, consultant effectiveness depends on the consultant's ability to identify the focal issue correctly, to employ the most suitable intervention, and to deal with the real client.

## 1— Focal Issues for Intervention

The focal issue of an intervention is the problem the client is seeking help to solve. The first kind involves the exercise of *power/authority*. The second relates to *morale/cohesion*. The third is centered in problems that arise from *norms/standards* of conduct. The fourth comprises any issue in the *goals/objectives* area.

Power/authority, morale/cohesion, norms/standards, and goals/objectives are interdependent. This means that when change is initiated in any one of them, changes may be observed in one or

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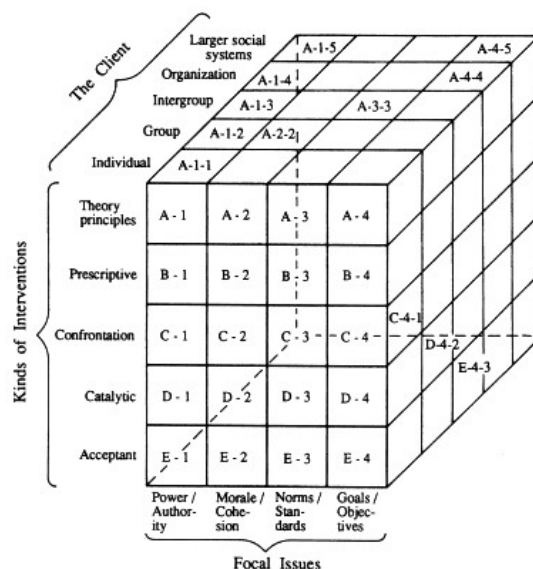


Figure 1  
The Consulcube.

more of the other three, whether at that moment or later. For example, reduction of a boss's unilateral use of authority may increase morale/cohesion among subordinates. Other similar interactions will suggest themselves. Thus, the *focal issue* is that aspect of a situation presently causing a client's difficulty and may be any of the four kinds of focal issues just listed or any combination of them.

In view of the frequency with which it is reported, power/authority seems to be the number one issue, outstripping others by a frequency of about three to one. Power/authority has long been recognized as an endemic source of social disease in modern industrial societies. Freud noted this before the turn of the century when he identified parent-child power/authority relationships as basic to all human adjustment. These problems seem even more intense and widespread in today's world.

Power/authority problems are encountered in all walks of life and among people of all ages. While most commonly found in the family, such problems repeat themselves in many settings later in life: in marriage, in schools and universities, in industry. They are common in the United States, but possibly no more so than in Europe or Asia, where they also abound.

Although by comparison with power/authority other focal issues might seem less important, such a conclusion (while statistically supported) would be misleading. Take, for example, a situation in which norms/standards appear to be the issue. Activities are unplanned, disorderly, and unpredictable—even though plans, orderliness, and predictability might lead to the situation's all-around improvement. A conventional solution might be to impose order via power/authority methods. But in due course, responses to this action would probably lead to the need for consultation to solve problems associated with unacceptable power/authority situations. Had the client foreseen impending adverse reactions, he or she might have provided structured opportunities for participants to discuss the situation so that constructive norms/standards could emerge without exercise of power/authority. This in turn could provide a basis for establishing order through behavior-regulating

norms/standards in terms acceptable to all, thus bringing predictability to the situation. Had the client seen the situation in this light, he or she might not have approached the situation coercively. Power/authority, in other words, was the surface problem under these conditions, but norms/standards constituted the real issue.

Similar explanations may clarify situations in which the real problem is not power/authority but rather the absence of satisfactory goals/objectives. A client's immediate power/authority solution might be to impose goals, thereby creating the power/authority problem for which consultation is sought. However, if the client had first created opportunities for subordinate involvement, both in setting and working toward demanding yet mutually accepted goals/objectives, the initial goals/objectives problem might have been solved. Alternatively, if a client's skill in engendering goals/objectives is insufficient, then the consultation might deal with helping this client increase his or her leadership effectiveness through a theory/principles intervention. The focus is on the properties of goals and the motivational conditions essential for gaining the involvement of others in the process of goal setting and implementation.

Occasionally, low morale/cohesion may derive from *anomie*—widespread normlessness and an accompanying lack of shared goals/objectives—which may in turn be an historic consequence of inappropriate or unacceptable exercises of power/authority.

One of the risks of consultation, therefore, is that the consultant perceives the focal issue as being power/authority while the deeper problem, of which the power/authority problems are but symptoms, continues unrecognized and untreated.

The consultant centers attention on what he or she thinks the focal issue to be, even though other issues may in some way be linked to it. Skill in identifying the focal issue(s) is one of the important competencies of an effective consultant. Interventions are not useful if they fail to deal with the critical problem that is the barrier to effectiveness.

An example of consultants not identifying the key problem, with the intervention failing as a result, is provided by Luke et al. (1977). Working with a grocery chain, they assisted the organization in changing its structure to facilitate headquarters giving consultative assistance to outlets. This change involved the norms/standards for operating the organization structure.

Looking back on this intervention from a decade's perspective, the consultants are struck by their failure to recognize power/authority as the organization's critical focal issue. Because the power/authority issue was not dealt with, the intervention did not bring about expected results. Had the intervention focused on the power/authority issue, then consultative help in the context of a power and authority system might have provided a basis for shifting the norms/standards as a second step . . . .

## **II— Kinds of Interventions**

Five consulting modes can be identified, which differ in character from one another as ways of dealing with focal issues. Interventions can be related to one of the categories described here. No other definition of an intervention mode is needed to bring similar ways of intervening together or to separate unlike methodologies into different modes.

### **A— Theories and Principles**

By making theories and principles that are pertinent to the client's situation evident, the consultant aids the client to internalize systematic and empirically tested ways of understanding and acting. When learned so well as to be personally useful, these principles permit the client to view his or her situation in a more analytic, cause-and-effect fashion than has hitherto been possible. Thus the client becomes able to diagnose and deal with present and future situations in more valid ways. From the outset he or she can correct an immediate problem or can plan for long-range improvements on the basis of proven effective approaches. Interventions that bring theories and principles into use involve an integration between education and consultation.



**B—  
Prescription**

The consultant tells the client what to do to rectify a given situation or else does it for him or her. The consultant assumes responsibility for formulating the solution as a recommendation to be followed.

**C—  
Confrontation**

This mode challenges a client to examine how the present foundations of his or her thinking—usually value-laden assumptions—may be coloring and distorting the way situations are viewed. Possible alternatives that might lead to more effective solutions may then come clearly into view.

**D—  
Catalytic**

A catalytic intervention assists the client in collecting data and information to evaluate and possibly reinterpret his or her perceptions as to how things are, based on better or more extensive knowledge of the situation. In this way, the client may arrive at a better awareness of underlying causes of a problem and how to address or resolve it.

**E—  
Acceptant**

The intention is to aid the client to develop a basic sense of personal security so that he or she will feel free to express personal thoughts without fear of being judged or rejected. The client may be helped to sort out his or her emotions and in this way get a more objective view of the situation.

The consultant may fail even though he or she correctly diagnoses the focal issue by adopting an incorrect intervention mode. Sebring and Duffee (1977) provide an example of what can result when an incorrect intervention mode is adopted. Dealing with a key problem that involved interrelations between departmental groups within a prison system, the consultants' initial intervention was catalytic and involved getting and feeding information to the groups. The intervention was inappropriate. The tensions and hostilities within the interrelationships were so intense that the catalytic mode of expanding the available information had insufficient strength to bring the clients themselves to awareness of the deeper emotions at the roots of their conflict.

When the catalytic mode of intervention failed and the intensity of the conflict increased, the consultants, again inappropriately, shifted their intervention from a catalytic to a prescriptive mode. The prescriptive mode is demonstrated by the consultants' action in writing a report of their diagnosis and delivering it to the key parties in the conflict through registered mail (in order to have validated evidence of delivery, should the protagonists accuse them of not having followed through on a commitment).

The consultants who were responsible for this intervention understood the focal issue and they dealt with the real client. Their failure came from reliance on the catalytic mode to establish functional communication across lines of conflict. Intergroup confrontation, described in later chapters, might have been the sound approach.

Consultant interventions may be "pure" acceptant or "pure" catalytic, "pure" confrontation, and so on. Some consultants employ combinations, taking an acceptant stance at one point, shifting to a catalytic one at another and to a confrontational one at still another. An example of combinations of intervention modes is provided by Blumberg and Weiner (1971). Two units of a larger organization had been instructed by their headquarters to merge. As interventionists, the authors utilized the standard intergroup confrontation design to bring similarities and differences in the operating characteristics of the two units into better focus. This exercise revealed significant differences in the client units' leadership characteristics. It identified a dilemma as to how to merge two different value systems. Once these differences became clear, the intervention mode shifted to a theory-based approach. Each group was helped to plot out what they regarded as ideal leadership for the merged organization. Likert's System 4 turned out to be the preferred theory of leadership for the future.

An implementation was then outlined that permitted the client groups to bring System 4 into use in the merged organization.

In this example, a confrontational intervention was used to identify the key problem, and then a shift to a theory-based intervention provided a basis for reaching a valid solution.

This example demonstrates that no one kind of intervention is necessarily better than any other. Given a specific problem, however, there is one most effective way of handling it, but that way may be totally inappropriate for dealing with a different problem. In the same sense, one intervention mode may be desirable for a certain phase of consultation with a given client, but a different intervention may be called for in the next phases with the same client. Nevertheless, most consultants appear to develop one intervention style and rely on it exclusively. The intervention approach employed should not be based on the consultant's favorite techniques but rather on the dynamic features of the intervention and the client's real needs for increased effectiveness.

### III—

#### Who Is the Client?

The social context of an intervention is determined by the target for the consultation. An *individual* may be the client. Another target may be a *group or team*—whether a husband-wife couple, a small working group, or some larger assemblage—whose members share some primary basis for their current or continued association. A broader level of intervention is an *intergroup* relationship between, for example, two divisions or departments, or management and the union with which it bargains. A fourth possibility is an entire *organization*, such as a corporate body, a government agency, a school, a hospital, or a church. The fifth category comprises *larger social systems*, such as a community, a city, or a grouping of states or even nations.

"Who is the client?" may appear to be an unimportant question with an obvious answer. In reality, it is among the most critical, for when a consultant deals with the "wrong" client the consequence is at best unproductive, at worst, destructive. The individual can be identified as the client when he or she is reacting out of personal history, values, and so on, in response to current problems. Client identification becomes more complex when the following happens. The consultant may be contacted by an individual who complains about situational problems that pose barriers to personal effectiveness. In this case the individual may be the initial client, but further investigation might reveal inherent constraints over which the individual has no control, constraints subject to resolution only if others involved in the situation simultaneously participate in solution seeking. The client then becomes a group or a team whose members are experiencing a common interactional problem.

Thus the question, "Who is the client?" is far more complicated than might appear at first glance. To reiterate, an analytical approach to answering "Who is the client?" leads to a separation of individuals who approach a consultant into two categories. Sometimes the individual is the real client (i.e., the entire problem that he or she confronts is within his or her capacity to resolve). Sometimes, however, the individual should be seen not as *the* client but as the entry person, that is, an individual through whom access to the *real* client may be possible.

A demonstration of how interventions are doomed to failure if the consultant is involved with the wrong client is provided by Nadler (1978), who offers a core study of an intervention calculated to strengthen a quality-of-work project in a hospital.

All but one significant group in the hospital participated in the effort—nurses, administrators, nonprofessional employees, and so on, including interns and residents. The only nonrepresented group was the physicians, those most directly responsible for the work and the hospital itself, including teaching, research and medical care. Without participation of the senior staff (in this case, the physicians), commitment to basic change was unlikely. Eventually, even the interns and residents withdrew participation and the project stopped . . . .

It is important for a consultant to determine "who" the real client is. Trying to focus change on an individual as a *separate* entity is only likely to generate resistance if such a personal change would make the client a deviant, rejected by other group members who have no understanding and even less sympathy for his or her observable behavior shift. Under these conditions, the client is

the group and its members need to change simultaneously and together if that change in behavior is to be supported. Consultants must focus their efforts on the real client in order to intervene effectively. The *real* client is that individual, group, or relationship in which change is expected to occur.

#### IV—

#### Summary

In addition to having produced some basic research investigations, the field of consulting is rich in case studies, clinical reports, and field research. The Consulcube serves to organize these many disparate reports into a systematic and coherent whole in such a way that the respective consultants' assumptions can be identified and the particular interventions evaluated.

To summarize, the Consulcube identifies:

WHO —the *consultant*

WHAT —does some kind of *intervention* such as

—Theory and Principles

—Prescriptive

—Confrontational

—Catalytic

—Acceptant

WHY —to address and/or resolve a *focal issue* such as

—Power/Authority

—Morale/Cohesion

—Norms/Standards

—Goals/Objectives

TO WHOM —the *client* as

—Individuals

—Group

—Intergroup

—Organization

—Larger Social System, which is capable of solving the problem in its entirety

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7—

## Consultation in Schools as Organizations for Learning

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What I propose to do in this chapter is to take note of what I believe to be a few salient ideas about consultation in organizations for learning, particularly conventional schools, although many of the points apply more broadly. Included as major headings in the discussion are the following:

The character of schools as organizations

The education and work of teachers

The education and work of school administrators

The problems of organizational entry, consultation goals, and program evaluation

Taken together, such factors may well affect the success of a consultation effort in these types of organizations.

Before dealing with the substance outlined above, it is necessary for me to make a prefatory comment concerning teachers, who are, as I see it, ultimately the main clients of school consultants in organizations for learning. I suspect that along with governmental bureaucrats, schoolteachers as a group are seen by much of the public as relatively incompetent and selfish. After all, in the usual stereotype, they don't work a long work week and they don't have any overtime demanded of them. Then there is the union contract. The unions are usually powerful, and teachers have long summer vacations, to say nothing of extended vacations during the school year. Also, teachers-in-stereotype are always complaining about being underpaid. Further, the rub is that, unlike most other working people, once they are granted tenure they have lifetime job security, jealously guarded by the union.

Moreover, I suspect the public would say that all of this is all right if only the schools and their teachers and administrators would do the job they are supposed to do, and do it well; that is, make sure kids learn what they are supposed to learn. In addition, of course, they *don't* do that job well if one believes the picture that is frequently painted on the op-ed and editorial pages of the daily newspapers. I don't believe that picture is an accurate one, although there are schools that don't do an adequate job, and some that even do a very inadequate one.

This article is not intended as a defense of the schools, of course. There are some public schools and schools systems that are performing exceedingly well. Also, as is the case with most human endeavors, the great bulk of schools, relative to their ability to do an acceptable job, are clustered in the middle, within one standard deviation of the mean, however that mean is estimated. The point for our concern here is simply this: if a person believes the schools as well as their teachers and administrators are "bad news," then it will probably be true that one will see what one believes. If an organizational consultant had such a view, that schools need to be rescued mostly from themselves, this would surely be a prescription for failure for any consulting project.

My own experience with teachers and administrators is that the huge majority of them are intelligent, competent people who are committed to their work. A few, I think, are incompetent for

the jobs required of them, and not interested in learning how to be better, and these few are best described by the answer to the second half of the old saw, "Has he had 30 years of teaching experience, or one year thirty times?" Most school people, as I see them, are eager to learn better ways to teach or to administer. I think that most teachers, for example, want to learn better ways to communicate with youngsters. And why not? To become better communicators, for example, makes their jobs easier. Most school administrators, I think, want to learn how to better tap into what it is that teachers think about their school, how it is run, and how they can make a contribution to it.

The point I want to make here, though, is that the starting point for any organizational consultant who is interested in working with the schools is this: she or he needs to hold a valid belief that although there will be some exceptions, the people she or he will encounter during the course of a consultation are intelligent professionals who are interested in helping their school become a better educational institution. If a consultant doesn't honestly hold that view, he or she should stay away from a school as a client.

So much for the prefatory comment. What follows are some salient facts about school organizational behavior and work life that bear heavily, I think, on the work of a school organizational consultant.

## I— The Character of Schools As Organizations

Almost instinctively, I imagine, organizational consultants, on making first contact on site with a client organization, try to sense the character of that organization in terms they have found to be useful; that is, some will think about the organization as a series of power or authority relationships—who makes the decisions and who can get others to do work. Some will focus on the organization as a bureaucracy and try to understand how it works in the particular situation. Some will try to understand the character of the couplings that tie organizational personnel together. Are they loose or are they tight (Weick, 1980)? This sensing behavior not only holds for consultation with schools, of course, but also for business, industrial, or governmental organizations. The dynamics of schools, though, present a different case than that of other kinds of work organizations.

Weick's metaphor of schools as loosely coupled systems can be helpful, but my concern with trying to communicate with a school faculty led me to think metaphorically of a school organization as a stained glass window. Admittedly this is not a very academic or scientific way of thinking about organizational structure, but it is one that very much creates a lively image of the basic character of a school organization. A stained glass window is a picture that is made up of many separate, disconnected but also connected parts that when taken together make up the total picture. Each separate part has no direct connection to the one next to it, or to the whole, but without any part, the whole is not complete.

The stained glass window metaphor is a good place for the consultant to start her or his thinking as a point of departure for attending to whatever variations may emerge. One thing seems clear: this metaphor can be easily understood by teachers or administrators, particularly as they engage in seeking out variations in their own school.

On a more global level, that of the school within its wider community environment, a high school principal described the way he saw his school—quite elegantly, I thought. He said without prompting that he thought of it "as part of a moving mobile. And hanging on that mobile, hanging out there, you have got the board of education as a group, the District Office, the parents, the faculty, the students, the department chairpersons, and the teachers union representatives. Each group mobilizes forces to put demands on you. My job is to keep the mobile in balance and keep it moving in a direction that all these groups really want it to go" (Blumberg and Greenfield, 1986, p. 107).

It was both a delightful image and a very human way of understanding what his job was all about. For sure, his constituent groups also would readily understand it, and that is no small advantage.

## II—

**The Education and Work of Teachers**

It may seem a bit strange to put the point this way, but what a consultant meets in a school relative to the way teachers conceive of their work developed many years before any teacher started to work as one; that is, the idea of what the work of a teacher is all about had its genesis at the time that the teacher in question began to go to school, and perhaps even before. That sense was added to and subtracted from through the years of that person's schooling and living. Minimally, I expect, each of us has been exposed to 50 teachers in the course of our elementary and secondary school years. From each of these, one must suppose, any future teacher took or rejected something. We can all recall, for example, a teacher whose apparent skill and pleasure with the work of teaching may well have convinced us that "When I'm a teacher that's the way I want to be," and we can also recall an occasional teacher whose behavior in the classroom convinced us that "When I'm a teacher, you can bet I won't be like that."

There is, though, a subtle but more important thing that was learned by most of us who wanted to become a teacher. It is that the work of teaching takes place in the classroom, period. Now we all know that is *not* the case, but that is what the youngster who wants to teach observes. What that means is that the early, informal learning concerning the work of teachers had little—practically nothing—to do with the teacher being a planner, a meeting attender, a union member, and for our purposes here, an organization member, along with whatever implications for a teacher's work might flow from this membership.

This thought—that the teacher's work is confined to the classroom—is most certainly reinforced in college and university teacher education programs. The focus of these programs (besides the time spent in exposure to and studying the various liberal arts) is on teaching and learning theory, teaching methods, classroom management, and practice teaching. All of these, of course, are important to an aspiring teacher. Broad concern with the work of teaching or with learning about the school as a work organization in which the teacher has a stake and a role rarely receives consideration in the typical teacher education program, however.

One might react with, "Well, that's reasonable. Teachers, after all, spend the huge bulk of their time at work in the classroom or thinking about the classroom. It is the principal's job to run the school and, in the absence of incompetence or conflict, teachers don't and shouldn't have to get very involved in the whole enterprise"—or so goes conventional thinking. Although conventional thinking is changing, by and large there is still very little attention to teacher education programs with courses or fieldwork concerning school organization behavior. In fact, there is very little talk about it at all. The would-be teacher, so the usual thinking goes, will learn about schools as work settings through socialization processes when he or she starts to teach. There is, for example, no teacher education program with which I am familiar that offers a single course, let alone a sequence of courses, in organization behavior.

It should be obvious that I consider this absence an unfortunate one, but one that is understandable. After all, the faculties of teacher education programs, for the most part, were students in the same kind of educational experience that they provide for each new class of students 20, 30, or 40 years later. Additionally, it would be foolish not to acknowledge that there are territorial concerns operating among most college faculties. "Stay away from my turf and I'll stay out of yours" is the unspoken norm, and it is a very effective one when it comes to offering new programs or courses that may stray from the straight and narrow. By definition, the concept of organization behavior is relevant everywhere and anywhere, hence its common treatment as a nomad. Much the same is true of other learning settings related to occupations—business schools, nursing programs, and so on.

## III—

**The Education and Work of School Administrators**

It is almost a universal fact of their professional life that school administrators started their work life as teachers. There are only a few exceptions to this state of affairs—some school business managers, for example, did not come to their position by way of the classroom. What this means

for the school organizational consultant is that the basic viewpoint—though it will change over time—a principal brings to work with him or her relative to the nature of the school as a work organization is similar to that of teachers. This, as I have already noted, seems a rather elementary notion—a school is a place where, among other things, teachers are hired to teach and principals are hired to—? Well, it really isn't very clear what kind of work principals are supposed to do, job descriptions to the contrary.

Few of us, that is, have any clear notion of what the job of school a principal is or how a principal spends his or her day. The model of a principal's work for most adults was formed while they were in school, as was their model of a teacher's work. This model is that of a rather distant, almost shadowy, individual whose primary job is that of taking care of discipline problems or making sure that life in the halls of the school is orderly. Some of that fits.

The best way I know of, however, to understand a principal's work is to go to a particular school and simply follow the principal around for a day or two. If a consultant does this it is important to know that the way a particular principal's job is acted out is very idiosyncratic. It really is a case where you cannot say, "If you've seen one you've seen them all." There will be activity devoted to talking with troubled and sometimes obstreperous pupils, resolving conflicts between and among pupils who usually have been referred to the principal by a teacher, being judge and jury (and sometimes arresting officer) in conflictual situations, maintaining links to the school district central office, working on any boundary-line problems that may exist between school and community (how open or closed should they be?), "holding hands" with troubled teachers, "showing the flag" by walking around the school—particularly in secondary schools when classes are changing and the halls are filled with students, occasionally observing a teacher in classroom action as part of his or supervisory or evaluative function—and much more. Different from an industrial or business manager, as one might intuit from these comments that a school principal rarely has the luxury of time during the course of a work day to contemplate in any depth the nature of the problems that have to be confronted in the course of the day. The work life of a school principal, to put a somewhat different meaning on a popular career-oriented expression, is "life on the fast track," a very fast track, and even frenetically so.

The organizational consultant needs to have some notion about the motivation that any particular individual has for wanting to be a principal. It is a different situation from the case of a young person wanting to be a teacher. As noted earlier, many role models are available for youngsters who decide on teaching as the kind of work they want to do. Relative to the school principalship, there are practically no role models, and certainly none that are particularly useful to a young person. As far as pupils are concerned (and many teachers as well), principals are rather shadowy people. Indeed, many of them spend a good part of every day in their office, and thus are literally invisible to the pupils or teachers.

As an aside, several years ago I conducted an informal study among principals whom I knew very well and therefore was pretty sure that they would be honest with me. The point of my study was to inquire into why a teacher would want to become a principal. There were several reasons given—to earn more money (although there are some school systems in which veteran schoolteachers earn as much or more than their principal), to have more influence over the character of the teaching and learning experience in a particular school, and to leave the classroom and have a different work life, including a much greater degree of freedom of physical movement, to take the first opportunity (frequently after having been an assistant principal) to "advance." It seemed to me then and it still seems to me now that there were no "noxious" motives among those we talked about. For the purpose of this chapter, though, it seems important that if a school organizational consultant wants to know the nature of the territory in which she or he is working, what it was that pushed a teacher out of the classroom and into the principal's office is not a bad piece of information to have.

So we must ask What about the education and training of school principals, or school administrators of any stripe? All of the states in the United States, just as with teachers, provide for the certification of their administrators—although it doesn't work that way all the time—before they can be employed as an administrator. The certification programs in which they engage are of a graduate nature. Some of them are heavily prescribed by the state department of education; some of them only take note of the number of semester hours that must be completed; and some of them

include course work in organization behavior. One thing that the school organization consultant can be sure of is that the extent to which a school principal conceptualizes his or her school in theoretical terms is, in all likelihood dependent on the graduate school that the particular principal attended.

#### IV—

#### The Problems of Organizational Entry, Consultation Goals, and Program Evaluation

As should be apparent even from these brief thoughts, when an organizational consultant is dealing with a school he or she is dealing with a "different breed of organizational cat." In particular, I think, this point is pertinent to matters of entry, goals, and program evaluation.

With regard to *entry* my hunch is—though I may be wrong—that few faculties, sensing a problem in creating a team concept and team behavior in a school, have ever petitioned their principal to engage a consultant to help them work on organizational team building, for example. Schoolteachers tend not to think in terms of building a collaborative, problem-solving system, and the same may be said for most school principals or superintendents. Indeed, for a principal, to engage such a consultant may be seen as a confession of incompetency, or at least an act of wanton spending.

This is not to say that teachers or principals do not sense problems in their schools; rather, organizational problems get lower priority than those problems concerned with curriculum, teaching, classroom management, discipline, and so forth. The point is, I think, that the best type of consultant entry into a school or school district is to come "bearing gifts," as it were. This is not to deceive but, if you will, to give the teachers some tangible benefits for the time they spend beyond that to which they are committed by contract. This may sound crass, but it is a fact of school life. The gifts may take the form of money for in-service or staff development programs, remitted tuition for university course work, or simply providing more money for substitute teachers. What is at issue here, and it should come as no surprise, is that school districts rarely have the funds simply to go out and hire an organizational consultant whose work, on the face of it, is not concerned with problems of teaching, learning, or supervision. In a way, as demonstrated by Schmuck and Runkel (1970), it may be that the most effective way to gain entry is by being a representative of a university, a foundation, or a research organization that has sufficient funding to be able to say, "Here's what we'd like to do. Here is how we will finance the effort. And here's what's in it for you." That may open the door for the "salesperson" to go to work as consultant or researcher.

The *goals* of the consultation have to be very realistic and not be seen as trying to "pull the wool" over anyone's eyes. Typically, they will not be concerned with teacher-in-classroom problems, but with those related to teacher-to-teacher and teacher-to-system (including the principal) relationships. I might add that for reasons that are implicit in the previous discussion, this is a fairly hard sell. Teachers, that is, can rather effectively wall themselves off from wider school problems and focus their main concern on their own classrooms, not the state of interpersonal relationships in the school.

Relative to *program evaluation*, the organizational consultant seldom is in a position to suggest that the program that she or he is proposing for the school and its faculty and administration will heighten pupil achievement. What may happen, though, is that the faculty members will be enabled to communicate with each other and their principal and solve problems together in a fashion that will help the school become a more adult organization in which to work. If such an outcome is achieved, the consultation will have been worth the price of admission.

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## 8— Five Stages for Self-Evaluating Organizations

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Why don't organizations evaluate their own activities? Why do they see evaluation as a threat and not a promise? What makes an organization resistant to change? And, why do organizations give evaluation attention only when funding or their image for doing the "right thing" is at stake? These are tough questions. Are they even worth asking? . . .

### I— Some of the Ways Evaluation Has Been Defined

To appreciate the concept of self-evaluation it first may be necessary to see how different it is from the ways in which evaluation traditionally has been defined. At least four different definitions of evaluation can be found in the evaluation literature. Although each has enjoyed considerable acceptance, it may be helpful to note a few of the characteristics that distinguish these definitions as well as some of the characteristics that each appears to lack.

One definition that can be found in the evaluation literature equates evaluation with the process of measurement. Evaluations that take this focus tend to emphasize the identification, selection, and administration of the instruments for measuring program effects. These evaluations place heavy emphasis on the operationalization of intended program outcomes and their conversion into practical forms of measurement, the availability of which may actually determine what is measured. In order to preserve the objectivity of the measurement process, this definition abstains from specifying any judgment criteria by which the numbers produced by the instruments become meaningful in some decision-making context. The criteria for actually assigning value to the program, that is, for translating quantitative indices of program effect into qualitative judgments about the program, is left to management, program sponsors, or the audience for the evaluation.

Another definition of evaluation that has seen some use has been the accreditation or so-called site visit definition of evaluation. Here a group of knowledgeable professionals "soaks up" the atmosphere of a program or organization by visiting with staff, talking with clients or program participants, and reviewing documents and records that might give clues to the functioning of the organization. Sometimes site visitors are given an evaluative framework from which to view the program (e.g., are participants happy with it, are graduates getting jobs, are the staff qualified, are there adequate resources being applied to the task), and sometimes they are not. Although this definition may be the most sensitive by virtue of its reliance on the professional judgment of experienced observers, like the measurement definition above, it does not always articulate the criteria by

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which the program is to be judged. Different site visitors can bring to the evaluation different, even unconscious, judgment criteria, which may or may not get shared with program staff. Also, the somewhat informal manner in which observations are made can provide an opportunity for program staff to channel or guide the evaluators into observing only the most laudatory aspects of a program.

A third definition of evaluation is the popular congruency definition. Many evaluation models currently in use today represent some aspect of this definition, either implicitly or explicitly. With this definition the role of the evaluator is to look for discrepancies between the *intended* outcomes and activities stated in the program's or organization's objectives and the *actual* performance of program staff and participants vis-à-vis these outcomes and activities. This definition is distinguished by its use of stated objectives as the criteria for judging the worth of a program. When objectives are clearly written, this definition is the easiest to apply in a decision-making context. It also, however, has the tendency to focus the evaluation only in those areas for which formal objectives can be written, sometimes overlooking those areas of a program or an organization for which objectives may not be so easily articulated and measured.

A relatively recent addition to the evaluation literature has been the naturalistic or qualitative definition of evaluation. With this definition evaluation is equated with unobtrusive observation of a program as it operates in its natural setting. Unlike the accreditation definition above, observation extends over a longer period in the life of a program, first with the purpose of discovering program activities worthy of further observation, and then with the purpose of verifying that certain types of activities lead to certain outcomes. Because commitment to any one view of the program or set of judgment criteria would limit the discovery process, the evaluator observes as though everything were being seen for the first time. Eventually, however, some focusing must occur in order to guide and direct the observation process to those aspects of the program that are the most revealing. It is at this point that some criteria must be applied to the observation process, which may or may not be articulated or even conscious to the evaluator.

## II— Assessing the Definitions

Although the above definitions represent well-traveled paths for most evaluators, they are not often scrutinized for their contribution in helping to define the judgment criteria by which the effectiveness of a program or organization can be determined. If judgment criteria are left vague and unarticulated, the organization runs the risk of having some important aspects of its operation left unevaluated. If the judgment criteria that are used are clearly articulated but not meaningful to the organization, program management may choose to see the evaluation as biased in favor of less important outcomes. And, if the criteria are limited to a chosen set of objectives, too much attention may be focused on criteria that, in practice, may represent only the most easily measured. The measurement, accreditation, congruency, and naturalistic definitions, to varying degrees, either ignore the task of identifying judgment criteria (measurement), describe the process vaguely (accreditation), deal with it as a limited and unalterable "given" (objectives based), or leave it as a sub-rosa by-product of deciding what to observe (naturalistic).

Consider for a moment another definition of evaluation. Consider a definition of evaluation in which the evaluator determines not only whether stated objectives have been met *but also* whether the objectives are appropriate for the intended program participants. If judged against this standard all four of the above definitions fall short. The measurement definition abstains from making any judgments about the program in order to keep the data in their purest numerical form. Hence, evaluation is defined implicitly as the technical process of producing numbers. The accreditation definition leaves judgment criteria largely to the idiosyncratic notions of the evaluators themselves. The criteria that each values may or may not be clearly articulated to sponsors, stakeholders, and participants. They may not even be clearly known to the evaluators. Although the criteria used in judging the program may include criteria for judging objectives, there is no guarantee of it. The congruency definition, on the other hand, clearly defines the judgment criteria as the program's objectives. But it also limits these criteria to *only* those expressed by the program's objectives. The objectives themselves are not questioned nor is any source of judgment criteria suggested by which they could

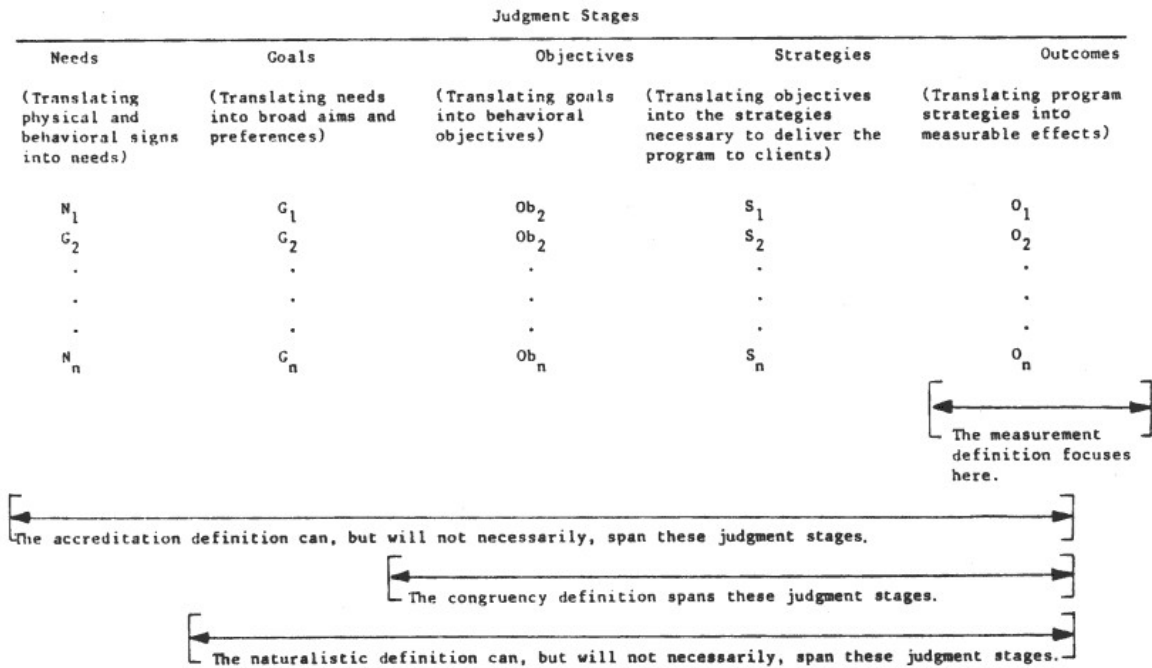


Figure 1  
Applicability of definitions of evaluation to the five judgment stages.

be examined. Finally, the naturalistic or qualitative definition of evaluation appears to leave unclear or at least unarticulated the criteria used in focusing the observation to discover and verify program effects. Although portrayals of the program operating in a natural setting may lead to a judgment about a program's objectives, there is no guarantee that it will—or, if so, with what criteria such a judgment was made.

Each of these definitions contributes an important perspective to the practice of evaluation. But, each by itself or all four together do not constitute an adequate definition of evaluation. Like the story of the three blind men studying an elephant for the first time, these four definitions represent the parts without addressing the essence of the whole.

Figure 1 indicates some of the commonalities and distinguishing characteristics of these four definitions of evaluation as they apply to five different judgment stages of a program. The point of these five stages is that each contains different judgment criteria developed by different stakeholders with which to judge a program. An evaluation of a program with the criteria appropriate at any one stage or any subset of stages does not constitute an evaluation of the whole program or a complete definition of the process of evaluation.

### III— Needs and the Process of Evaluation

The judgment criteria and stakeholders differ considerably across the five stages shown in Figure 1. At the needs stage, the judgment criteria constitute the felt needs, wants, and desires of some client group that provides the impetus for the program. Why was a new program or organizational activity even considered? Somehow, somewhere, some group of individuals made their needs known. Whether these needs were made known through systematic inquiry by the organization itself or by the unexpected cries of a set of individuals in pain or expressing some lack, these needs still constitute a type of judgment criteria for evaluating the program. If the program was designed and developed to eliminate or reduce these needs, then it seems reasonable, even ethically responsible, that the evaluator measure them to determine if a change in their status has occurred.

Another set of needs is present at the time the program goals are determined. Here the "client" group represents, not the individual program participants whose felt needs have been registered at

Stage 1, but that of the organization—aims that are intended to be responsive to some client group. These individuals set the goals for the program either directly by oral directives and written goal statements or indirectly by the decisions they make in marshalling the human, fiscal, and material resources to be used in the development of some response to the needs made known at the previous stage. Their criteria, however, may not always be identical to the client needs expressed at the previous stage. Because some translation of client needs must be made to fit existing organizational policies, staff, and funding, it is inevitable that they will be altered. The resulting goals will be more specific than needs but they will also represent reinterpretations of the original needs. And it is here that a new set of judgment criteria emerge in the form of organizational goals or expectations of what the program is supposed to be doing.

Although these organizational goals for the program have been stimulated by and derived from statements of client needs, this is not to say that they are the same as the client needs; they may not even fully represent client needs. They are client needs stated from the organization's point of view. An example would be that of an institution of higher education whose stated goal is to fulfill the needs of its clients, among which is the need for students to get jobs. Professors are hired who supposedly translate this institutional goal into teaching objectives. But, depending on the nature of the translation, what some professors decide to teach may not help students get jobs. If professors want to publish (at the strong suggestion of the institution), to spend time attending professional meetings, and to develop new and creative ideas that make them known in their field (but that may not be readily transferable to the marketplace), this client's needs may not be fully served by the service provider's objectives. The institution's formal goal is not abandoned, just reinterpreted to meet, in this case, some additional goals of both the institution and service provider. But, something about the original client needs has been changed at this judgment stage. Whether the change is made in light of a refocusing and reinterpretation of the original need, in light of a whittling away of aspects of it that are seen as less relevant to the organization, or in terms of additions to it for the betterment of greater numbers, it is no longer the same need that originally gave impetus to the program.

A third set of needs occurs at the time the objectives for a program are written. Objectives naturally derive from goals. Although the step from needs to goals may be longer than that from goals to objectives, here, too, there must be some translation, some reformulating if goals are to be made narrower, into objectives. Some extravagances of wording, hyperbole, tangentially relevant and difficult to operationalize aspects of the goal must be winnowed—the wheat separated from the chaff so ideas can become concrete enough to point to visible strategies for carrying out the objectives. The process can result (and usually does) in more objectives than goals. Goals represent global concepts that are best made concrete by a divide and conquer strategy. Vague, abstract, and otherwise difficult to deal with goals are subdivided into subgoals and then finally into objectives, but not without some loss to the meaning or intensity of the goal itself. This is the path state and local administrators sometimes must take in converting the broad goals of a federal administration into programs that are workable at the local level. The two-pronged constraint of making a goal specific enough for local programming and to do it within existing policies set forth by a particular federal administration has sometimes been likened to trying to pound a ball into a square hole. The job gets done and the programs get developed, but not with any overwhelming attention to the original intent. Of course, some goals will be unworkable, in which case they will be eliminated, even though they were legitimately derived from needs.

At this stage stakeholders also change. They are the program staff and support personnel who must now design and develop the program. And, of course, the objectives they write will reflect their own perspectives and represent their own set of constraints. These will be objectives stated from *their* point of view. They will represent what the program designers and developers, with commitments to theoretical positions, philosophical persuasions, and pedagogy, want from the program. These wants may not always be identical to what the organization's management wants from the program. It is also possible that these wants are at odds with what the clients want. It is of course possible, too, that the set of objectives produced at this stage by program developers more accurately represent the felt needs of the client groups who provided the impetus for the program than do the program's goals.

A fourth set of needs occurs at the time procedures are chosen for delivering the program. Here is where the objectives are converted into strategies and then implemented. But not all objectives will be equally amenable to the strategies with which the program will be delivered to the participants. So, either strategies are revised or the objectives rewritten in such a way as to make them more implementable within the strategies that are "doable." Here, for example, is where an objective to be taught for the duration of a project might be altered so it can be taught in less time. After all, to do otherwise would create scheduling problems that could in turn create disturbances elsewhere in the program. And, besides, qualified people to do the instruction for this objective could not be found, or, the money to hire them was not available as expected. It is possible that these types of translations of objectives into delivery strategies may result in strategies that are more in tune with the intent of the goals than if more direct translations from objectives could have been made. But, then again, maybe not.

The stakeholders at this stage are the service delivery personnel—the teachers, professors, instructors, psychologists, social workers, etc., who have the responsibility to deliver the goals and objectives in the form of program activities to the client group. These service providers must sometimes implement their strategies in a situation that program designers or developers could not foresee. Here is where constraints never before dreamed of emerge to alter the best laid plans. The response is to adjust the strategies and objectives accordingly to keep the program operational and to keep one's own head above water. Now, we have a new set of needs stated from the service delivery staff's point of view; they are what the service delivery staff want from the program. Program developers may need strict implementation of the program as intended by its designers or the organization, but these needs may be seen as the lofty goals of theoreticians by the service providers whose first instincts are to "look good," "save face," and "get through" in the midst of a problematic program. If this means adjusting the program in midstream to make it work better, so be it. These changes may make the program more compatible with the needs and goals from which the strategies were derived, but, then again, they may make them less compatible.

Even without operational constraints forcing service delivery personnel to make ongoing changes in program strategies, strategies can be derived from objectives in ways that make the intended strategies incompatible with the needs, wants, and desires of the client group for whom the program is being developed. Inseparable from needs are values, and values can direct strategies as well as goals. Could it be that as a result of translating needs to outcomes a strategy may be employed either unintentionally or by a design that is inconsistent with the needs of a client group? A case in point was the short-lived performance contracting era of the early 1970s. This was when private entrepreneurs bid for contracts with school districts to raise the reading and math achievement of poor achieving inner-city school children. The task was to raise the standardized achievement scores of selected children without interfering with their regular school schedule. Contractors were paid so much for every unit increase of standardized achievement obtained for each child they taught. How did such a laudatory need of raising the standardized test scores of inner-city youth turn out to be incompatible with the strategies used to meet this need? Some of these private contractors knew whose values their strategies would have to address in order to make a profit. In other words, they knew what little kids in elementary school like. They like candy, soft drinks with lots of sugar, and plenty of junk food, and for the older children, free passes to the show and gift certificates to buy the latest fads in clothing. These were the motivators, reinforcers as they were called, to get the children to spend their free time during and after school to complete specially prepared materials under the guidance of the contractor. The standardized test results, in some cases, were impressive. The kid's dentist bills, newly acquired taste for junk food, and penchant for all the latest fashions and movies were somewhat less impressive to their parents. Here was a case in which the outcome was achieved in accord with the objectives, but with strategies that were incompatible with the needs and values of the parents, whom the program was supposed to serve. Kid values mattered little in the long run. It was not their values that provided the impetus for the program.

A final set of needs involves the translation of all previous stages into assessment procedures for the purpose of measuring program outcomes. This includes selecting the measurement tools with which the effects of the program are to be studied. The key issue at this stage is "What

measurement tools?" If the program purports to increase school achievement, there are a hundred ways to measure it. Which among the many are most worthy? Even more important, which among the many reflect the goals and aims of the program not as they were stated but as they were actually implemented with given strategies? Measurement tools will have different degrees of fidelity, or faithfulness, to what the program is actually doing. What the program is doing is reflected in its strategies, which convey the program's content. The match between program strategies as they are observed and the instruments used to measure their effects is yet another judgment stage. The translation of strategies and the program content they embody into formal means of measurement should yield instruments that are uniquely sensitive to the program at hand. It is likely that if one were to choose assessment instruments from only a knowledge of client needs, or from only a knowledge of program goals, or from only a knowledge of program objectives, the instruments chosen would be different for each of these sources and these, in turn, would be different from those chosen from a knowledge of the program strategies actually implemented. Here the evaluator faces a dilemma. Instruments chosen from statements of client needs run the risk of having little to do with what the program actually has done; instruments chosen from a knowledge of program strategies may be unresponsive to the types of outcomes that clients need. Of course, program outcomes should reflect client needs, but that will not always be the case.

The stakeholders at this stage are the evaluators themselves. The most salient need at this stage from their point of view is to find measurement instruments sensitive enough to detect program effects implicit to program strategies. To do any less would be to welcome a "no significant difference." But this may not meet the need as stated from the client's point of view. The clients would like the program to be evaluated against their needs—against what the program originally was intended to do. The evaluator would like the program to be evaluated against what it actually did—even if he knows it may not reflect client needs. If the evaluator's selection of instruments does not reflect *his* need, any positive effect recorded would have to be labeled serendipitous. Of course, documenting that program strategies poorly represented client needs would add considerably to our understanding of the program. But this documentation could only come about by the evaluator fulfilling multiple sets of needs.

The above recounts the various judgment criteria and stakeholders that should be represented in any definition of evaluation. This definition would be flawed if it did not include the role of needs as an inseparable part of evaluation. Needs are the vehicles by which the reasonableness of other stages of evaluation can be checked and they are the only means of evaluating the appropriateness of the objectives themselves. This leads us to a definition of evaluation as a process that not only determines if stated objectives have been met but also determines the reasonableness of the objectives themselves.

#### IV— Needs and the Self-Evaluating Organization

Figure 2 traces the work of the evaluator in a self-evaluating organization. The framework for the evaluation is set by the five judgment stages and five sets of needs shown. The evaluator and program management and staff assess client needs, determine if organizational goals are in accord with needs, derive program objectives from goals, choose delivery strategies that reflect program objectives, and select measurement instruments that are faithful to the strategies implemented. The definition of evaluation represented by these activities is one in which the evaluator works from *within* the organization, *with* program management, and *throughout* the life cycle of a program, starting with documenting (or discovering) the need for a program, through program design, to the evaluation of program outcomes. By sensing needs at each judgment stage the work of the evaluator becomes integrated with decision making at every level of thinking about the program, from needs, through program ideation, to evaluation.

Some of the questions the evaluator would answer during this work might be the following:

*Goals.* Do the goals represent stated needs? Do the goals encompass no more and no less than that which is implied by these needs? Have organizational policies, funding, or the

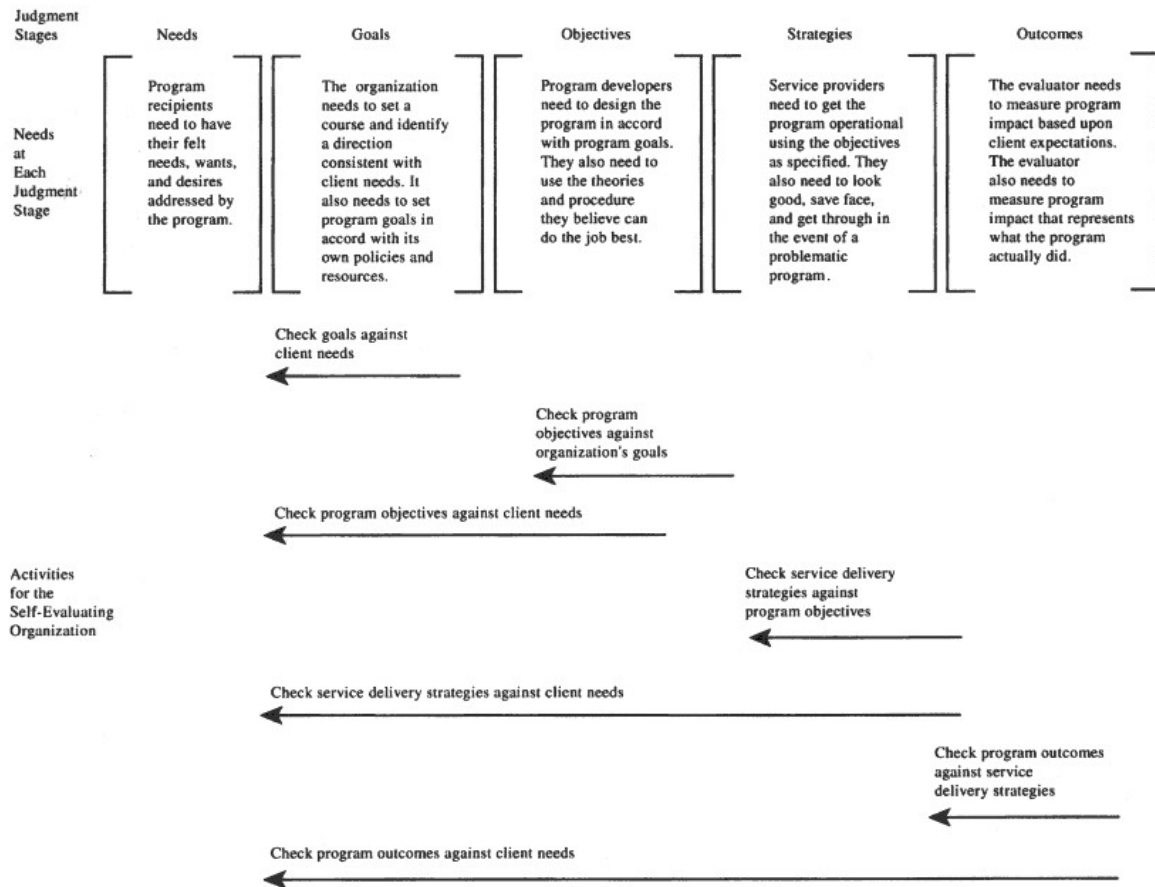


Figure 2  
Backwards evaluation (reverse the arrows for forward evaluation).

availability (or unavailability) of human and material resources created program goals that go beyond, overly embellish, or selectively limit the meaning of stated needs?

**Objectives.** Do the objectives logically flow from the goals? Or, did program objectives have to be narrowed to the point that they are no longer recognizable statements of program goals? Have new objectives suddenly appeared as a result of the translation process? Do objectives still embody the intent of the client group, expressed as needs? Or, has the translation of needs into goals and goals into objectives lost or distorted the original intent?

**Strategies.** Have strategies been chosen that communicate the objectives to program participants in an efficient manner? Were strategies chosen with the intent of how best to deliver the objectives? Or, do they represent the individual biases of program staff, tradition, or the organization's preoccupation with certain service delivery modes? Do the strategies chosen embody the values implied by client needs? Do they represent acceptable interventions to program participants, program sponsors, and to the organization? Are they legal (law abiding), ethical (what the clients expect and have been known to accept), and moral (acceptable within the framework of the larger society in which the program operates)?

**Outcomes.** Have outcomes been chosen with the intent to measure what is believed to have actually occurred as well as what was expected to have occurred? Can the evaluator document what client needs may not have been met as a result of the program as well as what client needs may have been met? In other words, did the evaluator document what did happen as well as what did not happen, but should have happened?

The process of becoming aware of the needs at each of the five judgment stages constitutes a set of self-evaluating activities for an organization. These activities could be applied either after a

program was developed or before the need for a program was even encountered. In the former situation, the process might be called "backwards evaluation," for the organization would be tracing the continuity of needs across the five stages after the program had been developed and evaluated. If an evaluation had been conducted by the organization, it could be used to check on the reasonableness of their evaluation findings and provide rationale for why it may or may not have fully represented conditions and criteria operating within the organization. In conducting a backwards evaluation, the logical progression using needs at each judgment stage would be from right to left (Figure 2), starting with the findings from an evaluation of program outcomes and client needs at each antecedent stage.

To conduct a "forwards evaluation" the direction of activity would be reversed. A forwards evaluation would be appropriate when an organization wanted to develop a program beginning with client needs and to use each judgment stage for developing each subsequent stage. Although forwards evaluation may be the most logical, backwards evaluation may be the most practical when a forwards evaluation cannot be conducted. Both a forwards and a backwards evaluation would be ideal—since forwards evaluation could link client needs, goals, objectives, strategies, and outcomes in a tightly coupled system and, then, backwards evaluation could determine how well the process worked.

These, then, would be the activities of a self-evaluating organization. They would involve the sensing of client needs and checking the linkage between adjacent judgment stages. The self-evaluating organization may or may not evaluate program outcomes. This could be left to external evaluators, but the findings from this evaluation would always be checked against those of the self-evaluating organization.



9—

**Preventing Regression in Team Building:  
A Longitudinal Study of the Personal Management Interview**

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Team-building sessions are, with good reason, among the most commonly used interventions in the repertoire of any organization development (OD) consultant. Aimed at improving teamwork by directly confronting problems, these intense, relatively short meetings are often conducted off-site at the beginning of an OD project to clear the air, demonstrate the efficiency of open communication, and given team members a fresh start at dealing with the organization's problems—a use to which they are eminently suited. Team-building meetings, however, are almost never in themselves an adequate solution for those problems; to ensure that team members fulfill the commitments they make at the team-building session and practice the new patterns of communication they have learned, there must be some follow-up activities. In fact, numerous scholars have pointed out that without such follow-up, team members suffer from regression or fadeout after they return from an off-site team-building meeting (Beer, 1980; Boss, 1989; Blake and Mouton, 1979; Cooper, 1971; Cummings and Huse, 1989; Dyer, 1987; Golembiewski et al., 1974; Kahn, 1974). After a few weeks of trusting and cooperative behavior, their interactions begin to slip back into the old patterns because some of the problems identified at the outset may never have been resolved, and in the interim others have developed.

There are a number of reasons for such "backsliding." First, there may be problems within the team itself. Team members may leave the team-building session with unrealistically high expectations (e.g., that a certain team member will become a reformed character overnight). When, as inevitably happens, this person lapses into his or her old ways, teammates may fail to notice that the misbehavior is less frequent or less egregious than it used to be. Jumping to the conclusion that nothing has changed, they may stop trying to change their own behavior. Even when the participants' expectations are reasonable, those expectations may go unfulfilled for various reasons beyond the team's control, and the team members may then lose patience, begin to mistrust each other, and cease to communicate openly. Or the team members may lack the process skills to implement the changes they have planned. Effective teams must be able to manage their own processes of leadership, motivation, decision making, goal setting, and control (Likert, 1961), and must have competence in task and maintenance functions (Schein, 1988). These abilities cannot usually be developed in one short off-site meeting.

There may also be problems in fitting the regenerated team into the home organization. First, although scholars have demonstrated that one-shot team-building efforts do not work (Beer, 1980; Dyer, 1987), those outside the team may not understand that the team-building session was merely part of a larger effort toward change. Second, that larger effort may lack political support from key people in the organization. Most critical is the support of the CEO. Third, the whole organization may be culturally unprepared for change. If key personnel are psychologically unhealthy individuals,

or are unwilling to trust each other, to hold each other accountable, and to resolve problems, then the organization as a whole may be too unhealthy to support a healthy team. Fourth, the organization may lack mechanisms by which team members can hold their subordinates accountable. Fifth, the organization may not clearly reward the new behavior inculcated at the team-building session. Without rewards (e.g., promotions, raises, or formal recognition), team members will not make lasting changes; and if they think that such changes might actually jeopardize their careers, they will regress (Beer, 1980). Finally, team members' enthusiastic proposals for new policies and procedures (a common outcome of team-building sessions) may prove inconsistent with the policies of the larger organization.

Even if there are no serious problems within the team itself or between the team and the home organization, subsequent personnel changes may invalidate the agreements created at the team-building meeting. Team members may leave the organization, or an organizational restructuring may remove them from the team and replace them with people who know nothing about the history of the team's change effort or about change efforts in general. This is particularly problematic if the person replaced is the team leader, since the leader is central to successful team building.

Finally, there may be problems associated with the consultant. If the consultant is unavailable once the team returns to the worksite, team members may be left to resolve their problems by trial and error, before they have developed the necessary skills. They may then create new problems that have to be resolved in additional team-building sessions (Boss and McConkie, 1979). In addition, the off-site meeting may have made the team excessively dependent on the consultant. Any client organization automatically becomes somewhat dependent once it hires a consultant, but if the team-building activities are not aimed at developing interpersonal skills and empowering the participants, the consultant, rather than the team, becomes the focus of the session. As a result, the team may feel paralyzed in the consultant's absence.

Obviously, the forces tending toward regression are strong; without some deliberate intervention, the team is almost certain to lose what it has gained. This study describes one such intervention, the personal management interview (PMI), and reports the results of implementing it in 13 different organizational contexts. These results demonstrate that the PMI helps to maintain team effectiveness and prevent regression after team-building sessions.

### I— The Personal Management Interview

The PMI is a regular, private meeting between the CEO or supervisor and each of his or her immediate subordinates, designed to increase communication and accountability and to resolve problems. The series of PMIs is initiated by a role negotiation meeting in which the two parties address any problems between them that may not have been resolved during the team-building session and negotiate the role each will henceforth play in the organization beyond what is specified in the formal job description. This initial meeting is private, but all other members of the team are assured in advance that they will have a chance to read the resulting informal job descriptions and discuss any details with which they may disagree, so that all of them know what the CEO expects from each of them.

Typically, each role negotiation meeting takes an hour, so it saves time to hold the meetings separately rather than negotiate the details of all of these dyadic relationships during the team-building session. In the role negotiation meeting, each party states his or her expectations concerning how the two will interact and what each person's specific responsibilities will be. Where these expectations conflict, the parties negotiate until they reach a solution that satisfies both of them. Any nonnegotiable items are identified and the rationale for them explained. By the end of the meeting, both parties know exactly what each expects from the other and what each is willing to deliver. In all of the cases described here, the consultant who had participated in the team-building session also facilitated each role negotiation meeting, keeping a detailed written record; copies of each were later given to the leader, the subordinate, and all other members of the team.

After all of the role negotiation meetings have been completed, regular PMIs are scheduled between the leader and each member of the team. The frequency of meetings may vary from weekly

to monthly; all of the PMIs reported in this study were held biweekly. Meetings normally last from half an hour to an hour.

The format for the PMI may vary somewhat, but each meeting begins with a review of the action items generated at the previous meeting. Where assignments have not been completed, the parties make detailed plans to ensure that they will be completed before the next meeting. While the order of agenda items may change, each interview also includes discussion (and, if possible, resolution) of organizational problems currently facing the subordinate; training the subordinate in management skills; resolution of interpersonal problems between the parties; exchange of information about recent developments in the organization; identification of individual and organizational needs; highlighting successes and achievements; follow-up on commitments made during team-building meetings; and discussion, if appropriate, of the subordinate's personal problems. The meeting ends with a review of the action items generated during the interview. This summary guarantees that both parties clearly understand their assignments, and also guarantees the accuracy of the documentation.

The written record of a PMI may be kept by a trusted third party but seldom is, as most CEOs consider third-party documentation a luxury. All of the PMIs in this study were documented by one of the participants, using standard two-part carbonless forms. When necessary, the record can easily be photocopied for other team members.

The PMI's emphasis on one-to-one behavior complements the team-building meeting's emphasis on group behavior. By stressing dyadic relationships between subordinates and the leader, the PMI provides the key to higher productivity for the team as a whole. Usually the leader has access to the most sources of power and therefore is in the best position to help increase the effectiveness of the team (French and Raven, 1959). As a result, the leader is the most important determinant of the long-range success of a team-building session. Hence, a positive relationship with one's leader is therefore more important than, and a precondition for, a productive relationship with one's peers. Indeed, it is difficult, if not impossible, to effectively resolve problems among peers until problems have been addressed and resolved between the leader and his or her subordinates (Boss, 1978), especially if the difficult relationship is with a peer who is perceived as the boss's favorite. Mutual trust between superior and subordinate frees the subordinate from fear of retaliation in such cases, and the leader's expectation that subordinates will deal constructively with their disagreements frees the whole organization from excessive and irrational fear of conflict.

The PMI differs significantly in at least two respects from the performance appraisal sessions typically associated with management by objectives. First, its content is much wider; in addition to a review of goals and an assessment of progress, the PMI includes discussion of organizational problems and needs, one-to-one management training for the subordinate, and resolution of interpersonal issues between the parties. Second, because of this difference in content, the PMI is held weekly, biweekly, or monthly, rather than quarterly, semiannually, or annually. The PMI assumes that problems—whether organizational or interpersonal—are best dealt with when they are small. It also assumes that progress toward a goal is faster when all team members are fully informed and all commitments are tracked routinely. Finally, it assumes that the best kind of management training is frequent, face-to-face, situation-specific discussion with the CEO. In short, the PMI is people-oriented and deals with change in small increments. It is precisely these characteristics that make it an effective long-term reinforcement for team-building efforts.

## **II— Subjects**

All 208 participants in this study (137 experimental and 71 comparison group members) were members of natural teams or family groups in both the public and private sectors, and each team included the CEO and his or her top-level staff members. The only criteria for including teams in their respective groups were the length of time in which follow-up data were collected and whether PMIs were instituted in their teams. The managers in group 2 did not hold PMIs because those teams held their team-building sessions prior to the development of the PMI as an OD intervention. There was no turnover among the participants during the time in which data were gathered. A brief description of the 23 teams is shown in Table 1. The 71 managers who made up the comparison group

**TABLE 1** Description of 16 Teams and Their Status Regarding Implementation of the Personal Management Interview

	Teams	<i>n</i>	Description of organization	Organization size
Group 1: Biweekly PMIs for 3 months after team-building session	1	7	Research organization in private sector	200
	2	5	Department of local government	500
	3	6	Management training organization in private sector	70
	4	9	Department of state government	100
	5	8	Medical research organization	60
Group 2: No PMIs following team-building session	6	6	Academic services unit at major state university	200
	7	7	Research and planning organization in private sector	40
	8	11	Public relations organization in private sector	60
	9	10	Scientific research organization in public sector	500
	10	6	Department of state government	250
	11	14	Department of local government	50
Group 3: Biweekly PMIs for 3 years after team-building session	12	7	Department of local government	150
	13	12	Department of state government	80
	14	11	Department of local government	180
	15	7	Department of state government	150
Group 4: Biweekly PMIs for half of the team for 18 months after team-building session, no PMIs for other half of team for 12 months, then PMIs for 12- to 18-month period	16	11	Department of state government	150
Comparison group: No intervention during a 3-month period	17	10	Department of state government	100
	18	9	Research and planning organization in private sector	60
	19	9	Department of local government	250
	20	6	Academic services unit of major state university	200
	21	18	Scientific research organization in public sector	450
	22	9	Department of state government	150
	23	10	Department of local government	100
	Total	208		

worked in organizations that approximated the experimental units in size, type of work, and geographic locations.

All members of the 16 experimental teams participated in a 3-day, team-building meeting. The design for each meeting was the same, and each dealt with the identification and resolution of personal, interpersonal, and organizational problems. All sessions included extensive discussions of the theoretical implications of those problems and how the participants' learning could be applied in the back-home environment.

After the team-building meeting, 78 of the participants (groups 1, 2, and half of group 4) began holding regular, bimonthly PMIs; the remaining 59 people did not participate in PMIs. The data reported here relate to the effectiveness of those teams whose members participated in regular PMIs.

In each case, the PMI was introduced by the consultant in response to questions regarding potential methods for maintaining the high level of interpersonal trust and group effectiveness achieved during the off-site training session. The objectives, benefits, and tentative format for the PMI were explained, and suggested methods for implementation were discussed. Initial resistance to the intervention centered on effective time management; people simply did not believe that they had enough time to meet regularly with their CEO. When the consultant assured them that regular PMIs would conserve rather than consume time, they agreed to participate. In all cases, participation was voluntary, and resistance disappeared completely when participants found they saved time.

**III—  
Study Design and Measurement**

To measure the effectiveness of the PMI, we used the Likert Profile of Organizational and Performance Characteristics (Likert, 1961), an instrument that measures organization climate along six dimensions: leadership, motivation, communication, decision making, goal setting, and control. All subjects answered the questions using as their frame of reference their natural team, which was also the unit of analysis. The questionnaire was administered during the first and last hours of each 3-day team-building session and 3 months after the conclusion of the session; in group 3, additional

GROUP NUMBER	NUMBER OF TEAMS	TIME (in months)											
		0	1	2	3	4	5	6	12	18	24	36	
1	5	0 <sub>1</sub> X <sub>1</sub> 0 <sub>2</sub> -X <sub>2</sub> -----0 <sub>3</sub>											
2	6	0 <sub>1</sub> X <sub>1</sub> 0 <sub>2</sub> -----0 <sub>3</sub>											
3	4	0 <sub>1</sub> X <sub>1</sub> 0 <sub>2</sub> -X <sub>2</sub> -----0 <sub>3</sub> -----X <sub>3</sub> -----0 <sub>5</sub> -X <sub>4</sub> -----0 <sub>7</sub> -X <sub>5</sub> -0 <sub>8</sub>											
4a	½	0 <sub>1</sub> X <sub>1</sub> 0 <sub>2</sub> -X <sub>2</sub> -----0 <sub>4</sub> -X <sub>3</sub> -0 <sub>5</sub> -X <sub>4</sub> -0 <sub>6</sub>											
4b	½	0 <sub>1</sub> X <sub>1</sub> 0 <sub>2</sub> -----0 <sub>4</sub> -----0 <sub>5</sub> X <sub>2</sub> -----0 <sub>6</sub>											
C	7	0 <sub>1</sub> -----0 <sub>3</sub>											

**Key**

- |  |  |
|--|--|
| 0 <sub>1</sub> = Preteam building measure  | X <sub>1</sub> = Team-building session |
| 0 <sub>2</sub> = Postteam building measure | X <sub>2</sub> = PMI (continuous)      |
| 0 <sub>3</sub> = 3 months after measure    | X <sub>3</sub> = PMI (continuous)      |
| 0 <sub>4</sub> = 6 months after measure    | X <sub>4</sub> = PMI (continuous)      |
| 0 <sub>5</sub> = 12 months after measure   | X <sub>5</sub> = PMI (continuous)      |
| 0 <sub>6</sub> = 18 months after measure   |  |
| 0 <sub>7</sub> = 24 months after measure   |  |
| 0 <sub>8</sub> = 36 months after measure   |  |

Figure 1  
Design for data collection and implementation of bimonthly PMIs.

measurements were taken each year for the following 3 years. Data analysis used a *t* test (pooled variance *t* test, based on matched or paired samples), and levels of significance were based on comparison with the before scores.\* Data were analyzed by a researcher who was not involved in any of the interventions. All subjects also completed the Group Behavior Inventory (Friedlander, 1968), along with another questionnaire designed to measure respondents' honesty in communication, comfort in discussing problems, and trust for the CEO and teammates; however, as the results of these questionnaires were identical to those produced by the Likert Profile, only the latter are reported here.

Figure 1 shows the general design of this study. The five teams in group 1 began holding PMIs the week after their team-building sessions and continued to do so for 3 months, during which the PMI was the only formal intervention used by the consultant. The six teams in group 2 received no interventions during the 3 months after their team-building session. In group 3, teams 13, 14, and 15 began holding PMIs the week after their team-building sessions, while team 12 did not begin PMIs until about 2 months after its team-building session; all four teams continued to hold PMIs for 3 years. Teams 14 and 15 experienced no additional off-site training programs during the 3 years, but teams 12 and 13 participated in two follow-up off-site sessions, at 4 months and 13 months after the initial team-building session. The data shown in Figure 2, however, were collected at 3 months and 12 months after the initial team-building session; thus they reflect the continuous effects of the PMIs rather than the sporadic reinforcement provided by the follow-up off-site sessions. Group 4 consisted of one team. After the team-building session, five of the team members chose to hold PMIs, and did so regularly for 18 months. The other five chose not to hold PMIs, but at the end of a year changed their minds and participated in PMIs regularly from month 12 to month 18. Questionnaires were administered to the fourth group 6, 12, and 18 months after the off-site team-building session. The comparison group experienced no team-building session and no PMIs or other interventions; questionnaires were administered to the comparison group 3 months apart.

#### IV— Results

Figure 2 shows the Likert Profile results for groups 1, 2, and 3 and the comparison group.\*\* All of the teams that experienced the 3-day team-building session showed significant improvement during

\*Because the individual teams were small and exhibited differing before scores and because multiple measures were taken, we conducted additional data analysis using multivariate techniques. The results approximate those reported for the *t* test.

\*\*Figure 2 presents the average group scores on all six Likert Profile variables. In group 1, for example, within each team the individual scores on all six variables were totaled and then averaged to produce a team score; the five team scores were then averaged to produce a group score. Scores were computed separately for each data collection (before, after, and 3 months after). This procedure was intended merely to simplify presentation of the data; in no case did the trend for any individual team differ from the group trend shown in Figure 3.

The table below shows, for each After category, the number and percentage of scores that showed a statistically significant difference (>0.05 on *t* test) from the same group's Before measure.

	Before— after	Before— 3 months after	Before— 6 months after	Before— 1 year after	Before— 18 months after	Before— 2 years after	Before— 3 years after
Group 1	27/30 (90%)	29/30 (96.7%)					
Group 2	33/36 (91.7%)	0/36 (0%)					
Group 3	21/24 (87.5%)	22/24 (91.7%)		23/24 (95.8%)		23/24 (95.85%)	23/24 (95.8%)

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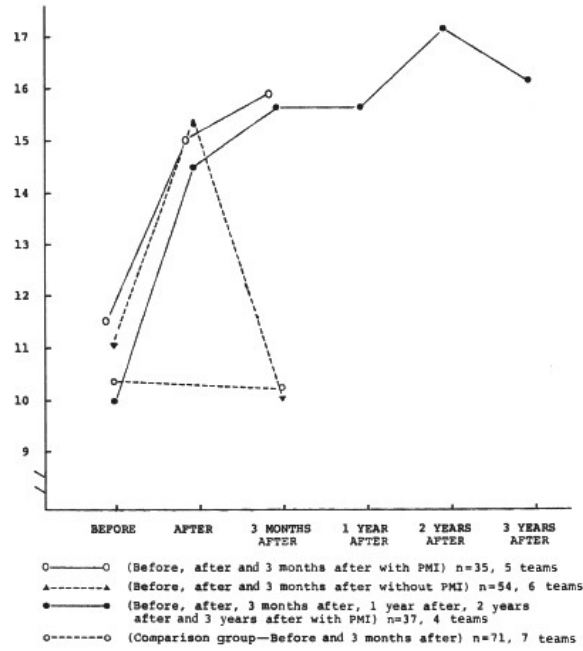


Figure 2  
Average response patterns on the Likert Profile for 15 natural teams and a comparison group subsequent to a team-building session with and without the implementation of PMIs.

the session. Over the following 3 months, however, the teams that used PMIs (groups 1 and 3) maintained this improvement, while the teams that did not use PMIs (group 2) lost virtually all the ground they had gained. Moreover, the group 3 teams maintained their high postsession scores over the following 3 years, in two cases without any additional intervention from the consultant. Figure 3 shows Likert Profile scores for the two halves of group 4: the team members who held PMIs regularly for 18 months (group 4a), and those who held PMIs only from month 12 to month 18 (group 4b). Group 4a maintained its postsession improvement throughout the 18 months; group 4b lost ground during the first 12 months, when its members were not holding PMIs, but improved significantly—to parity with group 4a—once its members began to use the interviews.

(footnote continued from previous page)

	Before- after	Before- 3 months after	Before- 6 months after	Before- 1 year after	Before- 18 months after	Before- 2 years after	Before- 3 years after
Group 4a	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)	6/6 (100%)		
Group 4b	6/6 (100%)	0/6 (0%)	0/6 (0%)	0/6 (0%)	6/6 (100%)		
Comparison		00/42 (0%)					

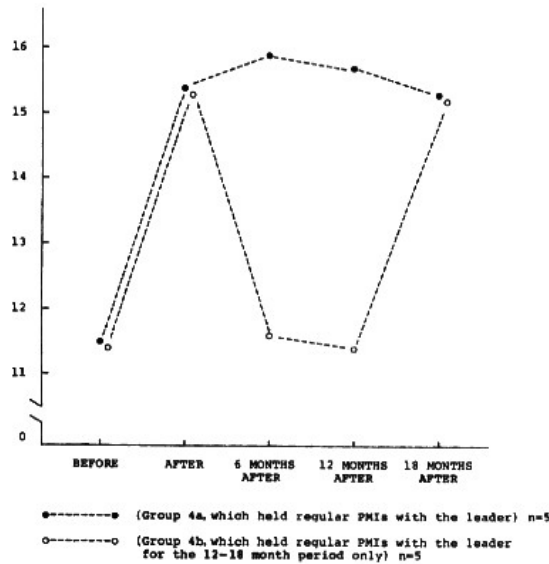


Figure 3  
Average response patterns on the Likert Profile for the staff members of one natural team following a team-building session, where half (group 4a) held regular PMIs for 18 months while the other half (group 4b) held regular PMIs for the 12- to 18-month period only.

## V— Discussion

The data presented in Figures 2 and 3 indicate that regular PMIs can maintain the effectiveness of a working team for as long as 3 years after an initial team-building session without additional interventions. All of the teams that used PMIs consistently maintained high Likert Profile scores, while those teams that did not use PMIs experienced substantial regression within a few months after their team-building sessions.

It is of course possible that these results could have been biased by several factors. First, the Likert "before" scores show that the 16 experimental teams were not in equivalent positions at the outset. Interviews with the members of the nine teams that adopted PMIs, however, indicate that these differences did not substantially affect the degree to which they accepted the PMI or the way in which it was implemented.

Second, the groups were not randomized, so it is conceivable that the regression in scores for group 2 resulted from selection treatment interaction (Campbell and Stanley, 1966) rather than from the absence of PMIs.

Third, although most of the teams in groups 1 and 3 received no formal interventions by the consultant, they may have experienced other environmental changes that positively affected their Likert Profile scores. The comparison group, however, showed no change in scores, and it seems unlikely that all of the teams in groups 1 and 3, but none of those in the comparison group, would have been subjected to the same environmental changes.

Fourth, the results may have been affected by the team-building design; a different intervention might have produced different results.



Finally, in the case of group 4, there might conceivably have been significant differences between the five people who decided to participate in PMIs and the five who decided not to. In interviews, however, the CEO and all 10 other members of the team attributed the differences in perceived effectiveness to the differences in use of the PMI. Furthermore, once group 4b began using PMIs, its scores improved to parity with those of group 4a. In general, then, it seems likely that the data reported here provide a true indication of the value of the PMI.

That value is confirmed by interviews with the members of groups 1, 2, and 4. The interviewees consistently reported that the PMIs greatly improved communication between superiors and subordinates, giving each party current information on what was going on in the organization, as well as a chance to get to know the other. Especially, the interviews gave subordinates regular access to the CEO. Most individuals in the study, like managers in organizations everywhere, complained that differing schedules and multiple demands on the CEO made it difficult for them to reach the boss. One interviewee explained how the PMI helped:

This is the first time in my administrative career that I have been able to meet regularly with my boss. As a result, I don't worry about catching him between meetings anymore, because I know that next Tuesday morning at 9:00 a.m. I will have an hour with him alone. Unless it is an emergency, whatever I have can wait until then.

Personal management interviews also provided a solution for a problem typically associated with participative, group-based management: evasion of responsibility. Most people want a voice in decisions that affect them, but few want the responsibility for implementing those decisions. Because the PMI format calls for documenting all commitments and reviewing them twice, first at the end of the session when they were made and then at the beginning of the next session, both the superior and the subordinate are regularly and frequently held accountable for keeping their promises. Interviewees reported that this accountability significantly increased productivity, a result that confirms the general principle: When results are measured (and, especially, when the measurements are reported), productivity increases. The privacy of the PMI was especially helpful to administrators who found accountability in general a difficult issue and to those who were uncomfortable about using regular staff meetings to handle this and other relatively personal matters.

The PMI gave the interviewees a way to deal with conflict and resolve problems. The team-building sessions established the expectation that team members would follow up on any unfinished business and would continue to deal regularly with interpersonal problems. All teams need mechanisms for preventing such problems from interfering with work. Weisbord, indeed, argues that a work blockage invariably points to "a 'process issue' lurking in the background" (1977, p. 5). The PMI is an ideal mechanism for resolving these process issues. One member of group 4b explained as follows:

I finally realized that I couldn't afford not to meet with my boss. Shortly after the off-site, I began to have issues with him, but there was no mechanism set up to effectively deal with those issues. As a result, problems got bigger and bigger, and things began to retrogress. I thought it was all my fault, until I learned that the only people who were having problems were the ones who weren't holding regular PMIs. Once we began those meetings, the problems began to get resolved. The nice thing about them is that now the problems get dealt with when they are little.

The team leaders also reported that PMIs saved them time. Most of the CEOs in this study at first resisted the idea, arguing that subordinates already took too much of their time. After they tried holding regular PMIs, however, they discovered that the interviews both decreased the total quantity and increased the quality of the time they spent with subordinates.

Lastly, the interviewees agreed that PMIs had contributed to improvements in their weekly staff meetings. Before the team-building sessions, most of the meeting time (sometimes as much as 80–90% of it) had been spent on one-to-one information exchanges, usually between the superior and individual subordinates. Once the teams began to use PMIs for this purpose, staff meeting time

could be reserved for issues that involved the whole team. Meetings were therefore shorter, less frequent, and much more effective.

Most training efforts share a critical weakness: They fail to reinforce, over time, the newly learned behavior. With its emphasis on communication and accountability, the PMI guarantees regular reinforcement of the lessons taught in the team-building session. It also directly addresses many of the forces that contribute to regression. By requiring frequent, face-to-face negotiations concerning specific commitments, it decreases unrealistic expectations, and by providing a way of dealing with problems, it helps ensure that reasonable expectations do not go unfulfilled. It gives participants practice in process skills, especially in holding each other accountable. It highlights the ongoing nature of the effort toward change, and it decreases team members' dependency on the consultant. Since the teams included in this study all involved the CEOs and top staffs of their home organizations, they experienced few of the potential problems mentioned above in fitting the team back into its home organization. Team members themselves were in a position to give political support to the effort toward change, influence the organization's cultural preparedness, modify its reward system, and change existing organizational policies and procedures—a good argument for starting an OD project at the top.

## **VI— Recommendations**

Like most interventions, the PMI is not an infallible formula. Its effectiveness depends partly on how well it is implemented. To begin with, the superior must genuinely want to help subordinates resolve problems, not to manipulate or punish them. The PMI works best in a climate of trust, and the superior is responsible for establishing that climate. If the leader betrays the subordinates' trust and uses the PMI to establish autocratic control, the PMI can become highly (though perhaps covertly) adversarial, with very destructive results for the organization as a whole.

Also, the PMI must be taken seriously. The format must have some flexibility to meet the organization's specific needs, but both the leader and the subordinate must commit regular, uninterrupted time; both must prepare agendas for the meeting; someone (a participant or a trusted third party) must document the action items; and the parties must keep and use this documentation to track their commitments and prepare for the next PMI. Without preparation and follow-up, the PMI may degenerate into a casual conversation. If the interview itself is treated casually, the commitments made during it will be equally casual.

Finally, the leader must maintain a careful balance between exercising and sharing power. He or she must be willing to hold subordinates responsible; if they fail to fulfill commitments, the leader must be willing to ask probing questions. But the leader also has made commitments and must in turn be willing to be held accountable.

## **VII— Conclusion**

Organizational entropy is ubiquitous; and there are few times when that phenomenon is more apparent than after team-building meetings. Indeed, numerous pressures combine to induce regression or fadeout during the weeks subsequent to team-building sessions. This study provides support for the notion that regression can be prevented for up to 3 years with no additional interventions when team members hold regular PMIs with their group leader. Personal management interviews are also an excellent vehicle for holding people accountable, for increasing the quantity and quality of communication, for providing a structured environment in which to address and resolve problems, and for reinforcing over time the changes that take place during team-building meetings.

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## 10— The Psychological Contract

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The psychological contract is a working agreement between the consultant and the chief executive officer (CEO)\* spelling out each party's expectations and obligations for the duration of the organization development (OD) project (Boss, 1985). It is based on trust (and, therefore, on clarity and truthfulness). Its strength lies in each party's understanding that nothing valuable can be accomplished without a clear consensus on aims and methods, and in each party's belief that the other needs and wants the project to succeed. Its weakness, obviously, lies in the possibility of misunderstanding or deceit. Of course, even a good psychological contract cannot alone ensure success (Boss, 1979); but a fuzzy or disingenuous one virtually guarantees failure.

The process by which the parties arrive at such a preliminary agreement is a model and indeed a continuing part of the entire consulting process. Contracting is most intense and most formal at the outset of consultation, but every subsequent contact between consultant and client reaffirms or modifies the established psychological contract. And the same qualities that go into a good psychological contract—honesty, realism, thoroughness, attention to detail, interpersonal sensitivity—also make for a successful OD project.

The initial contract defines the organization's problems from the client's point of view. Both parties must recognize that the consultant may subsequently uncover information that modifies this definition, but the more honest and realistic the client can be about the problem, the greater are the chances for success. The contract also identifies what each party expects the consultancy to accomplish, and here again, realism is essential, together with clarity. Finally, the psychological contract spells out what each party expects of the other and what commitments each is willing to make; here it is important for both to attend to the details of their working relationship, and especially

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\*Unfortunately, the OD literature has not made a clear distinction as to what constitutes a CEO. It is clear that successful OD efforts can take place without the full cooperation of the chief operating officer. The questions then become, "Who is the CEO?" and "Under what circumstances is a leader or a supervisor qualified to be called a CEO, as that position relates to OD projects?" For our purposes, the leader with whom the consultant negotiates a psychological contract should have the following characteristics: 1) a great deal of independence and autonomy; 2) formal control over enough functions to contribute significantly or entirely to some integrative flow of work; 3) substantial discretion in making personnel and budgetary decisions; and 4) flexibility to deviate from established organizational norms, procedures, and policies. This paper is based on the assumption that the person designated as the CEO ranks high on all four of these characteristics. This person, therefore, may or may not be the chief operating officer in the organization.

important for the consultant to be aware of the client's priorities, schedule, relationships with subordinates and superiors, and interpersonal style. The checklists included here are designed to help both consultants and clients achieve a thorough mutual understanding on all these points in their initial conversation and in their formal contracting session.

Granted this process takes time—time for which the consultant may not get paid, if no satisfactory understanding can be achieved and the project is aborted. But even if no contract is made, both parties benefit from a preliminary effort to define the problem and the parameters within which it must be solved. The contracting process described here is designed to expose conditions that might cause an OD project to fail; hence it protects the consultant from long-term career damage. But it also benefits the client by clarifying the nature of the organization's problems and needs. Finally, the process demonstrates the consultant's commitment to helping clients, and thus enhances the image of organization development in general.

## I— The First Conversation

During the first conversation with a potential client, the consultant should aim, not to "sell" himself, but to decide whether this project is for him. If not—if the consultant lacks the skills this client needs, or if the consultant has no interest in the particular kind of problem or organization at hand, or if the consultant and the client have a clear personality conflict, or if, for whatever reason, the project appears doomed from the beginning—it is better for both parties that the process should go no further. To begin with, then, the consultant should ask the following questions (Boss, 1989, pp. 119–120):

How did you get my name? (This gives a frame of reference that helps the consultant understand the client's initial perspective.)

What is the purpose of the call? (Is this caller shopping for a consultant? Looking for additional information on how to approach a problem? Asking the consultant to recommend someone else?)

Have you decided to begin a project, or are you merely exploring whether to do one at all?

Tell me a little bit about your organization (size, location, nature of the work it does or the product).

What kinds of problems are you facing in your organization? What is causing you the pain? What do you see as the solutions to those problems?

What kinds of skills are you looking for?

What does organization development mean to you?

How do you know you need organization development?

What is the nature of the project?

What is the nature of the work you want me to do? Will a proposal be required?

How long will it last? Is it a long-term project or one of shorter duration?

How is the project being funded? Over how long a period of time?

What is the size of the budget?

Who is the client for this project? (Everyone involved should understand that the client will be both the boss or CEO and the total organization or system. Thus it may be necessary to raise this point again during the contracting session.)

With which employees will I be working? At what level in the organization?

Who has the authority to make the final decision on hiring a consultant? Does he or she know you have called me?

Are other consultants being interviewed? If so, how many?

Are other consultants currently working in the organization? If so, what kinds of things are they doing? With whom?

When will the hiring decision be made?

When do you expect to begin the project?

How much of my time will this project require per month? Per year?

What do you hope to accomplish? How will you know when it has been achieved? Specifically, what will have taken place?

During this first conversation, the client is understandably apt to ask about fees. While some of the questions above—about the problem at hand, the nature and duration of the proposed project, and the size of the organization—may enable the consultant to cite a range of fees, it is important always to explain that this point in the process is far too early to estimate even an approximate figure. The client needs to understand that fees depend on the kind (as well as the amount) of work that the consultant will do, which cannot be forecast until there is a formal diagnosis of the organization's problems. Furthermore, the consultant has a right to take into account the people with whom he\* will be working; whether he is personally committed to the client's aims and values; and how the type of organization or problem involved will enlarge his professional experience or contribute to the development of OD as a field.

If the first conversation is mutually satisfactory, the consultant and the client will naturally arrange a longer, more formal interview at which time they can decide whether to proceed with a project, make preliminary plans, and set the terms for their interactions—in short, establish the psychological contract itself. Before agreeing to such a meeting, however, the consultant should ask a few further questions about it (Boss, 1989, p. 121).

What do you see as the purpose of the meeting?

Where will the meeting be held?

When will the meeting be held?

How long will it last? (The consultant must make certain there is enough time to negotiate a contract; a 15- or 30-minute meeting is not adequate.)

Who will attend the meeting? What are their roles? Who will be missing from the meeting?

What are they expecting from the meeting?

What are they expecting from me?

What kind of information do they want?

Will someone at the meeting have the authority to make a final decision about hiring a consultant? If not, when can I meet that person?

If that person is not the CEO, when can I meet the CEO?

Would it be possible to get a copy of the organization structure and the annual report before the meeting?

Finally, before ending the first conversation, the consultant should summarize the discussion and restate exactly what is to be done next, when, and by whom. This clarification not only gives the consultancy a healthy start but also shows the client that the consultant can and will keep track of both parties' commitments.

## II—

### The Contracting Session

The first face-to-face interview is usually the point at which both parties decide whether or not to undertake an OD project. The consultant should remind the client, if necessary, that not every business problem can be solved with OD. If the client organization needs massive personnel changes,

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\*Where possible, the client and the consultant will be referred to by their respective titles. In order to simplify the description of their various responsibilities, I will refer to the consultant as a male and the client as a female.

or a completely redesigned accounting system, or a major strategic alteration such as a change of products, then the CEO needs a different consultant! But even if the problem is the right kind of problem for OD, it may be so severe that there appears to be little chance of a successful solution. In such cases, rather than waste the client's money and his own time, the wise consultant will refuse to become involved.

Since the purpose of this session is to determine whether to proceed with an OD project, it is important for the consultant to meet with the person who can make that decision—usually the CEO, or at least the top executive in the particular organizational branch where the OD project will take place. This is also the person who has the authority to terminate the project and fire the consultant; and it is almost always the person whose commitment and influence will determine the project's success or failure. The consultant should beware, therefore, of the client who wants to delegate the responsibility for this initial meeting to a subordinate. Once the project is under way, it is often desirable (and in large organizations may be necessary) for the consultant to have contact mainly with such a designated liaison. But the initial contract must be made with the person at the top. In organizations where power is relatively diffused, the consultant should also beware of his own temptation to contract with the executive who seems most sensitive to the problem or most sympathetic to OD, rather than the one who has the power to implement OD and solve the problem.

The psychological contract consists of a preliminary definition of the organization's problems (from the CEO's point of view) and an agreement concerning what each party may expect of the other. The following discussion assumes that the client wants a complete OD project; for a more limited effort, not all of the questions or suggestions will be relevant.

### III—

#### The CEO's Diagnosis

The CEO may or may not have a clear, accurate sense of the organization's problems, and may or may not be willing to discuss those problems fully and honestly with the consultant at the first meeting. These uncertainties are less important than they may seem, because if the project is undertaken, the consultant will have a chance later to collect information systematically and make a diagnosis of his own.

At this first meeting, then, the consultant should explore the CEO's diagnosis with a view to discovering, not what precise kinds of intervention the organization needs, but whether to proceed with the project. More importantly, he should use the process of that exploration in such a way as to show the client what kind of honesty and thoroughness the OD project will require, and to begin encouraging an open, trusting atmosphere between himself and the client. It is therefore essential to phrase questions as specifically as possible, and to push the client to answer them in detail, clarifying the meaning of any vague words that she may have used in her initial answers and citing evidence (names, dates, numbers, specific incidents, behavior patterns) to support her general assertions.

The consultant should be especially on guard against ambiguous words labeling desired and undesired behaviors. For example, upon entering his new job, one CEO told his staff that he wanted them to be open. Interpreting this phrase to mean that he wanted them to communicate frankly with him, staff members proceeded during the next few weeks to overwhelm him with negative information: what they didn't like about the organization, what they thought its problems were, and so on. When the CEO responded by threatening to fire the most vocal critics, the staff members were naturally hurt, in fact furious; but they kept quiet and cooperated warily with the organizational changes that he introduced over the next few weeks. They were again taken aback when the CEO congratulated them on the improvement in their attitude. Not until a later team-building meeting (by this time, clearly needed!) did they find out that by "be open," the CEO had meant not "speak out" but "be open to change." Obviously, such a misunderstanding would be disastrous in a psychological contract between consultant and client.

The following checklist of questions must necessarily be somewhat abstract; the consultant should adapt them to the client's particular circumstances. If the client has more than one perceived problem, each one should be identified separately (with the consultant paraphrasing the client's

definition to ensure that both parties understand the client's words in the same way), and the whole list of questions should be asked for each problem separately (Boss, 1989, pp. 123–124).

- What kinds of problems are you experiencing?
- What do you mean by [that specific word]?
- How do you know that it is a problem? What data support your decision that it is a problem?
- Where is the greatest pain felt?
- How often does it happen?
- When was the last time it happened? What, exactly, took place? Can you give me some examples?
- How many people are involved? What are their names?
- Do you have any idea why this is happening?
- How could you tell if that problem is resolved?
- What is the worst thing that could happen if this problem is not addressed?
- What are the constraints of this project?
- Where is the greatest resistance likely to be?

Even if the CEO's diagnosis does not challenge the technical competence of any of the organization's leaders, the consultant should always raise this possibility (Boss, 1989, p. 125).

- How would you evaluate the technical competence of those who report directly to you?
- If they are incompetent, are they salvageable?

An OD project can enhance people's managerial competence, but it cannot give them technical skills. If the technically incompetent people can be retrained, then the CEO should offer them this chance immediately. If they cannot be salvaged, they should be replaced immediately, before the project begins. There is no point in spending money to help fundamentally incompetent people work better together.

In paraphrasing the client's answers or asking the client for further explanation, the consultant should try, not only to make sure that he himself understands what the client means, but also to make the client think about the problem in new ways. If the consultant senses that the client may be holding back on sensitive subjects, or may have other, potentially related problems that she has chosen not to discuss at this meeting, it is especially important to insist on a thorough clarification of each issue discussed. It may also help to ask the following questions, phrased in as low a key as possible (Boss, 1989, p. 124):

- Was there a set of alternative issues or problems you considered before settling on these?
- If so, just for my own information, what are some of the reasons you chose these items?

About half of the meeting time should be devoted to stating and clarifying the CEO's diagnosis. It is important to postpone discussing expectations for a solution—either the client's or the consultant's—until both parties have a clear sense of what the problems are and whether an OD project can solve them. But it is also important to allow enough time for each party to articulate his or her own ideas concerning how such a project should operate and what responsibilities each party should have for it.

#### **IV— The CEO's Expectations of the Consultant**

Clients, especially those with no experience with OD, sometimes have wildly unrealistic expectations concerning what a consultant can do for them. They may even be unaware how much they are expecting until the consultant's probing questions force them to define just what they have in mind. For example, one CEO of a major corporation called in a consultant to facilitate a 2-hour meeting of the top 27 people in the company, who had never met together as a group. Asked what was the purpose of the meeting, he said simply that he wanted these people to "get to know each



other better." Upon further questioning, however, he identified 24 specific outcomes that he wanted to get out of this meeting! Among other things, he wanted to discover the backgrounds, motivations, and management styles of all 27 individuals concerned; to give these people a chance to resolve interpersonal issues with him and with the chair of the corporation's board of directors; to resolve the interpersonal problems of about 15 dyads within the group; and to solicit a clear statement of the group's support for him. Acknowledging the impossibility of accomplishing all these objectives in 2 hours, he decided to limit his aims to the development of a tentative goals statement for the corporation, one that could be submitted both to the board of directors and to the employees for input. Had this focus not been carefully defined beforehand, the meeting would have accomplished nothing at all, and the CEO would probably have concluded that the consultant's contribution was worthless.

If the client does have previous experience with management consulting, that experience will condition her relationship with the OD consultant. The consultant should ask the following questions (Boss, 1989, pp. 126, 128):

Have you ever worked with a consultant before? If yes, what kinds of services did he or she provide?

What was your relationship with that person?

What implications will that relationship have for this new working relationship?

If it was extremely positive, do you expect me to behave in the same way?

Did you develop a close friendship with the consultant? If so, do you have the same expectations of me?

Were you satisfied with the services you received?

Would you hire that person again?

What did the consultant do that you liked?

What did the consultant do that you didn't like?

What could the consultant have done to be more effective?

Did the consultant behave in a professional manner? What does it mean to be professional? Can you give me some examples of unprofessional behavior?

Just as the consultant wants to know about the client's experiences of consultancy, the client often wants to know whether the consultant has had experience with her particular kind of organization. Oddly enough, the most reassuring, as well as the most truthful, answer is "no." Every organization is in some respects unique, and every client needs to know that the consultant will approach her organization without preconceptions and will be sensitive to its special combination of people, products, location and business environment, structure, and values.

The simplest way to find out what the client expects is to ask point blank, "What can I do to help with this problem?" Occasionally, the client will admit that she has no idea what the consultant can do. In this case, the consultant should explain that there are essentially three options: the consultant can advise the client about what needs to be done, without getting involved in the actual implementation of changes; the client can determine for herself what needs to be done, but hire the consultant to implement her plans; or the consultant and the client can collaborate in both the diagnosis and the cure.

Most clients will respond to the question by suggesting one of these same three options; and, after some discussion, most clients will choose the third one. There are occasions when it is appropriate for the consultant to function simply as an expert adviser—for example, when the client wants to know which of several possible employee-training programs the consultant would recommend. And there are occasions when it is appropriate for the consultant to function simply as the CEO's agent—for example, when he is hired to develop a questionnaire for a specific purpose, or to conduct third-party facilitation between two hostile executives. But it is important for the consultant to make it clear that such limited assignments also carry limited benefits. In these cases the consultant has no long-range involvement in the project or responsibility for follow-up, and the consultant's commitment is not to resolving the problem itself but merely to fulfilling his responsibil-

ities as the client defined them. Only when consultant and client collaborate are they truly interdependent, sharing responsibilities for diagnosis, intervention, and follow-up throughout the life of the project. The problem remains the client's, and most of the work must be done by the client, with the consultant sharing the burden and the commitment.

The personal relationship between the client and the consultant is critical to the project's success. They need not like each other personally, but they must respect and trust each other, and they must have clear ground rules for communicating with one another. Because of the nature of OD, it is especially necessary that they have mechanisms, agreed upon in advance, by which the consultant can express disagreement on substantive issues or criticism of the CEO's interpersonal behavior, without embarrassing the CEO in front of subordinates. The consultant should therefore ask the following questions (Boss, 1989, pp. 130–131):

What are your expectations of me personally?

How do you plan to hold me accountable? What measures will you use to determine my effectiveness?

How honest do you want me to be with you about your behavior?

If I see you doing something dysfunctional in a meeting, how do you want me to handle it? Should I call it to your attention at that moment? Should I wait until a break so we can go for a walk and discuss it? Should I wait until after the meeting? Should I ignore it? What words would you like me to say when I call it to your attention?

If you and I disagree, how far do you want me to push you to make certain that you understand my point of view? How do you want me to handle it if that disagreement takes place in a meeting with your staff? With someone outside the organization?

One area where the CEO's expectations are likely to pose a problem for the consultant—especially the consultant who teaches or publishes—is the handling of information collected in the course of the project. The CEO may fear that the consultant will violate employees' individual privacy or disclose information that would damage the organization. More likely, the CEO may expect to assume ownership of all information collected by the consultant, without regard to protection of confidentiality, and may resist being held accountable for using this information responsibly. The following questions explore these issues (Boss, 1989, pp. 128–129):

Who are the people I need to keep informed? How often must I do this?

What are your expectations about the confidentiality of data I will collect?

Do you want the sources of information identified as they relate to specific people? Work units? Departments? Levels in the organization?

Do you expect me to share all of the information with you? What about information that may be extremely critical of the organization? The leadership? You personally?

What is your reaction going to be if you find out that your behavior is a major cause of the problems facing this organization?

What are you going to do if you find that one of your favorite people is causing serious problems in the organization?

Are you willing to develop an action plan to deal with and address the problems that will arise in the diagnosis? Will you include your staff in developing that action plan?

How will the data be used? Will they be used to resolve problems? Will they be used to punish people?

What steps are you willing to take to ensure anonymity of the data?

Do you expect a written report? How detailed do you want it to be? What do you expect the final product to look like? What will be done with that report? Who will see it? Is there a possibility that information contained in that report could be abused? If so, what steps are you willing to take to protect that information? What steps would you like me to take? (Written reports must be handled especially carefully by government agencies located in states where sunshine laws guarantee that all written reports become public property.)

V—

### The Consultant's Expectations of the Client

The consultant, too, should be prepared to explain at the outset what he needs and wants. If the client refuses to promise something that is essential to the success of the project, the consultant should turn down the job. The following pages suggest a number of items the consultant may request, some essential and some less so.

First, the consultant is entitled to expect the CEO's full support of the project, in both precept and example. Throughout the contracting session, the consultant should be sensitive to any indications to the contrary; many of the checklist questions are designed to expose weaknesses in the CEO's commitment. Also, throughout the contracting session, the consultant should make it clear to the CEO how important her behavior is to the project. OD works partly through increasing trust; if the CEO behaves honestly, the project will succeed and her own leadership will be enhanced, but if she betrays her employees' trust, the project will fail and the organization will be worse off than it was to begin with. And the CEO's honesty must also extend to the consultant. She must agree to tell him the truth: if she is dissatisfied with his work, to tell him so directly; if she has made a mistake in handling a subordinate, or has inadvertently done something to damage the OD project, to inform him right away. If the client intentionally suppresses important information, the consultant should resign.

Part of the CEO's support is guaranteed access to the CEO for the consultant—immediately, in private, and on demand, even if the CEO is in a meeting. Of course, the wise consultant will exercise this privilege only in an emergency; but the consultant (not the CEO's secretary or second in command) must be free to judge what constitutes an emergency. Most of the time a phone call later on will do; but the consultant must be assured that his calls will be returned. In exchange, the consultant should specify the terms on which he will be available to the client. If the consultant has scheduled responsibilities to other clients, or has important private obligations during evenings or weekends, the client should be specifically asked to respect those obligations. (Of course, a good consultant will try to help in emergencies.) Certainly, however, the client has a right to expect the consultant to accept telephone calls whenever she needs to talk to him.

The CEO must also agree to introduce the consultant into the organization—carefully, widely, and in such a way as to demonstrate her own commitment to the change project. When the CEO calls in a consultant, employees in general are apt to feel uneasy and vulnerable; indeed, some may be defensive to the point of paranoia. The CEO should tell them exactly who the consultants are, why they were hired, what the project is supposed to accomplish, what it will involve, and how long it will last. In addition, she should introduce the consultants personally to the organization's leaders, especially those who might be able or willing to damage the OD project. The consultant should ask specifically for introductions to the key executives, managers, and supervisors; the informal leaders; and the leaders of any factions within the organization (unions, political or personality-centered factions, rival plants or branches, etc.). Finally, the CEO must assign someone in the organization to serve as a liaison for the consultant. Since OD interventions typically require many detailed arrangements beforehand, this person should have enough power in the system to get things done; and, obviously, this person should also know the organization's personnel, understand its politics, and be willing to accept some responsibility for the OD project. Often the liaison is either the personnel director or the CEO's second in command.

Last among the essential points is a method for enforcing the contract: for holding both parties accountable. The consultant should ask whether the CEO is willing to hold fairly regular meetings to evaluate the progress of the OD effort and the performance of individuals specially involved in it. At the very least, such a meeting should be scheduled after every major intervention (data collections, team-building meetings, third-party facilitation efforts, training programs, and so on). In addition, the CEO must be willing to hold a meeting if either party asks to renegotiate the contract.

Less important and more variable points include the length of the client's commitment to the project, the format for data collection and the development of internal resources for change, access to the CEO's boss, the division of the contract into two phases, the arrangements for payment of the consultant's fees and expenses, and a means for terminating the contract. The length of an OD project depends on the organization's size, problems, and leadership, among other factors, and can-

not be accurately predicted without a full, formal diagnosis based on data collection. But if the organization is large and the client wants a full OD effort, there are likely to be serious problems—problems that took a long time to develop and will take a long time to solve. The consultant should warn the client not to expect overnight improvements, and should if necessary ask frankly for a multiyear commitment.

The consultant has a right—indeed, a professional duty—to make independent, informed judgments about the organization's problems, and therefore needs access to its files. In all probability, he will also need to observe at meetings, distribute questionnaires, and interview employees at the beginning and end of the project, and perhaps during it as well, depending on its length and complexity. It may be hard for the client to accept that the consultant will not simply "take her word for it"; and it may also be hard for the client to accept what may seem a needless invasion of corporate privacy. The following questions are phrased to bring home to the client the implications of embarking on an OD diagnosis, and to ensure that the consultant is guaranteed in advance the freedom to perform his professional functions (Boss, 1989, pp. 128–129):

Do I have the freedom to talk with anyone in the organization? If not, what are the restrictions? Why do those restrictions exist?

Which of your employees are most critical of you and/or of the organization? How do you feel about me talking with them?

Who do you think will be the most formidable opponents of the project? Why? How do you feel about me talking with them?

Who are the people I need to meet with? How soon can I meet with them?

With whom can I work to arrange the administering of questionnaires and the scheduling of interviews?

Do I have the freedom to proceed with this project in any way I choose?

Are there some areas that should be excluded from examination? What are those areas? Why should they be excluded? Who is going to be hurt/angered/embarrassed if those areas are examined?

It may help to explain to the client that repeated data collections will enable her to hold the consultant responsible by providing empirical measures of improvement, and will also enable her to justify the project's cost to her boss. It may also help to explain that the client will share in decisions about what data will be collected. If the consultant wants to use the data for research purposes, he should ask the client's permission at this point and should explain what measures he will take to protect the anonymity of both individuals and the corporation. He should also explain that nothing will be published without the client's approval.

In most projects, and in all long-range ones, the consultant should ask whether the client is willing to commit resources to training some of the organization's own personnel as internal change agents. This training may involve anywhere from a few specialists to all supervisors throughout the organization, and may range from single-purpose seminars through regular on-site training programs to college classes or sabbatical leaves for full-time education. Certainly, it is not possible to agree during the contracting session on a particular program or to identify the individuals to be trained (though the CEO may be able to suggest one or two people immediately), but since the aim of the training is to make the organization independent of the consultant, the client should be receptive to the general idea. Reluctance to spend money for this purpose may signal either lack of long-term commitment or an unwillingness to empower employees.

Wherever feasible, the consultant should also request access to the CEO's boss. Except for elected officials, most CEOs report to somebody: the president of the corporation, the chair of the board of directors or trustees, or the head of a particular branch of government. That person may not normally exercise much supervision, and may or may not have much interest in the OD project, but is nonetheless responsible in some sense for the organization and therefore has a right to information about it. Furthermore, the client's boss usually has sources of information other than the client—sources that may or may not be accurate and disinterested. It is in the client's best interest that her

boss should talk directly to the consultant. Of course, the consultant should explain that he will not meet with the client's boss without informing her in advance of the meeting's purpose and agenda, and briefing her afterward about what went on. Where possible, both can attend the meeting together. If both the client and the client's boss are kept fully informed, the consultant will not get caught between them.

For a full-scale OD project, the consultant should ask the client for a two-phase contract dealing separately with diagnosis and intervention. The cost of diagnosis can be estimated quite early; the cost of intervention is much more variable, and it is not possible to give even a rough estimate until after the diagnosis has been made.

The consultant should estimate his fees as closely as is possible at this stage, and should explain exactly what those fees will cover and how they will be computed. In return, he should ask for information about the organization's procedures and schedules for payment of consulting fees and reimbursement for expenses. The consultant must make it clear that he expects to be paid as promptly as possible within those procedures.

Finally, the consultant and the client should agree on a procedure for ending the contract at the request of either party. If both parties know that they are free to end their relationship at any time, they are much less likely to develop resentments or unhealthy dependencies, and much more likely to appreciate and use each others' strengths. Mechanisms may vary—for instance, the client may wish to specify 24 hours notice (or more), or notice in writing—but the consultant should definitely stipulate a face-to-face meeting with the CEO, in which the two can discuss why the decision was taken and what can be learned from the failure of the project.

In the course of the project, the psychological contract will be continually reinforced or modified as the client and the consultant meet to discuss progress. At every such meeting, and often during phone calls as well, the consultant should ask what problems the CEO is currently experiencing. More likely than not, new ones will crop up, especially during a long project. Key people in the organization may be hired away, or decide that they need a career change, or may experience personal problems that affect their work (illness, addiction, divorce, difficulties with children, etc.). The organization may be affected by changes in its competitive environment, or may develop internal splits in response to external triggers (unionization campaigns, divisions on political issues). Whenever the CEO presents a new problem, the consultant should use the questions listed above to elicit a thorough definition of the problem and an exploration of possible solutions, just as in the initial interview, and the parties should consider modifying their contract to take into account this new information. Finally, the OD effort itself may make the client aware of new options or previously unrealized needs, with the result that he or she suddenly decides to modify it in some way—for instance, by adding a training program for certain employees. If the original contract is sound, it will build more trust as the client and the consultant work together, and both of them will be willing to modify it as necessary in the interests of the organization.

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## 11—

**Models of Development and Issues They Raise for Consultants**

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Although consultants and researchers are well versed in the available forms of "organizational" and "group" development, they pay less attention to the shape and role of the "individual" life cycle. Why? A focus on traditional "macro" concerns as well as the lack of *cross-discipline* learning all contribute to this rather narrow view of developmental subject matter and process.

This chapter broadens the discussion of development with its treatment of selected individual (i.e., adult and occupational) life cycle models, and for a couple of reasons. Such a treatment provides us with a healthy and realistic appreciation for the complexity of the development processes operating at several levels of analysis, and it also will help facilitate change in the person and the organization.

## I—

**Models of Life Cycle Development**

The concept of development dates from the writings on social change by Giambattista Vico (1668–1744), extends to the twentieth century views on cognitive, ego, and moral development (e.g., Erikson, Kohlberg, and Piaget), and encompasses interpretations relevant to the management experience. For example, Cameron and Whetten (1988) identify and compare models of group stage development and the organizational life cycle. Their review includes some 28 macro models (18 group, 10 organization) published in 1948–1981. They argue that these two levels of analysis share a similar pattern of development. Moreover, knowledge of the possible developmental positions within the life cycle could help institutions deal with crises as well as anticipate possible shifts in what constitutes effectiveness and success.

The appendix presents descriptions of several "micro" models of the individual life cycle. These developmental approaches reflect over a half-century of multidisciplinary exchange in specialties such as biology, developmental and vocational psychology, industrial sociology, and personality. For purposes of presentation, the individual models have been separated into two categories—adult and occupational. The six models classified as occupational emphasize the time involving work-related experiences, whereas the six adult models deal more broadly with growth and experiences over the full individual life cycle.

Next, we turn our attention to some of the distinct features of this sample that have special relevance to those involved in the practice of organizational consultation and development, or OCD.

## A—

**Structural Considerations**

All of the models assume that development proceeds through a series of stages—of levels, periods, positions, or phases—and that each in the series requires "the mastery of developmental tasks and/

or the resolution of developmental issues unique to that stage" (Campbell and Hefferman, 1983, p. 226).

However, the theorists do not agree on the number of developmental stages. In occupational development, for example, Hall and Nougaim (1968) and Dalton et al. (1977) describe three or four career stages while Schein (1987) proposes as many as nine. This trend also characterizes the adult models. The median number of stages across the entire sample of individual models is five.

The developmental tasks to be resolved in each stage also appear to be idiosyncratic to each model. As an example, Perry (1970) attends to the intellectual and ethical growth in the college years with little attention paid to biological change. Compare this to the emphases on evolution and biophysical changes available in the Riegel (1975) and Kegan (1982) theories, respectively.

Finally, the depth of coverage across stages varies considerably from model to model, as does the type of information used to support each proposed sequence. Biographies, interviews, questionnaire responses, archival reviews, and psychiatric life stories have all been used as sources of empirical support for the sample of developmental approaches in the appendix.

**B—**

### ***Process Features***

As far as dealing with movement between stages, several points deserve limited coverage. To begin with, each model matches its stages with a certain period of time or age range. This period can be as short as a few years (e.g., early childhood) or it may be as long as decades (e.g., an era of the life cycle). The robustness of the association between age and stage has been a sore point for some time. As Ornstein et al. (1989) write

Super clearly points out the key difference between his formulation of career stages and that of Levinson et al. is that his model is one determined by an individual's current circumstances and perceptions, whereas Levinson et al.'s is determined strictly by age (pp. 120–121).

Super suggests people may be in any career stage at various times in their life, while Levinson et al. suggest that career development is linear and progresses according to biological age (p. 122).

About half of the models described in the appendix put a premium on the connection between age and development.

What is the most appropriate way to envision movement across stages of individual development? Is the biological, "lineal" view of growth the most appropriate heuristic for explaining the life cycle?

No consensus exists, but the answer for a growing minority of theorists and practitioners is: "No!" Kegan (1982) and Perry (1970) among others support the view that development should be conceptualized as spiral or helical rather than as cyclical or lineal. According to this view, as individuals achieve higher levels of development, lower levels are not lost; they are subordinated to more advanced levels of functioning but may come to the fore under special circumstances (Werner, 1948). Thus individuals can advance or retreat in terms of the developmental sequence at any point in time. Spiral movement also assumes neither a specific period in a stage nor a requirement to experience all proposed stages of development in any given model.

**II—**

### ***Issues Facing the Consultant***

What are we to make of the welter of developmental models sketched in the appendix? Well, a consultant may find one or more of them attractive, and go with that. Four general points also provide guidance for the consultant.

**A—**

### ***More Bang for the Buck***

First, no one in the craft can ignore the changes occurring at the individual level of analysis. Simply put, what may be happening at a departmental or organizational level often will not be "in sync"

with what is happening for individuals. Avoiding even only the egregious mismatches has much to recommend it.

The appendix does not solve the world's problems, but it does put the consultant willing to dig a bit in a position to assess what is available in developmental theory that might be relevant to a presenting problem. For example, if you are directing your energies to helping a homogeneous work team of new recruits, you might consider a conceptual framework (e.g., Perry, 1970) as background for any planned intervention that provides in-depth coverage of an individual at his or her stage in the life cycle. If it's an issue involving sex differences and development, consider comparing the views of Belenky et al. (1986) on the changes in women with the study of men by Levinson et al. (1978). Perhaps Riegel's (1975) distinctions between male and female development and the findings of Ornstein and Isabella (1990) will help. While we may not have a "synthesized" model of occupational and adult development just yet, what is available has value for the consultant. The appendix provides a convenient starting point.

**B—**

#### ***Hitting the Bull's-Eye***

Notwithstanding the success rates achieved in OCD (Golembiewski, 1990, Chap. 1), there is still room for improvement. For example, the appendix could be used to guide the development of a set of career-planning *seminars* relevant to the needs and changes experienced by individuals in several specific target groups in the workplace. We no longer have to rely on the information from just one or two rather narrowly defined approaches (e.g., the study of middle-aged men by Levinson et al.). Such treatments of micro development suggest greater opportunities for targeting. Using Schein's (1987) framework, for example, individuals at the entry stage of development may well respond best to low- vs. high-stimulus types of designs. Someone in the process of gaining membership and becoming socialized into the organization may feel threatened by suggestions that they experience even a "little" conflict resolution, job enrichment, team building, stress management, or whatever. Coaching, career planning, mild role plays, and other low-stimulus designs seem to offer a better fit and have the potential to be more successful for those individuals in an earlier stage of career development. This generalization may also be true for those individuals on the "disengagement" side of their careers, although very little has been written and researched about the decline and "late late" stages of adulthood (e.g., Hall, 1986).

**C—**

#### ***Consultant, Heal Thyself***

It is not enough to acknowledge the importance of developmental change at individual, group, and organizational levels. All consultants must also consider their *own* stage of development and how this affects the choices made in consulting relationships. For instance, consultants may have a bias toward selecting kinds of interventions more in keeping with their condition than that of the problem settings they face. That can be awkward, if not dangerous.

**D—**

#### ***Shadow and Substance***

Some years ago, Bass (1974) wrote about bridging the gap between theoretical models (the shadow) and social technologies (the substance). The gist of his thesis is worth repeating here. Consultants are in the enviable position of knowing what is useful while at the same time having access to qualitative and quantitative data to test their beliefs and experience. This would help fill in the gaps in our understanding about life cycle development. Suggestions for this type of applied research include comparing the validity and application of existing models, studying changes in late and late late adulthood, and adopting a longitudinal as opposed to the more conventional cross-sectional approach to examine developmental process (e.g., Ornstein et al., 1989).

**III—**

#### **Conclusion**

At a conceptual level, this brief look attempts to move those in consulting toward a protean view of development that includes the individual level—not just group and organizational levels. At a



more practical level, this contribution suggests that this broadening of the developmental purview has significant implications for the facilitator qua researcher.

**Appendix—  
Sampler of Individual Life Cycle Models**

**A—  
Six Models of Occupational Development**

**1—  
Dalton et al. (1977):  
Four Stages of Professional Careers**

1. APPRENTICE
2. COLLEAGUE
3. MENTOR
4. SPONSOR

From their 550 interviews of scientists, engineers, accountants, and professors, these researchers describe a four-stage career pattern for professionally trained employees. In each stage, an individual faces a different set of challenges involving work activities, relationships with others, and psychological adjustments. For example, in the apprentice stage, the individual must learn to deal with the transition from school and university to organizational life, as well as to become an effective subordinate.

Independence and technical competence are the defining themes of the colleague stage, while the third stage of professional career development involves a broadening of interests and the mentoring of others.

The last stage has been labeled "sponsor" and is ultimately realized by those persons who have a significant impact on the direction of the organization. According to the authors, it is possible to skip stages and be successful even if you have not progressed to the sponsor stage. However, they also caution that "as people grow older they are less likely to be highly valued if they don't move beyond the early stages" (p. 36). This implies that individuals should strive to progress to at least the mentor stage.

**2—  
Ginzberg et al. (1951):  
Three Periods of Vocational Choice**

1. FANTASY
2. TENTATIVE
3. REALISTIC

One of the earliest impactful studies of career development and vocational choice, its periods are closely tied to child and adolescent development during the ages of 4–24.

Fantasy choice is that time when a child begins to express occupational preferences (e.g., be a fireman and use the waterhose) based on the desire for "function pleasure"—work because the work activities are fun. Later in this period, the pleasure motive is replaced with a desire to work and accomplish things that lead to extrinsic rewards and personal satisfaction.

As the maturing process unfolds, career choices become influenced more and more by the individual's interests, abilities, and values. This period of tentative choice runs from approximately age 11 to a time when the adolescent faces the prospect of what to do after leaving high school.

The realistic period starts at about age 18 and lasts until the person completes formal schooling and begins full-time work. This theory of vocational choice is based on the empirical study of several groups of "privileged" and "underprivileged" young men and women.

**3—  
Hall and Nougaim (1968):  
Three Stages in Management Careers**

1. SECURITY
2. ADVANCEMENT
3. TERMINAL PLATEAU

From their study of 49 young AT&T managers, Hall and Nougaim identify a series of distinct career stages. The early years evidence a concern for security and the need to establish oneself. The next stage involves issues of promotion and achievement. Here the emphasis is on moving upward vs. fitting into an organization. Beyond the advancement stage, they speculate that the indi-

vidual experiences a period of leveling off where the desire to compete is replaced with a need to influence younger employees as well as gain a sense of meaning and purpose about one's work.

4—

**Miller and Form (1951):  
Five Periods of the Worklife Pattern**

1. PREPARATORY
2. INITIAL
3. TRIAL
4. STABLE
5. RETIREMENT

This outlines five periods of the life-work pattern common to men and women working outside the home. The preparatory period (approx. ages 0–15) of early development is followed by a time (approx. ages 15–18) of initial job experiences, job impermanence, and the completion of formal schooling requirements. The individual then enters the trial period (approx. ages 18–34) which covers the transition from the first full-time work experience to a time of securing a permanent position. A stable period (approx. ages 35–60) of job persistence and "settling down" occurs until the individual either retires, dies, or changes jobs and enters another trial period.

5—

**Schein (1987):  
Nine Major Career Stages**

- |              |               |                  |
|--------------|---------------|------------------|
| 1. GROWTH    | 4. TRAINING   | 7. MOMENTUM      |
| 2. EDUCATION | 5. MEMBERSHIP | 8. DISENGAGEMENT |
| 3. ENTRY     | 6. TENURE     | 9. RETIREMENT    |

In his most recent writings, Schein describes nine major career stages. The first two stages refer to the time and effort an individual needs to prepare for entry into the working world. During the next three stages of socialization, a person's self-concept and career anchors (e.g., managerial, technical) become more fully developed. Stages 6 and 7 involve some form of midcareer crisis concerning what has been accomplished, as well as a resolution of future action. Then follows the stage of disengagement or "slowing down" in anticipation of the last stage—retirement.

While these career stages represent a "kind of internal timetable for every person . . . [the stages] can be long or short, can repeat themselves if the person moves from one career to another, and are not related in any necessary fashion to age" (1987, p. 156). According to this schema, process and career success within an organization or occupation can be measured in one of three ways: growth in personal abilities and skills or "cross-functional" movement, movement "up" the hierarchy, and movement "in" the organization via attaining influence and power.

6—

**Super (1957):  
Four Career Stages**

- |                  |                |
|------------------|----------------|
| 1. EXPLORATION   | 3. MAINTENANCE |
| 2. ESTABLISHMENT | 4. DECLINE     |

The exploration stage covers early developments of the self via one's orientation to work and selected career path. The establishment stage is a time of "settling down" and "making a place for one's self in the world of work" (Super, 1957, p. 72). Maintenance is the process of holding on and adapting to what has been gained in the job and family. The final stage involves a downscaling of activities as the individual anticipates and adjusts to the period of retirement.

Super stresses that the stages are not strictly tied to chronological age—i.e., depending on circumstances, an individual may experience one or more of the stages at different times in a career.

B—

**Six Models of Adult Development**

1—

**Belenky et al. (1986):  
Five Ways of Knowing**

- |                         |                          |
|-------------------------|--------------------------|
| 1. SILENCE              | 4. PROCEDURAL KNOWLEDGE  |
| 2. RECEIVED KNOWLEDGE   | 5. CONSTRUCTED KNOWLEDGE |
| 3. SUBJECTIVE KNOWLEDGE |                          |

Based on interviews of 135 women in academic and family agency settings, the authors describe five epistemological perspectives from which women know and view the world:

Silence is a perspective where women view themselves as mindless and voiceless.

Received knowledge is a position from which women see themselves as able to obtain knowledge from external authority.

Subjective knowledge is a view that truth is personal, private, and subjectively known.

Procedural knowledge describes a way of knowing in which women use objective means to gain and disseminate knowledge.

Constructed knowledge is a position in which women see themselves as creators of knowledge, as well as valuing subjective and objective strategies for knowing (p. 15).

Emphasis on the "stagelike" character and process features of the categories have been downplayed in this approach.

2—

**Gould (1978):**

**Five Phases in the Evolution of Adult Consciousness**

1. LEAVING OUR PARENTS' WORLD
2. I'M NOBODY'S BABY NOW
3. OPENING UP TO WHAT'S INSIDE
4. MIDLIFE DECADE
5. BEYOND MIDLIFE

Using psychiatric life stories as well as sociometric data from 524 nonpatients, Roger Gould has written about "the march of concerns and the changing patterns of self-awareness that occur in men and women between the ages of 16 and 50" (p. 14). Such a "transformation" consists of five separate phases, each of which involves resolving a series of false childhood assumptions. For instance, from the ages of 16 to 22, the major assumption to be challenged is that "we'll always live with our parents and be their child" (p. 39). Next is "I'm nobody's baby now" (ages 22 to 28) and its false assumption that "our parents will always be there to help in time of need." From the ages of 28 to 34 we must come to grips with the illusion that "life is simple and controllable. There are no coexisting contradictory forces within me" (p. 153). The major assumption to be challenged in the midlife phase (ages 35–45) is that "there is no evil or death in the world. The sinister has been destroyed" (p. 217). Beyond the midlife phase, we center more and more on our own mortality and, hopefully, a life of inner directedness.

3—

**Kegan (1982):**

**Six Stages of the Evolving Self in Constructing Meaning**

1. INCORPORATIVE
2. IMPULSIVE
3. IMPERIAL
4. INTERPERSONAL
5. INSTITUTIONAL
6. INTERINDIVIDUAL

As we develop, our experiences are transformed and integrated into higher levels of the self. In the earliest stage, the infant is preoccupied with sensing and moving. This is followed by a time (approx. 5–7 years) of impulsiveness and emerging perceptions about the world. The imperial stage marks the emergence of a self-concept and a new sense of freedom, power, independence, and agency. "Things no longer just happen in the world; with the capacity to see behind the shadows, to come in with the data of experience, I now have something to do with what happens" (pp. 89–90).

The interpersonal, institutional, and interindividual stages represent the period of "active work life" and career development. It is also a time in the life cycle when a person creates an identity for him- or herself, establishes lifelong personal and work relationships, and evolves to a higher level of integrated self-systems.

This approach offers a synthesis of ideas from a variety of well-known developmental theories (e.g., Piaget, Kohlberg, Maslow, Erikson). Unlike other views of the life cycle, however, the evolution of the different stages of the self is depicted in the form of helical or spiral vs. lineal or cyclical movement. Environmental forces (culture embeddedness) are also highlighted in this treatment of self-growth.

4—

**Levinson et al. (1978):**

**Five Adulthood Eras, along with Transitions and Periods in the Life Cycle**

1. PREADULTHOOD—Early Childhood Transition, Childhood, Adolescence, Early Adult Transition
2. EARLY ADULTHOOD—Entering Adult World, Thirties Transition, Settling Down, Becoming One's Own Person

3. MIDDLE ADULTHOOD—Mid-Life Transition, Entering Middle Adulthood, Fifties Transition, Culmination of Era

4. LATE ADULTHOOD—Late Adult Transition, Entering Late Adulthood

5. LATE LATE ADULTHOOD—Self-Involvement, Preparation for Dying

From their biographical interviews of 40 men from different occupations—10 industry workers, 10 business executives, 10 university biologists, and 10 novelists—Levinson et al. identified five eras of the life cycle: childhood and adolescence (ages 0–22), early adulthood (ages 17–45), middle adulthood (ages 40–65), late adulthood (ages 60–85?), and late-late adulthood (ages 80–death). The 5-year overlaps across eras represent times of transition and crisis.

A series of developmental periods and tasks have also been described for each era. For instance, in the "becoming one's own person" period of the early adulthood era, an individual seeks "to become a senior member in one's world, to speak more strongly with one's own voice, and to have a greater measure of authority" (p. 60).

5—

**Perry (1970):**

**Three Parts (Nine Positions) of Intellectual and Ethical Development**

1. DUALISM

2. RELATIVISM

3. COMMITMENT

Perry provides the first systematic scheme of epistemological developments in late adolescence (17–22). From extensive study of college students at Harvard in the 1950s and 1960s, Perry generated and validated a structure of three parts, with three "positions" for each part, of mainline development. Generally, "in positions 1, 2, and 3, a person modifies an absolutistic right-wrong outlook to make room, in some minimal way for . . . simple pluralism [multiple possible answers, points of view]" (p. 57). In the next part of development (especially position 5), the individual sees knowledge and values as contingent and contextual. In the third part of development, the use of commitment is highlighted as a means of finding one's way in a relativistic world.

In terms of process, a person may adopt one of three alternatives to growth in any part/position: temporize (pause for a time), escape, or retreat.

6—

**Riegel (1975):**

**Six Levels of Adult Change (Years)**

1. LEVEL I (20–25)      4. LEVEL IV (35–50)

2. LEVEL II (25–30)    5. LEVEL V (50–65)

3. LEVEL III (30–35)    6. LEVEL VI (65+)

Males and females as well as gradual vs. sudden changes are differentiated in Riegel's approach, with an emphasis on the psychosocial and biophysical conditions influencing progress.

In levels I and II, males typically experience college, their first and second jobs, marriage, and have children. Females during this same period will experience their first job, college, marriage, and loss of job. Having children (birth and subsequent childrearing) is both a biophysical and a psychosocial change for females.

At levels III and IV, men and women share the common experiences of moving, a second home, and the departure of children. However, they differ in their job-related experiences during this time (i.e., men receive promotions, whereas women may deal with not having a job outside the home or face the prospect of starting a second career). Levels V and VI are a time of shared unemployment, grandchildren, and incapacitation.

Sudden changes that may occur at any level include job termination, loss of parents, illness, and loss of partner.

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## 12— Operating Systems Interventions

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### I— Introduction

#### A— *The Need to Extend the Range of OD Interventions*

As organizations come under increasingly intense pressures to improve their effectiveness and ability to adapt to what Theodore Levitt (1991, pp. 70–72) terms "fast history," organization development (OD) must also adapt and evolve new "helping strategies." As French and Bell (1984, pp. 329–30) reflect

Probably the most serious handicap of OD as it has emerged historically has been its overpre-occupation with the human and social dynamics of organizations to the detriment of attending to the task, technical, and structural aspects and their interdependencies. In the future, organization development specialists must know much more about such matters as goal setting, strategic planning, and structural changes and must establish linkages with practitioners in such fields as management science, personnel psychology, clinical psychology, operations research, and industrial engineering to provide a broader range of options for organizational intervention.

#### B— *Operating Systems As Levers for Change*

The theme of this contribution to the *Handbook of Organizational Consultation* is that operating systems interventions (OSI) can be very powerful "levers for change." Operating systems are the basic building blocks of organizations in which policies, procedures, ways of thinking, and behavioral routines are encoded. Operating systems define and regulate the way in which the work of the organization is accomplished. At higher levels in the systems hierarchy, they also serve to integrate the many and varied functional specializations every organization requires to fulfill its general mission of satisfying customer demand efficiently and effectively.

The technology and approach for diagnosing and modifying operating systems described here is not new. In fact, many scheduling consultants, efficiency experts, and industrial engineers use techniques for modifying operating systems as their primary means for improving throughput and productivity. However, most operationally oriented consultants work out of the paradigm of the "organization as a machine" and so generally approach the improvement of operating systems as a technical problem to be solved as opposed to an OD intervention that can be used to improve individual and group performance. As we move away from traditional, top-down models of authoritarian control and evolve new management philosophies that are more participative and self-regulating, this technical orientation and approach has become less effective as a strategy for change.

C—

***An Opportunity for Consultants***

But the limiting nature of the technical approach does not mean that operating systems per se have become obsolete or that OSI are no longer important for improving organization effectiveness; rather, these limitations represent an opportunity for OD practitioners and other organization consultants to continue to broaden our range of options for organizational intervention, especially when the objective is to improve the performance of a "total system." This aim is particularly important since companies now recognize that they are competing in a world market and that new emphasis must be placed on the need for continuous improvement. It is clear that progress, world competition, innovation, improvement, flexibility, and change are the new facts of organizational life.

Although this contribution is written primarily with OD practitioners in mind, hopefully other consultants, trainers, and those with an interest in improving the performance of organizations will find OSI to be a useful strategy for change.

D—

***Objectives and Structure***

This contribution is intended to present OD practitioners with a powerful, practical, and proven organization intervention that yields measurable results in a relatively short period of time (i.e., weeks, not years). First, the essential features and characteristics of operating systems are described. Then actual case examples are used to illustrate how operating systems have been used as interventions. Finally, a seven-step process for constructing and implementing this type of intervention is outlined. The following questions provide a basic framework:

What is an operating system?

What functions does it perform in an organization?

What is a logical process to follow for diagnosing and improving operating systems?

What benefits are associated with these types of interventions?

How do OSI relate to behavioral science-based interventions and the newer management philosophies and concepts?

II—

**Features of Operating Systems**

A—

***A Working Definition***

An operating system is defined here as an organized method for managing a conversion process. "Conversion process" refers to the act of applying resources to transform or convert work from a less complete to a more complete state. "Work" can be the physical transformation of raw materials or the provision of a service, or it can be less tangible, such as the conversion of data to information. An operating system includes both the conversion technology and the management tools for regulating it.

Typical conversion processes found in organizations include those that bring about physical changes in a product as it moves through the various steps in a manufacturing process; converting leads to customers in a marketing and selling process; or converting loan applications to loan authorizations in a bank. There are also conversion systems in administrative and support areas such as order entry, shipping, receiving, purchasing, maintenance, and customer service.

An operating system has as its base unit of analysis some discrete or tangible unit of output that can be counted and then compared to resources used in the conversion process. This can be parts produced, loan applications approved, orders filled, persons served, cookies baked, or any other unit of measure that makes sense in terms of the purpose of that operating system, the resources required, and the goals to be attained. There are literally hundreds (or maybe thousands) of discrete conversion processes in any single organization, all of which have a bearing on overall organization performance.

**B—**  
**The Management Cycle As an Organizing Framework**

An essential management tool for structuring and regulating a conversion process is the "management cycle." The management cycle is a condensation and prioritization of the functions of management originally defined by Henri Fayol in his book, *General and Administrative Management*, first published in 1916. Fayol's (1949) classic conception of management as a collection of 14 functions is the theory underlying the "administrative process school," where management is viewed (and taught) as a process of planning, organizing, staffing, communicating, controlling, measuring, reporting, and so on. The management cycle prioritizes these functions into three primary ones: planning, implementing the plan, and evaluating/reporting the results of the plan. Each of these primary functions is associated with a different dimension of control. Thus, planning represents precontrol, implementation involves ongoing control, and evaluation/reporting can be considered postcontrol. Although postcontrol is something of a misnomer because there is no way to influence an event after the fact, a type of control can be achieved by learning from experience and factoring this learning into the next iteration of the management cycle. The management cycle is shown in Figure 1.

**C—**  
**Scope of Operating Systems**

Generally speaking, the scope of an operating system is defined by the related steps in a conversion process and the conversion technology employed. A convenient "work-with" operating system is a department or functional area/unit. For example, an operating system designed to recruit new employees would typically include these steps: attracting potential candidates; screening for desired skills and experience (or undesired traits); selecting candidates on the basis of interviews and work history; making hiring decisions; and completing the requisite paperwork. Each step in this process would have its own "technology" (e.g., interviewing, testing, reference checking) and the total process would have to be managed to meet organization goals.

Goals can be of two types. Input–output goals compare the rate at which resources are used or consumed vs. the output of the process. A performance measure could be constructed, with its numerator being the number of staff hours required to perform the activities or steps required to

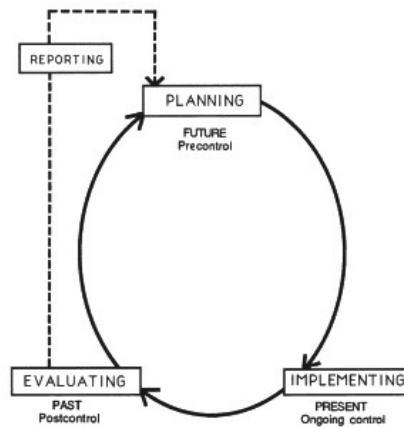


Figure 1  
 The management cycle: the management process as an operating system.



hire a specific number of new employees in a given period, and its denominator being the number of people actually screened and hired. The ratio "staff hours per hire" provides a performance measure for this conversion process, and could easily be converted to "direct labor cost per hire."

Another type of goal relates to the efficacy of the process itself. An example could be the goal of reducing turnover and reducing the time required to make new employees productive through better screening and selection methods. Again, a measure could be constructed to assess performance. The number of new hires who remain for 3 months or longer divided by the total number hired (percentage retention) combined with a productivity measure for new employees would be one option.

Operating systems are of interest to management because costs and results are involved. Clearly, a "better process" that consumes fewer resources (costs less), reduces turnover, and delivers new hires who require less training time to become productive is valuable to the organization. Not only does this benefit the organization, it also benefits the OD consultant who can demonstrate that his or her work is producing measurable (financial) results.

**D—**

#### ***Functions Performed***

A properly designed and installed operating system makes numerous contributions to effective functioning. These include the following:

Defining the steps in a conversion process as well as the logical relationship among them.

Establishing standards that relate resource requirements to work output (e.g., work-to-time relationships, materials yields, and machine hours).

Providing timely data for monitoring and regulating the consumption of resources used in the process.

Providing the supervisor, manager, or self-managed work team with a management process and the information needed to plan and coordinate the flow of work through a process or from one department to another. An operating system can be viewed and designed as a "local/area management information system" in combination with the management cycle.

Providing summary information and performance reporting that can be used to measure goal attainment and establish a base for assessing the results of continuous improvement efforts.

Acting as a communications vehicle for coordinating separate organization functions.

Operating systems exist at different levels in an organization and so have different management cycle times. Depending on the level of a particular operating system in an organization's hierarchy of systems, the cycle time can vary from hours to days, weeks, or months. It is important to recognize that changing the cycle time for a given system should be considered part of the intervention because the sooner operating information is generated, organized, and fed back to the source, the more quickly action can be taken to address unwanted variances.

Typically, the higher the level of the system, the longer the cycle time. For example, an operating system at the shop floor or task level would likely cycle once in a day or more, whereas a total factory system would likely cycle monthly. Financial reporting generally cycles monthly, and a total business system is usually framed both quarterly and annually (although some companies are finding that semiannual business and financial planning is more appropriate for certain types of businesses). Generally speaking, reducing or compressing the management cycle time in order to focus attention and action more quickly on problems and performance issues can be a very powerful intervention in its own right (e.g., changing the frequency of factory performance reporting from a monthly to a weekly cycle).

**E—**

#### ***Summary***

To restate our working definition, an operating system is an organized method for managing a conversion process. Properly designed and installed, it includes the logical steps or operations in a process, the conversion technology employed, the management cycle as a regulating discipline, and

the information required to control costs and monitor goal attainment. Operating systems are the basic building blocks of organizations in which policies, procedures, ways of thinking, and behavioral routines are encoded. In practice, the "work-with" organization unit for an OD consultant would be an area or department that would likely encompass a number of interrelated conversion processes.

### III—

#### Case Examples

The following case examples are intended to illustrate how operating systems were used as OD interventions in different types of organizations and situations.

#### A—

##### *Excessive Turnover and Absenteeism among School Bus Drivers*

#### 1—

##### Presenting Problem

A national company that provides transportation services to school districts was experiencing excessive turnover and absenteeism among its drivers. The problem was critical because the failure to dispatch a bus and driver on schedule resulted in children being left waiting on the side of the road, which is unsafe and unacceptable.

#### 2—

##### Approach

The first step was to illustrate the basic process for recruiting and hiring drivers by taking all the forms and documents used in the recruiting and hiring process (e.g., application, drug test report, logs, reference check form) and taping these on a long roll of brown wrapping paper. There were so many different pieces of paper involved that the brown paper covered the entire back wall of the garage, some 50 feet in length, and became a great object of curiosity for all employees. The management cycle was used as an organizing framework so that planning, implementing, and reporting documents were grouped together. This revealed an incomplete logic structure for recruiting and selection and the lack of an organized management process (the management cycle was nonexistent), as well as the absence of performance reporting required to evaluate the efficiency and efficacy of this personnel function.

Next, a more complete process called ASSET-HRD was created to define the required logic structure. ASSET-HRD stands for attracting, screening, selecting, educating, training-hiring, retaining, and developing. Once this structure for the entire HRD process was made explicit and clarified, it was relatively easy to see that the problem revolved around the inability to attract enough driver candidates who could fulfill the stringent requirements for school bus drivers. A shortage of qualified applicants often led to hiring individuals who were unreliable, and this exacerbated the problem of absenteeism and turnover.

At the same time, records were analyzed to determine the ratio of applicants to hires. This was found to be 8 to 1. This became an important piece of information for planning. If we had to hire 5 people per week on average, we knew that at least 40 people had to complete employment applications. Later this information was refined so that the number of people who "fell out" at each step in the process could be determined, and this information was used to improve screening methods.

#### 3—

##### Results

Once it was determined that existing methods for attracting applicants were inadequate—primarily advertising in local newspapers, employee referrals, standing job orders with the state unemployment office—brainstorming was used to expand the range of alternatives. This included installing large "Drivers Wanted" signs on the road near the garages, placing notices in laundromats and other public facilities, and giving flyers to children to take home. These new advertising strategies dramatically increased the flow of applicants and enabled the screening and selection process to be used more effectively. At the same time, it served to focus attention on retaining drivers, and an incentive system that rewarded them for attendance was instituted.

The management cycle combined with weekly performance reporting of critical success factors

(e.g., number of hires, longevity of leavers, number of people in various stages of the process, leavers as a percentage of the driver force, absenteeism, and driver shortages) was used to develop a management system for the HRD process. This system became self-regulating because the individuals involved in performing the various steps also participated in diagnosing and improving it. They understood the complete process as well as the input–output requirements (i.e., the expected number of new hires per week and the number of applicants-to-hires ratio). They acquired the knowledge, information, and tools required to manage the process themselves, and functioned as a self-managed work team with very little involvement on the part of the service manager.

**B—**

### ***Managing a Far-Flung Empire***

**1—**

#### **Presenting Problem**

Many companies with geographically separated facilities experience similar problems in managing branch operations to achieve consistent levels of profitable performance for each branch. These include sales and distribution operations, banks, national retail chains, franchises, and similar types of organizations with multiple outlets.

A wholesale electrical supplier with 135 branches in 22 states sought consulting assistance to standardize operations and reduce inventories throughout its sales and distribution system. The basic idea was to standardize policies, procedures, and methods of operating that would ensure a predictable level of profit for each branch.

**2—**

#### **Approach**

A business review of a cross section of branches revealed substantial differences among markets and customers served by each branch. The customer mix included residential homebuilders, commercial construction firms, and institutions (maintenance). Not only did each of these types of customers require different products, but differences also existed among customers' buying patterns, which influenced branch purchasing decisions and inventory stocking levels. Some branches only supplied one of these major markets, and it quickly became apparent that standardizing operations was impractical and not the answer to reducing profit variances.

The process for predicting demand and managing inventories was illustrated with the brown paper technique (i.e., converting data to information for buying/stocking decisions). This revealed a lack of necessary forecasting tools and inventory logic, as well as a lack of information required to manage a branch operation. Given that the "value added" by a branch was the intangible of "convenience," it was critical for branches to be able to predict demand and stock items accordingly, based on their market and customer mix.

A branch management system based on the management cycle was designed, installed, and tested in selected branches that supplied the three major market segments. A weekly management report that captured data on the critical success factors for a branch was designed and installed as part of the system. This report included information on sales, inventory levels and turns by product category, gross margins, past due receivables, and weekly operating expenses. This provided the appropriate business focus for the branch manager, and a management training program was custom-designed to support this business system. In addition, the branch organization was realigned so that individual employees had responsibility for managing critical steps in the process (e.g., forecast preparation, inventory level review, stocking and replenishment, and credit collection).

**3—**

#### **Results**

After testing and upgrading this system in the pilot locations it was installed in the remaining branches. Employees in the pilot locations who had participated in the entire process were used as consultants and trainers in other branches.

The recognition that individual branches served dissimilar markets with volatile demand patterns enabled senior management to make better decisions regarding the locations for new branches and highlighted the need to scale down branch operations in those areas in which business was tapering off. This new level of flexibility allowed the company to redeploy its resources in areas

in which demand was growing, and this strategy in combination with the branch management system stabilized company sales and profits, which was the original objective.

#### **IV—**

#### **A Structured Approach for Diagnosing and Rationalizing Operating Systems**

These cases illustrate the power of OSI. Common to each is a process step analysis, the management cycle, and area performance reporting/feedback. In addition, a seven-step process for constructing and using OSI was followed.

#### **A—**

#### ***Make the Conversion Process Explicit***

The brown paper technique is an effective method to begin the diagnosis of an operating system. It simply involves taking a long sheet of wrapping paper, hanging it on the wall, and taping to it all the documents that contain information relevant to the process under investigation, using copies of actual documents, not blank forms, and ideally those that follow a common "batch of work" (e.g., same order number, run number, batch number, and day of the week). Within the framework of the management cycle, planning documents are positioned to the left, implementation control documents in the center, and evaluation and reporting documents to the right. This allows the entire system to be seen all at once.

Most often these documents reflect the underlying activities and steps in the conversion process, but sometimes it is useful to augment this brown paper with work flow diagrams, floor layouts, maps, pictures, and so on. It is also appropriate at this stage to gather base data on the type and amount of resources assigned to the area, work volumes produced, weekly overtime, and similar quantitative and cost data.

Typically, the brown paper technique reveals problems such as the lack of an organized process for managing the area (absence of the management cycle); redundant or confusing steps in the conversion process; a lack of communication among those who are involved in doing and managing the process; a lack of knowledge and skills to perform specific steps (highlights training needs); and a lack of adequate data for assessing performance.

When a process is made explicit in this manner, the people involved are in a better position to understand it and make recommendations for improvement. This reinforces employee involvement programs in which the objective is to "push decision making down" and solve problems as close as possible to their source.

#### **B—**

#### ***Identify Opportunities for Improvement***

Next, orchestrate a comprehensive review of the process(es) represented by the brown paper. Schedule a meeting with all the people assigned to the area to review the brown paper. The objective of this meeting is to ensure that the brown paper is complete and accurately representative, as well as to identify potential improvements. Attach notes to the brown paper to indicate problems, opportunities, questions requiring more investigation, and so forth. Of course, involving the people who will be most affected by any changes will encourage participation and commitment to the new system.

In addition to formulating the OD strategy and organizing the approach, the consultant asks lots of questions, such as the following:

What can be eliminated?

What are the most frequent problems?

What happens when . . . ?

Why do we do that?

What is the next step?

What would happen if . . . ?

What are the performance standards for this process?

Are we meeting them? How do we know?

How much time does it take to . . . ?

And so forth . . .

**C—**

***Streamline the Conversion Process***

The third step includes eliminating and/or modifying operations or steps in the process, as well as ensuring that the management cycle is used as the foundation for a new system. This is also an excellent time to eliminate unnecessary paperwork which takes time to complete but does not add any value. Once a new process and management system have been designed, it is advisable to involve senior management in another review to ensure that proposed modifications are appropriate and will not create problems in some other system or process elsewhere in the organization.

**D—**

***Determine Resource Requirements***

Once streamlining has been completed, determine the resource requirements for selected output volume forecasts. This is done by establishing/reviewing performance standards so that work-to-time relationships can be calculated. You may find that it should take, say, 100 hours a week to perform the work required but five people are assigned full time to the area. This means that approximately twice as many people are assigned as are required. How you "drive out waste" will be situationally determined (e.g., by reassigning people somewhere else in the organization, by training to increase flexibility and resource utilization, or through attrition or layoffs).

Driving out waste is a key strategy in continuous improvement programs. Rationalizing operating systems allows waste (in the form of lost time, scrap, rework, errors, excess inventories, etc.) to be recognized and eliminated more easily.

**E—**

***Design and Install a Management Report***

Identify the "critical success factors" or desired performance criteria for the area. These indices are organized in the form of a management report that is published daily and/or weekly, and is generally summarized monthly. Data inputs/sources for each critical success factor are also identified at this time. Some data may be financial and some operational. Some data may be available through established reporting systems, and some may have to be collected and accumulated for this report.

A management report that captures critical success factors for an area fits nicely with the concept of internal markets or internal supplier-customer relationships since the output of an organization process is invariably an input to another process. The management report constructed on the basis of critical success factors can be designed to include service and quality criteria determined by the user(s) of the output of that process.

**F—**

***Establish Routine Performance Reviews***

It is important for the management report to be published as quickly as practical because the sooner a negative variance can be identified, the more quickly it can be addressed. A training-type meeting can be coordinated with the publication of a management report in order to assess actual performance relative to goals, identify areas for action, and plan for the next period. Report indices can be trended with simple graphs, and these are also reviewed during this meeting. This performance feedback engages the learning cycle and provides a basis for continuous improvement.

The management cycle concept provides a sound basis for managing a process so that resource utilization and costs are controlled and area goals are achieved. The discipline of the management cycle is often found to be lacking in operating systems at all organizational levels, and establishing this discipline is necessary to increase predictability and implement strategies for improvement in an area.

G—

***Upgrade and Improve Continuously***

Once an operating system has been improved and the management cycle is being used, predictability should increase (i.e., unexpected variances are reduced). When a more stable process exists and performance data are being used, the next step is to look for ways to improve resource-to-output ratios, goal attainment, and management information.

A more stable, managed process encourages innovations since the results of experimentation and new ideas can be assessed more accurately and quickly. For example, a stable process with an accurately recorded performance history allows the comparison of employee-testing procedures to determine which is more predictive of success.

H—

***Summary of Results and Benefits***

The application of this seven-step structured approach for diagnosing and rationalizing operating systems can produce valuable results and benefits for the organization. One outcome should be a rational conversion process that is more streamlined and efficient than the original. Also, the people involved should have gained a better understanding of the total process, and should have participated in formulating modifications and improvements. Training needs should have been identified to strengthen task and management skills.

A local area management information system should have been created and the management cycle established as the routine for managing the process. Goals for both resource efficiency and process efficacy should have been established or clarified and integrated with routine performance reviews (daily or weekly management report meetings/training sessions). A pragmatic context for training should have been created with an emphasis on continuous improvement as a guiding philosophy. Financial savings and operational efficiencies—tracked and compared to a base level of performance—demonstrate the value and encourage extensions.

V—

***Planning an Organizationwide Approach***

A—

***Think Globally, Act Locally***

Where you start the process of diagnosing and rationalizing operating systems in an organization will depend on a variety of factors. As we discussed, operating systems exist at various levels in an organization and "higher-level" systems are more encompassing or broader in scope. Generally speaking, unless you are very familiar with the operational and profit structure of the organization you are working in, it is advisable to think and conceptualize broadly from a total system perspective while working from the "bottom up"—or "think globally and act locally."

B—

***Understand the Organization***

For example, in the section "Managing a Far-Flung Empire" above, the 135 branches were divided into six geographic regions, each with its own regional manager. The branch, as opposed to a region, was selected as the work-with organization because individual branch performance determined aggregate regional and company profit, and because preliminary fact finding and analysis revealed major differences among branches. Also, selecting a cross section of branches in different regions would minimize resistance later when changes were implemented throughout the system. Although this has short-run costs, implementation was facilitated/accelerated and this reduced total cost.

C—

***Assess the Potential Impact***

When it comes to selecting among a number of areas at the same level—the major operations in a manufacturing process, for example—priority may be determined by estimating the potential impact on overall company performance. Sometimes preliminary brown papers of major organization processes/departments help to select a target for more intensive work.

## VI—

**The Role of OD in Operating Systems Interventions**

## A—

***OD Leadership in Operating Systems Interventions***

Given that the methods and techniques for OSI draw heavily from the fields of operations management, industrial engineering, and quantitative analysis, it is reasonable to ask if OSI are "truly" OD. This does not appear to depend so much on the content of the intervention or "technology" employed as it does on how this technology is applied, the results achieved, and the organization model embraced by the practitioner. For example, if a computer is installed in a department to replace a manual system, this may or may not be an OD intervention, depending on how the new technology was introduced and the aims/results of the intervention.

When technicians lead OSI, their approach often neglects human factors. Generally, a technician minimizes work group involvement. He or she determines what has to be changed, designs the new process, calculates the resource requirements, and then attempts to impose the changes on the supervisor and the group. This often heightens resentment and resistance to change, and also puts the supervisor and consultant in the position of being "enforcers" for the new system. Most often, change fails (the system "falls out") because people have no investment in it and seek to return to "normal." The supervisor tires of being the enforcer, especially after the consultant-technician moves on to other areas.

The above cases illustrate an OD-led approach. Great care was taken to ensure meaningful involvement of those who would be most directly affected by any changes in the process. Individuals identified needs for change, made recommendations for improvement, and tested possible changes. The consultant organized the approach, helped the group focus on areas for improvement, and facilitated the seven-step process.

Technical expertise remains important. In fact, some of the best OSI efforts involve an OD practitioner teaming up with an industrial engineer or operations management specialist. These interventions are OD-led and supported by technical contributions, not vice versa, however.

## B—

***The Central Issue of Power and Control***

As mentioned previously, operating systems have been the province of scheduling consultants, industrial engineers, and efficiency experts, many of whom continue to embrace the paradigm of the organization as a machine. "Control" is their paramount value, and the purpose of an operating system in their view is to increase top-down control by providing the supervisor with the information he or she needs to recognize an off-schedule condition and to take corrective action. "Corrective action" easily translates to blame and punishment of individuals.

The pyramid model is the archetype for all industrial and public sector organizations. The pyramid structure is a "preeminent control strategy" because it represents a top-down, power- and authority-based system that seeks control through threats of punishment (fear) combined with promises of rewards. Employees are perceived as potentially wayward, lazy children who will only respond to an authority who wields the power to reward and punish them. By its nature, an archetype is powerfully and indelibly imprinted on our individual psyches, thus a central question is, "Can the pyramid model be modified or eliminated, or is it something that will endure because it meets a basic human (existential) need for a higher authority?"

The traditional approach for managing organizations through top-down control has limited utility for the future and stands in stark contrast to OD values and interventions, yet an organization's need for reliability and predictability is central to its functioning. Few executives would be willing to abandon control and sit back hoping for the best outcome.

But reliability and predictability can be achieved through types of controls that are different from traditional methods. In the case examples described previously, the interventions were all designed with a management report that provided the members of the work group with the information they required to assess their own performance. The underlying concept was a self-managed work team that could, with the proper tools, information, and training, regulate itself and improve continuously. Thus, the management report was not designed as a vehicle for upward communica-

tions in the management hierarchy; rather, it was part of a local area management information system tied to work group meetings and the management cycle process.

An organization's leadership and culture must support the idea that control can be "pushed down" and vested in the work group itself. This is a very threatening idea in many organizations where employee involvement and self-managed work teams are viewed as challenges to managerial prerogatives and authority. In these cases, other types of OD interventions that address power and authority issues take precedence.

C—

#### ***Statistical Process Control***

Deming has probably addressed the issue of control in more depth than other proponents of the new philosophy, and it's worthwhile to examine his ideas. The focus of Deming's philosophy is to reduce variation and increase consistency in the output of a process. Generally, quality criteria are measured and recorded. The people who are part of that process are focused on the goal of reducing quality variances through the use of statistical measurement and analyses. Deming identifies two sources of variation which he calls "common causes of variation" (those that are inherent in the process itself) and "special causes of variation" (those that originate outside the process and occur because of a specific circumstance).

An example of a common cause of variation would be the ability of a machine to operate within a particular tolerance range (control limits). The machine's "capability" is derived from measuring actual variations in its output. An example of a special cause of variation could be a change in the vendor who supplies the material fed to the machine. A process is said to be "stable" or "in control" when its behavior or output is predictable in the near term. Control in Deming's approach comes through a continual focus on identifying, measuring, and reducing common and special causes of variation, and *knowing the difference between them*.

Deming also addresses the larger issue of control in organizations through his "14 points." One of these is "drive out fear." Fear is a central control mechanism in the traditional model. It inhibits innovation, change, challenging the status quo, and individual risk taking. An organization run by fear and intimidation will have a very difficult time adopting the ethic of continuous improvement and adapting to change.

Another of Deming's 14 points, "eliminate numerical quotas for the workforce and numerical goals for managers," may be the most difficult principle of the new philosophy for managers to understand and accept. The rationale is that numerical quotas and goals undermine the installation of the new philosophy because quality improvement through the reduction of variation will be sabotaged. "Making the numbers" will take precedence over the more disciplined approach needed to identify and eliminate common and special causes of variation. In fact, making the numbers will likely introduce *more* special causes of variation into a process (e.g., by managerial meddling or micromanaging), which will make it that much more difficult to get the process under control. When numerical goals for managers predominate, the manager is forced to employ a range of traditional behaviors that reinforce the pyramid organization, and this negates the principles of the new philosophy.

Operating systems interventions do not require a statistical analysis of critical success factors to assess performance improvement. Most often a management report with simple graphs that illustrate trends suffices. However, statistical process control (SPC) is a technique that can be used to gain greater insight and understanding of the dynamics of a process, but should be used carefully because it has a tendency to generate voluminous data that can soon become overwhelming and unmanageable.

D—

#### ***Operating Systems Interventions and OD Values***

Given the fundamental difference between traditional concepts and methods of managerial control vs. newer philosophies such as Deming's, an important question to address when planning an operating systems intervention is, "What is being measured and how will this information be used?" Operating systems interventions have the potential for either supporting the traditional model or



facilitating the movement toward greater employee involvement and participation in the management of an organization. Self-managed work teams in which decision-making authority is vested in the work group appear to hold great promise. Care must be taken when formulating these types of interventions to ensure that the culture and leadership will support OD values of empowerment and work group decision making. Without this, OSI will be less effective.

## **VII—**

### **Summary**

This contribution is intended to provide OD practitioners with an understanding of operating systems and the functions they perform in organizations, as well as to describe a basic process for implementing this type of intervention. The motivation for presenting this material is to encourage OD practitioners to become more familiar and comfortable with operating systems, because a company cannot be changed in a controlled way without understanding how all its elements interact, and operating systems are certainly crucial to any organization's effectiveness.

Although OD has historically embodied a multidisciplinary approach, most practitioners tend to avoid the "nuts and bolts" of operating performance and (financial) measurement. This is a serious omission that lessens our ability to make an impact in business organizations where profit is a guiding credo and common measure of success. Also, as government agencies and nonprofit organizations confront more severe financial constraints, this will undoubtedly place a premium on those interventions that can yield (and demonstrate) a financial payoff. Thus, it is to our individual and collective advantage to use interventions that produce measurable results as well as reinforce traditional OD values.

Including OSI in our strategic thinking and program designs will enhance our ability to construct more comprehensive and powerful total-system interventions. Expanding our repertoire of interventions is essential if we are to continue to provide the assistance and support companies and other types of organizations require to survive and prosper in what is sure to be a more competitive, fast-paced future.

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## 13— American Quality: Born Again

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The search for quality in American board rooms, offices, and factories these days is tortuous and often daunting. The word *quality* is everywhere on people's lips. Businesses search for true quality in their products and services. Customers are demanding quality and costly warranties. Workers are in quality improvement classes and cross-functional discussion groups, talking about how to achieve improvements in quality. Arguments have developed over what quality is, what its measures are, and how much it costs.

Quality has become not just a goal but a movement. Many organizations have created quality-coordinating staff jobs. Others hire the widely acknowledged prophets of quality to come in, take a look around, make suggestions, and take home a prodigious fee. (Meanwhile, middle managers look on with resentment.)

As an organization development specialist, I often find myself carefully threading my way through this maze of quality-related activities. Observing the movement as it continues to pick up energy and speed, I am struck by how corporate efforts to achieve quality add up to nothing less than a search for righteousness analogous to that associated with institutional religion. The overall belief is, "Quality is the Way, the Truth, and the Life, if you want to succeed in this competitive world." The pursuit of quality thus becomes a never-ending quest to reach the corporate kingdom of greater and greater market share.

Thus far, three major "religions" have formed to guide and impel organizations toward the nirvana of quality. Each has its own theology, doctrine, prophets, scripture, creed, saints, sinners, and disbelievers. My intention is to look at each of these features (and a few others) briefly, then to discuss the overall function of religious and spiritual striving in the corporate and individual pursuit of quality. As we shall see, spirituality is not merely a legitimate metaphor for organizations' quest for quality; it is also a sincere and appropriate impulse that animates such a quest.

### I— Three Major Schools of Thought

We can categorize the contemporary prophets of quality according to the following three basic schools of thought:

1. *Fundamentalists*. These theorists each offer organizations the "systematic blueprint for perfect righteousness." If only an organization will follow this blueprint to the letter, we are told, it will attain unequivocal and everlasting quality.

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\*Deceased.

W. Edwards Deming is the most popular of the fundamentalists, and his book *Out of the Crisis* (1986) has become virtual scripture for his followers. Deming believes there is a serious need for transformation in the Western workplace—a transformation, he says, that "can only be accomplished by man, not by hardware (computers, gadgets, automation, new machinery). A company cannot buy its way into quality."

The best way to accomplish this transformation, according to Deming, is to adopt his own 14-point system. A highly condensed version of these 14 points looks like this: (1) create a constancy of purpose toward improving products and services; (2) adopt the philosophy that any substantial improvement must come from management's action on the system; (3) cease dependence on inspection to achieve quality, instead building quality into the product in the first place; (4) stop awarding business on the basis of price, instead minimizing *total* cost, moving toward a single supplier for any one item, and building a long-term relationship with that supplier; (5) constantly improve the system; (6) institute on-the-job training; (7) institute (or emphasize) leadership instead of supervision; (8) drive out fear, so that everyone may work effectively; (9) break down barriers between departments; (10) eliminate slogans, exhortations, and targets that ask for zero defects; (11) eliminate quotas, management by numbers, and management by objectives, replacing all of them with leadership; (12) remove barriers that rob people of their right to pride in workmanship, and place an emphasis on quality instead of quantity; (13) institute a vigorous program of education and self-improvement; and (14) put everyone in the company to work to accomplish the transformation. If an organization follows these points precisely, Deming says, it will find itself delivered into the realm of quality forevermore.

2. *Conservatives*. This group believes in some universally applicable principles of quality that together function as a sort of moral code. These principles are not rigid prescriptions; rather, they are guiding forces that the sincere pilgrim (i.e., organization) can trust and follow in its search for true quality.

The most prominent of the conservatives is Joseph M. Juran. According to Juran (1989), "The guiding principle should be, *Make No Small Plans!*" Juran sees three universal processes that drive and inform management for quality: quality planning, quality control, and quality improvement. He has dubbed these processes the Juran Trilogy, and it is his belief that they can effect a quality revolution in this country—a revolution that he feels is much needed.

The sacred text, which sets forth all of this, and which Juran's followers rely on and refer to, is *Juran on Planning for Quality* (Free Press, 1987).

3. *Liberals*. These writers preach change through the development of new attitudes and behavior among management rather than through mathematical or statistical approaches. For liberals, in other words, quality naturally manifests itself when managers are thinking and acting correctly.

By far the best known (and the most fervid) of the liberals is Philip B. Crosby. According to Crosby (1979), there are five "absolutes of quality":

1. Quality means conformance, not elegance.
2. There is no such thing as a quality problem.
3. There is no such thing as the economics of quality; it is always cheaper to do the job right the first time.
4. The only valid performance measure is the cost of quality.
5. The only performance standard is zero defects.

Like Deming, Crosby has established a set of 14 items (Crosby calls them steps) that will lead the organization seeking quality to its goal.

The central scriptural text for Crosby's adherents is *Quality Is Free* (1979); a second book on the subject, *Quality Without Tears* (McGraw-Hill) appeared in 1984, and a third, *Let's Talk Quality* (New American Library, 1990), was recently published.

**II—****Disciples, Apostles, and Missionaries**

Disciples of quality are those looking for a religious experience, a cause, and a visionary leader who will create focus for their organizations. The visionary is expected to lead the disciples to the Promised Land of economic paradise and to help them avoid the apocalypse that nonbelievers will surely experience. Some of the more prominent disciples of each of the prophets of quality are quoted often in the professional literature. Many of the early disciples have remained staunch believers as they have moved from one congregation (i.e., corporation) to another. Some have simply been forgotten.

Missionary work is primarily carried out by people in sales, who have either worked directly for one of the prophets or, with the help of consultants, helped to establish a firm around their prophet's ideas. Their fervor may convince an unfocused or unenthusiastic management team to adopt their religion.

Thus, organizations that once simply followed the quality prophets—General Motors, Florida Power and Light, Corning, and many others—have now become apostles, teachers, and preachers. Some have established new congregations (i.e., divisions, groups, and other units); some have started new quality sects.

**III—****Saints**

What is a religion without its heroes and models? *Fortune*, *Business Week*, *The New York Times*, and *The Wall Street Journal* have all canonized the new saints of quality. Some of these folks include Vaglin Beals, who brought Harley Davidson back from the brink of Chapter 11; George Fisher, CEO of Motorola, who received the Malcolm Baldrige National Quality Award; and Donald Peterson, who made "Quality Is Job One" the motto at Ford—and made the corporation more profitable than General Motors.

**IV—****Denominations**

Religious movements often take on lives of their own, apart from what their founders say and do. Most religious denominations, as they seek to apply their founders' principles, tend to make use of some of the principles from other denominations (and even other religions). Thus founders often become the fathers or mothers of offspring they'd hardly recognize. Would Henry VIII recognize today's American Episcopal Church? Would John Knox know today's Presbyterians? Would Luther want to claim one of the Lutheran branches?

In the same vein, would Joseph Juran recognize himself or his philosophy at U.S. West or Honeywell, where his principles are ostensibly being applied? Would Philip Crosby recognize what is being done in his name at Armstrong or Unisys? Would W. Edwards Deming approve of his disciples' work at Ford or Aritech? I have my doubts.

**V—****Religious Education**

All of the churches of quality provide new and potential believers with mandatory classes. Most use well-structured, multimedia materials that introduce the unwashed to the benefits of quality righteousness and promise them not just survival but dominance in their industry.

Deming's educational approach emphasizes statistical process control. Juran teaches problem solving. Crosby focuses on generating new attitudes and beliefs. All attempt to simultaneously educate and indoctrinate.

But the goal isn't just to change hearts and lives. There also have to be changes in the system—what Deming calls "continuity of management." All of the quality prophets believe in changing their clients' corporate cultures and methods so that they are congruent with the new beliefs.

There are also, of course, quality seminaries—such as the Juran Institute in Wilton, Connecticut and Crosby's Quality College in Winter Park, Florida—where the doctrine of quality is carefully

and professionally presented to those who seek not only righteousness but the means by which to lead and convert others.

## **VI— Corporate Worship**

Corporate worship takes place most frequently at the meetings of the steering committee. (Some writers have suggested that these meetings are the only places where the true believers can be found.) There are also large meetings where quality scripture is read or quoted, or witnessing takes place. Such a meeting might include a song or a skit lauding the Way and the Truth of Quality.

Small scripture study groups appear as task forces that seek, through study and witnessing, to apply the quality scripture to specific problems and areas of concern.

## **VII— Revivals**

From time to time, articulate and often charismatic apostles of one of the quality prophets may visit large and small groups in the organization. Typically, they will praise group members' efforts and reassure them that other congregations have been highly successful in applying their prophet's principles. Deming often takes this approach himself instead of sending an apostle.

## **VIII— Pledges, Donations, and Expenditures**

Organizations often ask for donations from their laity (i.e., workers) to help support their quest for quality. Employees may be asked to give up some of their benefits or take a lower salary in order to make the organization more able to meet its competition. In return, the corporation promises that its search for quality will make it truly competitive, thus preserving the employees' jobs.

At the same time, however, corporations will pay big money to have their chosen quality prophet (or one of his apostles) visit the organization and make recommendations. Large sums are also spent on quality coordinators (i.e., clergy), who are expected to manage the conversion process of the laity (i.e., the ordinary working stiff).

## **IX— Religious Objects**

The religions of quality have their equivalents of bells, books, and candles: progress charts, computer readouts, videotapes, training manuals, checklists, coffee cups, signs, and so on.

## **X— Sinners**

Any corporation will have both repentant and unrepentant sinners who regularly fail to behave according to the standards that the pursuit of the Kingdom of Quality requires. Thus management must continually call the sinning but faithful together to urge confession, repentance, and a new commitment to the spiritual journey. Consistently unrepentant nonbelievers are constant targets for those who preach and teach the appropriate prophet's creed.

## **XI— Cynics, Agnostics, and Hypocrites**

Every organization has its share of internal cynics and agnostics who are afraid to lose their jobs. They don't believe, but they whisper in the halls and restrooms rather than show doubt openly. They will bravely challenge the tenets of the path of quality, but only at Joe's Bar, after work. These people can seriously undermine the new course of righteousness that the corporation has touted and claimed.

Most dangerous of all are the people who say one thing and do another; for example, the supervisor who says all the right things but okays the shipping of a defective product. Such people are the organization's greatest hindrance to reaching the Kingdom of Quality.

## **XII— Conflict and Confusion**

Was there ever a religion where infighting wasn't a part of the daily dynamic or where there was never disagreement or confusion about principles and definitions? As new converts to one of the religions of quality, management is often confused about which words mean what to whom and how quality is (or can, or should be) measured. Meanwhile, the employee laity ask with sincerity and concern, "What are we supposed to be doing?"

Some definitions of quality are broad; some are narrow; typically, some that an organization adopts are in conflict with each other—or at least in conflict with definitions that key people in the organization hold dear.

The following are some widely used definitions of what quality is and what can be done to attain it. Several of these definitions may be used by members of the same congregation (i.e., corporation) simultaneously.

Eliminate waste and rework.

Do it right the first time.

Do more than required, and do it better than expected.

Improve continuously.

Conform to requirements.

Be defect-free.

Eliminate wasteful management practices.

Create a particular corporate culture.

Be certain a product or service is reliable and fit for use.

Make sure that customers feel that the product or service meets their needs and lives up to their expectations.

Maintain "continuity of management" (à la Deming).

Have everyone think, talk, walk, and act—in every way, at all times—in a manner that assures quality as the goal.

Of course, the conflicts between the quality religions are far larger than those within any single-belief system. Some of these conflicts are serious indeed. Crosby uses slogans and exhorts for zero defects; Deming's 10th point is to eliminate slogans and exhortations. Juran says, "Fear can bring out the best in people"; Deming warns managers to drive out fear. Crosby's 11th point suggests that no problem is too small to receive attention if it prevents error-free work; Juran believes that some infrequent problems can be ignored. Deming's pursuit of quality begins with top management; Juran says that starting in the middle is okay; and Crosby seems to focus on operators.

Some quality prophets believe you can achieve 100% quality without raising prices; others insist that it requires a price hike. One school says that the best way to make money is to have zero defects; another says aiming for zero defects is pointless and unnecessary. One theorist says that organizations can simply add his approach as a component to an existing system; another demands that the system itself be significantly altered.

## **XIII— Congruence and Unity**

I do not wish to overstate these differences, however, because the three philosophies do have a good deal in common. All three quality prophets demand commitment, improvement of the system, a restructuring of the work process, customer satisfaction, the elimination of waste, the instilling of pride and teamwork, and an atmosphere of innovation for continual quality improvement. All

offer people a new way of thinking. All take on the whole system, instead of applying a Band-Aid to one part and saying, "It's fixed." All lead to new learning and understanding; all demand that everyone participate or be included. All generate creative energy and organizational enthusiasm. All offer a cause that brings about cohesion. All turn over the rocks in order to examine and change hoary and faulty processes. And all, of course, help corporations to significantly improve the quality of their services and products.

Eventually it may turn out that all three of these roads lead to the Kingdom of Quality. As June Harbart (1990), District Manager of Quality and Data Management for AT&T's Operator Services, said, "Does it matter what church you go to as long as you do the right thing? If you lock in with Crosby and go with Crosby's techniques you'll get improvement. If you go with Juran you'll get improvement. If you go with Deming you'll get improvement. Which one is better than the other? I don't know. I don't think it makes much difference as long as you're using something."

#### XIV—

##### **Organizational Functions of Spiritual Drives**

Thus far my purpose has been to demonstrate how, within organizations, the search for quality replicates the search for religious rewards: righteousness, purity, enlightenment, spiritual growth, and eternal salvation.

But this parallel goes beyond analogy and metaphor. The religious zeal with which so many people (and, consequently, so many organizations) seek quality is usually quite genuine. In most cases the urge to strive for and attain quality appears not to be an internally manufactured expediency but a real and sincere impulse (albeit one aided and abetted by others).

I and other organization development specialists often talk about trust, leadership, cooperation, empowerment, and self-awareness. What we don't often mention is that all of these are laced with spiritual skills. Such skills are necessary for individuals if they are to be effective in large organizations—and if those organizations are to prosper. The quality prophets, and the movements they have begotten, have succeeded in tapping some of these legitimate spiritual sources. The quality movement genuinely inspires at least some people, encouraging and enabling them to invest their spiritual and emotional energy in the organization and its goals. In short, the quest for quality is often a genuinely spiritual one—in some cases a total commitment of the heart.

We are living through a global economic revolution. Markets, attitudes, and entire economies are shifting; new technologies are forcing organizations to redefine and reevaluate their markets, products, processes, and goals. Corporations that find themselves in the midst of this revolution must find a way to adapt if they are to survive.

Such adaptation—and indeed any significant change—requires emotional energy. The quality movement has done a great deal to provide this energy on both the individual and organizational levels. It has helped many corporations to accept, create, and manage change. It has inspired people to change how they think and act within their organizations. It may even have given some individuals deeper insight into themselves.

#### XV—

##### **Managing the Search for Quality**

From everyone's point of view, quality is a just cause. But however that cause might be pursued—through the tenets of Deming, Juran, Crosby, or anyone else—there are common pitfalls that organizations would do well to avoid. Some of these include

- Religiosity and piety about quality

- Religious fervor that brooks no criticism

- "Stained-glass" voices and holier-than-thou attitudes

- Values imparted via training packages rather than ones that have evolved under senior management's guidance

- Taking oneself (or anyone or anything else) too seriously

Self-righteousness

Ripoff products marketed by quality apostles

Appropriation of all of a division's or company's human resource discretionary resources to a single cause

People saying "I believe" because it's the thing to do

Suppression of root problems to make things appear better than they are

If managers and organizations can avoid relying on doctrine and doctrinaire thinking, however, most of these potential problems can be sidestepped.

Some other problems are less avoidable—and more difficult. How can the conversion process be managed so that it is slow enough to win compliance (and hearts) without its resulting in a loss of urgency and focus? Will the American need for immediate results prevent many corporations from ever seeing the need to improve their processes? Will American workers' resistance to everything except personal freedom undermine the organizational discipline and group pride needed to achieve corporate quality? How does an organization arrive at a consensus on measurable and acceptable quality standards other than those established by manufacturing and engineering? How can corporations avoid becoming like the Franks of Western Europe, where whole tribes were baptized but nothing new happened in the hearts or heads of tribe members? How can true enthusiasm and cooperation, instead of mere physical compliance, be ensured? How can expectations be kept reasonable? [One vice president at Honeywell recently said, "We figured the quality process would float down and everyone would be reborn. We know now it doesn't work that way" (Paul Rauschelbach, personal communication).]

Different organizations have found different solutions to these dilemmas. Thus far, they have proven difficult but rarely insoluble, at least on the organizational level.

One general principle appears to have virtually universal application; employing reason and caution will bring perspective. Organizations that encourage their people to think and observe as well as participate are usually able to cultivate quality with the fewest difficulties and distractions. If people can become participant observers, getting involved without getting carried away, they will gain the most from—and make the most of—any philosophy of quality.

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## 14— Team Building and Its Risks

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Technically, team building is a disciplined, professionally facilitated process used by a collection of people who most often report to some supervisor. Generally, members have the same higher missions and need to be synergistic: The group (or groups) do not have to be at war, dysfunctional, incompetent, or distrustful. In fact, what is called a team building intervention may be a *problem intervention* or a *development intervention*. In the lifetime of effective working teams, both types may be called for. Most interventions are not totally one or the other. Figure 1 shows the range of interventions on a normal curve of needs that an intervention will deal with.

To initiate a team building process is not to admit that you are an 85-pound weakling. Rather, it is like competitive body building, with more team muscles as the development goal. It takes time and different kinds of exercises to build different sets of team muscles.

As you plan a team building session (an intervention) with your process consultant, what you expect and what your consultant expects should be the same. That's Principle #1. Principle #2 is that the depth of the intervention should be such that real and personal bonds are formed between team members, or the activity will be seen as a game—which adds to facades, rather than reduces facades between team members. Here's a Q&D (quick and dirty) method to determine whether you are violating either principle.

I suggest that team building interventions can be roughly identified at four levels: Level I is *Training*; Level II is *Role Negotiations*; Level III is *Substantive Work Issues*; and Level IV is *Personality or Interpersonality Differences*. Over the developmental period of a year or two of team building, a management team must experience all four levels of intervention to achieve true bonding. The problem is that as managers we often think we can *get* the full load at one sitting (usually three days), and we may hire a consultant who is qualified for Levels I or II, but not Levels III or IV. Thus consultants may get in over their heads in the team building, especially if they intervene at Level I (Training), only to discover in mid-course that the real issue is deep personality differences between powerful team members.

Graphically, the four kinds of intervention can be drawn as in Figure 2.

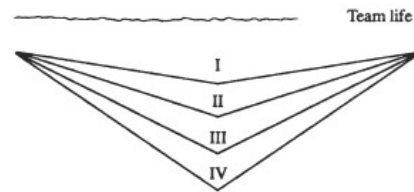
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\*Deceased.

Problem interventions		Development interventions
Some	Most	Some
<ul style="list-style-type: none"> <li>• Grudges</li> <li>• Conflicts</li> <li>• Lack of mutual respect</li> <li>• Distrust</li> <li>• Diffusion of goals</li> </ul>	<ul style="list-style-type: none"> <li>• Role clarification</li> <li>• Open communication</li> <li>• Clear ground rules</li> <li>• Better group skills</li> <li>• Feedback skills</li> <li>• Commitment needs</li> </ul>	<ul style="list-style-type: none"> <li>• Common vision</li> <li>• Common values/beliefs</li> <li>• Major shifts of direction</li> <li>• Major organization change</li> </ul>

Figure 1  
Range of team building interventions.



I. Interventions

Figure 2  
Levels or depths of interventions.

## I— Interventions

I. *Training*. Development of better techniques of communication and decision making. Usually very structured.

II. *Role Negotiations*. Team members negotiate turf issues, discuss what they need from one another, and clarify understandings of each other's functions. Usually structured.

III. *Substantive Work Issues*. What will be done and when; diagnosis of trust issues and leadership problems; review of decision making; personal feedback to each other. Semistructured.

IV. *Personality or Interpersonality Differences*. Analyzing and resolving strong interpersonal style or value differences, hard feelings, doubts about truthfulness, competence, or commitment. Semistructured.

As a manager who is interested in developing the most effective management team, consider the following:

Decide up front to have *several* team building sessions with the goal of developing strong bonds between team members.

Select a consultant who can handle all four levels of intervention over the course of several team building events.

Be clear with the consultant, at least on what level of intervention you expect from the session you are anticipating.

Make sure your consultant is qualified by demonstrated experience to work at the deeper levels.

Team building is a productive and satisfying experience, if both the manager/client and the process consultant know what they're doing. Certain types of ostensibly team building sessions are best avoided, however. These include sessions where

Tough disagreements aren't openly dealt with.

Dysfunctional interpersonal relationships or communication patterns aren't skillfully addressed and worked through.

The consultant overcontrols the meeting.

The issues being addressed are other than those that are uppermost in the minds of the participants.

The boss either doesn't understand or doesn't accept that he or she is part of the problem.

The consultant is afraid of a little strong emotion, whether tender or tough.

The goal is to train those taking part, rather than having them learn while working on real time, strategic, operational, or interpersonal issues.

It's a one-time blowout or catharsis, rather than part of a longer development process.

The boss and team can't influence the team building format.

The consultant lets the boss dictate what the team should work on.

The team expects the consultant to do its dirty work with the boss.

The consultant sets people up to risk more than they can afford to lose, i.e., suggests the room is safe and extracts promises of "no memory."

The consultant doesn't show by example the kind of openness, directness, and courage he or she desires of the team members.

The consultant isn't open to feedback from the team.

The consultant lets the boss get hung and dried out.

It turns into a "let's-fix-Joe" session, with or without Joe's invitation.

The boss thinks he or she can do the job, so a consultant isn't brought in.

The total environment is purely political.

How do you know if you've developed effective teamwork? In *Teambuilding*, William C. Dyer outlines the characteristics of failed teamwork. Ineffective teams will be characterized by such conditions as:

Domination by the leader

Warring cliques or subgroups

Unequal participation and uneven use of group resources

Rigid or dysfunctional group norms and procedures

A climate of defensiveness or fear

Uncreative alternatives to problems

Restricted communications

Avoidance of differences or potential conflicts

One might also add such characteristics as low ownership of unit goals, low energy expended in solving interpersonal problems, and the substitution of games and politics for authentic communication.

These symptoms of poor teamwork seem dramatic, but they point out factors that need to be dealt with. So how do you deal with them?

*Get the right players.* Without team members who are technically competent and socially willing to engage their colleagues, you won't have a team. Examine your team. Even one sorehead or unstable person can blow a team apart—or at least drive wedges between its members.

When a manager asks me to help improve a team, I always ask these two questions: "Are you happy with your team members' ability to do their jobs?" and "Do you have plans to replace anyone?" The first question is to protect the manager from taking an inappropriate risk, the second is to protect me from being fingered as the person responsible for an employee's termination or transfer.

*Stop selling and telling.* You remember the old saying that goes, "If I want your opinion, I'll give it to you!" Believe it or not, many managers think that it's their job to decide what's best for everyone—to tell them what it is and to sell it in any way possible, including "straightening out" everyone's thinking.

But selling and telling is a bad-risk approach to management, because it never sets the scene for using all the cylinders on your management team.

*Get off your high horse.* Don't confuse organizational ranking with human worth. In other words, don't "play at" being manager. Everyone knows you're the boss. So why not take the risk of being disagreed with or being criticized? If you use your title to threaten, the game's up. If you're going to have a team, you're going to have to get sweaty and become a total person with your colleagues.

*Encourage open evaluation of the team's efforts.* Take the dynamic risk of sitting with your direct reports and asking, "How are we doing? Am I getting in your way? Are we being open in here? Are we really listening to each other? Are our meetings effective, or could we do better?"

Open evaluations of this sort can lead to constant improvements, for members always have unspoken ideas about the team's process. Some of these ideas go unspoken for years. Others may be voiced casually in the rest room, but never are considered important enough to bring up a formal meeting. Get as many of these thoughts out in the open as possible by holding team discussions on a regular basis.

There are some telling arguments against taking the risks associated with teamwork. First, if you are fundamentally an autocrat, an aristocrat, dogmatist, an elitist, an introvert, or otherwise unaccustomed or averse to working in proximity with others, you may well have a tough time being the kind of manager I'm talking about. Only you, in your unique situation, can answer the questions of whether and to what degree.

The following summarizes the potential gains and losses of building a team:

Potential gains	Potential losses
Employees' self-discipline and control increase.	You have less control.
The group members take more risks and assume more responsibility.	Your authority becomes less clear.
Team members become more willing to pick up each other's slack.	Individual follow-through may be jeopardized when responsibility is joint.
There is better communication and synergy of effort among members.	Too much time may be spent in meetings.
Everyone can experience personal and professional growth.	Everyone, including you, becomes more vulnerable to criticism.
All team members receive accurate information and overviews of current situations.	Excessive time and too much energy may be spent on management concerns.

As manager, you'll make the calculations and take the risks, but given the characteristics of the new work force and employee's self-motivation and willingness to contribute to decision making and planning, team development is your safest risk in the long run.

Larry Tveten, Operations Vice President for Honeywell's Underseas Systems Division, has devised a set of team building expectations for his reports, which he put in a memo and distributed to all team members. These expectations, which apply well to virtually any team, include:

Improved working relationships leading to:

My doing a better job  
Closer communications  
More fun  
Coordinated actions/activities  
Openness to ideas  
Improved generation and implementation of strategies  
Synergism or competitiveness  
More fluidity between staffs  
Trust and respect  
Encouraged collaboration  
Shared commitment to goals and direction  
A glue that holds us together  
Better understanding of personalities/each other, e.g.:

- Likes/dislikes
- Motivations
- Abilities
- Needs
- Eccentricities
- Concerns
- Priorities
- Aspirations

15—

## Using the Search Conference Technique for Team Socialization and Strategic Planning

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Teams are an increasingly important component of all organizations' operational effectiveness (J. R. Katzenbach and D. K. Smith, *The Wisdom of Teams*, Boston, Harvard Business School Press, 1993). Historically, groups of people were joined together in order to facilitate work accomplishments, with little consideration for the socialization required in order to function effectively. As a consequence, group members often functioned independently with little integration, interdependency, or synergy. As the importance of effective team functioning became more obvious, the need for more effective socialization and team building was recognized.

Often with the early formation of teams, group members were put through team-building exercises that focused on developing norms of intention and work processes in anticipation of actual task activities. Although entertaining and appropriate in terms of context, they left many members amused and unable to link the exercise with anticipated group activities. The process turned into games and was viewed simply as a diversion from the real activity—the group tasks.

The search conference technique (SCT) offers groups wishing to function more effectively as teams a socialization and value clarification exercise that has immediate task significance. Developing a team's strategic plan, which incorporates the identification of key values held by group members regarding the activities of the group and the environmental context for the group's work, has an obvious direct benefit to the team's activities. The SCT forces team members to focus on the future and to identify ideal scenarios for team members and compare them with "probable" scenarios, which often reflect little of the team members' initiative. Strategic planning is designed to focus on the future as possibilities and to reduce the uncertainty of decision making in the present and in the future in order to achieve this possibility.

The SCT allows team members to develop a list of strategic factors and issues that will determine the team's immediate and longer-term success. By defining an initial team-building (socialization) activity as a strategic planning initiative, the SCT can be an effective team-building and organizational development activity.

The search conference can be very effectively used as a structured, nonthreatening team-building exercise. By providing a relatively easy task (looking at environmental trends in the present and the implications these have for the group in the future), participants can position around issues critical to them in a safe, nonthreatening way. The SCT allows at least three separate forums for people to highlight issues of concern to them in a nonadvocacy manner. It allows other members to become exposed to the critical issues identified by team members indirectly through the structured SCT process.

The process legitimizes the various perspectives held by participants and facilitates improved communication among team members. The task-oriented process generates useful product, which alleviates the concern often raised by teams to hypothetical or contrived exercises.

The task of each search group is to examine the future and assess its impact on them as managers.

The search group starts with participants asked to reflect on the world at large—the important trends locally and globally—and to share their observations on what is viewed as significant. These may be categorized as social, political, technological, economic, or environmental, or any other such categorization that may be appropriate given the ultimate question(s) you wish to have the group respond to. Some indication should be given by participants as to whether they feel the trend they've identified is currently increasing or decreasing. The purpose is not to debate or discuss any particular issue, but to build up an inventory of personal statements of observations. A recorder is asked to write up statements verbatim on newsprint, whiteboard, or other commonly observed board.

This nonadvocacy method of data collection facilitates the sharing of personal positions of participants on the range of issues and trends in a low-risk environment as well as the generation of relevant trends identified by a cross section of managerial participants. Obviously, the accuracy of the data generated is dependent on the quality and insight of the participants. The more senior, the more informed, and the more aware, the more accurate the data collected.

Participants are then asked for any further comments, missed issues, or observations. The more the list can reflect the range of issues and trends, the more effective its use. At this point, it may be useful to discuss the value of exploring issues relating to the work context with the representative managers. The interactive nature of open systems can be discussed as well as a lead-in to the next step of the process dealing with futures.

Randomly divide search groups into two groups of approximately equal size. The various search groups are now asked to independently explore futures based on this overview of issues and trends. The futures component of the search conference has the following two parts:

1. Probable futures—"What is likely to happen locally in the next ten years?" (assuming that trend lines identified are extended). The future envisioned is a continuation of existing trends and assumes no radical or discontinuous change in terms of the following three applications (if appropriate to the exercise):

- a. Goals and objectives of the team (or organization)
- b. Operations/structure/procedures
- c. Programs and/or services provided

2. Desired futures—"What would you like to have happen locally in the next ten years?" (within the realm of what is possible, given present technology). This is not meant to exclude discontinuities, systems breaks, or new insights. If one had a magic wand, what would be possible? The idealized future should also be defined in terms of the following three applications (if appropriate to the exercise):

- a. Goals and objectives of the team (or organization)
- b. Operations/structure/procedures
- c. Programs and/or services provided

Each of the two subgroups is assigned a different future to address. Group A is asked to address the probable futures and group B is asked to look at the desired futures. Each is to appoint a scribe and a representative to report back to the common plenary. This format allows participants to position around their own view, much as they were able to do in the first section of the search conference but now in a group half the size of the original search group, and in response to a different but related question. The subgroups are asked to refine, summarize, and cluster respective futures into themes for reporting back into search group plenary.

When the subgroups A and B convene, each reports on its respective future. Participants are

asked to identify areas of convergence and divergence between the two groups—where they agree and where they disagree. From the discussion on divergence and convergences, the facilitator can lead the group toward identifying major issues that will challenge the team in all sectors of the local environment in the next 10 years. This can be highlighted by taking representative examples and asking the search group whether or not it will present their team with a significant challenge and how this challenge might be seen and met.

This discussion should continue until the group is able to adopt the process and get the general idea of how to generate the challenges facing the team from the trends identified and the futures envisioned. This will ultimately allow team members to develop strategic scenarios to respond to these challenges.

The search group facilitator should then set up four groups, each with more or less equal representation from the two future groups to prepare for the next task of listing and prioritizing the major issues the team will face in the future. Each subgroup needs to appoint a scribe and a representative to report back in the search group plenary. The task for these groups will be to identify, based on the comparison of the trends and the two futures, the most critical issues that will confront managers over the next 10 years.

The search group convenes and the subgroups report back their discussion. Again, the process allows for people to position and advocate their views in a third setting in response to a third but related question, and in so doing, allows participants to feel listened to and valued for their contribution. When this occurs, participants will tend to become more cooperative and less defensive in the discussions. This increase in trust in the process through a reduction in the risk-taking consequences of discussion leads to more synergistic visioning.

In plenary, the facilitator has each group present its list and identify common concerns. The search group summarizes the input and attempts to organize it into a common list of issues, which becomes the basis of the development of strategic scenarios. For a further discussion of the search conference technique, consult the Appendix of this chapter.

If the facilitator has access to a computer laboratory, group decision support (GDS) software packages can be very effective applications of the SCT. The advantage of a computer based search conference is that the participants can progress through the questions independently and at their own speed. The data are entered anonymously, but once collected, can be read by all the participants. This allows everyone to react to the statements made by others, and it also allows the data to be grouped and summarized for later discussion and application. The negative feature of a GDS system is that it doesn't directly build trust among participants, although any ideas or opinions can be raised, as the author's identity is hidden.

In order to make it a positive and valid process, it is essential to have ground rules that are focused on providing positive, action-oriented comments and that do not accept negative or derogatory remarks of others. For teams that do have a history of positive intention, the candidness and "safe context" of anonymous responses may be unnecessary. When using a GDS computer process, a half day is usually sufficient to collect the data, which should be followed by a team session scheduled within a week to discuss the actions envisioned and to assign responsibilities for implementing the actions.

For virtual teams, a modification of the GDS process can be used, with a chat room established for discussion of the question identified. Participants then provide input to the question in the chat room during the period established by the facilitator for chat room discussion.

In summary, the SCT offers an answer to organizations wishing to more effectively envision the future and to generate a greater sense of "team." For those organizations wishing to survive today's economic challenge, the SCT is a valuable, participative future-generating opinion. It seems appropriate as a strategy for business planning, given the economic and competitive realities of the world today. Visionary organizational leaders appear to have realized that improving the level of education and training of their managers will increase their economic success. Tomorrow's managers will be even more able to take on greater responsibility for competitive and efficient operations. The search conference technique offers a proven way for this to happen.



**Appendix:**  
**Benefit Analysis of Search Conference**

**A—**  
**Benefits**

1. Can help a group of people with different values and views work effectively together on a common task and establish an effective process for team decision making
2. Provides a common goal focus, thereby reducing the "loser legacy" that occurs from win/lose conflicts
3. Recognizes that team members affected by planning or who will have responsibility for implementing plans through their participation in a search conference process have the best chance of providing commitment and ownership to solutions
4. Recognizes the importance of identifying and sharing values as a basis for effective team dynamics and for lasting planning decisions
5. Provides an environment in which those responsible for the planning process organizationally appreciate the value of the participative process in focusing participants on the uncertain future environment

**B—**  
**Characteristics**

1. Role. A search conference is usually one element in a longitudinal change or planning process (i.e., one that takes place over a substantial time period). As such, it is the *participation* component of the three essential inputs to change processes—*participation, leadership, and expertise*.
2. Task. There must be a clearly defined and understood task or problem as the basis of the SCT.
3. Values. A recognition by all parties that values and ideals are important, individually owned, and legitimate.
4. People. A search conference should include representatives of the full range of values relevant to the task in question; for example, the following:
  - a. In any corporate planning, organizational change, or merger situation, the ideal should be a representative diagonal slice through the organizational hierarchy with carefully selected representatives.
  - b. In a community situation, it may be necessary to ensure participation of all minorities.
5. "Planning experts" should be present only as resource people to the main group; the main group must be able to determine for itself the extent to which the experts should be allowed to participate.
6. All participants should be briefed in advance on the following:
  - a. The task
  - b. The process
  - c. The nature of the output that can be expected
7. The location
  - a. Should be a "neutral place," away from the normal work site
  - b. Should be residential if the search conference is of more than 1 day's duration
  - c. Requires a room capable of seating 20 to 30 people in *comfort*—there should be *no tables* and plenty of *wall space* for the "newsprint paper" records of proceedings
8. Duration
  - a. For children or handicapped people, 1 day may be adequate.
  - b. For academics or people used to working in a highly bureaucratic environment, up to 4 days may be required.
  - c. Ideally, 3 days are the most effective, starting after a good dinner on the first evening and finishing at lunchtime on the third day.

9. Resource people. It is generally desirable to have two resource people or conference managers, one of whom must be experienced in group processes and facilitation.
10. Preparatory work. The preparation for a research conference is most important. It involves
- a. Planning by the conference managers
  - b. Briefing of the participants
  - c. In most cases, preparation by either participants or managers of issue-raising discussion papers or in institutional situations, historical statements, or descriptions relating to the institution(s) involved

C—  
**The Process**

The stages in a typical search conference are as follows:

1. *Generation of a database of value statements.* This is done in a brainstorming mode in full plenary session for 1 to 2 hours (e.g., "Let's talk about the issues in the world we live in").
2. *Negotiation of values.* This will usually take at least a day. It can start by dividing the group into two smaller groups, one to look at probable futures and the other to look at desirable futures in relation to the domain in which the group task exists. The group as a whole is then asked to look for and negotiate convergences and divergences between the probable and desirable futures. There are no fixed procedures for this stage, however. There are only two rules.
  - a. The facilitators must be concerned with making the group step out of its own individual system in which conflict exists and look from the outside at the system interface.
  - b. A search group must not be allowed to move on to operational issues until it has established a basis of shared human values.

The success or failure of a search conference is totally dependent on the identification and recognition of shared human values. Sometimes it is necessary to hold a group in a very frustrated condition until the members recognize the central importance of such human values.

3. *Consideration of operational task.* This is done partly in plenary, partly in groups of five or more. The smaller the group, the more stress created. A useful indication of the extent to which values are shared is the acceptance by others of small groups reporting back in plenary session. If there is wholesale rejection, it will probably be necessary to recycle back to the value negotiation phase. As a final comment, search conference facilitators are only a resource to the group. They must not impose their views of the task; they must be totally sensitive and receptive to verbal and nonverbal messages, and they must be flexible to make changes in the program to suit the group but not to suit themselves.

4. *Caveats.*

- a. Do not try to run a search conference without having participated in at least one yourself.
- b. Participants must be selected with great care and be well briefed on what to expect.
- c. Search conferences are very good for producing human value-based guidelines as a basis for the development of action plans by a subset of the group with or without expert assistance. A search conference in itself will rarely produce such detailed action plans.

16—

**Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management**

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I—

**Introduction**

The purpose of this chapter is to provide the reader with an overall perspective on the conceptual and consulting aspects of that body of knowledge known variously as stakeholder theory, stakeholder management, stakeholding, stakeholder analysis, or stakeholder thinking. These concepts, and this way of conceptualizing organizations, bring a fresh approach to thinking about organizations, and provide a useful framework for managers and consultants who wish to improve the effectiveness of their organizations or clients.

A—

***Background and Overview***

Managers and consultants have long recognized that the broad environment in which organizations find themselves has an important effect on the management, operations, and success of those organizations. Over the years, the environment of business has been conceptualized and described in a number of different ways. The environment has been thought of in terms of subenvironments, such as economic, legal/political, social, and technological. It also has been thought of in terms of macro and micro divisions and strategic and operating divisions, as well as in other terms. In a major sense, stakeholder theory introduced yet another way to think about the organization's environment.

Stakeholder theory, or the stakeholder concept, depicts specific individuals and/or groups in the organization's environment as not only being various subenvironments, publics, or constituencies with which the organization must interact to be effective, but rather as individuals or groups who have definite stakes or investments in the enterprise. When viewed in this way, these stakeholders, like the owners or shareholders of the firm, have some important investments in the ongoing operations and goals of the firm, and, therefore, must be regarded more as though they were an integral part of the organization rather than external constituencies. In the context of the current discussion, we will treat stakeholder theory or stakeholder thinking primarily in terms of business enterprises. It should be noted, however, that the stakeholder approach is quite useful for not-for-profit or governmental organizations as well.

In a real sense, stakeholder theory grew out of a realization of the limitations of stockholder theory, or the stockholder model of the firm, frequently construed as built upon simplistic, short-term economic assumptions. It is not so much that the stockholder model is completely invalid, it is more that the stakeholder model more fully and accurately depicts and represents the reality managers find themselves in today. The stockholder model is deeply rooted in agency theory and fiduciary duty. In agency theory, it is held that managers (the agents) are "acting for" the owners

of the enterprise and that they owe a fiduciary responsibility or duty to the owners. Narrowly interpreted, this economic view would hold that managers should focus on stockholders' interests, not the interests of other stakeholders. A complicating factor here is whether one is discussing the short term or the long term. Stakeholder theorists would argue that the stockholder model is shortsighted and that tending to stakeholder interests is in the best long-term interests of the stockholders. They thus see no violation of agency theory or fiduciary duty. In the past three to four decades in particular, it has become evident from the growing body of management and marketing theory and research that concentrating on the needs and aspirations of employees and consumers, two of the major stakeholder groups, is indeed the most profitable way to attend to the stockholders' best interests.

Boatright (1997) points out that some critics of the stockholder view contend that the same conditions that create a fiduciary duty to serve the interests of stockholders also apply to other constituencies, with the result that a fiduciary duty is owed to these other constituencies as well. In this view, officers and directors may have a fiduciary duty to other investors such as bondholders to protect their investments, to employees to maintain remunerative employment, to consumers to meet their needs and to protect them from defective products, and so on. This notion is similar to what Goodpaster (1991) terms a "multifiduciary stakeholder orientation." Such arguments tend to support the stakeholder model as an alternative to the stockholder model.

Without going deeply into the history of the stakeholder concept, let us mark the modern era of stakeholder theory in the United States with the emergence of the popular book by R. Edward Freeman, *Strategic Management: A Stakeholder Approach* (1984). Although Freeman popularized stakeholder theory within the context of strategic management, since that time it has been found useful for thinking about general management theory, corporate governance, business and society relationships, marketing, and business ethics. In each of these arenas, a body of literature has grown over the past 10 to 15 years.

### **B— Values of the Stakeholder Approach**

It has been argued that use of the stakeholder approach or stakeholder theory constitutes a stakeholder model of the firm. Donaldson and Preston (1995) have articulated three aspects or values of the stakeholder model that are distinct yet interrelated. Thinking of the firm using stakeholder terms, they have proposed three values—descriptive, instrumental, and normative.

First, the stakeholder model is *descriptive*; that is, it identifies and describes the relationships the corporation or organization has with groups or persons with which it interacts. The corporation is a constellation of cooperative and competitive interests possessing intrinsic value. Understanding organizations in this way allows for a fuller description or explanation of how they function. Second, the stakeholder model is *instrumental*. It is useful in establishing the connections between the practice of stakeholder management and the resulting achievement of corporate performance goals (Harrison and St John, 1998). The fundamental premise here is that practicing effective stakeholder management should lead to the achievement of traditional organizational goals such as profitability, stability, and growth. Third, the stakeholder model is *normative*. In this perspective, stakeholders are identified by their interests in the organization whether or not the organization has any corresponding interest in them, thus in the normative view, the interests of all stakeholders are of intrinsic value. Stakeholders are seen as possessing value irrespective of their instrumental use to management. In summary, Donaldson and Preston (1995) assert that stakeholder theory is managerial in the broad sense of the term. It is managerial in the sense that it does not simply describe or predict but also recommends certain attitudes, structures, and practices that constitute stakeholder management, or managing according to the stakeholder model. Such an approach, which we are advocating here, necessitates the simultaneous attention to the legitimate interests of all appropriate stakeholders in the creation of organizational policies and practices.

### **II— Stakeholders and Their Characteristics**

Understanding the stakeholder approach to management necessitates a discussion of at least the following questions. What is a stake and a stakeholder? Who are businesses' stakeholders? How

might stakeholders be perceived or categorized? What are the relevant characteristics of stakeholders that management and consultants should consider?

**A—**

***What Is a Stake and a Stakeholder?***

To appreciate the concept of stakeholders, it helps to understand the idea of a stake. In traditional views of management, the exclusive stakeholder seems to be the shareholder—the owner or investor group. Their stake is financial in the sense that they financed the firm. In the stakeholder view, the notion of an individual's or group's investment in the firm is perceived more broadly. A stake is an interest in or a share in an undertaking. A stake is also a claim. A claim is an assertion to a right to something. A claim is a demand for something due or believed to be due, or owed. The idea of a stake therefore can range from simply an interest in an undertaking at one extreme to a legal claim of ownership at the other extreme. In between these two extremes are other claims to a right to something. This "right" might be a *legal* right to certain treatment rather than a legal claim of ownership such as that held by a shareholder. Examples of legal rights include those held by employees or consumers based upon a contract or law. Employees have legal rights based upon the contract they enter into and they have certain rights that are protected by law (e.g., minimum wage, nondiscrimination in employment, safety). Consumers have legal rights based upon product/service warranties and also upon law.

The stakeholder approach recognizes *moral* rights in addition to legal rights. Moral rights might be justified claims to certain kinds of treatment that are not established by law or extend beyond that provided by law. Judgments about the moral rights of employees and consumers, for example, might hinge on interpretations of what constitutes fairness, justice, or equity in relationships. An employee asserts a moral right when he or she claims "I've got a right not to be fired because I've worked here 30 years and I've given this company the best years of my life," or a consumer might claim "I've got a right to a safe product after all I've paid for this" (Carroll, 1996).

Given this discussion of what constitutes a stake, how might a stakeholder be defined? A stakeholder is an individual or group that claims to have one or more of the various kinds of stakes described above. Just as stakeholders *may be affected* by the actions, decisions, policies, or practices of a firm, these stakeholders also *may affect* the organization's actions, decisions, policies, or practices. With stakeholders, therefore, there is a potential two-way interaction or exchange of influence. In short, a stakeholder may be thought of as any individual or group who can affect or is affected by the actions, decisions, policies, practices, or goals of the organization (Carroll, 1996, p. 74).

**B—**

***Who Are Business's Stakeholders?***

In today's business environment, there are many individuals and groups who are business's stakeholders. From the business point of view, there are certain individuals and groups that have legitimacy in the eyes of management; that is, they have a legitimate interest in or claim on the operations or practices of the firm. The most obvious of these groups are shareholders, employees, and customers. From the standpoint of competitive strategy, competitors might be added to this list, and from the vantage point of strategic alliances, suppliers might also be added. Considering the highly pluralistic society that characterizes the modern business environment, stakeholders might include not only these groups, but others as well, such as the community, the government, special interest groups, the media, society, or the public at large. It has also been strongly argued that the natural environment should be considered to be one of business's key stakeholders (Starik, 1993). In short, any individual or group, and possibly the natural environment, could be thought of as a stakeholder, and therefore it is necessary to develop a means by which managers or consultants might organize or categorize stakeholders in terms of their types and priorities.

**C—**

***Ways of Categorizing Stakeholders***

There are a number of ways in which analysts might categorize stakeholders to facilitate effective analysis and management. Stakeholders might be thought of as internal versus external. Internal

stakeholders might include owners, employees, and management, along with various subdivisions of these groups. External stakeholders might include consumers or consumer groups, the community, special interest groups, suppliers, competitors, the government, and the media. Another way of thinking about stakeholders is whether they should be regarded as primary or secondary. For example, primary stakeholders have been defined as those individuals or groups that have a formal, official, or contractual relationship with the firm, and all others could be seen as secondary. Alternately, their primary or secondary status could be based upon some other criteria, such as urgency to the immediate situation or decision, their power, or their legitimacy. For example, a stakeholder could move from secondary to primary status when the urgency of a claim (as in the case of a boycott, a union strike, or a contaminated product) takes precedence over other considerations. In today's business environment, the media has the power to instantaneously transform a stakeholder's status with coverage on the evening news or unrelenting week-to-week coverage of a company or an issue.

At the 1994 Toronto Conference on Stakeholder Theory, an alternative scheme for classifying stakeholders was developed. In this scheme, stakeholders are thought of as being core, strategic, or environmental. Core stakeholders are a specific subset of strategic stakeholders; namely, those that are essential for the survival of the firm. Strategic stakeholders were seen as those that are vital to the organization and the particular set of threats and opportunities it faces at a particular time. Environmental stakeholders were all others that formed the backdrop or general environment of the firm (Clarkson, 1998). These three categories could be perceived as a series of concentric circles with core at the center, strategic next, and environmental on the outside rings.

**D—**

### ***Stakeholder Characteristics and Categorization***

Closely related to the issue of classifying stakeholders are the pertinent stakeholder characteristics that management or consultants may need to consider and that form the basis for further classifications of stakeholders. Two issues of concern in Freeman's classic book were the stakeholders' legitimacy and their power (Freeman, 1984), perhaps building on Weber's distinction between legitimacy and power in discussing authority. It became apparent at the 1994 Toronto Conference on Stakeholder Theory, organized by the late Max Clarkson, that urgency was another vital attribute that should be factored into management's considerations. Mitchell, Agle, and Wood (1997), building upon this previous work, postulated that these were key constructs in a theory of stakeholder identification and salience.

*Legitimacy* has to do with the right of the stakeholder to hold his or her stake. It has to do with the appropriateness and relevance of the stakeholder's claims vis-à-vis others' claims. Legitimacy has to do with the generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed systems of norms, values, or beliefs (Suchman, 1995), thus in stakeholder management a stakeholder's legitimacy must be assessed.

*Power* as a stakeholder attribute has to do with the stakeholder's ability to produce an effect on the company under discussion. There are many bases for power. Stakeholders that are powerful include those with extensive resources and those with high visibility. For example, a large institutional investor (trust, foundation) would be much more powerful than an individual shareholder who owns 200 shares of stock. As Etzioni (1964) has argued, bases for power could include coercive (force/threat), utilitarian (material incentives), or normative (symbolic influences).

*Urgency* may be defined as the "degree to which stakeholder claims call for immediate attention." Urgency could be based on the need for a timely response, or it could refer to criticality, the importance of the claim or the stakeholders' relationship to the organization (Mitchell, Agle, and Wood, 1997).

A stakeholder typology may be set forth based upon whether one, two, or three of the above attributes are present (Mitchell, Agle, and Wood, 1997). A stakeholder with only power might be called a dormant stakeholder. One with power and legitimacy might be called a dominant stakeholder. A stakeholder with only urgency might be called a demanding stakeholder. One with urgency and power might be termed a dangerous stakeholder. A stakeholder with only legitimacy might be

called a discretionary stakeholder. One with legitimacy and urgency might be termed a dependent stakeholder. Finally, a stakeholder with all three attributes present might be termed a definitive stakeholder.

In summary, there are a number of different ways of thinking about stakeholders and their stakes. In considering management strategy, operations, or ethics, a careful analysis and thoughtful reflection upon stakeholder characteristics and the ways in which stakeholders might be categorized based upon their attributes can go a long way toward helping managers and consultants diagnose organizational problems and improve organizational effectiveness.

### III—

#### **Key Questions for Stakeholder Management and Consultation**

The managers of a firm have the responsibilities of establishing its overall direction (goals, values, strategies, policies, operations) and seeing to it that these plans are carried out. Consequently, managers have both long-term and short-term responsibilities. Before the stakeholder view of the firm became necessary, the social and competitive environments were stable and management's task was relatively straightforward. Today, stakeholder management has become necessary and inevitable as many different groups demand to be recognized and satisfied.

Experts have long known of the importance of managing people and consumers as an avenue of organizational success. In one sense, then, the premise of stakeholder theory is to expand the organizations' horizons and managers' thinking to be inclusive of other stakeholder groups and to see that these are groups that have a legitimate investment or stake in the enterprise's operations, as well as the power to effect change. One could also argue that perhaps managers have been "doing stakeholder management" for decades, albeit in a piecemeal fashion, not fully perceiving the integral nature of working with stakeholders. What has been learned, however, is that today many diverse groups expect and demand to be treated as a vital part of the organization's success. While still recognizing the primacy and necessity of profits as a return on the shareholder's investments, we have also seen growing claims of other stakeholder groups—claims and expectations that they assume will be satisfied as well.

With these perspectives in mind, it is useful to approach stakeholder management with the idea that managers can become successful stewards of stakeholders' resources by gaining knowledge about stakeholders (stakeholder analysis) and using this knowledge to predict and deal with their behaviors and actions. Our ultimate goal is to manage organizations in such a way that they are effective, efficient, and ethical, thus the important functions of stakeholder management are to describe, to understand, to analyze, and to manage.

Five major questions are useful for capturing the essential information that is needed to fulfill stakeholder management or to engage in stakeholder thinking (Carroll, 1996). Whether one is a manager or a consultant, these questions help flesh out the essentials. These five questions include:

1. Who are the organization's stakeholders?
2. What are the stakeholder's stakes?
3. What opportunities and challenges do the stakeholders present to the firm?
4. What responsibilities (economic, legal, ethical, and philanthropic) does the firm have toward its stakeholders?
5. What strategies or actions should the firm take to best deal with stakeholder challenges and opportunities?

### A—

#### ***Who Are the Organization's Stakeholders?***

A key task is to analyze the organization and its environment to determine who constitutes its stakeholders. To answer this question fully, management must not only identify generic stakeholder groups (shareholders, employees, consumers, etc.) as we have previously discussed, but also must identify specific relevant subgroups. Within every generic stakeholder group, which are basically

common to all businesses, are specific groups that may vary in terms of their legitimacy, power, and urgency. For example, a firm may need to specifically identify the subgroups of each generic group and analyze how the subgroup might place expectations or pressures on the firm.

Several examples of subgroups of generic groups would be as follows. For the generic group of *owners*, a corporation might have the following subgroups: trusts, foundations, mutual funds, board members, management owners, employee pension funds, and individual owners. For the generic group of *employees*, a corporation might find it useful to think of them in terms such as the following: young, middle-aged, older, women, men, minorities, disabled, unions, and special interest. For the general group known as *community*, subgroups might be schools, local government, Chamber of Commerce, local newspapers/radio, United Way, Citizens Against Taxation, residents who live close to the plant, and so on. For the generic group of *social activist groups*, relevant subgroups might include Friends of the Earth, MADD (Mothers Against Drunk Driving), American Civil Liberties Union, Judicial Watch, and Consumers Union. In short, companies must not only identify their generic stakeholder groups, but their specific ones as well, and this may require some creative thinking.

**B—**

#### ***What Are the Stakeholder's Stakes?***

Once both generic and specific stakeholders have been identified, the next challenge is to identify the stakes of the various groups. Even groups and individuals in the same generic category often have different specific interests, concerns, perceptions of rights, and expectations. Management's (or the consultant's) challenge here is to identify the nature/legitimacy, power, and urgency of the stakeholder's stakes. Some judgments about legitimacy are clear, however, many are not. Within one stakeholder category, for example, it may be difficult to prioritize claims of legitimacy. For example, an institutional owner of stocks (trusts, foundations, universities) may be no more legitimate than an individual owner of 100 shares. This is why it is frequently necessary to consider other criteria, such as power or urgency. When power or urgency are factored in, the institutional investor, representing the holdings of millions of shares, has significantly more power and urgency. (The fund manager could quickly disinvest, thus affecting the share value of the remaining stock.)

At this stage in the process of stakeholder analysis, consideration must be given to whether the stakeholder's stake is just a casual interest, the potential to be affected by the organization's actions, an ownership interest, a legal claim, or a moral claim. The stakeholder's stakes therefore must be carefully analyzed.

**C—**

#### ***What Opportunities or Challenges Do Stakeholders Present?***

Stakeholders may present an opportunity (perhaps in the form of cooperation) or a challenge (perhaps in the form of a threat) to the concerned organization. In many respects, these represent opposite sides of the coin when it comes to stakeholders. Opportunities may exist in the form of the potential for building good, productive working relationships with stakeholders. Savage et al. (1991) describe how Ross Laboratories, a division of Abbott Laboratories, was able to develop a cooperative relationship with some critics of its sales of infant formula in Third World countries. Ross and Abbott convinced these stakeholder groups (UNICEF and the World Health Organization) to join them in a program to promote infant health. Other firms, such as Nestle, did not develop the potential to cooperate and suffered from consumer boycotts.

More often than not, it seems, companies see stakeholders as posing challenges or threats. Consumers complain, join activist groups, write letters to the newspaper and other media, file lawsuits, and quit doing business with the firm. Employees join unions; stage strikes, pickets, or walkouts; steal from employers; quit; protest to the media; file lawsuits; and so on. Special interest groups embarrass the firm with adverse publicity, boycotts, the use of local and national investigative journalism opportunities, and so on.

In terms of analyzing stakeholders' potential for threat or cooperation, Savage et al. (1991) argue that there are a number of factors that increase or decrease stakeholders' potential for threat



or cooperation. Several illustrations are useful. Regarding the *potential for threat*, the following may increase the potential: the stakeholder is more powerful than the organization or the stakeholder is likely to take nonsupportive action. The following may decrease the potential for threat: the stakeholder does not control key resources, the stakeholder is less powerful than the organization, or the stakeholder is unlikely to form any coalition. Regarding the *potential for cooperation*, the following increases the potential: the stakeholder is likely to take action (is supportive of the organization) or the stakeholder controls key resources (is needed by organization). Regarding the potential for cooperation, the following decreases the potential: the stakeholder is unlikely to take any action, or the stakeholder is likely to take nonsupportive action. In sum, to carefully understand the potential for collaboration or the possibility of threat, the stakeholders must be carefully identified, their stakes prudently assessed, and their potential for cooperation or threat cautiously assessed.

**D—**

***What Responsibilities Do Firms Have toward Stakeholders?***

Responsibilities that firms have toward stakeholders may be assessed in terms of Carroll's four categories of economic, legal, ethical, and philanthropic responsibilities (1979; 1991), which span a range of expectations that stakeholders and the public have for business organizations. To systematically answer this question, it is possible to envision a grid with these four categories or types of responsibilities along one axis and a list of stakeholder groups along the other. If the analysis is primarily aimed at the firm's economic or strategic performance, the focus should be on the economic category (concern for financial performance). If the analysis is concerned with the firm's social responsibilities, the focus should be on the legal, ethical, and philanthropic performance (concern for society or social performance).

Of course, all these categories of performance are interrelated and contribute to the overall performance of the enterprise; however, breaking them out into the four different types of responsibilities toward the various stakeholders provides a type of analysis that may be useful to analyzing and understanding the challenges facing the firm.

**E—**

***What Strategies or Actions Should Management Take?***

Once responsibilities have been assessed, a business must contemplate strategies and actions for dealing with its stakeholders. In every decision situation, a multitude of alternative courses of action are available, and management must choose one of several that seem the best. In the previous step, a decision had to be made as to whether it was the organization's economic, legal, ethical, or philanthropic performance that was at stake. In addition, the focus could have been driven by a concern for one of the major stakeholder groups—employees, consumers, shareholders, the community, and so on. Once these basic determinations have been made, the organization faces several possible generic strategies that may be pursued for dealing with stakeholders. Macmillan and Jones (1986) pose four important questions or strategies, including the following:

Do we deal *directly* or *indirectly* with stakeholders?

Do we take the *offense* or the *defense* in dealing with stakeholders?

Do we *accommodate*, *negotiate*, *manipulate*, or *resist* stakeholder overtures?

Do we employ a *combination* of the above strategies or pursue a *singular* course?

A careful analysis of the advantages and disadvantages of these strategy choices should indicate which one or several of them to employ.

If we return to the previous concept of thinking of stakeholders in terms of their potential for threat or potential for cooperation, another way of visualizing possible strategies emerges (Savage et al., 1991). These researchers have proposed a two-by-two matrix depicting a typology of organizational stakeholders and resultant strategies for dealing with them. On one axis is the stakeholder's potential for threat to the organization (divided into high and low) and on the other axis is the stakeholder's potential for cooperation with the organization (divided into high and low). The result is four stakeholder types and recommended strategies for dealing with each of the four types.

Stakeholder type 1 is low on threat and high on the potential for cooperation. This type is named *supportive* and the recommended strategy is *involve*.

Stakeholder type 2 is low on threat and low on the potential for cooperation and is named the *marginal* stakeholder. The recommended strategy is *monitor*.

Stakeholder type 3 is high on potential threat and low on potential cooperation and is named *nonsupportive*. The recommended strategy is *defend* (against).

Stakeholder type 4 is high on both potential for threat and cooperation and is named a *mixed blessing*. The recommended strategy is *collaborate*.

The authors summarize their position regarding these four stakeholder types as follows: "managers should attempt to satisfy minimally the needs of marginal stakeholders and to satisfy maximally the needs of supportive and mixed blessing stakeholders, enhancing the latter's support for the organization" (p. 72).

#### IV—

### Effective Stakeholder Thinking and Management

Both managers and consultants are concerned about solving organizational problems and improving organizational effectiveness. The above discussion has established a foundation for understanding stakeholder thinking, theory, and management. At this point we will consider several concepts that are built upon this foundation and that are key to appreciating the stakeholder approach.

#### A—

### Stakeholder Thinking

In 1994, Juha Näsi, a Finnish professor and writer, advanced the notion of stakeholder thinking with an international conference held in Finland (Näsi, 1995; Carroll and Näsi, 1997). In addition to tracing the roots of stakeholder theory to Scandinavia in the mid-1960s, Näsi articulated a concern for stakeholder thinking that would be useful as a complement to the evolving notion of stakeholder theory. At this stage of development, Näsi said, "let us take theory to mean rather loosely a set of propositions which defines certain concepts and their interconnections." He went on to say that "by stakeholder thinking, we mean a way to see the company and its activities through stakeholder concepts and propositions. The idea then is that 'holders' who have 'stakes' interact with the firm and thus make its operation possible" (Näsi, 1995). Näsi seems to be suggesting that stakeholder thinking—that is, thinking in stakeholder terms using stakeholder concepts—is a useful way of analyzing organizations even if we fall short of using a fully developed stakeholder theory of the firm.

The importance of stakeholder thinking was further supported by this writer, who at the Finland conference argued as follows:

The general theme of stakeholder thinking is an appropriate and effective way of articulating a whole host of concerns which surround the stakeholder concept or the stakeholder theory of the firm. More than anything else, it seems, the stakeholder concept envisions a way of thinking about organizations and managers' actions within and about organizations. More particularly, stakeholder thinking provides a concept for articulating, expressing, analyzing, and understanding managers in their relationships with individuals and groups "out there in the environment" known as stakeholders. At a broader level, stakeholder thinking helps us understand the business and society relationship (Carroll, 1995).

In summary, it could be argued that stakeholder thinking is a valuable asset in analyzing organizations and in providing a language, some concepts, and some ideas that are useful for descriptive, instrumental, and normative purposes.

#### B—

### Stakeholder Management Capability

Another way of thinking about stakeholder approaches to management is the use of what Freeman (1984) termed stakeholder management capability (SMC). Through this concept, Freeman suggests

that managers and firms may reside at three levels of stakeholder management refinement or sophistication. Level 1—the rational level—simply entails the company identifying who its stakeholders are and what their stakes happen to be. This is the level of stakeholder identification, and actually represents a very basic level of stakeholder management. Most organizations know who their stakeholders are, but many have not carefully analyzed the nature of the stakes or their attendant power or urgency. Starik (1990) has referred to Freeman's first level of SMC as the component of "familiarization" and "comprehensiveness," because managers operating at this level are seeking to become familiar with their stakeholders and to develop a comprehensive assessment as to their identification and stakes.

Level 2 of SMC is the process level. At this level, organizations go a step further than level 1 and actually develop and implement organizational processes by which the firm may scan the environment and receive relevant information about stakeholders that is then used for decision-making purposes. Typical approaches used here include portfolio analysis processes, strategic review processes, environmental scanning, and issues management. Starik has called Freeman's second level the level of "planning integrativeness," because management focuses on planning processes for stakeholders and integrating a consideration for stakeholders into decision making. Level 3, the highest level of SMC, is the transactional level. This is in a sense the bottom line for stakeholder management—the extent to which managers actually engage in transactions, or relationships, with stakeholders. At this highest level of SMC, managers take the initiative in meeting stakeholders face to face and strive to communicate with them and to be responsive to them and to anticipate their needs. Starik refers to this level as the "communication" level, which is characterized by communication proactiveness, interactiveness, genuineness, frequency, satisfaction, and resource adequacy. Resource adequacy refers to management actually spending resources on stakeholder transactions.

The idea of strategic management capability is useful because it depicts on a continuum the levels through which managers and organizations might grow and mature in stakeholder management effectiveness.

### C— *Stakeholder Symbiosis*

The topic of stakeholder symbiosis recently has been highlighted by the Best Practices for Global Competitiveness Initiative (BPI), created and launched in 1997 by the American Productivity and Quality Center (APQC), the European Foundation for Quality Management (EFQM), Arthur Andersen, and *Fortune* Custom Projects ("Best Practices for Global Competitiveness," March 30, 1998). The group's first year's theme was "driving growth through innovation, alliances, and stakeholder symbiosis." Stakeholder symbiosis was defined as an emerging concept that recognizes that all stakeholders are dependent on each other for their success and financial well-being. This notion that there is an interdependence among employees, suppliers, customers, shareholders, and society made some of the executives in the first year's panel somewhat uncomfortable. Many of them felt more comfortable with the idea of stakeholder management than with stakeholder symbiosis.

Nortel's David Ball cited the power of treating all stakeholders as part of the system leading to corporate success—not necessarily as equal stakeholders. Ball argued how his company had learned from benchmarking and research that best-in-class companies pay as much attention to data about employee and customer satisfaction as they do to data on current financial performance. This is based on the assumption that these measures are leading indicators of future business success. There seemed to be strong agreement among the executives that paying attention to key stakeholders paid off for the companies. The strongest symbiotic relationships seemed to be among employee satisfaction, customer satisfaction, and profitability. Though in discussions the program participants seemed to give five key stakeholder groups equal importance, a survey by Arthur Andersen documented that the executives felt there were two tiers of stakeholders—customers, employees, and shareholders in the first tier, and suppliers and society in the second tier. In this survey, customers dominated the importance ranking of stakeholders with 71%, while shareholders and employees were virtually tied at 49% and 48%, respectively ("Best Practice for Global Competitiveness,"

p. S3). In summary, the notion of focusing on stakeholders needs was deemed an important and vital one, but there was considerable reluctance to place all stakeholders on an equal standing.

**D—**

### ***Stakeholder Assessment and Measurement***

If stakeholders' opinions are important, it should come as no surprise that managers and consultants would desire to assess and measure stakeholders' opinions and impacts. It is useful to look at the work of one major company as an example of what is possible in this arena. WalkerInformation, an Indianapolis-based global firm specializing in measuring and managing stakeholders, has had a firmly established reputation in the area of customer satisfaction measurement, and has diversified its strategy to develop measurement tools, methodologies, and methods for assessing and measuring stakeholders' opinions and satisfaction. WalkerInformation's model focuses on the importance of corporate reputation and the role internal and external stakeholders play in affecting reputation. Walker defines corporate reputation "as the reflection of an organization as seen through the eyes of its stakeholders and expressed through their thoughts and words" (WalkerInformation, 1998, p. 1).

The argument presented by WalkerInformation substantiates the points made previously in this discussion, namely, that a firm's reputation and treatment of its stakeholders is associated with the bottom line of financial success. The assessment of stakeholders and the measurement of their attitudes and opinions is therefore a vital component to effective management. Walker's "Reputation and Stakeholder Assessment" program employs a diagnostic model based on decades of research into customer satisfaction, value, and quality meshed with years of research into corporate character, citizenship, and reputation. The model can be applied across industries and markets, yet tailored around an in-depth understanding of one company's specific circumstances. A major deliverable of the assessment is a report showing a company's reputation relative to that of its competition and world-class leaders in other industries. The company gets an at-a-glance reference to see how it is rated across multiple stakeholder groups. The fact that stakeholder measurements are taking their place among the other products of major research and consulting firms demonstrates that it is an idea whose time has come and we expect to see more of this in the future.

**E—**

### ***The Stakeholder Corporation***

A useful way to conclude this overview of stakeholder theory, thinking, and management is by reference to *The Stakeholder Corporation: A Blueprint for Maximizing Stakeholder Value*, a book by Wheeler and Sillanpaa (1997). In many respects one could argue that this would be the natural and logical conclusion to the evolutionary application of stakeholder theory, concepts, and thinking in practice. A brief review of Wheeler and Sillanpaa's thoughts follows. The authors assert that they have no doubt that stakeholder-inclusive companies will outperform stakeholder-exclusive companies with increasing ease in the twenty-first century.

The authors present examples of best practices from around the world that they believe demonstrate beyond reasonable doubt that stakeholder-inclusion leads to better long-term business performance, including increased economic value for shareholders. The authors argue through examples from the United States and the United Kingdom that stakeholder-inclusive firms have fared better than "shareholder first" companies during most of the twentieth century. They argue that the notion of stakeholding in business is not collectivist, nor is it soft in the noncompetitive sense; rather, they believe it is based on a "sophisticated view of the company as a social vehicle whose speed and steering are dependent upon careful reading of the road signs and the behavior of other road users" (p. xi). A careful reading of this book provides practical insights into how stakeholder theory and thinking may be incorporated into organizational practice.

**V—**

### ***Consulting Aspects of Stakeholder Theory***

It should be apparent by now that there is a variety of ways in which the stakeholder approach can be useful in consulting; however, we will present this summary suggesting some key points to keep in mind regarding the consulting aspects of stakeholder theory.

A—

***Understanding the Client's Organization***

Stakeholder theory is useful to consultants in understanding the organization and all of the different constituent groups that may be contributing to organizational problems or who may need to be addressed in recommending courses of action. Golembiewski (1993) has argued, for example, that "the effective consultant will have a good map of all those with stakes in the outcomes and processes of each specific set of consultation activities." Understanding stakeholder characteristics and the various ways in which they may be categorized is helpful at this stage. Level 1—the rational level—of SMC applies here. Relevant questions, discussed earlier, include "Who are the organization's stakeholders?" and "What are their stakes?"

B—

***Problem Identification and Analysis***

Stakeholder theory is also useful in identifying organizational problems and analyzing these problems in the context of their occurrence. As Schein (1993) has argued, as organizations become more complex and diverse and as the pace of change accelerates, "the problems that organizations will face will become harder and harder to decipher." A relevant question here is what opportunities and challenges the stakeholders present to the organization. Part of the analysis may be addressed in the following question: "What responsibilities (economic, legal, ethical, and philanthropic) does the firm have toward its stakeholders?"

C—

***Recommending and Implementing Courses of Action***

Since multiple stakeholders often contribute to organizational problems and typically are involved in implementing solutions, the stakeholder frame of reference is valuable. The stakeholder approach ensures that all individuals and groups are taken into consideration in recommending courses of action and in implementation. Stakeholders have the power to influence the outcome of consulting efforts, therefore it is imperative that they be considered in recommending and implementing courses of action. A careful analysis of their legitimacy, power, and the urgency of their expectations and claims will facilitate the implementation of changes. If problems are traceable to stakeholders, a relevant question becomes what strategies or actions the firm should take to best deal with stakeholder challenges and opportunities. Recommendations may entail both SMC's level 2—process level—and level 3—transactional level—to effectively address problems.

D—

***Compatibility with Various Consulting Models***

Stakeholder theory, or the stakeholder approach, is compatible with different models of consulting. We will briefly consider stakeholder theory's compatibility with the three models of consultation presented by Schein (1993). Schein identifies and describes three types of consulting models: model 1—consultants as content experts; model 2—consultants as doctors; and model 3—process consultation, the consultant as helper or therapist.

In model 1—consultants as content experts—stakeholder theory could play some limited role in gathering information as to what may be the basis for better understanding stakeholder relationships or organizational problems. The approach of stakeholder assessment and measurement used by WalkerInformation, described earlier, for example, illustrates this point. In model 1, stakeholder theory would be basically limited to what Schein refers to as "information services," wherein the consultant provides information that clients want.

Schein's model 2—consultants as doctors—depicts the consultant being called into the organization to investigate a given department, a given problem, or the entire organization to check its overall health or to determine why certain things are not working as they should. In this model, the client has conducted the initial diagnosis and then empowers the consultant to figure out what is wrong and what should be done about it. The consultant's role becomes akin to diagnostic and prescription services. Stakeholder theory is quite applicable in this model. Stakeholder theory pro-

vides an excellent approach whereby consultants may analyze the organization, using many of the concepts and approaches described earlier.

In Schein's model 3, he envisions the consultant serving as a helper or therapist. This model is referred to as process consultation. In this model, the consultant and client must become a team, working through the process of addressing problems and recommendations for improvement. To ensure that the client is on board, this model would require that the client understand and accept the stakeholder model and stakeholder thinking as a basic management paradigm. For stakeholder theory to be useful in this model, considerable buy-in from the client is essential if the process consultation is to work. If the client cannot accept the stakeholder model, it is doubtful that this approach would be useful as a frame of reference for the process consultation.

In summary, it is evident that the stakeholder approach may be useful to consultants as they work through the traditional steps in the decision-making or problem-solving process. Further, stakeholder theory, or various elements of it, can augment consultation in alternative models of the consulting process. Depending on the model used, stakeholder theory may make more or less of a contribution to the effort. In any consulting enterprise, however, the stakeholder approach provides a useful perspective, a different way of framing and understanding organizations, some analytical tools, or possibly some templates for addressing particular issues or problems that the client may be experiencing.

## VI—

### Conclusion

It is becoming evident that stakeholder theory, concepts, management, measurement, and thinking are becoming staples to managers and consultants today as we approach the new millennium. There is growing support for the belief that the stakeholder model is increasingly becoming the most fitting and valuable for descriptive, normative, and instrumental purposes. Already the language of stakeholder theory has swept the world of organizations as more and more managers and analysts perceive the value of diagnosing and prescribing in stakeholder terms.

Theorists and practitioners alike will substantiate the model over time as concepts are refined and applied and results are noted. John Kay, director of Oxford University's School of Management Studies and founder and chairman of London Economics, a consulting firm, is one of Britain's leading management thinkers and a strong advocate of stakeholder thinking. On the issue of why business executives still talk in shareholder value terms, Kay observes: "The way companies in fact behave is more in accordance with a stakeholding view of the company, in which the company goal is to be a good business—and balance customer, supplier, shareholder, and other stakeholder's interests—rather than to generate shareholder wealth. Most successful managers I talk to are principally committed to running a successful business rather than to the maximization of shareholder value." Kay goes on to say that "making commitments to stakeholders can be a source of competitive advantage" (Kay, 1997, p. 134). Frank Walker, chairman of WalkerInformation, in a recent presentation at the Conference Board's 10th Annual Business Ethics Conference, also strongly argued that corporate character and reputation will be a strategic item in the business era we are moving to, and that business ethics and stakeholder management will be key ways by which effective organizations fulfill this quest (Walker, 1998). From an academic and consulting point of view, and the perspective of a leading business executive, we see the case being built for the stakeholder model of the organization.

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17—

**Preentry Issues Revisited**

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It has been over 20 years since I first wrote about preentry issues in consultation (Cherniss, 1976). I argued then that consultants should address three questions before they begin a consultation: (1) Should I consult in this situation? (2) If I do consult, whose interests will I serve? (3) What will be my primary focus? I believed then that many consultants fail to adequately address these questions, and this adversely affects their work.

I still believe that it's important for consultants to think through these issues before they agree to work with a client, but I'm now aware of other preentry issues that I had not discussed in my original paper.

I—

**Consultants, Clients, and Conflict**

When I first wrote about preentry issues, I implicitly assumed that conflict is common in consulting relationships. I now recognize this fact even more clearly than I did before. Consultants and clients almost always disagree about some issues when they first come together. Consultation theory, however, glosses over this reality. By definition, consultation relationships are supposed to be collaborative, but this is a misleading truism, for there usually are areas of disagreement between any would-be consultant and a client. Even when the initial contacts are amicable, the goals, values, and perceptions are never totally compatible.

One potential conflict that consultants and clients should explore during the preentry phase concerns their definitions of the problem. The consultant needs to find out how her or his definition of the problem differs from the client's. Once the difference is clear, the consultant must decide how to deal with it. There are several options: discuss the difference with the client and look for a mutually agreeable resolution, go with the client's preferences, or don't consult. Many consultants get into trouble because they agree to consult without identifying how their definition of the problem differs from the client's.

Failure to understand how a consultant and client differed in their definition of the problem contributed to the demise of a consultation in a school district. The preentry phase began when the consultant gave a talk on job enrichment and motivation at a conference for school administrators. (An example of job enrichment applied to public school teaching would be to give teachers opportunities for developing their own minicourses on new subjects of special interest to them.) A school superintendent came up after the talk and said, "How would you like to try out some of your ideas in my district?" The superintendent liked the consultant's presentation because the superintendent had studied job enrichment as part of his doctoral dissertation. He had even written an article on the topic for a professional journal. There seemed to be much common ground between consultant and client.



The superintendent said, "I've got a lot of teachers in my district who have spent 10 to 15 years in the classroom. Most of these people were good, dynamic teachers in the beginning. But now many of them are just going through the motions. They're stagnating." The superintendent thought that job enrichment was a way to rejuvenate these teachers. The consultant agreed.

The consultant proposed that they set up a steering committee made up of teachers and administrators. The consultant would administer a survey to the teaching staff and interview a sample of teachers and administrators. Then the consultant would present the results of this assessment to the committee, and the committee would use the results to design a program. The superintendent accepted this proposal and secured the school board's approval.

The consultant believed that stress and job dissatisfaction contributed to midcareer stagnation. The survey questionnaire thus was a standard measure of teacher morale, and in the interviews the consultant concentrated on what teachers found most frustrating in their jobs. The steering committee also focused on problems that most directly concerned teacher morale—"lack of resources" and "insufficient teacher involvement in decision making" were two of the three problems that they ultimately chose to work on.

The consultant took a long time to realize that the client in this case did not share the consultant's beliefs about the importance of staff morale, but he began to suspect that there might be a discrepancy in their views when a teacher complained, "The superintendent is a cold, ambitious autocrat who's more interested in creating flashy programs than he is in making the school a good place to work." Other teachers expressed the same opinion. They also doubted whether the school board had any interest in making their working lives better. The school board president, who wielded a great deal of power, had been notably unsympathetic to the teachers' concerns in the past. The superintendent, however, raised no objections to the consultant's plan of action or to the steering committee's initial work.

A new superintendent took over midway through the year when the original superintendent accepted a job in another district. The new superintendent supported the project. In fact, he seemed to sympathize with the teachers more than his predecessor had.

The school board requested a progress report at the end of the first year. When he heard the report, the board president said, "I didn't realize this project was about improving teacher morale. I never would have agreed to it if I had. I don't think we should be doing things like this here." He then convinced the rest of the board to terminate the project.

The failure of this consultation points to the importance of exploring potential conflicts in perceptions, goals, and values before the entry process begins. The consultant made a major mistake in assuming that his thinking was compatible with the superintendent's and board's. The superintendent wanted to make teachers more enthusiastic and committed. The consultant wanted to improve the teachers' working conditions and morale. In the consultant's mind, these two goals were compatible: improved working conditions and morale would make teachers more enthusiastic and committed. Unfortunately, the client didn't share this view. The superintendent was willing to redefine job content but not alter authority relationships. Also, a history of stormy labor-management relations in the district had hardened attitudes and made the board unwilling to do anything that gave aid and comfort to teachers.

Some kind of helpful consultation might have been possible if the consultant had asked before entering the system, "What are the differences in perceptions, goals, and values that might affect the consultation, and how should these be handled?" Having recognized the differences, he either could have modified his approach so that it was more congruent with the administration's, or he could have pointed out the differences to the superintendent and negotiated a mutually agreeable resolution. If the consultant and superintendent could not reach agreement, then the consultant should not have consulted in this situation. The fatal error was assuming greater agreement than there actually was.

Even if there is no conflict in goals or values, consultants need to consider what the client is asking for and whether it is the best solution to the client's problem. Consultants should ask, "Should I give the client what he wants or expects?" For instance, if the client requests a workshop on "stress management," should the consultant agree to provide this? I have found that clients rarely know the best way to solve their problems. An administrator troubled by low morale, weak commit-

ment, and conflict among staff may think that a stress management workshop is a good solution, but it usually isn't; in fact, it may make things even worse.

Goodstein and Boyer (1972) described a case in which the client's initial idea about how to solve the problem was unwise. A deputy health commissioner was concerned about staff morale and conflicts with the administration in the local health department. He thought that "communications workshops" would help clear the air, and he asked Goodstein and Boyer to conduct them.

Goodstein and Boyer demurred until they had a chance to do some preentry assessment. After talking to some informants and reviewing articles in the local newspapers, they realized that communications workshops were unwise. They returned to the client and offered an alternative. They would conduct an assessment of the health department and then present recommendations on how to deal with the problems. The client accepted the proposal, probably with relief.

I have often found that potential clients are relieved when I politely suggest a course of action different from what they initially proposed. They rarely seem disappointed or miffed. I suspect that clients usually are unsure about their initial ideas, and they're reassured by a consultant who seems to know enough to suggest an alternative, but even if the clients were to become annoyed when the consultant suggested a different course of action, consultants shouldn't assume that what the client wants is what the client should get. There will almost always be a discrepancy between what the client proposes doing and what the consultant feels is best, and consultants need to address this discrepancy during the preentry phase.

If the differences between consultant and client are not great, consultants probably can ignore them and still be successful, but there is no way of knowing how great the differences are without exploring them, and this should occur as early as possible—preferably before the consultant agrees to consult.

It may sound elementary to advise that consultants explore potential conflicts during the preentry phase. Nevertheless, I have seen many consultants fail to do so. Most consultants don't want to irritate potential clients, and raising possible differences in perceptions, goals, or values during the preentry phase may irritate. The client may even decide not to hire the consultant. But if the consultant and client are able to tolerate the discomfort and resolve the conflicts, the chances of success will be much improved.

In my original formulation, I recognized that consultants might choose not to consult with a client because their values differed, but I now also realize how important it is to confront differences in perceptions, goals, or values during the preentry phase. Confronting differences between client and consultant is an essential task of the preentry phase.

## **II— Conflicts within the System**

Conflicts between the consultant and the client are not the only ones that consultants need to consider during the preentry phase. In my original paper, I pointed out that social systems are made up of different groups, and their interests aren't totally congruent. In schools, for instance, the teachers' interests differ in some ways from the students'. I wrote that consultants need to become aware of these differences during the preentry phase and decide whose interests they ultimately will serve.

I now realize that this issue is even more complex than I originally thought. It is not enough for consultants to decide whose interests they will serve. They also must think through how they will deal with the conflicts when they encounter them. A family therapist, for instance, may decide that ultimately she will serve the interests of the parent, for the family's well-being requires that parents feel comfortable and that their authority be maintained. Nevertheless, the therapist still must figure out how to "join with" the rebellious teenager and help parent and teenager work through the conflicts that divide them.

Consultants to organizations face a similar dilemma, and deciding whose interests they will serve goes only part way toward resolving it. They also must think through the consequences of that decision. How will those whose interests are not being served react to the consultant? How will the consultant deal with conflict between different groups within the client system? How will that conflict impinge on the consulting effort?

Another failed consultation in a school district helps illustrate what I mean. There had been a history of low teacher morale in this particular district, and the school board asked a new superintendent to make things better. The superintendent asked a consultant to help him. After conducting a survey, the consultant recommended that the school district establish a "cooperative decision-making committee," made up of teachers, board members, and administrators. He also recommended that the committee use a highly structured problem-solving process in which all decisions would be made by consensus.

The superintendent and board accepted the consultant's recommendations. The committee was formed and the consultant trained its members in how to use the cooperative decision-making process. The committee then met once a month. The consultant served as "facilitator."

It soon became clear that the committee included representatives of three different groups, and each had a different agenda. The teachers welcomed the committee. They were eager to communicate directly with central office administrators and board members. They wanted a chance to tell them about all of their frustrations. They also appreciated the fact that decisions would be made by consensus. They believed that this would give them more power.

Most of the administrators thought the committee was unnecessary. They believed that mechanisms already existed for dealing with the problems that came up in the committee. They also were uncomfortable with consensus decision making; they preferred making decisions unilaterally without having to obtain the approval of the teachers. They also wanted to get things done as efficiently as possible; when a problem was identified, they wanted to solve it quickly rather than spend so much time discussing and analyzing it in committee.

The board had still a different agenda. Board members hoped that the committee would make the teachers less cantankerous and more willing to take on additional burdens. They also wanted the committee to work on significant educational problems.

Although the superintendent was part of the administrative group, he was more sympathetic to the teachers' position than were any of the other administrators, but he also sympathized with the agendas of the other stakeholders. The consultant, like the superintendent, tried to be neutral.

The committee met for over a year and had few tangible accomplishments. The administrators and board members became frustrated and impatient with the turgid pace and lack of clear results, but the teachers felt that the committee was worthwhile. They had been able to air their grievances and gain perspective on some of their problems, and they felt that the consensus decision-making requirement safeguarded their interests.

The consultant realized that dissatisfaction was mounting within the group. He wanted primarily to serve the superintendent's interests; but the superintendent was ambivalent. The consultant also was in a quandary because his highly structured prescriptive model did not permit open airing of differences concerning the process itself. There was no built-in mechanism for periodically evaluating the committee and working through conflicts. The consultant had believed that the highly structured problem-solving process would resolve underlying conflicts in values and goals.

Just before one of the monthly meetings, the superintendent said to the consultant, "A number of people on the committee have told me that they are really unhappy with the way things are going. If things don't improve, the committee will be dissolved." When the consultant began the meeting, he unilaterally decided to set aside the regular process so that the members could evaluate the committee. The teachers were upset that the process was not being followed. They also felt threatened when administrators and board members expressed their frustrations. The consultant, trying vainly to find a resolution to the conflicts, ultimately became the victim; the teachers, administrators, and board members decided that the consultant was to blame for the group's problems, and they asked him to leave.

In this example, the consultant dutifully addressed the preentry question of whose interests to serve. He chose to align himself with the superintendent. He even anticipated that there would be conflicts among the other stakeholders, just as Kouzes and Mico (1979) predict in their paper on domain theory. Alderfer (1987) also has recognized the importance of such conflicts in his intergroup theory. The consultant was familiar with these works and realized that conflicts lurked beneath the surface, but he failed to anticipate how much the conflicts would produce tension and dissatisfaction. He also had not worked out a way of addressing this tension when it did emerge. He believed that

his highly structured "collaborative decision-making model" would help the committee resolve conflicts and keep tension manageable.

The consultant made a mistake that, according to Sarason (1972), others have made when creating "new settings"—he did not adequately anticipate interpersonal conflicts or create viable mechanisms for dealing with them. Sarason has argued that this failure contributes to the demise of many collaborations, from marriages to national governments.

What Sarason wrote about other settings applies equally well to consulting relationships. Consultants must think through how they will be affected by the underlying conflicts that exist within the client system and how they will deal with those conflicts during the consultation. Consultants need to consider how groups with different agendas will respond to them. Consultants also need to think about how they will make those conflicts work for them rather than against them, and they should do this as early as possible—preferably while they still are trying to decide whether or not to consult, for there may be situations in which the conflicts among different stakeholders make consultation unwise.

### III—

#### Choosing a Primary Focus

My thinking also has changed concerning the last preentry issue. In my original paper, I noted that consultants can focus on (1) organizational problems, such as poor communication or low morale; (2) technological problems, such as ineffective teaching strategies; (3) mental health problems of individuals within the system; and (4) problems between the client system and its host environment or the larger community. Originally I was concerned because many consultants were not clear about their primary focus, and the resulting ambiguity interfered with consultation. An example would be a mental health consultant who wanted to work on organizational problems as well as, or instead of, mental health problems. I advocated that consultants decide on a single primary focus during the preentry phase and that they be clear about it.

I still believe that consultants should think about their focus during the preentry stage, but I no longer think that consultants should restrict themselves prematurely to a single focus. In fact, one problem with consultation practice is that consultants often become wedded to one primary focus. Ideally, a would-be consultant should ask, "What does the client really need? What is the most appropriate primary focus in this situation?"

An example illustrates how important it is for consultants to be flexible about the primary focus. A superintendent of a large institution for mentally retarded people asked a consultant for help with some organizational problems. "I'm concerned," she said, "about the lack of support that I'm getting from my five unit directors. They're undermining my efforts to bring about reform." The client had approached this consultant because she knew that he was an organizational specialist, and not surprisingly, the consultant initially adopted an organizational focus.

The consultant and his team began by interviewing a cross section of institution staff. After a few hours, the superintendent came in and asked, "How would all of you like to take a little break and go on a tour of the facility?" The consultants agreed and walked through several of the cottages with the superintendent. They saw how barren life was for the residents, and the superintendent mentioned that there had been reports of patient abuse by staff. The tour made the consultants aware that there were serious problems relating to the provision of care—the absence of stimulating activity for the residents, the custodial orientation of the direct care staff, and physical abuse.

However, these problems concerning direct care of the residents were not part of the primary focus. The consultants were there to work on conflict within the top management group, and they never questioned whether that was the best place—or the only place—to direct their energies.

I am not suggesting that the consultants' primary focus in this case was wrong. One could certainly argue that without support from the unit directors, the superintendent would find it hard to improve the quality of care. What was wrong with the consultants' approach was that they never considered any alternatives to their organizational focus. The consultants were like an orthopedist who automatically does orthopedic surgery on every patient who comes into her office, no matter what the patient needs. There is nothing wrong with physicians deciding to specialize—if a physi-

cian's competence is in orthopedics, she should not practice beyond her competence—but we expect that when orthopedic specialists approach new patients, they will consider that the patients might need something other than, or in addition to, orthopedic work. Yet many behavioral science consultants fail to consider alternatives in practicing their own specialties.

In my original paper, I was concerned about the pernicious effects of not having a clear focus in consultation. Now I am equally concerned about the pernicious effects of adopting the wrong focus. Considering alternative foci during the preentry phase would make consultation practice more effective—and more responsible.

#### IV—

#### Conclusion

From the preceding ideas, I have gleaned the following four action principles for would-be consultants:

1. Confront potential conflicts between consultant and client during the preentry phase.
2. Do not automatically give clients what they request.
3. Identify the conflicting stakeholder interests within the system and consider how those conflicts will affect the consultation. If consultation seems viable in spite of those conflicts, decide on what mechanisms are needed to manage those conflicts during the consultation.
4. Do not become overly committed to a single primary focus in consultation. Think about what type of consulting focus will be most helpful. Consider that more than one primary focus may be useful.

Even though my thinking about the preentry issues has changed, I still believe in the basic premise: consultants should face certain issues even before they agree to consult with a client. Whether or not consultants consciously address those issues, they inevitably make choices. Those choices subsequently influence the outcome of consultation. Consultants who are aware of those preentry issues and think through their choices before starting the consultation will ultimately be more effective.

The preentry issues remind us that consultation is a subtle and complex enterprise. Technicians do not have to deal with subtle and complex problems, but craftsmen do. Consultation is a craft, and those who confront the preentry issues will be giving consultation the care and diligence that a true craft deserves.

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## 18— Applying Action Research to Public Sector Problems: International Perspectives

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### I— Introduction

Widely divergent forms of action research (AR) are emerging to meet requirements of new organizational and social environments. Several examples of using AR to improve public organizations or to deal with broad social goals appear in Elden and Chisholm (1993). And, a recent international conference in Helsinki included many additional examples of public sector AR applications around the world.

This article attempts to spread understanding of the potential for using AR to achieve public purposes in several ways. Section II defines and describes the general nature of the AR process. The next section identifies and describes five dimensions that help provide further understanding of AR and provide a framework for analyzing single projects and for comparing different applications in various settings. Section IV contains brief descriptions of two examples in which AR is being used to foster organization or system development. The fifth section uses the AR dimensions described in Section III to analyze the two cases described in this article. A final section draws general learnings from the AR applications.

### II— Nature of Action Research

Although its exact origins are open to dispute, AR has been a distinctive form of inquiry since the 1940s.\* Kurt Lewin (1946) generally receives credit for introducing the term *action research* as a way of generating knowledge about a social system while, at the same time, attempting to change it. At about the same time, Collier (1945) called attention to the need for developing an approach to generate action-oriented knowledge to understand and improve American Indian affairs. Corey (1953) apparently had similar ideas in education. A distinctive AR thrust also developed in parallel in Great Britain immediately after World War II (see Wilson, Trist, and Curle, 1952, and especially Trist and Murray, 1990, for an extraordinarily well-documented historical analysis). The interdisci-

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\*Earlier versions of this and the next section appear in Chisholm and Elden (1993).

plinary group that pioneered this work later formed the Tavistock Institute of Human Relations in London.

The early AR work cited above grew from researchers' desire to discover ways of dealing with important social problems. These included racial prejudice, improved relationships with American Indians, and repatriating British prisoners of war. However, shortly after these early developments, the AR approach also began to be applied to intraorganizational and worklife problems. The classic sociotechnical systems projects of Trist and his colleagues (Trist and Bamforth, 1951) and Rice (1955), and early Norwegian industrial democracy experiments led by Emery and Thorsrud (1976) exemplify this early work. Much action research during the past 40 years has continued and expanded this organizational and worklife focus. Recently, AR has been applied to a wide variety of problems in different organizations and systems in diverse cultural settings (see Elden and Chisholm, 1993 for examples).

Figure 1 outlines the essence of the basic AR process. Action research begins with a key decision maker(s) perceiving a situation and determining that some aspect of organization or system functioning needs changing. Observations and conclusions about the need for change may be based on standard performance indicators, subjective judgments, or internal or external pressure. Regardless of the source, a decision to take action triggers the AR process. This decision leads to diagnosing the situation more fully to understand how the system is functioning and to define goals for improving it. Selecting the approach or model for change and determining the strategy and action steps required to reach change goals constitutes the next phase of the total process. This phase leads into implementing planned action steps. Collecting and analyzing data to indicate the degree to which positive changes have occurred is the last stage of the AR process during Cycle 1. These data and conclusions/learnings derived from them, in turn, serve as inputs to the second cycle. Cycle 2 follows the process of diagnosing, defining a revised set of change goals, and other steps indicated in Figure 1.

Several key aspects of AR stem from the brief sketch of the process given above. Perhaps the first feature of Figure 1 to strike a reader is the cyclical nature of the process. Action research involves potentially endless cycles of diagnosing, planning, implementing, collecting data, rediagnosing/redefining goals, etc. And, each new cycle rests on using information and learnings derived from previous cycles. A second notable feature of AR is an orientation to change or system improvement. Action researchers are committed to bring about positive change in the organizations and systems in which they work. Thus, understanding system functioning is important to the extent that it provides the basis for bringing about change in the system. Traditionally, AR has been used to bring about improvements that broaden the base of stakeholders who benefit from changes. For example, often the process has been used to improve employee participation through more effective design of work roles, the grouping of roles, and the linking of role sets to the technological processes used to conduct work in specific workplaces. In such cases, ARers have attempted to improve both the quality of employees' work lives and the overall effectiveness of the organization. Hence, AR is a value-based activity.

Describing several other aspects of AR is essential to gain more complete understanding of the basic process outlined above. Action research rests on an assumption that understanding organi-

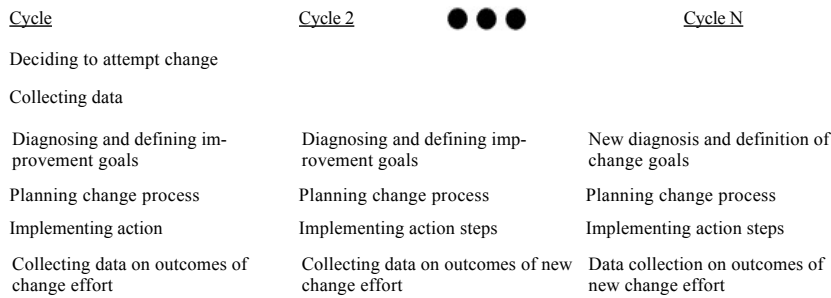


Figure 1  
Basic action research model.

zations and social systems requires researchers to engage these systems directly through the research process. Instead of being "at arm's length" from the target system, researchers attempt to get inside the thinking and actions that drive systems to understand how members experience events. In short, while retaining a special role of overseeing and guiding the research process, researchers tend to establish relatively close working relationships with the systems of study. Of course, as the following section indicates, the degree and ways of involving system members varies widely among AR cases.

Another feature of AR, that is not apparent from examining Figure 1, is contributing to general knowledge. While the research process is designed to help improve functioning of a specific organization or system in a relatively well-defined problem area, researchers also have an obligation to relate learnings from individual cases to general knowledge. Many learnings and insights that derive from the process of attempting to bring about positive change in system "X" are limited to that specific system due to its unique culture, technology, operating environment, and history. Other learnings contribute to general understanding about organizations/systems or to insights about conducting planned change in such systems. Thus, adding to general knowledge and understanding of systems and organizations and the dynamics of change processes involved in making them more effective is another key aspect of AR (Pasmore and Friedlander, 1982).

It is essential to note that AR rests on a nontraditional view of organizations. Traditional research assumes that organizations exist as concrete entities whose nature and characteristics are there to be discovered. Action research also emphasizes the importance of organizations/systems as socially constructed realities. That is, learning the shared meanings and assumptions which guide organization members' actions is fundamental to understanding current functioning and to facilitating system change. Action research helps recreate the organization by assisting members to develop different understandings, meanings, and assumptions that guide future actions.

### III— Dimensions of Action Research

A recent analysis of several cases on quite different systems in various countries identified five dimensions that may be used to analyze individual AR efforts and to compare and contrast multiple cases (Chisholm and Elden, 1993). This section describes these five dimensions briefly. These dimensions provide a basis to enrich understanding of the nature of AR and how the process may vary in different contexts.

#### A— *System Level of Change Target*

Perhaps the most apparent dimension for describing AR efforts is the level of system engaged in the change process. Conceptually, targets can range from single work groups or community groups to international organizations (e.g., United Nations). The current description uses four conceptual levels of systems. These appear in Figure 2 as the group, organization, society (national), and international system levels. In general, system complexity increases from the group level through succeeding levels (Miller, 1978).

The level of system involved in AR affects the nature of research in several ways. First, the level of analysis used to conceive and guide the research process must be at least as high as that of the system being engaged. This requirement stems from the fact that a system at each higher level has emergent features that are not present at lower levels (Miller, 1978). In addition, greater complexity typically requires the AR process to be more open-ended than research engaged with



Figure 2  
Hierarchy of system levels.



systems at lower levels. Time comprises another difference among system levels. As a rule, systems at lower levels will have a shorter, more defined time perspective on research and change than those toward the higher level. Thus, the level of the focal system makes substantial differences in conceptualizing, designing, implementing, and evaluating specific AR efforts. Possible effects of the system level include the model used, complexity, time frame, and openness of the research process.

**B—**

### ***Organization of Research Setting***

Action research sites may vary greatly on the degree of organization that exists in the system. For example, many industrial and governmental organizations are highly organized. Members of these systems identify themselves as members, have a fairly clear picture of organizational boundaries, and share certain values, norms, and assumptions about the organization to a considerable degree. They also occupy identified roles that link them to other organizational members, and defined policies, procedures, and formal systems that designate critical behaviors and work procedures. High levels of formal organization often lead to mechanistic, bureaucratic systems that require loosening of constraints on behavior. Much of past organization development (OD) and AR work has been designed for such highly organized systems (e.g., Coch and French, 1948).

In contrast, AR that attempts to build partnerships or networks to deal with broad community issues, such as economic development or racial discrimination, typically occurs in highly unorganized settings. Indeed, the research process itself involves helping potential constituents organize so that they can begin to function in concert (e.g., Gricar and Brown, 1981). The organizing process often begins at ground zero by tentatively identifying potential members. Later stages involve bringing them together to discuss the general issue, testing for interest and commitment, and facilitating the development of possible action steps and structures/processes required to implement them. In brief, AR in these situations requires discovering who potential system members are and assisting them in organizing for action, if sufficient motivation to work toward an emergent purpose exists. Assisting these systems maintain and adjust forms of organization appropriate to carry out their purpose over time is another part of the AR role. To summarize, underorganized systems exhibit considerably greater ambiguity than highly organized systems in both task accomplishment (e.g., purpose, goals) and maintenance (e.g., maintaining membership and motivation) functions. Figure 3 summarizes the key features of highly organized contrasted with underorganized systems. These features have been described as categorical variables. Of course, real-life organizations may fall anywhere on a continuum from highly organized to underorganized.

**C—**

### ***Openness of AR Process***

Action research varies greatly by the degree of openness of the research process itself. The distinguishing feature is the degree of identifying in advance specific steps in carrying out the research process. At one extreme, researchers predetermine how the research will be conducted, identify key aspects of the situation for study, and carry out the research. Early work with organizations in the Norwegian industrial democracy project exemplifies this type of AR (Emery and Thorsrud, 1976). These projects were largely predetermined through using the sociotechnical systems analytical and design model. Action research in which researchers assume little about the nature of the target



Figure 3

Characteristics of highly organized and underorganized systems.



Figure 4  
 Openness of AR process.

system, what features of the system are important, and how to engage members of the system in the research process fall at the open end of the scale. A highly open AR process rests on a belief that AR depends upon discovering the nature of the target system, what aspects and dimensions are relevant to study, and how to examine identified dimensions as an integral part of the research process itself. Davydd Greenwood's (1991) open-ended engagement with members of the FAGOR cooperatives in Mondragon, Spain, is a clear-cut example of this approach. Figure 4 represents a scale for arraying specific cases from comparatively closed to open.

**D—  
 Intended Outcomes of AR**

This section covers two approaches to examining AR outcomes. The first focuses on research goals, the second on the basic purpose of the research process.

**1—  
 Change Goals**

Action research efforts vary greatly on the types of outcomes they attempt to bring about. Change efforts that attempt to improve organizational functioning within existing system parameters involve incremental or Alpha change (Figure 5). Much traditional AR with an organization development focus falls in this category. Change that involves a basic reorientation and restructuring of the system constitutes Gamma changes. Basic organization or system redesign and a fundamental change in the culture of a system also often result in Gamma change. In brief, such change involves a shift in system operating parameters. Because of the altered operating parameters and change in the basic character of the system, old measures of system functioning lose relevance and new ones must be developed. Beta change is that which does not change the basic character of a system but does make existing measures of change unreliable. Hence, this type of change is intermediate to Alpha and Gamma types. Golembiewski, Billingsley, and Yeager (1976) describe these three types of change in detail.

**2—  
 Purpose**

The basic purpose of AR may vary considerably. Brown (1993) notes that action researchers represent two distinct perspectives: (1) a Northern Hemisphere/"First World Camp" and (2) a Southern Hemisphere/"Third World Camp." Action researchers in the two research traditions pursue basically different purposes despite sharing a common label, "participatory action research," for their work. Traditional ARers attempt to improve organizational performance and generate social science theory—that is, to change organizations and social science. These goals are quite compatible with traditional definitions of AR. Researchers who operate from a Third World perspective attempt to raise levels of consciousness, explore new approaches to basic social problems, and empower the oppressed—that is, social change or transformation. Pursuing one of these purposes versus the other affects virtually all aspects of AR. For example, the perspective frames and orients thinking

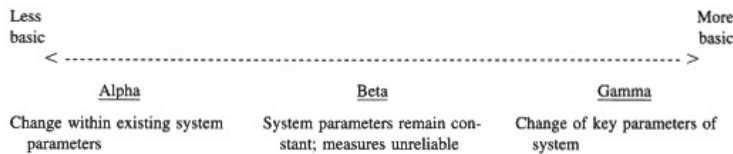


Figure 5  
 Types of AR change goals.

about action, research, and each phase of the process. Brown (1993) notes that researchers in these two camps operate in separate worlds. Identifying these two essentially different purposes and world views provides another basis for analyzing and comparing AR efforts.

*E—  
Researcher Role*

The structure of the AR process rests heavily on the basic roles of the researchers and the members of the system in which change is being attempted. Classical social science research viewed employees and other organization members as "subjects." This term indicated clearly that the researcher was in charge and that the "subject's" task was merely to follow the researcher's instructions closely.

Original AR changed the role of employees and system members. Early AR viewed members of the target system as important collaborators in the research/change process. However, researchers remained in control of key aspects of the process, such as research design, data collection and analysis, and interpretation of results. Thus, the nature of meaning within the organization or system came from the outside expert, not members of the organization. Consequently, the rich store of members' knowledge about their own unique system and its culture tended to be downplayed in favor of outside researchers' conceptual understanding of reality. In short, the structure of the AR process varies greatly based upon the role definitions of researchers and system members. Minimal member roles occur with an expert researcher role that maintains control of the critical aspects of the AR process. Larger, fuller member roles result from assuming that both the outside researchers and system members have crucial contributions to make. The outside researcher brings general knowledge of systems, social science, and the research process; internal members bring in-depth understanding of their system, how individuals perceive phenomena, and how to get things done. Highly participative AR attempts to integrate these two strengths through the research process. It also is willing to surrender control of the research to organization/system members.

Analysis of several recent AR applications reveals that outside researchers engage in a wide variety of AR activities (Chisholm and Elden, 1993). Many of these activities cannot be placed neatly on the researcher-dominated versus jointly managed spectrum which appears in Figure 6 of the original text but is not reported here. However, it is instructive to review the potential and actual basic activities of researchers and the nature of their relationships to the target systems.

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19—

## Using Large System Designs and Action Research to Develop Interorganizational Networks

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Interorganizational networks are assuming increasing importance in the late 1990s, and the importance of them as a new form of organization will grow well into the next century. Observers such as Alter and Hage (1993) predict that networks will become *the* key form in the next 25 years or so. Given this growing importance, it is essential for organization development (OD) consultants to recognize and understand the distinguishing features of these complex systems and ways of thinking about, planning, and carrying out efforts to develop them.

This chapter provides an overview of an approach to developing interorganizational networks. It begins with a brief description of conditions that are increasing the importance of these systems. Section II describes the nature of current problems that also foster the growth of networks. The third section describes the nature and key features of interorganizational networks to provide conceptual grounding for development efforts. Section IV outlines the process of developing interorganizational networks. The last section identifies conclusions reached from working directly on several network development efforts.

I—

### Growing Importance of Interorganizational Networks

Current environmental conditions place complex, often conflicting demands on organizations. Technological change, constantly expanding knowledge, globalization, and changing beliefs and values combine with other aspects of the environment to cause the turbulence many organizations face. Interorganizational networks can help match system capability with complex rapidly changing environments in many situations.

A—

### *Technology*

Computers, microprocessors, and other rapid information-processing devices make up the lead technology of the postindustrial era (Emery, 1978). Increasingly, computers and rapid communications systems enable managers to link remote locations and integrate total work processes. Manufacturing organizations no longer have to hire large numbers of employees at one location to produce products. Insurance and financial service companies have data-processing units located in many other countries. Transportation technologies (e.g., ultrasonic aircraft, regional "supertrains," integrated multimodal transportation) also will contribute to the diminishing importance of place.

In short, advanced technology is increasingly making possible and ushering in an era of "placelessness." According to Knoke (1996), a placeless society has the capacity to make virtually everything, including people, knowledge, and resources, available anywhere, often simultaneously, re-

ardless of physical location. This capacity to link widely dispersed units around the world, coupled with global competition and rapidly changing environments, applies pressures to create interorganizational networks.

**B—  
Growth of Knowledge**

Advanced industrial societies around the world have entered a postindustrial era (Bell, 1976). Leading features of this transition include increased professionalism of the workplace, rising importance of theoretical knowledge, and a growing share of the economy providing services instead of goods. Creating and using knowledge leads to more complex work roles (Hage and Powers, 1992), and the leading features of postindustrial (vs. industrial) work roles include the following:

Customization—increased emphasis on quality and personalized service

Information use—need for expanded search for information

Skill levels—higher skill levels

Discretion—increased employee discretion with fewer specific guidelines and rules (Hage and Powers, 1992, p. 51)

Overall, the growing importance of knowledge in the workplace requires inventing new organizational designs. The interorganizational network is a leading form of organization that helps meet increasing requirements to use and generate knowledge.

**C—  
Globalization**

Postindustrialism is generating changes in political and economic institutions. For example, as traditional nation-states decline in relative importance (Korten, 1995), transfers of responsibilities will occur, with some functions shifting to international organizations and others to subnational levels. Economic institutions also will change, showing a corresponding shift to multilevel arrangements. Many different arrangements will emerge.

American and European dominance of the world economy is rapidly passing, and in its place a global century has begun. Having "world class" status to compete successfully in the new age requires several things.

Concepts—the best and latest knowledge and ideas

Competence—the ability to meet the highest operating standards that exist anywhere in the world

Connections—effective linkages to other individuals, organizations, and institutions around the globe

Cosmopolitanism—a comprehensive complex view of the world (Kanter, 1995)

These changes in economic and political institutions cause many conflicting pressures on managers and political leaders in the new era. Private and public managers will find it necessary to align activities with forces from various levels—local, regional, national, international. Success under these circumstances requires collaboration, not singular activity. It also requires flexibility and the capacity to change organizations rapidly. Interorganizational networks have the potential of enabling managers to meet many of the complex, conflicting requirements of globalization.

**D—  
Beliefs and Values**

Several global trends are contributing to the need for a new set of beliefs (Laszlo, 1994). For example, rapid population growth poses a serious threat to the carrying capacity of the Earth, while uneven population increases between industrialized and nonindustrialized countries make the problem worse. Deforestation, changing weather patterns, and energy production represent other basic threats to the planet. Faith in "technological fixes" and other industrial-era beliefs and values have led to the present situation; consequently a new set of basic beliefs about how things work is required.

Laszlo (1994) identifies the following two key industrial-age beliefs and contrasts them with those required in the postindustrial era:

System orientation—Individuals, groups, organizations, and nations working together for the good of the whole (postindustrial) vs. looking out only for self and belief in the "invisible hand."

Type of system—Holistic view of organizations and social systems (postindustrial) vs. machine model. The new view emphasizes total system design contrasted with analysis/design of each component with little concern for its role in the system as a whole.

Although the industrial age is passing, its values and beliefs continue to guide most economic, social, and political organizations. New beliefs and values are required to enable humankind to deal effectively with many large problems and to create a desirable future. Interorganizational networks provide a primary way of fostering new beliefs and putting them into practice.

## II— Nature of Current Problems

The changing environment encourages the emergence of new types of problems. Many current socioeconomic problems are complex and share several important characteristics. National problems include sustainable community development, education reform, workforce development, and environmental quality. Global dilemmas include environmental degradation, increasing numbers of marginalized people, and chronic hunger and poverty. Authors use various names for such recalcitrant problems. Trist (1983), for example, calls them *problem domains*, while Ackoff (1974) uses the term *messes*, and others highlight *wicked problems* (Rittel and Webber, 1973). Despite different labels, these problems share several key features, including the following:

1. Problems are "messes." Problems involve sets of problems that are interconnected. Multiple linkages and the multifaceted nature of these problems make them impossible to solve by simple solutions; a solution to one aspect of the problem that fails to account for impacts on other interconnected organizations and groups usually fails. Complexity and interconnectedness also make them extremely difficult to conceptualize, analyze, and "solve."
2. Interorganization action is required. Complexity and interdependence require that many different organizations become involved in planning and implementing ways of improving the situation. Concrete, absolute solutions are normally impossible for such large-scale problems; only progress toward a more desirable future state is possible. Working toward a more desirable future requires the collaborative efforts of many organizations.
3. Multiple-sector, multilevel. Often the need to involve organizations from different sectors (e.g., public-private-labor-higher education) and from different levels (e.g., federal-state-local) adds to the complexity of dealing with large-scale socioeconomic problems. Working across regional and national boundaries encounters similar difficulties. Existing organizational boundaries, budget and control systems, and preconceived views and feelings about other organizations typically make coordinated action difficult, and this difficulty grows when organizations from different sectors are involved. Superimposing requirements from the state and federal levels often compounds the difficulty.
4. Multiple outcomes. Actions to deal with complex problems often lead to a variety of outcomes over time, some "positive," others "negative." In addition, some outcomes can be predicted, others cannot. Often in complex, interactive systems, planned activities to reach desirable goals cause unintended, undesirable outcomes (Herbst, 1976). Consequently, attempts to deal with messes or problem domains must build in the capacity to monitor outcomes constantly. Online monitoring is needed to make rapid changes in the activities required to continue to move the network in a positive direction.

The broad-scale, multifaceted nature of many current key problems and the limitations of traditional attempts to deal with them indicate a need to develop and apply new approaches to these

problem domains. Interorganizational network development provides one approach to developing policies, programs, and actions that make progress in dealing with broad problem domains. This approach rests upon experience and research on developing networks as complex, ever-changing systems designed to help multiple parties deal with complex messes.

### III— Key Features of Interorganizational Networks

The previous sections emphasized the growing importance of interorganizational networks as a new form of organization. Since these systems follow nontraditional design principles, readers must understand the basic nature of interorganizational networks to devise ways to develop them. This section describes several key features of these systems.

Work described in this chapter uses Eric Trist's socioecological perspective to conceptualize and guide the development process (Finsrud, 1995; Trist, 1983; 1985). Table 1 highlights key features of this view of interorganizational networks.

1. A new frame—Interorganizational networks operate largely as abstract conceptual systems that enable members to perceive and understand large-scale problems in new ways. Developing deep, multifaceted shared understandings makes it possible for members to create ways of organizing to deal with these complex large-scale problems.

2. Ecological level (beyond interorganizational relationships)—Networks are different than mere interorganizational relationships. They operate at a level higher—the ecological level. Networks improve the ability of organizations to deal with ill-defined, complex problems or issues that individual members cannot handle alone. Network activity is grounded in

**Table 1** Key Features of the Socioecological View of Interorganizational Networks

Conceptual system:	Member organizations consciously develop networks to help understand and deal with complex, ambiguous problems/issues ("messes").  Primary work of networks involves devising ways for members to think about, create, plan, conduct, and evaluate collaborative activity.
System level:	Networks exist at a level above interorganizational relationships.  Member organizations come together to deal with complex metaproblems that require collaborative work by many organizations.  A shared vision and common purpose orient and guide a network and its work. These ground the network at the suprasystem level.
Loosely coupled:	Member organizations belong to a network voluntarily and meet as required to conduct work.  A horizontal form of organization exists. Member organizations are equal, with no superior–subordinate relationships among them.
Self-regulating:	Members control the network and its activities.  Member organizations are responsible for developing a shared understanding of a problem/issue area.  Member organizations plan, initiate, and manage network activities.
Basic functions:	Network organizations have three basic functions:  Regulation—Maintaining orientation of the network to the shared vision and purpose; assuring development/maintenance of network values and appropriate ways of organizing activities.  Appreciation—Developing a shared understanding of changes to the network vision and purpose required to incorporate issues/trends that emerge over time.  Development support—Providing professional organization development resources required to develop, maintain, and manage the network.

Source: Chisholm, 1998, p. 7.



the shared higher-level vision, purpose, and goals that bind member organizations together. These act as superordinate goals that incorporate but transcend the interests of individual member organizations. Forming and developing a system to achieve a shared larger purpose is the hallmark of network organizations from the socioecological perspective. This orientation affects the basic world view and all aspects of network activities.

3. Loose coupling of member organizations—Members represent diverse organizations that are physically dispersed and meet from time to time to conduct activities required to carry out the higher-level system purpose. Belonging to a network is voluntary with few formal organizational structures and processes that make involvement permanent. Networks also rest on a horizontal rather than a hierarchical organizing principle; one organization or member does not have a superior-subordinate relationship with another.

4. Self-regulation—Network organizations are self-regulating. Members, not a centralized source of power, are responsible for developing a vision, a mission, and goals and for initiating and managing work activities. The organization is self-regulating (members direct and control activities) and rests upon a shared understanding of issues. In short, the organization *is* the ways members devise to relate to each other and the external environment in carrying out work necessary to bring about a shared vision of a desired future state. The shared vision provides the context that orients all network activity. Retaining this orientation is critical to developing and maintaining networks.

The following statements capture the essence of network organizing principles:

- a. Participants are included because of their interest in, or their ability to contribute to, constructive action.
- b. Network members are "loosely coupled" and participate in system activities voluntarily.
- c. Activities and decisions revolve around a broad vision or purpose and a set of general goals that incorporate the interests of the diverse organizations, groups, and individuals involved in work of the system (Brown, 1987).

#### IV—

### **Network Development Process**

Phases in the network development process include the following:

Recognizing the problem  
 Holding informal discussions  
 Planning network development  
 Identifying stakeholders  
 Forming a steering committee  
 Visioning the future  
 Convening system stakeholders  
 Organizing for action (Chisholm, 1997)

The following sections discuss each of these phases. Recognizing that network building involves a process of creating and maintaining an effective human organization that supports and meshes with allocating tangible resources (e.g., land, capital) is essential for understanding the development process.

#### A—

### ***Recognizing the Problem***

Often what appears to be the problem actually is a symptom of a more fundamental problem. Loss of jobs, for example, may result from a combination of factors that include lack of investment in new technologies, ineffective organization and management, lack of properly educated employees, or inappropriate ways of organizing overall community resources. Recognizing the problem thus

requires tracing symptoms back to root causes to determine the broader and deeper factors that are operating. Problem recognition also requires including various perceptions of the problem from multiple perspectives to allow a deep, complex, shared understanding to emerge. Maintaining openness to incorporating new views as the network develops also is crucial.

### **B— Holding Informal Discussions**

Informal discussions play a critical role during early network development. Interest in starting a network development effort may come from a variety of sources. These include political leaders, labor union officials, executives/managers, educators, and citizens. The critical factor here is having at least one member of a community or system who spots the need for change and who can communicate and test support of a general vision of the future. Ideally this individual will be an "opinion leader" in the system. Usually developing a shared sense of the need for change occurs informally among a small group of persons with existing relationships. For example, in the late 1960s the mayor of Jamestown, New York, saw the need for action to reverse economic decline in the community and began talking with a few "friends" in local industrial organizations and labor unions. Informal discussions continued for several months and expanded to include several new members. Over time these discussions led to the development of the Jamestown Area Labor Management Committee. Committee work developed a broad network of various organizations (e.g., business, public, health care, union) that collaborated to create conditions to reverse the economic downtown of the community (Trist, 1986).

Early meetings involve sharing views and feelings about the present situation and the need for change. Meetings also develop understanding and trust among participants. Meetings of this type may extend over a considerable period of time, perhaps 6 to 12 months or even longer. It is essential to support and facilitate these informal discussions and to allow them to "percolate" up from the bottom until those involved feel comfortable with each other and are ready to begin reaching out to involve others. This helps assure ownership of the problem and deep commitment to trying to bring about change. It also helps assure a more comprehensive, in-depth understanding of problems experienced, interests involved, motivation levels of various parties, and support for change.

Recognizing the problems and focusing community attention on it are essential during the early stages of developing a network. Defining the problem to capture interest that cuts across individual organizational concerns and focuses on new activities that can only occur through the joint work of many parties also is critical. Using informal discussions to develop a consensus on the need for collaborative action to deal with the problem also is critical during this phase.

### **C— Planning Network Development**

#### **1— Identify Stakeholders**

Ideally, informal discussions among leaders concerned about a problem (1) create a preliminary shared definition of the problem and (2) stimulate willingness of individuals and/or organizations to begin working on it. These discussions also should generate a tentative list of organizations, groups, and individuals that have a stake in the problem. Key questions for starting a stakeholder analysis include the following:

What organizations/individuals have critical involvement in the current problem domain?

Whose support is absolutely essential to bring about change?

What organizations and groups will be affected by outcomes?

#### **2— Form a Steering Committee**

A steering committee (SC) includes representatives of stakeholder organizations and groups involved in a network. Individual steering committee members should have enough authority to speak for their organizations and commit them to network decisions. Committee functions include the following:

Governing the network

Guiding network activities and network development

Linking the network continuously to the general outside environment and to member organizations

It is desirable to limit the size of the first steering committee to a maximum of 10 to 12 persons. This enables small group dynamics to continue as the original group of involved individuals plans and expands network activity. Proceeding deliberately to identify formal and informal leaders who are motivated and can make a difference is in order.

**D—**

### ***Visioning the Future***

The steering committee faces several tasks as it extends network development work, including the following:

1. Assuring that all members of the steering committee have a deep, shared understanding of the problem. Bringing additional members with new perspectives into the initial group necessarily changes the shared view of the situation. Hence, it is important to allow sufficient time for these new perceptions to be shared, melded with perceptions from "old" members of the group, and these diverse inputs incorporated in a tentative vision of the problem and the network.
2. Identifying key aspects of the overall problem domain.
3. Analyzing the problem domain in depth to determine other organizations and/or individuals whose involvement will be crucial during later stages of the development process. In effect, the steering committee is planning for and helping to guide expansion of the network required to bring about change.

Key issues and questions during this stage include the following:

What is the nature of the broad problem?

Getting the "right people" involved.

What knowledge, skills, and resources are required to deal with the identified problem?

What organizations/individuals can provide the needed skills, resources, and credibility/legitimacy?

How should potential participants be invited to participate in the network development process? Who should invite them and in what order to develop a "critical mass" of mutually supportive individuals and organizations? What existing status and political sensitivities must be considered and how will they be dealt with?

What process will help members develop a broad and deep vision of a desirable future that will galvanize attention on improvement possibilities and help mobilize actions required to bring about the needed change?

Who is the most appropriate person to voice the need for change and to communicate the tentative network vision?

What strategy and action steps should be used to design, implement, and manage the change process to broaden and strengthen motivation of critical participants over time?

This short list of selected issues communicates some of the complexity involved in the early planning stage of developing a network. Devoting careful attention to these issues is needed to enhance the chances of success of the development effort, and commitment to continuous learning based on experiences and new insights is required.

**E—**

### ***Convening System Stakeholders***

The next stage in developing a network involves convening a meeting of the stakeholder representatives identified previously. The goals of this meeting include (1) obtaining increased understanding

of the larger environment, (2) sharing views of the existing situation, (3) developing a shared vision of a "desirable future," (4) testing and building increased motivation and commitment of participants to engage in a development process, and (5) developing general change goals and several broad "next steps" for action.

"Searching" or holding a search conference (Emery and Emery, 1978; Emery and Purser, 1996; Weisbord, 1992) represents one approach to meeting design and management that is highly consistent with the network development approach. A search conference rests on the assumption that the individuals, organizations, and groups that have a direct stake in a problem must provide the energy for change by becoming deeply involved in the development process. They also have in-depth knowledge of the system required for successful change. Although specialized expert knowledge is required during the change process, this expertise should respond to general guidance and requests from the stakeholders rather than drive the network development process. Stakeholders control the process during continuous cycles of designing, implementing, monitoring, and redesigning the effort through the steering committee. Search conference design aims to "help people restructure their views of reality to see beyond the superficial conditions and events into the underlying causes of problems—and therefore to see new possibilities for shaping the future" (Senge, 1990, p. 24). See also Chapter 13.

Search conferences use the open systems planning orientation of starting from the outside (the environment) and building inward. This approach helps to open participants' thinking, create an innovative learning environment, assure that useful information about the environment is not discarded prematurely, and maximize the likelihood that bridges across existing organizational boundaries are identified. Such conferences are designed primarily to catalyze change by having stakeholders engage in an open process of exploring what the future might be and creating ways of bringing it into being. Properly designed and managed search conferences provide a new forum in which a different set of participants meets to deal with development in nontraditional ways.

A typical search conference involves six phases of activities that make up a holistic process. Table 2 shows the flow of work and purpose of the phases.

*Phase 1* involves using a small team to design and plan the search process. Effective design work is critical to future development of the network and must be done with great care and skill. Key design issues include the following:

What organizations should be included? What organizations must be involved to work on the problem successfully?

Who should represent each invited organization? Who has the knowledge, interest, and capacity to speak for the organization?

What organization or institution should convene the event and which individual(s) should speak for it as a representative of the broad system?

**Table 2** Phases in the Search Conference Process

Phase 1	Preconference activities. Focal issue: design and planning search process to develop network.
Phase 2	Exploring the general environment. Focal issue: trends or forces that will affect the problem domain during the next 10 years.
Phase 3	Identifying current situation. Focal issue: key features—both positive and negative—of the existing system and its history.
Phase 4	Visioning a desirable future. Focal issue: creating a shared vision of an ideal system for the future.
Phase 5	Planning board action steps. Focal issue: creating a strategy and defining goals and strategy to progress toward ideal future. Establish task forces on key issues identified.
Phase 6	Follow through: postconference work. Focal issues: conducting project work to implement plans and strategy. Maintaining the network organization as an effective system.

What is the content of the conference?

Process—How does conference design foster meaningful discussion, development of shared understanding, and motivation to collaborate for broad change?

Resources—What financial, physical, human resources, and time are required to design, plan, conduct, and follow up on the conference?

Other—Location, timing (when), facilities; rooms, equipment, time of day.

Traditional search conferences require a substantial amount of time (e.g., 2 1/2 days). However, alternative designs are possible and the exact amount of time required depends on design decisions and how events unfold during the actual search process. One broad-based community economic/social development effort successfully used a 5-hour searching process among 96 diverse participants (Chisholm, 1996; 1998).

*Phase 2* engages members of the total group in a broad exploration of the environment. Emphasis is placed on the future, and discussion of the past is excluded. A broad, open-ended question, such as, "What trends will affect the U.S. economy or this community during the next 10 years?" elicits participants' perceptions of societal trends in technical areas, values, attitudes, economic, demographic, and other critical areas. Following creative thinking guidelines for exploring issues, critical judgment is suspended and all alternatives identified are simply listed without being evaluated. Using these guidelines is crucial to demonstrate the importance of everyone's inputs and to help assure that all key environmental trends are included.

*Phase 3* focuses attention on the actual nature of the present situation. Responding to a question such as "What are key features—both positive and negative—of this community and what is its history?" builds a shared picture of the system as it actually exists. Focusing discussion on positive and negative features of the system also helps root the search process in reality and helps assure that valued unique features become incorporated in the emerging vision of a "desirable future."

*Phase 4* focuses on "what could be" in the community. This discussion builds on future trends identified during the exploration of the general environment (phase 1) and the reality testing of the existing system that occurred during the second phase. Developing several visions also elicits a set of values; these emerge implicitly as group members discuss possible alternative futures. Selection of general features of a shared vision of the future occurs in response to addressing "what character we want the community/region to have." The shared vision serves as a superordinate purpose that elicits and supports collaboration among stakeholders.

*Phase 5* identifies basic steps to take to bring about change with the desired characteristics. Discussion centers on future trends, constraints, and opportunities of the actual initiatives, and the values expressed during earlier stages of the search process. It is crucial to discuss these areas adequately so that agreed-upon steps blend the desired balance of ideal, realistic, and value considerations.

*Phase 6* represents an extension of the discussion process from the previous phase. Here, attention focuses on what action to take to implement the general vision agreed upon in phase 5. Typically, task forces or project teams are formed to follow up on general action steps identified during the previous phase. Follow-up of activities generated here usually continues long after the search conference has ended.

Searching is only one way of designing/managing a general meeting of critical constituents. The search conference has been used in a variety of situations that require bringing together organizational representatives with diverse views from different types of organizations to create new approaches to broad social or economic problems. In addition, the search process is a way of directly involving stakeholders in taking responsibility for visioning, building, and managing the future of a new network. Other ways of involving stakeholders in developing interorganizational networks to tackle broad problems also exist (e.g., Bunker and Alban, 1997).

*F—*

### ***Organizing for Action***

Network development efforts require continuing careful attention to design, organizing, and management processes. While visioning the future and organizing for action represent the birth of a network system, the future existence and effectiveness of the new system is highly problematic. Each system

also must devise ways of making progress on the tasks identified for work. As indicated in the previous section, visioning the future usually results in identifying several issues or topics that require more detailed study. These in turn often lead to forming task forces to explore the areas and to develop information on alternatives. For example, one search conference created task forces on tourism, higher education, government relations, and long-term economic development. Information from the task forces is then brought back to the steering committee or total group for discussion, development, and planning of next steps.

Using task forces to report back to the SC is a natural way to bridge between the search conference and the next development stage, and, properly managed, this mode of organizing may continue to be an effective approach. It is critical that leaders recognize that a new phase of system development has been entered and that this new phase brings different requirements. These include new ways of planning, coordinating, and managing task forces that are consistent with network principles and purpose. Paying attention to sustaining and developing the network over time also is needed.

The need for staff assistance generally increases substantially during this phase. Exploration of issues requires the gathering, assembly, and distribution of information and communication about meeting times. As the task forces develop projects and plans for specific sets of activities, the need for communicating and coordinating grows. In addition, demand for work on designing and facilitating meetings and workshops increases. This typically requires help from OD or action research (AR) professionals. Constant attention must be paid to working effectively on identified issues and problem areas and to developing the system to continue to draw support from the larger external environment. Maintaining the motivation of members to continue to participate and work on issues remains critical. In short, carrying out project work assumes increased importance during this phase. At the same time, attention to maintaining and developing the network organization must continue. This organizational maintenance work is essential to preserve the integrity of the network.

V—

### Action Research for Network Development and Learning

Action research is an approach to OD, not a specific technique. Essentially it attempts to generate knowledge about a network as an integral part of the development process. Action research involves repeated cycles of diagnosis, planning, implementing, collecting and analyzing outcome data, reviewing and discussing data and reflections with network members, reaching conclusions, and defining new sets of action plans (Chisholm, 1998). Figure 1 depicts the AR process.

Developing interorganizational networks to tackle broad problems requires an experimental frame of mind supported by an emerging network organization that is a learning system. Learning

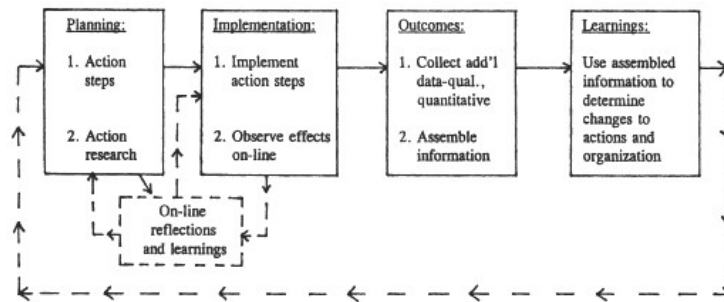


Figure 1  
Phases in AR process.

occurs when a system processes information that results in increasing its range of potential behaviors (Huber, 1991). This means that higher-level learning systems have a greater variety of responses to future events than lower-level ones. Fundamentally, they have a high capacity to learn from previous experiences and to perceive and adjust to new opportunities and pressures from the environment relatively easily. Learning systems also are able to reach conclusions from the decision-making process itself, not only from observing the outcomes of earlier decisions (March, Sproull, and Tamuz, 1991). In effect, learning systems are able to distill deep, complex lessons from ongoing and previous work and to apply these lessons effectively to new circumstances. Such organizations rest further on the recognized need for building, thinking, and acting into all parts and levels of the system.

Conducting AR is required to support developing and maintaining the network organization as a learning system. Action research involves applying a dual focus on planning, taking action, and examining outcomes of these actions in every aspect of developing and managing the network. Using AR helps enable a developing network organization to be "less concerned with making 'correct' decisions than with making correctable ones; less obsessed with avoiding error than with detecting and correcting for error" (Reich, 1983, p. 107). Such a learning system orientation depends on a continuous flow of valid information about the basic outcomes of actions. It also requires reflecting on plans and actions to derive deeper understandings of phenomena.

Obtaining a continuous flow of information about the actual effects of plans and actions does not occur automatically; rather, it requires legitimizing the need for AR, providing the necessary resources, and designing effective structures and processes for gathering the needed information and feeding it back to network members. Effective AR requires that examining the outcomes of plans and actions becomes an integral part of the planning/implementation process.

Over time, devising ways of determining the effects of plans and activities should become part of how the network organization functions (i.e., its culture); that is, network members should devise ways of determining outcomes automatically as a natural part of conducting work and managing the network development process. An AR perspective means that individuals are constantly asking the following:

What needs to be done to create the shared vision and reach defined goals?

How can we evaluate the total *real effects* of decisions and actions?

What changes must be made based upon feedback about actual outcomes?

What have we learned from previous cycles of visioning, goal setting, planning, and implementation?

How are learnings from earlier work made part of how the developing network operates?

Establishing the value of AR is basic to developing a network organization. The AR process reinforces the concept of the organization as a learning system. Action research also underlines the temporariness of specific goals, plans, activities, and organizational arrangements and surfaces differences between espoused and actual values and guiding principles. Also, it provides the information about actual outcomes of earlier decisions that enable the system to learn for the future and make necessary adjustments. Stated differently, AR should become an integral part of the network development process.

## **VI— Lessons from Experience**

Several lessons stem from my work with three quite different network organizations in varied settings and from observations of other network development activities. Direct work with the New Baldwin Corridor Coalition has involved developing a network among business, labor, government, education, and community organizations to bring about economic and social change that creates and sustains a twenty-first century industrial community. The second case, developing the CN Group, was a time-bounded process designed to create a network organization among 14 widely dispersed, independent local business incubators. The last effort involves using network concepts and system development principles to develop and manage the Inter-Church Network for Social Change (INSC).

The INSC identifies broad change issues and leads/catalyzes communitywide efforts to bring about change in a small rural town. Detailed accounts of developing these three networks appear in Chisholm (1998). Brief descriptions of several lessons derived from these experiences appear below.

1. The socioecological model provides strong guidance for network development. The network concepts identified in Table 1 provide a powerful framework for thinking about taking action in the three situations covered. Two features stand out here: 1) level of conceptualization and analysis, and 2) loose coupling.
  - a. Level of conceptualization and analysis—Orienting work to the ecological or problem domain level was crucial in all three situations. In the New Baldwin case, this level of analysis is required to match the level and complexity of change in creating a twenty-first century community. Directing development of the CN Group to the total network level was required to get local incubator managers to break the frame of thinking about relating to only one or a few other incubator managers and begin to conceive of how the network could help them tackle broad incubation issues. Such thinking also was required for the INSC to start identifying and working on community-level issues and to design interventions to deal with them.
  - b. Loose coupling of organizations—Loose coupling allowed members to participate and explore new ways of working together without a threat to the identity and autonomy of their home organizations. Having members responsible for all network activities including developing a shared understanding of the organizational purpose and large-scale problems/issues and planning and managing work also greatly reduced fears about working together. Since membership is voluntary and each organization is free to join or leave as it chooses, little risk exists from network membership. At the same time, the potential for positive experiences that can result from working with others to bring about high-level change toward member-defined goals is virtually limitless.
2. Action research is essential to developing network organizations—Experience confirms the importance of using an AR approach to developing a network organization. Working to develop networks uncovers several important aspects of AR.
  - a. Action research as an orientation—Rather than being a distinct activity, AR is a perspective or orientation for engaging in network development. Ideally, the approach pervades every network member, group, and activity. It also should become an integral part of the thinking and behavior of network members. Action research for network development is an ongoing process of visioning, planning, taking action, questioning, reflecting, searching, and capturing/creating learnings, the last four of which can occur during any phase or part of the total AR process. Using AR to build and maintain networks as learning systems emphasizes proactive engagement to create a desired future, not simply reactive adjustment.
  - b. Action research as planned processes—Action research required to support network development often involves devising planned processes that generate information about specific activities or overall system functioning. This type of AR follows the general model depicted in Figure 1. Several uses of such AR (e.g., survey research) took place in the cases mentioned. These applications indicate that these planned data generation-feedback-discussion-planning-action taking-data generation processes can make important contributions to network development.
  - c. Action research is opportunistic—Developing interorganizational networks requires being alert to situations that may offer possibilities for increasing understanding and system capacity for action. Some situations present obvious possibilities. Others require 1) maintaining a holistic perspective, 2) inventing ways of getting members to see things in different ways, and 3) inventing action steps that reflect and reinforce the new understandings. Developing such integrative solutions takes considerable insight, creativity, and effort.



3. Extensive design work is essential for network development. The importance of designing major development events effectively is fairly clear. At the same time, the design of ordinary events and activities is also crucial since they educate members and outsiders and help define the future nature and course of the network.

a. Designing key interventions—Search conferences and interactive community meetings represent key interventions that require considerable conscious design work. Typically, small design teams comprising a consultant and several network members develop the basic designs of these events. Network steering committee discussion and review helps assure broader understanding and sharing of relevant information. Developing effective designs requires considerable time and effort. It also requires placing a high value on the design process.

b. Designing ordinary events for learning and development—Developing network organizations also requires effective design of normal events and meetings. Regular steering committee meetings and planning or debriefing sessions offer such opportunities.

(1) Steering committee meetings—Premeeting design work may include posing questions, identifying topics, planning the sequencing of activities, and other interventions that encourage members to learn or consider things from a new perspective. A consultant may prepare a tentative design for the meeting and discuss it with other SC members.

(2) Planning/debriefing meetings—If possible, a short time after major development interventions the consultant(s) should hold a debriefing/planning meeting with the design team and SC. This meeting has several goals.

(a) Evaluating effectiveness of the intervention

(b) Identifying (via reflection) and sharing learnings from the intervention and development work conducted so far

(c) Assessing the status of the network

(d) Establishing a norm of reflecting, questioning, and learning from happenings in the system

(e) Using new insights to plan the next steps in developing the network

Experience in developing the three networks identified in the opening paragraph of this section suggests many ways of designing ordinary events to advance the development process. Over time, such design work has important cumulative effects on developing networks by generating new knowledge and modeling ways of learning from day-to-day work.

4. Much development work must be integrated with normal network activities. Since network members are loosely linked and only participate in network activities sporadically, they typically are quite reluctant to take additional time for development work (e.g., team building for the steering committee). This reluctance to participate in straight development work does not eliminate the need for it, so those responsible for network development must (1) in the short run, devise ways of tightly integrating it with "real" work, and (2) over the long run, devise ways of heightening member awareness of the importance of this work.

One way of integrating development work with normal activities is to use small groups to design and plan events. This approach has been used extensively in all three cases that provide the basis for this chapter. For example, a small design team composed of myself and four coalition members developed the proposed design of a search conference. I provided information about the nature of search conferences and other development concepts. Through discussions over time, design team members gained an understanding of the search process and began to appreciate the importance of specific work on developing and maintaining the network. Based on internal discussions, the team came up with a proposed design for the conference and discussed it in detail with the steering committee. Several rounds of developing design team proposals, SC discussion of the proposals, inputs from outside individuals, and redesign occurred before the final design emerged. This extensive work resulted in an effective design and contributed to SC and design team members learning a great deal about the network and its development.

Since in many network development situations opportunities for outright development work may be limited, system development consultants and managers involved in helping develop and maintain networks often must create ways of incorporating development work with other normal organizational activities. Following traditional organization development principles, such a "bootleg" approach is far from ideal, and it frequently causes uneasy feelings for consultants. Experience suggests, however, that in many cases it is the only way to initiate and carry out network development work. Hence, as consultants we must learn to create more effective ways for members to learn about developing the network in the process of carrying out its work.

5. Building and maintaining grassroots support is crucial. Establishing strong ties to the external environment is essential to developing interorganizational networks. The broad purpose for network existence and activities comes from outside the system and the external environment provides the resources and support required for the network to survive and prosper. Recognizing network dependence on outside support should be reflected in how the network development effort takes place. Early work on recognizing the broad problem, conducting informal discussions, identifying stakeholders, and convening members is designed to build broad-based support for the network. Design of later development work must include ways of strengthening relations with key parts of the outside environment.

Since the external environment is dynamic, maintaining and developing new linkages with stakeholders and the general environment over time also is essential to network effectiveness. New stakeholders emerge, new legislation and government programs appear, changed political party control of the executive and legislative branches occurs, and network leaders discover new relationships with organizations and individuals that can strengthen the network. They also discover what can be achieved by collaborating in various ways to bring about large-scale change. Consequently, a network organization must develop ways to evaluate existing and emerging relationships with the external environment and invent effective linkages to relevant stakeholders. Strategic communication surveys are one way of assessing linkages between a network and its stakeholders. Periodic strategic planning represents another such process. Open meetings of members and individuals from outside the network offer another possibility. Individuals involved in developing networks must constantly be alert to strengthening relationships with the external environment and assessing the effectiveness of linkages to it.

## VII—

### Conclusion

Interorganizational networks are growing in importance and will continue to do so in the twenty-first century. This increasing importance stems from the types of complex problems confronting managers and organizations. Greater numbers of complex issues or problem domains in turn stem from environmental factors such as technology, expanding knowledge, globalization, and changing beliefs and values.

The socioecological view of interorganizational networks provides a way of conceptualizing and conducting development of these systems. This perspective provides a different frame for thinking about complex problem domains that enables diverse stakeholders to coalesce around a shared vision of a desired future and self-organize to make the vision a reality. By focusing network development at the ecological level, activities are directed at things that can make a real difference for the system as a whole, not just for individual members or only a few of them. Development work emphasizes creating and maintaining orientation of the network to the shared network vision and mission, using AR to identify outcomes and learnings, and making changes required over time to operate in a dynamic environment.

Phases of the network development process include recognizing the problem, conducting informal discussions, planning development work, visioning the future, convening stakeholders, and organizing for action. Inventing various forms of AR is required to develop and maintain network organizations. Using AR must become a key value of the network culture.

Lessons gained from working on several network development efforts include: (1) the socioecological view provides a solid basis for conceptualizing and carrying out development of interorganizational networks; (2) AR is essential to developing network organizations; (3) extensive design work is essential for effective network development; (4) development work must be closely linked to normal network activities in many situations; and (5) building, monitoring, and maintaining support from the external environment is crucial.

Although the potential for using interorganizational networks to enable stakeholders to tackle broad, multifaceted problems is great, these systems do not offer a panacea. Instead, they offer those who want to make a difference an approach to creating desirable futures in various problem domains. In the process, OD consultants who become involved in these large-scale change efforts will face many challenges and experience much satisfaction (and frustration!) for many years in the future.

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## 20— Perceiving, Evaluating, and Responding to Change: An Interlevel Approach

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Consultants on an organizational change contract typically find themselves working with individuals, teams, and intergroup dynamics at various levels of the change process. The situations that produce the need for these interventions emerge from the actual experience of the change process as it unfolds, and so they may appear haphazard. Actually, they are a central aspect of large system change, as organizational change comprises individual change, team change, and change across functions and teams. This chapter focuses on how individual, team, and interdepartmental group and organizational level change are systemically interdependent to provide consultants with useful working concepts for large system change.

### I— Rashford and Coghlan's Four Levels of Organizational Behavior

Rashford and Coghlan (1994) present levels of organization in terms of how people participate in organizations and link them to provide a useful tool for managers and consultants. In their framework, the least complex approach from the point of view of the individual is the *bonding* relationship that the individual has with the organization. This involves a utilization of membership and participation in the organization in order to meet personal life goals (level I). The more complex approach to participation exists in *establishing effective working relationships in a face-to-face team* (level II). An even more complex involvement exists in terms of the interdepartmental group or divisional type of interface in which teams must be *coordinated* in order to achieve complex tasks and maintain a balance of power among competing political interest groups (level III). Finally, the most complex, from the point of view of the individual, is the relationship of the total organization to its external environment in which other organizations are individual competitors, competing for scarce resources to produce similar products or services. The key task for any organization is its ability to *adapt* to environmental forces driving for change (level IV).

### A— Interlevel Dynamics

There is an essential interlevel element in that each level has a dynamic relationship with each of the others (Figure 1). This relationship is grounded in systems dynamics, whereby the relationship that each of the four levels has with the other three is systemic, with feedback loops forming a complex pattern of relationships (Senge, 1990; McCaughan and Palmer, 1994). Dysfunctions at any of the four levels can cause dysfunctions at any of the other three levels. An individual's level of

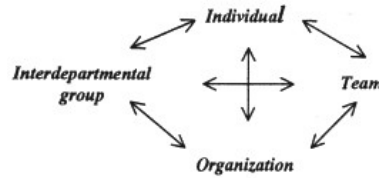


Figure 1  
Interlevel dynamics.

disaffection may be expressed in dysfunctional behavior in the team and affect a team's ability to function effectively, which in turn reinforces the individual's disaffection, and ultimately the bonding relationship with the organization. If a team is not functioning effectively, it can limit the interdepartmental group's effectiveness, which may depend on the quality and timeliness of information, resources, and partially completed work from that team. If the interdepartmental group's multiple activities are not coordinated, the organization's ability to compete effectively may be affected. In systemic terms, each of the four levels affects each of the other three. Interlevel dynamics are pivotal to organizational learning (Argyris and Schon, 1996; Coghlan, 1997), and provide a useful approach to managing large group interventions (Coghlan, 1998).

**II—  
The Process of Systemic Change**

What are the dynamics of the change process for those who are being mandated to change by their managers? For individuals, teams, and the interdepartmental groups, there are three critical process elements (Figure 2).

*Perception:* This comprises the meaning the change has for them, the degree to which they have control over the change, and the degree of trust in those promoting the change.

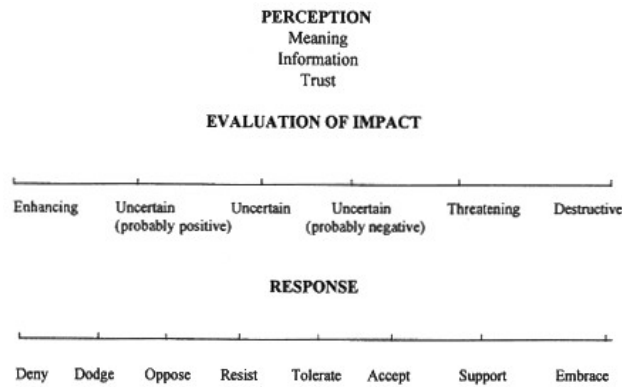


Figure 2  
Process elements in response to change initiatives.  
Adapted from the work of Warren Bennis (Lippitt, 1973).

*Assessment of the impact of the change:* Will the change be positively enhancing, uncertain though probably positive, uncertain, uncertain though probably negative, threatening, or destructive?

*Response:* The individual can deny, dodge, oppose, resist, tolerate, accept, support, or embrace the change.

These three elements are influenced heavily by the availability of information about the change and the process of communication between those promoting the change and those affected by it. Absence of information and a lack of a sense of participation create anxiety, uncertainty, hesitation, and resistance, and increase any lack of trust that might exist.

Systems do not change instantaneously. Change has to begin somewhere and work its way through the system. Schein's (1980; 1997) adaptive coping cycle provides a useful map of large system change (Coghlan, 1999) (Figure 3). As organizations move through the adaptive coping cycle, there can be a considerable time lag between when the need for change is first sensed, the information taken to the right place where it can be digested, processed and acted on, the desired changes made with undesirable side effects managed, the new actions developed, and feedback obtained on these new actions.

Implicit in the adaptive coping cycle are the following:

*Individuals* perceiving the change agenda, evaluating its impact on them and their future in the organization, and responding

*Teams* perceiving the change agenda, evaluating its impact on them in terms of team tasks and process, and responding within the team

*Teams across the interdepartmental group* perceiving the change agenda, evaluating its impact in the light of resource allocation, interdepartmental politics and collective bargaining, and responding

*The organization as a whole* perceiving the change agenda, evaluating its impact on customers and stakeholders, and responding

These activities are spread over time as the agenda moves through the system.

Institutional change has to begin somewhere and work its way through the system. It is the management of this time lag and state of affairs that defines the period of transition and that is critical to the process of organizational change (Beckhard and Harris, 1987; Bridges, 1991).

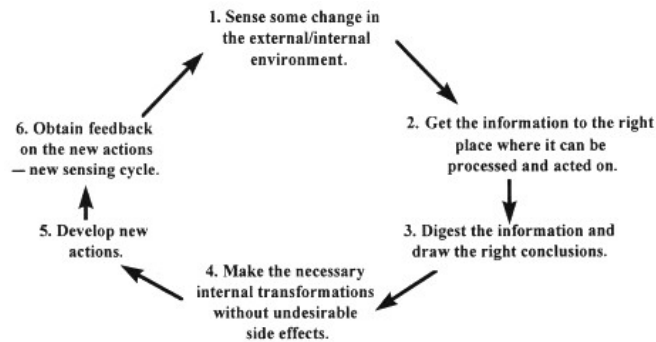


Figure 3  
The adaptive coping cycle as a process of systemic change.

For a large system to change, key individuals have to unfreeze and change, key teams have to apply themselves to the change agenda, the change must be generalized at the interdepartmental group level, and the organization must adapt in its external markets (Rashford and Coghlan, 1994). The change process involves reactions to the change issues by individuals, teams, and groups; information sharing, problem solving, and decision making by individuals and groups; and negotiation for resources by interfunctional teams at the interdepartmental group level in order to move the organization from a stage of disconfirming information to a renewed organization. Accordingly, the change process comprises a series of movements across the four organizational levels as individuals and teams perceive the change agenda, evaluate its impact, and respond.

Rashford and Coghlan (1994) describe four psychological reactions to change—denying, dodging, doing, and sustaining—and link them to the change process across the four organizational levels in a seven-phase sequence. There is a domino effect as the hierarchy of the organization, after recognizing the need for the change, intervenes appropriately in the organization. Key individuals are confronted with the disconfirming data, and react to it first in denial and then dodging mode before moving to a doing stage, during which the information is taken to the team for analysis and acceptance. Team members, confronted with disconfirming information, typically deny and dodge before accepting the need for change and taking the issues to the wider interdepartmental group for acceptance and action. Reaction at the interdepartmental group level leads to intergroup negotiation about what changes are to be implemented, how they are to be implemented, to whose benefit, and what subsystems of the organization are affected. When the change has been initiated at the interdepartmental group level and is affecting the organization's products or services to its external market, the key individual goes into a sustaining mode and looks for ways to maintain the change in the organization's structure or critiques the change as to whether or not it is meeting the original or emergent needs for change adequately. It is at this stage that the need for second-order change may emerge. In this instance the process loops back as the key individual initiates a new change project and meets with denial and dodging as he or she takes the issues to the team and then into the interdepartmental group.

Denying and dodging are natural reactions to the unexpected news that change is needed. They describe more explicitly the specific reactions in the unfreezing process as experience is disconfirmed and anxiety is felt (Schein, 1996). Because change involves a movement from what is familiar and accepted, it usually has threatening and stressful elements, therefore the initial reaction to change to be expected is that change is not necessary, and as we have seen, that such a reaction typically shifts to an avoidance or dodging stance. As Schein points out, the critical issue for movement is the creation of psychological safety. Psychological safety is impaired by less than adequate communication about the reason for change and its direction, hence employee perception, evaluation of impact, and response may tend to be negative and unsupportive of the change endeavor. The doing and changing stages are complementary, as are the refreezing and sustaining stages. Schein's notion of relational refreezing can be understood in terms of the four organizational levels in systemic harmony, sustaining a change.

The phases of change through the four levels provide a framework for one clear fact of experience that is rarely considered in the change literature, namely that in organizational change people change at different paces. This is partly as a result of access to information (e.g., the CEO is likely to have a sense of the need for change before others further down the echelon because he has access to the information). A sales team may be convinced of the need for change from interaction with customers and then have to persuade the top management team to take on the issue. Rashford and Coghlan's (1994) seven-phase change sequence illustrates that when one party is aware of the need for change and begins initiating it, another party may be caught unaware and typically responds by denying and dodging. A snapshot of an organization taken at a specific point in a change process would typically show that some groups in the organization are actively promoting the change agenda, some groups are beginning to feel the impact of the change, other groups are tentatively responding to it, and there are still others, perhaps, whom the change has not yet touched. A view of the change process in terms of organizational levels adds a necessary sophistication to the management of the transition period and to creating commitment (Beckhard and Harris 1987).

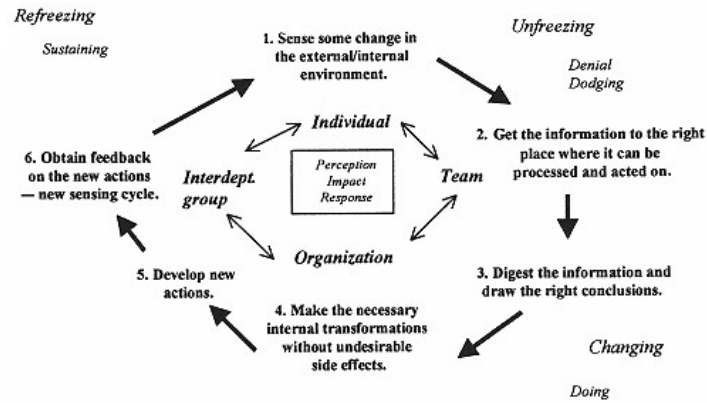


Figure 4  
The process of systemic change.

Consultants working in the context of large system change may attend to these dynamics (Schein, 1997, 1999) (Figure 4). They attend to how the change agenda is being moved through the organization and how it is perceived and evaluated by the employees so that appropriate responses may be made to enable the change to be implemented. They work with individuals and teams on their perception, evaluation of the impact, and response. They attend to how the change affects the four levels. Organizational change comprises individual change, team change, and change across the interdepartmental group in a systemic manner as each level perceives the change issues, evaluates their impact, and responds. Consultants work *at* and *between* each level.

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## 21— Making Teams Work: Implications for Consulting Practice

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The use of teams has increased dramatically in response to competitive pressures for speed, costs, quality, and innovation. For example, 82% of companies with 100 or more employees report that they use teams (Gordon, 1992). Seventy-nine percent of Fortune 1000 companies reported that they used self-managing work teams and 94% reported that they used employee participation groups in 1996 compared to 28% and 70% respectively in 1987 (Lawler, 1998). This growth in the use of teams has meant that organizations have provided consultants with myriad opportunities to help them increase team effectiveness. Many books have been written for the practitioner. For example, authors have written on increasing the effectiveness of self-managing work teams (Wellins, Byham, and Wilson, 1991; Orsburn et al., 1990), cross-functional project teams (Parker, 1994), parallel learning teams (Bushe and Shani, 1991), and executive teams (Katzenbach, 1998). Other books have examined the design of team-based organizations (Mohrman et al., 1995) and the need for organizational systems to support team effectiveness (Sundstrom et al., 1999).

Academic researchers also have responded to the increased use of teams in industry by focusing more of their research on teams and team effectiveness. In the last decade hundreds of studies have been published about teams in a variety of academic journals. Consultants and practitioners often do not read academic journals and as a result the findings from empirical research do not typically inform consulting practice. Consultants are more likely to read practitioner-oriented books such as ones cited above, but most of these books are not based on systematic empirical research, but rather on collected experiences. The aim of this chapter is to summarize the findings from recent empirical studies on team effectiveness in organizational settings and to draw out their implications for consulting practice. In 1997, the authors of this chapter published a review article on teams and team effectiveness in the *Journal of Management*. Limiting ourselves to empirical studies of teams in organizational settings, we selected 200 articles for possible inclusion and ultimately focused on 54 studies of teams in organizations that included measures of effectiveness and were carried out between January 1990 and April 1996. We include in this chapter a few additional studies published after April 1996. We present the major findings from the studies that we reviewed and their implications for consulting practice.

This chapter is organized in the following way. First, we discuss the studies in which performance outcomes varied for different types of teams. Second, we describe key points that emerged from these studies that we believe will generalize across team types. Third, we examine a few areas in which further study is warranted. We conclude by summarizing the major lessons for consultants

from recent empirical work. We discuss in greater detail the implications for consulting within each section of the chapter.

I—

### **The Type of Team Matters**

The most critical learning from this set of studies is that teams differ substantially by type, and that the type of team matters for determinants of effectiveness. Four types of teams can be identified in organizations today: 1) work teams, 2) parallel teams, 3) project teams, and 4) management teams. Other sources use slightly different typologies (Katzenbach and Smith, 1993; Mohrman et al., 1995; Sundstrom et al., 1999), but their categories overlap with ours.

Work teams are continuing work units responsible for producing goods and providing services. Their membership is typically stable, usually fulltime, and well-defined (Cohen, 1991).

Parallel teams work outside of—in parallel to—the formal organizational structure, and they generally make suggestions or recommendations for improvement to management (Ledford et al., 1988; Stein and Kanter, 1980).

Project teams have specific tasks to complete within designated time periods, producing onetime outputs (Mankin et al., 1996).

Management teams are responsible for the performance of a business unit, providing direction to the subunits under their purview. They consist of managers and their direct reports.

These four different types are all teams; that is, they are groups of individuals interdependent in their tasks who share responsibilities for outcomes, manage their relationships across organizational boundaries, and see themselves (and are seen by others) as intact social entities embedded in larger social systems (Hackman, 1987; Alderfer, 1977).

By distinguishing among types of teams, we were able to show that studies of different types of teams examined different predictors of effectiveness. For example, studies of work teams and project teams were more likely to evaluate the impact of task design than studies of management teams or parallel teams. Studies of project teams examined the impact of group processes external to the team; no studies of other types of teams looked at external group processes. The vast majority of management team studies, but almost no project team study, looked at the impact of group composition variables on effectiveness.

The studies of different types of teams also varied in how they measured effectiveness. About half of the work, team studies, and parallel team studies, and almost all the management team studies, used objective measures for performance effectiveness, but no project team study did. Effectiveness was typically assessed at the group level for work, parallel, and project teams, and at the organizational level for management teams. Most studies had multiple measures of effectiveness, and findings frequently varied across measures of effectiveness (e.g., variables that predicted innovation did not necessarily predict speed).

What this means for consultants is that they must be careful consumers of academic research. A study of one type of team does not necessarily generalize to another type of team. What predicts success in one type of team may not predict success in another. For example, as discussed below, autonomy or self-management has been a key predictor of success in work teams. The few empirical studies of project teams have not found member autonomy to be associated with project success, however.

The consultant also has to be careful about generalizing from her experience with team consulting. If the consultant has primarily worked with one type of team, she should not assume that her methods and approaches will be successful with another type of team. For example, members of self-managing work teams in manufacturing facilities often rotate jobs and can perform all the tasks in their work cell. Job rotation and multiskilling usually do not make sense for project teams members who apply their distinct specialty to the development of a new product or service. We are arguing for a differentiated approach to team consulting; if you have a hammer, it doesn't mean that everything you see is a nail. What you need is a tool box, with tools that fit the variety of team types being used today.

A—

***Improving Team Effectiveness***

Traditionally consultants have used a team-building approach to help organizations improve team effectiveness. The term team building generally refers to methods and techniques that focus on internal team processes and dynamics, such as promoting problem solving, developing conflict resolution, building trust, enhancing communication skills, and improving team relationships. The team-building approach reflected the interest of early researchers on team dynamics (e.g., see Cartwright and Zander, 1968). The problem with team-building interventions is that the empirical evidence for their efficacy remains elusive. Since the early days of sensitivity training to the current interest in team building in wilderness settings, a meaningful link between internal processes and performance has yet to be demonstrated (Mankin et al., 1996; Dunning and Campbell, 1968; Kaplan, 1979; Wagner et al., 1991). Part of the problem with team-building interventions generally is that they are reactive; they come into play when problems emerge and generally do not deal with the root causes of those problems. In addition, a focus solely on team building is narrow; it does not address the set of factors that potentially impact team performance.

Currently consultants are more likely to take a more proactive and comprehensive approach to improving team effectiveness. This change may reflect an awareness of current research on team effectiveness that addresses a broader set of factors influencing team effectiveness. Design factors are those features of the task, group, and organization that can be directly implemented by managers to create the conditions for effective performance. For example, the design of the team's task, its goals, its composition, and the feedback it receives on its performance all provide a foundation for effective performance. Process factors include not only the internal group processes of the team, but external processes with key stakeholders that may influence how the team performs. The way teams are designed and the processes that are used may influence the shared understandings, beliefs, or emotional tone—what we call "group psychosocial traits." These shared cognitions and emotions also may impact performance. These categories of variables are potential points of leverage for consultant interventions. For example, a consultant hired to help an organization improve the effectiveness of its teams may find herself helping the organization redesign its performance management and reward systems so that teams set appropriate goals and receive bonuses based on goal accomplishments. Just as the consultant needs a tool box with tools that fit the variety of team types, the tools need to be used on a variety of organizational mechanisms.

What follows below are key findings from the set of studies we reviewed that differentiate among types of teams. These findings deal with team, task, and organizational design, internal and external group processes, and team psychosocial traits. They cover areas that consultants and managers can influence, such as the design of participation systems, the amount of autonomy provided to team members, and the types and amount of diversity on teams.

B—

***Substantive Versus Consultative Participation***

A considerable amount of recent research has been conducted in the areas of team autonomy and worker participation. To facilitate our discussion of this work, we distinguish between two types of participation—substantive and consultative—based on the definitions of Levine and Tyson (1990). Substantive participation necessitates fundamental changes in work organization. An example of substantive participation is found in self-directed work teams, whose high levels of group autonomy dramatically alter the work roles of members and supervisors. Numerous studies have been conducted to examine the benefits of self-directed teams in particular and autonomy in general. Consultative participation involves eliciting suggestions from employees in ways that do not disturb the established work organization, as managers retain control over decisions. Parallel teams such as quality circles and process improvement teams typify consultative participation. While the use of consultative teams is quite common, little academic research has been performed on them.

Worker participation of either form—substantive or consultative—is theorized to enhance performance. Although this contention has been challenged in the past (e.g., Locke and Schweiger, 1979), a recent meta-analysis (Wagner, 1994) indicates that participation has a positive albeit small relationship to performance. From a consulting perspective, one might accept the positive impact

of participation, but wish to know further *which type* of participation is better. Only two studies have directly compared substantive to consultative participation. Both of these papers examined participation at multiple sites; the results are discussed below. Quite a number of other studies have studied one form of participation alone, often at a single site. Results from these studies are presented to help separate participation's effect on attitudinal, behavioral, and performance outcomes, as an intervention may be concerned with one outcome over the others.

Batt and Appelbaum (1995) examined work groups in the telecommunications and apparel industries. At all sites in their sample, both traditionally managed and autonomous work groups were employed. In addition, workers could participate in off-line, consultative teams such as quality of work life teams and training committees. Consultative participation was never significant in models predicting satisfaction, organizational commitment, and workers' perceptions of quality among the telecommunications workers, while among the sewing operators it had a mildly significant effect only on organizational commitment. Substantive participation was always significant for both samples, and it remained a significant predictor of workers' ratings of quality even after the model controlled for a full array of human resource and employment relations practices. Substantive participation thus proved a far superior positive predictor of outcomes than did consultative participation.

A very different conclusion was presented in a study of production operator teams in the semiconductor industry (Bailey, 1997; 1998). Workers engaged in substantive participation in the form of self-directed work teams exhibited higher satisfaction and self-perceptions of performance, results that are very similar to the Batt and Appelbaum findings. Workers whose participation was consultative, however—via continuous improvement teams that contributed suggestions to management—had significantly higher *objective* performance as measured by direct and indirect labor productivity. The difference between attitudinal and perceived performance results on the one hand and objective results on the other may have been a function of the self-directed work teams coming to believe that the goal had been changed from "pushing wafers" to "being a good team member." In addition, the high-technology setting increased the significance of the interface between the production teams and the large engineering workforce. Problems in facilitating management of this interface also may have affected performance in the substantive arrangements (where production roles were expanded to overlap with engineering duties) more than in the consultative ones (where they were not). This study suggests that self-managed teams may not be appropriate for all work settings, or at least that models of implementation and management may need to be adjusted to the environment.

Among studies that examined a single type of participation, substantive participation appeared to have quite a positive impact on attitudinal outcomes, and a mixed effect on behavioral ones. Autonomy was positively associated with satisfaction for self-directed work teams in both manufacturing (Cordery et al., 1991; Pearson, 1992; Seers et al., 1995) and service environments (Cohen and Ledford, 1994; Cohen et al., 1996). Autonomy was further found to be positively associated with the attitudinal measures of organizational commitment (Cordery et al., 1991; Cohen et al., 1996) and trust in management (Cohen et al., 1996). In contrast to these favorable attitudinal results, absenteeism was found to be higher among autonomous teams than traditionally managed ones in one study (Cordery et al., 1991), albeit relatively stable in another (Pearson, 1992). A somewhat positive behavioral result is found in Pearson's (1992) study of an engineering workshop. Accidents increased among nonautonomous groups while remaining constant for semiautonomous ones. The latter were observed to include job safety in their discussion periods, while nonautonomous groups relied upon safety representatives to uncover unsafe work practices. In general, the behavioral effects of substantive participation are less positive than the attitudinal ones.

In the realm of performance, substantive participation appears to have a positive impact in most studies. Autonomy was found to be positively associated with performance—both team-rated (Cohen and Ledford, 1994; Cohen et al., 1996) and manager-rated (Cohen and Ledford, 1994). Positive objective findings were reported by Banker et al. (1996), whose longitudinal study of high-performance work teams with substantive decision-making powers in an electromechanical assembly plant revealed increased quality and labor productivity measures following the team intervention. Positive results spanned both service industries (Gupta et al., 1994; Campion et al., 1993) and manufacturing ones (Pearson, 1992). In the latter study, autonomous groups made more efficient use of their manpower, eliminated unnecessary work, and acquired more relevant work knowledge. One

study (Yammarino and Dubinsky, 1990) found no relationship between autonomy and performance, but it is not clear if the teams in the study (collections of individual salespeople who lacked collective responsibility but reported to the same manager) were true examples of substantive participation. Here again, substantive participation, as indicated by autonomy levels, seems to have a positive association with performance.

A study by Kirkman and Rosen (1999) suggests that team empowerment, a construct that is broader than self-management, will have a stronger impact on team outcomes than autonomy taken by itself. Team empowerment is defined as having four dimensions: (1) potency, or the collective belief of a team that it can be effective, (2) meaningfulness, or the degree to which a team's tasks are aligned with the values, beliefs, and attitudes of its members, (3) autonomy, or the degree to which tasks provide the team with substantial freedom, independence, and discretion, and (4) consequences, or team members' knowledge that a team's tasks have a significant impact on the organization (Kirkman and Rosen, 1997). The authors examined 111 teams from four firms that represented both service and manufacturing domains as well as high- and low-technology ones. They found that team empowerment was positively associated with an impressive array of performance and attitudinal outcomes, including productivity, proactivity, customer service, job satisfaction, organizational commitment, and team commitment. In hierarchical regression models in which autonomy was entered before team empowerment, the authors found support for their contention that team empowerment added significantly to the explanatory power of the models.

Consultative participation did not fare as well in any realm, although there are few studies in this area. Adam's (1991) longitudinal study of four quality circles in two manufacturing and assembly plants revealed a negative relationship between participation and satisfaction, and his results are similar to those of previous studies (e.g., Griffin, 1988; Marks et al., 1986). Steel et al. (1990), found that managers' ratings of performance were no higher for quality circle employees than for noncircle employees at a U.S. federal mint, but that circle participation was negatively associated with absenteeism, thus the only positive result for consultative participation is a behavioral one.

Overall, with the exception of the study by Bailey (1998), recent studies indicate that substantive participation in the form of self-directed work teams has clear benefits. Worker autonomy enhances worker attitudes, behaviors, and performance. In contrast, the largely negative results for consultative participation suggest that it lacks such benefits. The studies of the past 6 years tend to be consistent with the findings of recent reviews that examined the literature of the past 30 years. In a meta-analysis of 131 North American field studies involving organizational change, Macy and Izumi (1993) determined that autonomous and semiautonomous teams had a significant effect on an organization's financial and overall performance, while other team configurations (e.g., quality circles, general work teams, and employee involvement teams) did not. Although the particular meta-analysis technique employed by the authors was highly exploratory, their results are similar to those of Cotton and colleagues (Cotton et al., 1988; Cotton, 1993), who in their surveys found that self-directed work teams have had a stronger effect on performance than have parallel teams. The caveat that we add to this summary is that, while substantive participation appears to be better than its consultative alternative in many instances, the form of participation ultimately should be tailored to fit the work to be accomplished, the work environment, and the business objectives.

The apparent superiority of substantive over consultative participation has significant implications for consulting practice. With the advent of the quality circle movement in the 1970s and 1980s, a consulting industry emerged to help companies implement quality circles. Quality circles grew in popularity until the late 1980s, when their usage began to wane (Lawler and Mohrman, 1985). In the late 1980s and early 1990s, many companies adopted total quality management and implemented quality improvement teams throughout their organization. A consulting industry also has grown up around implementing quality improvement teams (also called quality action teams, *kaizen* teams, or process improvement teams) for organizations. Quality circles and quality improvement teams both are parallel structures, and thus constitute forms of consultative participation. Although the number of academic studies is limited, they do not suggest that these structures are particularly effective in generating performance improvements or positive employee attitudes. In other words, existing empirical research results contrast dramatically with the claims made by the consultants (and companies) implementing consultative participation team structures and activities.

The studies do not indicate whether it's the form, the parallel structure, or the method of implementation that leads to consultative participation's disappointing results. The advantage of the parallel structure is precisely its disadvantage—the organization does not have to change to support it. It is possible that the lack of systemic changes in the organization, such as information or reward system changes designed to support participation, limit the efficacy of parallel teams. If it is not the parallel structure per se but how it is implemented, then the research on substantive participation is suggestive. The more that parallel teams deal with real (substantive) business issues and directly focus on performance improvements, the more likely they will be able to achieve their goals. Clearly more research is needed before firm conclusions can be drawn (particularly on parallel teams other than quality circles), but the practitioner audience should be skeptical of the performance claims made for parallel structures.

C—

***Autonomy for Work Groups, Not Project Teams***

Interestingly, when it comes to autonomy, what is good for the gander may not be good for the goose. Although research indicates the positive relationship between autonomy and work team effectiveness, several recent studies indicate that autonomy and project team effectiveness do not go similarly hand in hand. Henderson and Lee (1992) found that the highest-performing teams in a sample of 41 information systems design teams across 10 organizations were those in which managers retained control over giving specific work assignments to team members and developing task procedures rather than granting authority in these areas to the team itself. Similarly, Kim and Lee (1995) found that team autonomy had a negative association with performance among 80 R&D teams in both government-sponsored research institutes and private R&D centers in Korea. Autonomy had a positive impact on the team's performance only when the organizational climate favored innovation and work pressure was high. In a survey of 378 project team members at three R&D facilities in the electronics industry, Levi and Slem (1995) found that self-management was not significantly related to team members' perceptions of team effectiveness. Most respondents reported that their team leader had retained control over most decisions, and most believed their leaders performed well. Further, leadership was found to be strongly correlated with perceptions of team effectiveness. Ancona (1990) found that in the beginning stages of a state educational program involving five consulting teams, management was unclear about team goals but claimed teams had autonomy. In that initial environment, the more active teams fared better. When management later became more clear in its aims and set constraints on what the teams could do, however, an active team that tried to fight this sudden imposition of external control was branded a "trouble" team and was rated poorly by the managers. In each of these studies, project teams with higher autonomy were not the best performers.

Consultants considering implementing project teams with the same high autonomy they establish for work teams might do well to consider the results presented here. Why is team autonomy not a positive predictor of project team performance? The project team members in these studies were all professionals who conceivably may enjoy considerable discretion in other areas of their job and thus feel less need for it in their project team participation. This interpretation is supported by recent work by Uhl-Bien and Graen (1998), who found individual self-management to be positively associated with effectiveness for professionals in functional units but not in cross-functional teams. Of note, however, is the further result that self-management was positively associated with job satisfaction among professionals in both types of work structures. In interviews with project team members, Henderson and Lee (1992) found that members appreciated the manager's ability to bring domain knowledge to bear in work assignment and procedure clarification. In these tasks, both a technical and a social perspective was required; the implication is that managers have both perspectives while team members lack the latter. Perhaps project team autonomy is only important to the project leader, whose name may be prominently associated with the project's success or failure, and who may be the primary conduit to external management. (See Hansen, 1995, for a qualitative observation study of one project leader's interactions with management.) We hope that future studies will examine more thoroughly how autonomy manifests itself among project team members and leaders. Clark and Wheelwright's (1992) work on the types of project team leadership structures

is a step in the right direction, but it too leaves unclear the degree of decision-making control held by team members. In the interim, consultants should carefully consider the other roles played by members, the nature of the work to be done, the knowledge domains of all relevant persons, and the manner in which performance is evaluated and credit given when determining the locus of decision-making control (e.g., managers, leaders, team members, or combinations thereof) for project teams.

*D—*

### ***Diversity in Teams***

The increasing diversity of the U.S. workforce has generated interest in exploring the impact of diversity on effectiveness. In the last two decades, there have been numerous initiatives to manage and reap performance improvements from diversity (Thomas and Ely, 1996). Diversity consultants have established programs aimed at enabling members of one demographic group to become more sensitive and to learn the perspectives of other demographic groups. The conventional wisdom espoused by diversity consultants (and the popular press) is that companies that learn how to effectively manage diversity will perform better, because they utilize the full contributions of their members. Unfortunately, the empirical evidence is not yet in place to support these claims (Jackson et al., 1995).

The number of empirical studies of diversity at the team level is quite limited. In the review that we completed, we did not find one study pertaining to gender, racial, or ethnic diversity in teams. We were surprised and disappointed by the absence of studies in this area, and it is unfortunate that the empirical research lags so far behind the concerns most immediately relevant to practice. Because workplace and consequently team demographic diversity is here to stay, new research should be focused on the conditions and practices that enable diverse teams to be effective.

The studies of top management teams were the most likely to look at the performance impact of demographic factors. Top management teams tend not to be diverse in terms of gender and race, however, and the archival records used by researchers do not indicate ethnicity. The studies of top management teams did look at the impact of heterogeneity of the ages of top managers and found that it was related to turnover (Jackson et al., 1991; Wiersema and Bird, 1993). In general, differences in the attributes of the top managers predicted top team turnover; for example, educational background (Jackson et al., 1991; Wiersema and Bird, 1993). The researchers explain this finding using Schneider's (1987) attraction, selection, and attrition theory, which suggests that people are most comfortable remaining at work with others who are similar to them and least comfortable with those who are different. Dissimilarity in ages or educational background may create discomfort, and those that are dissimilar may be encouraged to leave.

The type of diversity most frequently studied was diversity in knowledge and skills, sometimes measured using survey questions, and other times measured by the number of functions represented on teams. Bringing diverse perspectives and skills to bear on shared problems should positively impact performance outcomes such as innovation and learning. The relationship between functional diversity and performance is complex and varied with the type of team, however. For work teams in an insurance company, Campion et al. (1993) found skill heterogeneity to have no relationship to productivity, employee satisfaction, and manager ratings of performance. For parallel employee involvement teams in a computer manufacturing facility, Magjuka and Baldwin (1991) found functional diversity (measured as the proportion of various job categories) to be positively related to self-reports of performance effectiveness. For project teams, Ancona and Caldwell (1992) found a mixed effect; the direct impact of functional diversity on managers' performance ratings of the team was negative, but the indirect impact through increasing the amount of external communication to stakeholders on managers' performance ratings was positive. The negative direct impact on performance was stronger than the indirect positive one. For top management teams in the computer industry, Haleblan and Finkelstein (1993) found that functional heterogeneity was negatively related to performance. In contrast, Smith et al. (1994) found no relationship between functional heterogeneity and performance for the top management high-technology teams he studied. Surprisingly, functional diversity was not related to internal team processes in Ancona and Caldwell's (1992) study of project teams and Smith et al.'s (1994) study of top management teams. Although several theoretic-

cal articles have been written about the impact of diversity on communication, decision making, and conflict resolution (Maznevski, 1994; Jackson et al., 1995; Pelled, 1996), careful empirical field work is needed. Researchers need to carefully examine the relationship between different types of diversity, internal team processes, and specific performance outcomes.

The results from this set of studies on team diversity do not provide clear guidance to the consultant. The findings vary across types of teams and are not consistent across multiple studies (where they existed) within team type. The consultant cannot assume that specific types of diversity automatically lead to performance improvements. She should be skeptical of exaggerated performance claims. More research is clearly needed to guide practice in this area.

## **II— Key Findings across Team Types**

Three key points that emerged from this set of studies we believe will generalize across team types. They are: (1) ratings of performance success depend upon who is doing the rating; (2) cognitive and affective dimensions of key variables have different impacts on team effectiveness, and (3) what contributes to performance at the team level may not at the organizational or individual level. Each of these points is discussed below.

### **A— Who's Doing the Rating?**

One recent project team finding that we expect can be generalized across types of teams is that the factors most associated with success vary based on who is rating the team's performance. The study by Ancona and Caldwell (1992) provides an excellent example of this point. For 45 new product teams in high-technology companies, internal task processes were positively related to team members' ratings of their own performance. In other words, if the teams were perceived by members to exhibit good working relations within the team, then the team members were more likely to say the team was a success. By way of contrast, managers were more likely to rate a team a success if it exhibited high external communication. In an earlier study that Gladstein (1984) completed using telephone sales teams (work teams), members also self-evaluated effectiveness based on internal group processes, which had no relationship to objective measures of performance.

In Ancona and Caldwell's study (1992), the difference in predicting factors may emanate from differences in information sources or values about what is important. Managers are no doubt less likely to be aware of how well a team works together, being absent from most team meetings. They instead gather information and form opinions from communication the team conducts with key stakeholders across its boundaries. They also may not consider the team's internal processes as important as whether it satisfies the requirements of key external stakeholders. In contrast, team members know how well they work together, and are likely to care about their relationships with one another. What signifies success for managers, by virtue of their different vantage point, is not the same as what signifies success for the teams themselves.

That team members tend to rate the team's performance highly if the team has engaged in healthy internal processes such as collaboration and resolution of conflict, and that managers are more likely to rate a team highly according to external factors, does not imply that subjective measurements necessarily should be replaced by objective ones. Objective measures should be sought if what we are interested in is how well the group is achieving quantitative goals, but in many instances we are interested in the perceptions of effectiveness from key stakeholders.

The message here is that consultants might focus on different factors depending on who their client is for a team intervention. If the team itself is the client, then team-building interventions may help to improve perceptions of success. If the team's manager is the client, then attention should be paid to encouraging and supporting communication between teams, its manager, and other key stakeholders. If there are multiple clients, then a more comprehensive approach should be taken. We note that encouraging positive perceptions from either group of stakeholders does not ensure positive objective performance. For example, the study of semiconductor production teams (Bailey, 1998) revealed that groups with more team dynamics training had higher perceptions of performance,



but lower productivity than teams with less training. In Gladstein's study (1984), perceptions of performance were unrelated to objective performance outcomes. Because teams may be implemented for a variety of reasons other than improving objective performance, however, various types of training and infrastructure may prove useful in achieving success.

**B—**  
***Cognition and Affect***

Perhaps one of the most interesting results from recent team research lies in the separation of cognitive and affective aspects of a traditional group processes variable: group conflict. Jehn (1995) surveyed 79 work groups and 26 management teams in a large freight transportation company. She separated conflict into two types: relationship conflict (an affective component representing interpersonal incompatibilities, tension, animosity, and annoyance), and task conflict (a cognitive component reflecting disagreement among group members about task content). For groups performing routine tasks, task conflict proved to be detrimental to group processes. In those groups performing nonroutine tasks, however, task conflict was not detrimental; in fact, in some cases it was beneficial. Task conflict appeared to promote critical evaluation of problems and options while simultaneously reducing thoughtless agreement. The benefits of task conflict did have their limits; at high levels of conflict, members became overwhelmed with information and lost sight of the group goal. Relationship conflict was detrimental to satisfaction and to members' intent to remain in the group regardless of the type of task, but it had no impact on performance. It appears that group members simply avoided those people with whom they did not get along. It is no surprise, then, that interdependence increased the negative impact of relationship conflict.

Amason (1996) continued the study of cognitive versus affective conflict by examining their effect on strategic decision quality, understanding, commitment, and affective acceptance among top management teams (TMTs) in the food processing and furniture industries. He predicted that TMTs with higher levels of cognitive conflict would produce higher-quality decisions, have higher levels of understanding, be more committed, and have greater affective acceptance. Top management teams with higher levels of affective conflict would produce lower-quality decisions, have lower levels of understanding, be less committed, and have less affective acceptance. He found that cognitive conflict was positively related to decision understanding and affective acceptance, while affective conflict was negatively related to decision quality and affective acceptance. His results concur with those of Jehn.

Many teams receive training in conflict resolution so that they can effectively resolve conflicts and prevent their escalation. The studies by Jehn and Amason suggest that teams should be counseled to differentiate between the affective and cognitive bases of conflict. If their task is nonroutine, they should be trained to recognize that a certain amount of task conflict is a healthy sign. They could be coached on how to challenge one another's ideas without challenging one's abilities, how to play devil's advocate, and how to argue from the perspective of competing groups or external agents. Their training on affective conflict, on the other hand, should stress that this type of conflict should be prevented if at all possible, and resolved immediately if it occurs. It is of particular note that these two studies found similar results when examining two very different types of teams: work groups and TMTs. At both ends of the spectrum, it seems, disagreements of a personal nature are detrimental, while those related to the task are beneficial. While the content of the examples used in training for these groups should differ substantially, the message should thus be the same.

Another arena in which affective and cognitive components of a traditional variable have been separated is that of cohesiveness. Four recent meta-analyses of cohesiveness have been conducted using both laboratory and field findings. Three studies (Evans and Dion, 1991; Mullen and Copper, 1994; Gully et al., 1995) found a moderately strong positive relationship between cohesion and performance. Mullen et al. (1994) conducted the fourth meta-analysis to examine the impact of cohesiveness on group decision-making quality. They found that the more the operationalization of cohesion tapped into interpersonal attraction (i.e., affect) as opposed to agreement on the task and goals (i.e., the cognitive work elements), the more cohesiveness impaired group decision making. This study underlies the importance of gaining agreement from team members in their understanding of the task to be performed, the methods to be employed, and the level of performance to be achieved.

It suggests that such cognitive agreement is more important for performance than getting everyone on the team to like one another. In accord with the work on conflict, the work on cohesion thus supports the idea that cognitive aspects of group interaction and traits have greater association with group performance than affective aspects have. The studies that we cite on affective conflict and cohesion are cross-sectional, and we believe that there may be long-term ramifications that differ from their short-term effects on performance outcomes. For example, if people who work together do not like each other (low affective cohesion), they may be more likely to leave a job than those who do like each other.

Several studies have begun to examine other issues of affect and cognition in work groups. For example, George (1990) examined shared affective tone among sales groups. Negative affective tone was a significant negative predictor of customer service behavior; positive affective tone was negatively associated with absenteeism. While field studies on affect are few in number, recent experimental work has shown that moods can affect judgments in group discussion tasks (Forgas, 1990). Much of the work on affect and mood remains at the individual level, however.

The work on group cognition is similarly in its early stages. Weick and Roberts (1993) discuss the existence of a collective mind, defined not as the sum of individual knowledge, but rather as the interrelation of actions carried out within a representational understanding of the system. The idea of a collective mind appears in Wegner's (1986) concept of transactive memory. Shared experiences may lead groups to code, store, and retrieve information together. The memory is not only the sum of individual memories, but also the awareness of who knows what. In a laboratory experiment, Liang et al. (1995) documented the creation of a transactive memory through group training. Groups that were trained together in a radio assembly task produced higher-quality radios than groups whose members were trained alone. Group members specialized in remembering distinct aspects of the assembly procedure, coordinated their efforts smoothly, and trusted one another's knowledge about assembling the radio. Future work hopefully will continue to map out the relationships between group cognitions, group affect, and group effectiveness. Although field research needs to be done on transactive memory, these findings suggest that intact teams should be trained together when members will be performing interdependent tasks. Training individuals on the knowledge and skills required for team tasks may not be as efficacious as training the teams as intact units.

C—

### ***Team, Individual, and Organizational Performance***

Performance outcomes occur at multiple levels in organizations: individual, team, business unit, and the whole organization. Outcomes can be related to one another in complex and sometimes conflicting ways (Argote and McGrath, 1993). For example, a project team may accomplish its project goals, but not contribute to its business unit's success because it wastes resources or detracts from other efforts with which it is interdependent. Conversely, business unit managers may make decisions that contribute to unit performance but diminish a project team's performance; for example, by removing key personnel from a less to a more strategically important project. Few studies that we reviewed compared performance at multiple levels and no study examined performance trade-offs at different levels. Instead, discussions about level of analysis were concerned with choosing the appropriate statistical methods for justifying aggregation. Future research should examine the impact of team behavior at multiple levels for performance and generate theory to account for the conflicts that will likely occur.

The implication for consultants is that they need to focus on team performance in context. It is possible to help a team achieve its goals at the expense of the business unit achieving its goals. Traditionally consultants who have used goal-oriented approaches have concerned themselves with aligning individual and team objectives to get all members to pull together. Now we are suggesting that they extend their gaze upward to align team objectives across the organization. Consultants need to understand what the performance objectives and metrics are for the business unit in which the teams are embedded, as well as the goals and objectives for the teams themselves. Teams also should have the information about the broader business unit's goals so that they can focus their efforts appropriately. If goals are not appropriately aligned across levels of the organization, the consultant can provide this feedback to management. By helping management to align goals at the

various systemic organizational levels, the team consultant can prevent teams from suboptimizing their performance.

### III—

#### Need for Further Research

The leadership of teams is an important area for new empirical research. We expected to find several empirical studies of team leadership and were surprised that there were few in the time period we reviewed. Team leadership needs to be understood in context and at multiple levels. How does organizational and business unit leadership affect the success of teams? How do behaviors of the team leaders that directly manage teams influence performance? How should team leader behavior differ for different types of teams? Consultants could clearly benefit from empirical studies that directly addressed these issues.

Another area that needs further study from field researchers is team development. Most team researchers take a static view of teams, and do not collect data over time. There have been few field studies of team development and most of our existing knowledge does not come from teams in organizational settings, yet teams change over time, and their development influences many of their social and cognitive activities (Worchel, 1994). Two interesting findings from an existing study is that early group actions or decisions have an impact for a long time afterwards, and that project teams are most open to receiving help and changing their course at the midpoint of their life span (Gersick, 1988). Future field studies might examine the conditions that promote effectiveness in a team's earliest stages and identify the types of interventions most helpful to teams at their midpoint. Managers and consultants frequently work with teams over long periods of time, and it would be helpful if empirical research were able to provide guidance to key developmental issues.

A third area concerns a relatively new type of team. Increasingly, organizations use "virtual teams" whose members are not colocated and who rely on electronic forms of communication to stay in touch. These teams often involve members from multiple countries as firms become global in their reach. Sometimes team members are drawn from multiple organizations. What enables virtual teams to be effective? What impact do cultural differences have on team processes and performance? What role do existing and new communications technologies and group decision support technologies play in promoting virtual team effectiveness? Consultants already are being asked to provide support to organizations using virtual teams. Research lags practice and should catch up.

Finally, we did not review any studies that examined team consulting. What types of consulting interventions contribute to team effectiveness? How should a consultant focus her efforts? Are consulting interventions aimed at increasing contextual supports for teams more efficacious than those directed at the team itself? What about the timing of consulting interventions? For teams with defined life cycles, are interventions at the beginning and the midpoint more effective than interventions at other times, as Gersick's (1988) work suggests? Again, this is a fruitful area for future research.

### IV—

#### Conclusion

This chapter has examined the implications for consulting of the key findings from recent empirical studies of team effectiveness. Summarized below are seven key findings and consulting implications from this body of work.

1. The predictors of team effectiveness often vary for different types of teams, which means that consultants need to be cognizant of the type of team with which they are working. They should tailor the factors they address and the approaches they use to fit that type of team.
2. Team consultation goes beyond team building; a comprehensive approach considers multiple points of leverage and multiple levels (individual, team, business unit, and organization) of performance outcomes. Because teams exist in an organizational context, consultants should understand the performance requirements for the team, its business unit, and broader organization. Consultants may need to help managers align goals across organizational

levels so that performance suboptimization does not occur. Often team consultation involves helping an organization redesign systems and practices to support teams.

3. Substantive participation is more likely to enhance performance than consultative participation. In other words, self-managing work teams are more likely to perform effectively and positively impact member attitudes than parallel teams, such as quality circles or quality improvement teams. A consultant needs to be skeptical of the performance claims made for parallel structures.

4. Although autonomy in work teams promotes effectiveness, autonomy has not been found to promote effectiveness in project teams. Consultants should be hesitant to increase project team self-management, and should focus instead on building effective project team leadership.

5. Having diverse teams in terms of member knowledge and skill backgrounds does not necessarily increase team effectiveness. Furthermore, the impact of functional diversity varies across types of teams. More research is needed on how to enable teams comprising members from diverse demographic backgrounds to work together effectively. Consultants should not assume that heterogeneous teams are more or less effective than homogeneous teams.

6. In empirical studies of teams, the factors most associated with success depend upon who is rating the performance, and these factors may not be related to objective performance. Teams evaluate themselves most highly when they have good internal processes; managers evaluate teams most highly when they communicate sufficiently with key stakeholders outside the team. Consultants might focus on different factors, depending upon who their client is for a team intervention.

7. Task conflict benefits performance, while affective conflict detracts from performance. Similarly, task cohesion contributes to the quality of team decisions, while interpersonal cohesion diminishes their quality. Consultants should encourage task-based conflict in teams, so that they consider multiple ideas, weigh alternatives, and develop the best solutions. Consultants should also help groups obtain agreement about the nature of their tasks to be performed, the methods to be used, and the level of performance to be achieved. In contrast, they should help teams avoid or immediately resolve relationship-based conflict, and the focus of their activities should not be on building close relationships among team members.

Consultants should be skeptical of exaggerated performance claims made by the popular press or by practitioners with specific products to sell. The empirical research on teams suggests that there are no quick fixes or panaceas for developing effective teams. The findings strongly imply that to be successful, consultants must have a relatively sophisticated understanding of teams that takes into account the multiple types of teams in use today. Consultants need to tailor their interventions to fit the different types of teams. They must go beyond team building by taking a comprehensive approach to designing effective teams.

At the same time, consultants should realize that practice often precedes the empirical research that can evaluate its efficacy. They may be providing support to organizations and teams in areas that have not been studied sufficiently to guide practice. For example, consultants are already helping organizations design and support virtual teams. They help team leaders and business leaders shape their activities to better support teams. They work with teams at various stages of development. Consultants need to be reflective about their experiences so that they can learn from them. They also should demand that empirical researchers catch up and do studies useful for practice. Our knowledge of teams and our methods for working with them have advanced in the 1990s, but to paraphrase Bettenhausen (1991), the best is yet to come. We look forward to the journey.

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22—

## **Sociotechnical Systems Consultation**

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Organizational consultation is a rapidly growing area with a diverse array of approaches and applications. Among this diversity, sociotechnical systems (STS) consultation is the most extensive body of theory and method applying the systems perspective to the design of work organizations today. From its British origins at the Tavistock Institute of Human Relations in London, the STS approach has spread to most industrialized countries in a little over four decades (Trist, 1981). In Europe and Scandinavia, STS has become almost synonymous with efforts to enhance quality of work life; in Canada and the United States, it undergirds the growing trend toward enriched work and self-regulating work teams.

This chapter provides a practical overview of the STS approach to work design. It is written from a consultation perspective and describes the underlying concepts, values, and methods that guide wise practice in this field. The chapter first examines the conceptual and value foundation of STS, then identifies a number of guidelines for designing work systems, and finally outlines the change process that it used to implement innovative work organizations.

I—

### **Conceptual Foundations**

Sociotechnical systems practice is based on two underlying premises about work organizations: (1) that they constitute a system composed of both social and technical parts that must operate together to achieve high performance, and (2) that this system is open to a wider environment with which it interacts (Cummings and Srivastva, 1977; Pasmore, 1988; Trist et al., 1963).

A—

### ***Social and Technical Relationship***

The first assumption of STS is that whenever people are organized to perform tasks, there is a joint system operating, a sociotechnical system. This system consists of two independent yet related parts, social and technical. The social element consists of people, their work roles, and relationships that are needed to produce a product or service. The technical part comprises the tools, techniques, and methods for task performance. Both systems are independent by virtue of the different laws governing their behavior. The social part operates according to biological and psychosocial laws, while the technical element functions according to mechanical, electrical, and physical laws. Nevertheless, the two parts are highly related because they must function together to produce a product or service. Consequently, in order to create a high-performance work system, it is necessary to design an effective relationship between its social and technical parts.

In seeking to design this interface, STS practitioners treat both the social and technical parts as changeable. Neither element is viewed as a fixed constraint to which the other must adapt. This provides organizational choice in structuring how the two components function together for task



performance (Trist et al., 1963). A key criterion for making these choices is to assure that the needs and requirements of the social and technical parts are jointly satisfied. This requires a work system design that jointly meets people's economic and psychosocial needs as well as the technical demands of the production process (Cummings and Markus, 1979).

**B—**

### ***System and Environment Relationship***

The second premise underlying STS concerns the relationship that must occur between the work system and its environment if the system is to thrive and develop. Sociotechnical systems are open to their environments. The environment must provide them with needed inputs, such as raw materials and information, while they must furnish the environment with desired products and services. In addition to these exchanges, sociotechnical systems must also buffer themselves from unnecessary external disruptions. They must be able to maintain sufficient autonomy to operate as a functional unit.

In designing these environmental relationships, STS practitioners seek to create work system boundaries that facilitate the exchange of necessary resources and information as well as protect the system from external disruptions (Miller and Rice, 1967). This requires bounding the system from its environment while providing it with the internal capacity to control external relationships. Moreover, attention is directed beyond merely adapting to environmental conditions to influencing the environment proactively in favored directions (Jayaram, 1976).

**II—**

### **Value Premises**

In addition to the conceptual foundation, STS practice includes a number of underlying values about how work systems should be designed and managed (Davis and Taylor, 1979; Emery, 1966). These values serve as ethical guides for STS consultation; they point out the right way to engage in STS practice.

Sociotechnical systems practice is based on the strong belief that human values should play a key role in the design of work. The needs and expectations of organizational members should be embodied in the design of work organizations, thus assuring a high quality of work life. In most cases, this emphasis on values results in work designs that promote high levels of employee growth, involvement, and responsibility. Because people can vary widely in their needs, individual differences also can occur in the way work is designed. Members are encouraged to take an active role in the design of their own work system so they can help to identify their own needs and desires and to design work accordingly.

Consistent with these human values, STS practice is grounded in the democratic credo that people have a right to participate in decisions that affect their work lives. This means that members should participate in the design of work as well as in the myriad of daily decisions that affect them at the workplace. Operationalizing this basic value generally means providing employees with the information, knowledge, and skills needed to be responsible participants in the decision-making process. It also requires providing sufficient time and resources for participation and assuring that managerial styles are supportive of democratic practices at work. For STS consultants, this basic value means that the consulting relationship will be highly participative and will be weighted heavily toward members' ideas and contributions.

Given these human and participative values, it is not surprising that STS places a profound value on organizational choice. The field rejects the technological imperative that work should be designed primarily to meet technical requirements. It also disavows the scientific management notion that there is one best way to design work in any particular situation; rather, STS argues strongly that there is choice both in how technology itself is designed and in how work is structured to produce positive outcomes. Of course, STS practitioners place considerable emphasis on assessing the social, technical, and environmental requirements of work organizations and take these into account in designing work. There is choice, however, in the way work is designed to jointly satisfy these multiple conditions.

### III—

#### **Design Guidelines**

Based on the above concepts and values, STS practitioners have developed a set of guidelines for designing work systems to achieve high levels of performance and quality of work life (Berniker, in press; Cherns, 1987; Cooper and Foster, 1971; Pasmore, 1988). These guides result from the experience and learning of many consultants and researchers over the past 40 years. They represent the craft of STS practice and are meant as a checklist for wise practice, not as specific prescriptions for consultation. The guidelines can be organized into three major areas that emphasize the unique contributions of STS practice: (1) design process, (2) work design, and (3) self-regulating work groups.

#### A—

##### ***Design Process***

Design process guides involve the process by which STS practitioners create an initial design for a particular work system. Generally, work systems can vary in size from a person operating a specific machine, to a small work team, to a total manufacturing plant.

#### 1—

##### **Compatibility**

This means that the way work is designed should be consistent with the design's objectives (Cherns, 1987). If the work system design aims to increase employee responsibility and control, then the design process itself should reflect these goals. It should include high levels of member participation to assure ownership and responsibility for the design's success. Moreover, such participation can enhance members' capacity for problem solving, innovation, and change. The design process can provide them with the training and experience needed to solve ongoing problems and invent improvements once the design is implemented.

#### 2—

##### **Minimal Critical Specification**

This guide suggests that STS practitioners should design only those essential features needed to make the work design operational (Herbst, 1975). All other elements of the design should be left free to vary with the circumstances. In many cases, the essential features include an operating technology and specification of what tasks are to be accomplished. Work system members are given the freedom to choose how to perform those tasks including work methods and task allocations. This discretion is necessary for innovation and learning. It helps members to improve the work system and to respond to changing conditions.

#### 3—

##### **Constraint-Free Design**

STS designers should initially design the work system with as few constraints as possible (Cummings, 1981). They should seek ideal designs free from assumed or real organizational constraints. This helps designers break out of existing molds and limiting assumptions. It increases the chances that the designs will be truly innovative rather than simple extensions of the status quo. Once an ideal design is established, however, designers need to assess it against real constraints and judge whether it is worth removing them. Final design choices should take into account only those limits that are too costly to eliminate.

#### B—

##### ***Work Design***

These guides are concerned with the content of designing individual jobs or interactive teams. They create the conditions for effective control of the production process within the job or team.

#### 1—

##### **Variance Control**

This guide to STS design involves the control of variances as quickly and as close to their source as possible (Davis and Wacker, 1982). Variances arise from the operation of the production or service process and represent significant deviations from specific goals and performance parameters. They can arise from a variety of sources including the operation of the technology, the nature of the raw materials, and human error. The longer variances persist, the more costly they become.

Traditionally, work designers attempt to control variances through external control mechanisms, such as rules, procedures, support staff, and managers. These methods can be slow and costly, however, especially when unexpected variances occur.

STS designers address this problem by building variance control into the work itself. They seek to provide employees with the necessary information, skills, and autonomy to detect and correct variances on line. This reduces response time significantly and eliminates much of the overhead cost of external controllers.

2—

### **Multifunctional Workers**

This guide is concerned with providing employees with multiple skills and the expertise needed to control the production process. Such multiskilling makes the workforce highly flexible and adaptable to changing conditions (Emery, 1966). It enables employees to devise a diversity of responses to match the variety of possible variances that can disrupt work. It also allows the work system to operate with less costly overhead expense, as employees can learn to perform many of the tasks traditionally carried out by staff experts, such as maintenance, planning, scheduling, and quality control.

3—

### **Information Flow**

Information is essential to detect and control production variances. The information flow guide suggests that information should flow to those performing work so they can control variances as quickly and as close to their source as possible (Cherns, 1987). This contrasts with traditionally designed work systems where information flows through several levels of management before it reaches the shop floor. This delays responses to production problems and can lead to misguided decisions. Providing employees with timely and relevant information can greatly reduce these problems.

C—

### ***Self-Regulating Work Groups***

Self-regulating work group (SRWG) design guidelines have to do with the basic building blocks of many STS applications. These teams consist of multiskilled workers who are given the freedom, skills, and information to control the production process without heavy external controls (Cummings, 1978; Herbst, 1962; Susman, 1990). Members of SRWGs are typically given responsibility for a whole product or service and can make decisions about work methods and task assignments. As the team develops skills and expertise, members may also take on additional tasks such as planning, scheduling, maintenance, and quality control. In advanced cases, members may be involved in such issues as selecting new members, distributing rewards, setting production goals, and investing in new technology.

1—

### **Responsible Autonomy**

The responsible autonomy design guide concerns the power and authority provided to SRWGs. If members are to take responsibility for the production system, they must be granted sufficient authority to command needed equipment, resources, and materials and to make decisions about how to perform tasks (Susman, 1976). In the absence of such power, team members are unlikely to take responsibility for their work behaviors because key factors needed to manage work would be outside of their control.

This guide does not mean, however, that members have unlimited authority and power. Responsible autonomy only occurs within clearly defined parameters. These boundaries, which are typically set by upper management, specify the constraints within which team members can exercise discretion. They generally include the economic goals of the organization as well as other organizational and legal constraints. As team members gain expertise and experience and show through their actions and performance that they are responsible partners, areas of authority are expanded.

2—

### **Boundary Location and Management**

A key criterion for designing SRWGs is to group employees performing interrelated tasks together so they can coordinate their efforts (Miller and Rice, 1967). This requires establishing team

boundaries around relatively whole, self-completing tasks. Such task boundaries should provide an identifiable work area within which members can share information, knowledge, and learning. The boundaries should facilitate the face-to-face interaction necessary for group functioning. Because SRWGs are open systems, members need to manage team boundaries so that essential exchanges with the task environment are effective. They need to assure that interfaces with other groups and stakeholders are maintained and developed.

### 3—

#### **Support Congruence**

The support congruence design guide suggests that systems supporting SRWGs should reinforce member coordination and self-control (Cherns, 1987). Reward systems, such as skill-based pay and gain sharing, can promote learning multiple skills and team performance. Information systems can be geared to team goals and measures of performance. Selection systems can be aimed at hiring people who desire team-based work and involvement in decision making. Training programs can provide multiple technical skills as well as the interpersonal and social skills needed to operate as an effective problem-solving team.

The key point is to assure that these different support systems promote and reinforce self-regulating behavior within the team.

### IV—

#### **Change Process**

Sociotechnical systems practitioners have developed an effective change process for implementing innovative work organizations (Cummings and Mohrman, 1987; Cummings and Srivastva, 1977; Mohrman and Cummings, 1989; Pasmore, 1988). Based on the concepts and design guides discussed above, this process is highly collaborative and involves multiple stakeholders who have a vested interest in the design of the work system, such as managers, employees, and staff specialists. They are actively involved in assessing and designing the work system. This participation helps to assure that the interests of the different parties are accounted for in the change process, thus increasing the likelihood that they will support and be committed to the new design. It also provides the local input needed to tailor the work design to fit the social, technical, and environmental conditions of the work system.

The STS change process is highly dynamic and iterative. It reflects the fact that implementation is never complete but continues as new things are learned and new conditions encountered (Cherns, 1987). Because change is the order of the times, implementation of STS designs is an ongoing process of adjusting to change and improving the work system. As new conditions and unexpected events are encountered, designers modify the work design to fit the emergent situation. They also seek to improve and refine the design to assure a continuous improvement in work system performance.

The change process described here involves large amounts of organizational learning. STS designs invariably require new skills, knowledge, and work behavior. This requires a good deal of learning by doing whereby members try out new methods and behaviors, assess their effectiveness, and modify them if necessary. Members not only learn how to make the new design function, but they also acquire the competence to continually assess their work system and to make necessary changes and improvements. Consequently, STS change rarely results in a finished work design but provides a process for continually improving work and modifying it to fit changing conditions.

The STS change process includes several stages: 1) clarifying values; 2) diagnosing the work system; 3) designing the system; 4) implementing the design; and 5) assessing results. These stages are discussed sequentially below for descriptive purposes. In practice, they overlap and feed back on each other, forming an iterative cycle of change and learning.

### A—

#### **Clarifying Values**

Values are relatively enduring beliefs about what behaviors and end states are socially preferable. They serve as standards for determining which work designs are desirable and undesirable. STS practitioners place heavy emphasis on clarifying up front those values that will guide the change

process. Experience suggests that unless these values are identified and agreed to early in the change process, designers will tend to design the work system according to the implicit values that are already in the organization. Because these so-called default values are likely to be conservative and favor the status quo, STS designing can be severely constrained (Mohrman and Cummings, 1989).

In clarifying values, STS practitioners seek to include input from those stakeholders interested in the design of the work system, such as managers, employees, staff specialists, key customers and suppliers, and government regulators. Because the different stakeholders are likely to have different interests, this valuing process can be conflictual. It typically involves considerable discussion, negotiation, and compromise until an agreed-upon set of values for designing the work system is generated.

These shared values are generally written down in a vision or value statement, which typically starts with identification of the mission of the work system or its primary reason for existing. Then the statement specifies desired work performances that derive from the strategy or mission of the system. They might include values related to reliability, innovation, productivity, quality, and the like. Value statements also cover desired human outcomes, such as job satisfaction, meaningful work, job security, and safety. They further include valued work design conditions that are necessary to achieve the desired performance and human outcomes. These might involve such values as teamwork, open information exchange, employee control over work methods, and partnerships with suppliers and customers.

### **B— Diagnosing the Work System**

In this stage of the change process, STS practitioners assess the work system in order to determine designs that are likely to be most successful for the situation at hand. This analysis reveals the kind of redesign that will have to occur if the work system is already operating, or the kind of new work system that will have to be implemented in a greenfield site.

STS diagnosis addresses three major aspects of the work system: technical, social, and environmental (Foster, 1967; Meyers, 1990). The technical analysis has to do with the process and methods for producing a product or service. In linear work systems where tasks occur in sequence, the analysis starts with laying out the work flow and understanding how it operates. Key technical variances are identified for each stage of production and the process by which they are observed, measured, and controlled is examined. Problems can occur when key variances are not controlled as quickly and as close to their source as possible.

In nonlinear systems where tasks occur in parallel or in a variety of sequences, the technical analysis consists of identifying the major decisions affecting work outcomes and understanding how they are made. This includes examining the interactions and information exchanges occurring among decision makers and identifying what can go wrong with them. Here problems can occur when certain people or pieces of information are missing or redundant in regard to particular decisions, or when conflict among decision makers is not managed effectively.

The social diagnosis is concerned with employees' expertise and how they are organized to perform work. It starts with identifying and assessing the skills and knowledge needed to operate the technology, to control variances, and to relate to coworkers, customers, and suppliers. Then an analysis is conducted regarding how people work together and with the technology. Employees' needs and motivators related to work are also examined. Problems can occur when employees lack key skills and knowledge, when structures necessary for employee interaction are inappropriate, or when work does not satisfy important social needs.

The environmental analysis has to do with important external forces affecting the work system. It starts with identifying key sectors of the environment that affect how the system operates and achieves its goals. The demands that each sector places on the work system are examined and how the system responds to those demands is assessed. External opportunities and constraints are identified, as are change efforts in the larger organization that can affect the work system. Problems can arise when environmental relationships are ineffective or when external conditions severely constrain the design and operation of the work system.

C—

### ***Designing the System***

Based on the design guidelines previously discussed as well as on the values and diagnosis of the work system, STS practitioners generate alternative work designs to improve the performance of the system. The design guides provide general prescriptions for designing a high-performance work system. Designers need to translate these broad ideas into specific design choices that are tailored to fit the situation. The values serve as criteria for assessing these alternative designs, while the diagnosis provides understanding of the technical, social, and environmental aspects of the work system that can affect which work designs are likely to be most appropriate to the setting.

Depending on the values and diagnosis, design choices can vary in how much they diverge from the status quo (Mohrman and Cummings, 1989). In some situations, designers may determine that the existing work design is basically sound and yet can be improved. They can fine-tune the work system by making incremental improvements in how it functions. In other cases, designers may discover that the work system is fundamentally flawed and needs drastic change. Here they need to almost start over and redesign most aspects of the work system. Such severe change can be particularly difficult in existing work systems where there are sunk costs, vested interests, and emotions invested in the status quo. It is much easier to develop innovative work designs in greenfield sites that are just starting up.

D—

### ***Implementing the Design***

Implementing design choices involves considerable experimentation, innovation, and on-site learning. Work system members must learn new behaviors and ways of working in order to make the design operable. They must also learn how to modify and improve the design to fit changing conditions. STS practitioners treat implementation as an action learning cycle (Mohrman and Cummings, 1989). Members try out new behaviors, processes, and structures; assess them; and make necessary modifications. They learn from their actions what is needed to make the design work and how it can be improved. This learning process continues indefinitely and becomes the basis for continually improving the performance of the work system.

STS practitioners facilitate this learning process by helping work system members gain the skills and knowledge necessary to learn by doing. They help members by collecting and analyzing pertinent data about the implementation process; drawing valid conclusions about how it is progressing; and inventing appropriate modifications when necessary. Because much of this learning and innovation occurs in group settings, STS consultants facilitate the social interaction needed to make organizational learning possible. This includes helping members communicate and listen to each other, resolve conflicts, and arrive at sufficient consensus on decisions to permit coordinated action. Attention is directed at creating norms and processes that promote learning from experience.

E—

### ***Assessing Results***

This last stage of STS change involves evaluating the results of the new work design to determine whether it is performing as intended. As discussed above, assessment is an integral part of implementation; it provides the feedback necessary to modify the design as well as the implementation process. Thus, results assessment occurs throughout the change process, not just after the design has been implemented.

In assessing results, STS practitioners collect multiple sources of data, including hard performance measures and members' perceptions and attitudes about the work design and the change process. This information is used to learn, not to punish. It informs members about how the implementation process and the design are progressing so they can make modifications if necessary. Although these data may be collected by STS consultants, work system members are actively involved in interpreting them. They can use their local knowledge of the work system to provide deeper, more situationally relevant meaning to the data, thus increasing the chances that it will be useful to them.

V—

## Conclusion

The STS approach to organizational consulting provides a systematic strategy for designing high-performance work systems. It includes a distinct conceptual and value foundation along with guidelines and methods for designing and implementing innovation work designs. STS practice has wide applicability across a diversity of production and service settings. It helps to integrate the technical, social, and environmental aspects of organizations into a coherent work system capable of continuous improvement and change. In today's highly competitive and changing world, STS consultation will continue to thrive and develop.

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23—

**Performance Appraisal Techniques and Applications:  
Guides for Consultants**

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I—

**Introduction**

This chapter focuses on the application of performance appraisal in public and private sector organizations. Although contrasting public/private differences are emphasized, all techniques and applications are suitable for any type of organization. The chapter integrates the description of specific appraisal instruments with the organizational and individual behavioral aspects that are crucial to a successful performance appraisal system.

Since the adoption of the Civil Rights Act of 1964, the courts and administrative practitioners have worked out criteria for designing an effective and objective performance appraisal process (Burchett and DeMeuse, 1985). This chapter examines the mechanics of establishing performance appraisal systems, the role of the organization in appraisal, the choice of appraisal instruments, the importance of appraisal feedback, and the ramifications of cognitive behavior and training on the appraisal process.

II—

**Fundamentals of Appraisal**

In establishing a performance appraisal system an organization must answer the questions "Why do we appraise?," "What do we appraise?," "When do we appraise?," and "Who does the appraising?" While there may be wrong answers, there are no correct or best answers to these questions. An organization must design an appraisal system around its needs and capabilities.

Performance appraisal is a natural aspect of the human condition. By formally focusing on the appraisal process we better understand it and improve its objectivity and fairness. An organization must decide on the purposes it wants to achieve through the appraisal process—whether judgmental or developmental (Cummings and Scwab, 1973: 5; Daley, 1992: 114–119; Murphy and Cleveland, 1995: 241–266).

Next, it faces the task of how best to construct measures assessing the performance designed to achieve its goals. In all instances legal and objective considerations combine to insist that these measures be job-related. Equity considerations and legal requirements call for supervisory and employee knowledge of the appraisal process. Procedures for employee feedback and appeal are also needed (Landy and Farr, 1983; Burchett and DeMeuse, 1985; Murphy and Cleveland, 1995: 112–115).

The organization must both choose a time frame for conducting its assessment and who is responsible for conducting it. The choice of an annual or anniversary-date appraisal cycle carries



implications for the supervisory workload and hence for the adequacy of the appraisal itself (Mohrman et al., 1989: 121–125; Daley, 1992: 27–29).

Finally, responsibility for conducting the appraisals must rest with a specific individual or set of individuals. Although supervisory responsibility is the overwhelmingly predominate pattern in both public and private sectors, a number of alternative assessment schemes exist (Mohrman et al., 1989: 95–103; Daley, 1992: 29–36; Murphy and Cleveland, 1995: 136–146). In addition to self-appraisals, subordinate appraisals, and peer reviews (combined as a 360-degree appraisal), organizations may introduce superior or team manager formats. Various outside assessments using personnelists, consultants, or even clients and customers are also available.

### III—

#### **The Organization and Performance Appraisal**

Organizational culture strongly influences and shapes the way in which performance appraisal is employed. Performance appraisal systems must harmoniously fit into the organization's working environment. Management techniques, including performance appraisal, need to be cognizant and supportive of those values (Mohrman et al., 1989: 12–13; Milkovich and Wigdor, 1991: 110–111).

The decision to employ a performance appraisal system must balance against the possible disadvantages of such a system. Total quality management (TQM) eschews performance appraisal for the benefits of statistical process control techniques. In fact, performance appraisal is viewed from a TQM perspective as a possible hindrance, if not as a counterproductive phenomenon. While these limitations and disadvantages are not necessarily inherent to performance appraisal processes, taking corrective actions is quite a costly and complex endeavor.

Yet, indeed, the benefits achievable from the employment of a performance appraisal system may be deemed more important than the costs entailed. Given the extensive disadvantages and harm of inappropriate appraisal systems, however, care in their selection and employment is required.

Top management support is an essential first factor in the success of an appraisal process. Managers must themselves take the appraisal process seriously. They must value it as a management tool. They must know both what it can achieve and what its limits are (Mohrman et al., 1989: 127–130).

Finally, one must remember that performance appraisal is merely one of the tools available for enhancing productivity and achieving success. While personnelists are wont to specify its proper uses, managers themselves actually determine how it is best employed. Whether the performance appraisal process is adjusted or manipulated is ultimately their decision.

Adjusting the appraisal process in order to meet other organizational demands can prove either beneficial or harmful, however. Fleeting advantages gained for the organization from adjusting the appraisal process can come at the expense of long-term havoc.

### IV—

#### **Technique and Performance Appraisal**

Historically, performance appraisal research focused on perfecting the accuracy of the appraisal instrument. Through an extensive process of much trial and error this gradually led from the use of subjective, graphic rating scales (Daley, 1992: 69–79; Milkovich and Wigdor, 1991: 55–56; Murphy and Cleveland, 1995: 434) to objective management by objectives (MBO) and behaviorally anchored rating scale (BARS) systems.

The benefits of increased appraisal accuracy come at a cost, however. If organizations invest in these more costly but accurate objective MBO and BARS instruments, the advantages derived from employing them must outweigh the costs entailed in their implementation.

Research focused on appraisal techniques is not heartening. While statistical evidence demonstrates that positive effects are derived from employing more objective techniques, these effects are relatively small (Landy and Farr, 1980). The nonlinear, cumulative, and interaction effects on organizations are not adequately addressed, however. The contribution that "marginally" better employees make to an organization needs to be more fully documented (Abelson, 1985).

In the meantime, the performance appraisal process is left to search for a technique that will fulfill its promises. Expectations as to what performance appraisal can accomplish—often linked to pay for performance schemes for enhancing employee motivation and productivity—are high. Efforts at designing systems to meet these rising expectations march along with the growing complexity and costs of these appraisal systems. So far the objective MBO and BARS appraisal instruments (Latham and Wexley, 1981; Daley, 1992: 79–93; Murphy and Cleveland, 1995: 438–439) have emerged from this search.

## V—

### **Performance Appraisal Types**

Performance appraisal systems are built around a central technique. The type of instrument employed—subjective, interpersonal comparison, or objective—is used to drive the entire appraisal process. Even though organizational, technical, and individual effects can confound one another research indicates that technique can contribute to the appraisal process and hence to organizational enhancement. If the cumulative effects of these relationships are also considered, the impact can even be greater.

This leads to a preference for objective techniques—behaviorally anchored rating scales and MBO approaches—over the employment of subjective essays, graphic rating scales, and forced choice checklists or over the ranking and forced distribution interpersonal comparisons. Both the BARS and MBO applications of performance appraisal offer comparative advantages (and disadvantages). Behaviorally anchored rating scales are ideal for large organizations engaged in process-oriented tasks requiring teamwork. Management by objectives can be individually tailored to specific job responsibilities and works well where individual outputs or results can be measured.

Both systems entail a more humanistic, participative management environment. To a great extent they function on the tenets of goal setting, especially with regard to the MBO approach. In fact, it is the goal setting (which is often lacking in the preappraisal environment) that may account for a substantial part of the objective system's effect. In general, employees' perceptions of the effectiveness and fairness of the objective appraisal systems are better than those they held with regard to the previous systems.

Behaviorally anchored rating scales and MBO essentially involve the same components but approach them from slightly different focuses, hence the objective components that are common in both approaches are introduced into the appraisal process in a different order.

Behaviorally anchored rating scales appraisals work best with large groups and subgroups of individuals whose job descriptions are standardized; MBO is tailored to each individual job. Management by objectives is best when it is focused on the results expected from job performance; BARS handles behavioral processes where outputs are more identifiable and assurable than outcomes. Both employ variations on participative management to guarantee their effectiveness. A somewhat more passive approach to participation guides BARS; a more proactive style is found in MBO.

Objective appraisal, regardless of whichever format is employed, is an expensive proposition (costing up to \$2,000 per person when all time and resources are accounted for). It requires both the development of a complex instrument and the subsequent training of supervisors and employees in its use. In addition, these systems need constant attention. The instruments themselves require periodic updating, and supervisory and employee training must be renewed, refreshed, and reinforced.

## VI—

### **Behaviorally Anchored Rating Scales**

Behaviorally anchored rating scales are extensions of the subjective graphic rating scale. They are a clear attempt to translate the graphic rating scale into an objective appraisal system. They address and correct for many of the subjective issues that cloud the validity and inhibit the use of graphic rating scales (Bernardin and Beatty, 1984; Landy and Farr, 1980: 83–85; Latham and Wexley, 1981).

While BARS have received much attention in the private sector, they are also relevant to governmental settings. The emphasis BARS places on inputs and processes rather than on outputs and results is perhaps even more characteristic of the public sector organization than of the private. Group activities and conditions of fragmented authority are factors that are particular strengths in the BARS approach to performance appraisal.

Both the BARS and MBO approaches emphasize detailed job analyses. Ideally, performance appraisal should work off the same job analysis system used in the development of an organization's position descriptions and position classification system (and employed as a guide in the selection process and for designing training programs). Unfortunately, many organizations employ a different system of job analysis to select people to perform a job from the one they use to assess performance on that job.

The extent of overlap between the jobs for which individuals are formally hired and the jobs for which they are evaluated is not certain. Changing work environments, the time lags in the mechanics of updating systems, and the organizational rules governing the employment of job descriptions and performance appraisals all combine to create a confused situation.

The critical incident technique (Flanagan, 1954) forms the central component in the BARS system. A job analysis, complete with questionnaires and confirmatory desk audits, is conducted on similar positions. Personnel analysts and subject matter experts (SMEs)—that is, incumbent jobholders and supervisors—sift through the resultant job responsibilities, activities, or behaviors to identify those that are deemed most critical to performance. It is assumed that these critical incidents will involve considerations of both quality and quantity.

After the selection of a representative set of critical incidents for each job group has occurred, an overall or generalized scale is developed in order to allow for different job groups to be compared with one another. The previously identified individual job responsibilities are grouped into separate, independent dimensions or factors. Usually a half-dozen to a dozen overall factors are identified in this manner. While all need not be applicable to every job, most would be entailed or included in the analysis or evaluation of a specific job. Statistical analyses—correlations, factor analysis, or discriminate analysis—is performed to check that the factors are indeed independent of one another. The advantage of multiple measures is lost if a halo effect leads the perceptions on one factor to unduly influence the assessment of other factors.

The BARS job analysis represents a passive application of participative management. Employee involvement and acceptance of the process's results compose its participative dimension. This can be sufficient to provide the employee with the sense of being a stakeholder in the organization, however. A thorough job analysis is the result of a fully collegial process in which employees and supervisors reach mutual understandings on the nature of the organization's jobs.

Following the selection of a representative set of critical incidents, the personnel analysts and SMEs then proceed to anchor these behaviors with a series of specific examples of acceptable and unacceptable performance. These examples are usually collected in conjunction with the job analysis itself, but they may also be assembled on a secondary basis. While examples of exceptional and unacceptable performance levels are relatively easy to envision, examples of work levels that fall in between these two extremes (which are also essential to a BARS approach) often prove more difficult. Special effort must be made in order to assure that these "middle levels" are adequately anchored.

As a practical matter in order to save on costs, the courts require that an organization only has to formally anchor every other evaluation category. In a five-point system, levels one, three, and five need only be anchored. Behavior that is, for example, better than that described for levels three but less than that specified for level five can be assumed to be at level four. It is important to note, however, that two adjacent levels cannot be left unanchored, for there would be no logical basis for allocating performance to one rather than the other.

The number of performance levels and whether or not the levels themselves are verbally labeled is optional. Courts are willing to allow systems with as little as two levels—acceptable/meets performance measures and unacceptable/fails to meet performance measures. The Pension Benefit Guaranty Corporation, the U.S. Department of Education, and the Food and Drug Administration have employed pass/fail appraisals (Skoien, 1997). Most systems use more and also tend to use some

form of adjective descriptions (unsatisfactory, poor, acceptable, good, outstanding, etc.) with their ratings in addition to numeric values. There is a problem with using adjective descriptions, however. The descriptions can carry unintended connotations, especially if they have other, more common meanings. This danger must be taken into account in using and anchoring adjective labels.

In anchoring behaviors with specific examples BARS has two major options to choose between—behaviorally expected scales (BES) and behaviorally observed scales (BOS). The BES approach represents a management judgment call as to what can be done; supervisors establish or designate the levels of performance to be expected from employees (Smith and Kendall, 1963). As such, it always involves some question as to how realistic these expected performance levels are.

In a BES system expectations are measured using a Thurstone scale wherein managers indicate behavior levels that they favor or find objectionable, however, studies often find that managers, at least initially, have overly simplistic views of what can be accomplished and concomitantly underrate the difficulties and obstacles employees face (Gabris and Giles, 1983). The objectives of BES can serve to motivate employees by providing them with a goal worthy of accomplishing, however. Unfortunately, as that goal is stretched into unreality, motivation gives way to despair.

In order for BES objectives to work they must be accompanied by "structural accommodation" and "bureaucratic immunity." Structural accommodation develops a high degree of worker autonomy (decision making) and empowerment (resource allocation) over how to accomplish the task. It instills the confidence and willingness to achieve the goals. Bureaucratic immunity preempts the organization's ordinary standard operating procedures and control processes that can thwart change and success (Thompson et al., 1997).

In contrast to the promethean "stretch objectives" that BES systems can introduce, a BOS approach anchors its behaviors firmly in the reality of the situation (Latham and Wexley, 1981). A Likert scale is used in measuring performance. The standards by which people are judged are based on performance levels that have actually been accomplished. This adds to their legitimacy and to the legitimacy of the performance appraisal process itself. Because they also instill confidence in the organization and its managers, they can also serve to motivate individuals to strive harder. Since the outstanding levels (and the rewards attached to them) are not figments of someone else's imagination, they are seen as obtainable.

## **VII— Management by Objectives Appraisal**

Management by objectives is more focused on results; however, it obviously can also be adapted to situations in which outputs or processes are more involved than outcomes. It originated as a means for managers to translate their strategic plans into implementable programs (Drucker, 1954; 1974). It is a basic command and control management system for implementation and monitoring (Albrecht, 1978; Carroll and Tosi, 1973; Muczyk and Reimann, 1989; Odiome, 1971; 1987; Swiss, 1991: 61–127).

Because private sector organizations tended to be overcentralized, MBO approaches often contributed to a decentralization of power to lower-level decision makers. In the public sector, however, the reverse experience often occurred. Public agencies are, perhaps somewhat surprisingly, relatively decentralized in terms of actual policy making. The introduction of MBO systems led to a centralization of power as upper-level managers gained more control over the actual objectives and activities of their subordinate units. In documenting what is to be done, MBO provides managers with a performance scorecard.

The step from MBO as an overall management system to its employment as one for appraisal by objectives is rather straightforward and simple. While it has many advantages, the employment of an MBO approach is not without its limitations.

It is quite difficult for an MBO approach to assess performance and simultaneously identify potential. While simply having subordinate "acceptance" of performance standards is often considered to be a workable approach, MBO actually assumes that objectives are arrived at through a more actively participative process. Supervisors and employees are envisioned as discussing and negotiating performance standards that are mutually acceptable. Standards are arrived at in an atmo-

sphere of understanding and not in one of imposition. Like the BARS approach, the MBO approach functions better in a more participative environment.

Finally, MBO may overstate the demand for results without focusing on or directly assisting with the means for achieving them. The conditions or resources necessary for successful implementation are assumed to be automatically provided for. Private sector organizations more readily assume that requisite resources will be forthcoming when goals and objectives are agreed upon than, unfortunately, is often the case in the public sector (Kearney, 1979; Odiome, 1965: 180–181).

The specific focus on results can also lead to MBO systems in which quantifiable or easily achieved objectives subvert the process. While this smooths out the immediate task of completing the MBO and the performance appraisal, it loses sight of its underlying purpose. The MBO ceases to reflect the reality of the job and to focus attention on the important objectives. It becomes an "activity trap"; MBO ceases to be a tool assisting in decision making and becomes an obstacle to effective management (Albrecht, 1978; Murphy and Cleveland, 1995: 438–439).

Management by objectives is a means for setting priorities and allocating resources for achieving them. The political environment that predominates in the public sector often prefers to work in ambiguity, however. This has proven to be a major drawback in the implementation of public sector MBO.

Participation is central to MBO appraisal systems. Goals and objectives are meant to be worked out in a participative manner with emphasis upon collegiality and mutual understanding. While many MBO systems substitute an employee acceptance of imposed goals and objectives for this participative decision making, this weakens the process. A major element in an MBO system's strength is the team bonding it fosters.

In terms of the ultimate "bottom-line," employee participation in work-related decision making leads to enhanced levels of productivity. Employee participation in goal setting highlights this relationship with enhanced productivity (Locke et al., 1981; Roberts and Reed, 1996). Goal setting or work agendas, which can be introduced as a distinct notion, is another key ingredient in objective systems of performance appraisal such as the BARS and MBO approaches (Latham and Yukl, 1975; Kotter, 1982; Barry et al., 1997).

Goal setting or a work agenda is effective because it helps focus and direct individual efforts. It establishes priorities. Second, goal setting more or less allocates resources sufficient for achieving the designated goals. Unfortunately, this implicit effort-resources linkage often fails in the public sector. Finally, goal setting introduces persistence with regard to dealing with problems that prove difficult. Difficulty is highlighted by a formal system of goals. This enables the organization to be aware of such problems and to subsequently concentrate efforts on their solution (Latham and Wexley, 1981: 120–129).

In many instances goal setting alone can prove sufficient to enhance productivity. The knowledge and psychological satisfaction that a sense of direction provides along with that attributable to the achievement of goals serve as intrinsic rewards. Employees detest wasting their time and effort. They prefer to work at meaningful tasks that provide them with a sense of accomplishment and craftsmanship.

Central to the task of goal setting is the development of objective performance standards. While easily described, this often proves a difficult job requiring extensive and repeated training (Burke, 1977: 46–53). Standards should take into consideration the conditions and circumstances under which they are to be achieved. They need to focus on results that are specific, measurable, and attainable. The importance and time aspect of individual results is also a factor (Daley, 1992).

For illustrative purposes, a fuller description of the appraisal by objectives application of MBO warrants discussion. The introduction of this approach should be accompanied by a series of training sessions and supported with supervisory and employee handbooks.

The performance evaluation process is initiated with the joint completion of a "responsibilities and standards or results expected" section (also referred to as the job description) by the supervisor and employee. This is the first of three sections included in the performance appraisal process. The first section is completed at the beginning of the annual appraisal cycle while sections 2 and 3 are written at its conclusion.

The employee is given prior notice of (and ideally participates in) scheduling the preliminary conference. A worksheet along with copies of previous evaluations are supplied to the employee

for use as guides. The meeting between supervisor and employee specifies that their worksheets are to be filled out "in pencil." (Other systems use "on the word processor.") This is designed to remind both parties that no final decisions have been made and that the meeting is supposed to truly be participative.

Up to ten major responsibilities (with four to five as the norm) are to be selected and written down in a results-oriented format with specific performance standards against which the achievement of the results can be measured. Each responsibility may have more than one measurable standard associated with it.

Objective standards fall into three categories. Historical standards contrast one period with another (e.g., relating the upcoming year's "potholes filled" in relation to the previous year). Engineered standards focus on the numbers of things in specific time frames (e.g., the number of potholes to be filled in one year). Comparative standards measure expected results against a norm, for an industry, similar work unit, or employee performing the same duties (e.g., the turnover rate among municipal employees, generally or for specific types of jobs).

These individual responsibilities are weighted through the use of an additive (or multiplicative) formula that factors in the time spent on each task and the evaluation of its importance or the consequences of error. A five-point Likert scale is used for both measures. Time is calculated in either percentage terms or hours spent on a task. Consequences encompass financial loss, client dissatisfaction, time required to correct errors, broken equipment, or psychological stress.

Should these responsibilities require modification due to changing circumstances, a new first section can be prepared by the supervisor and employee. During the course of the evaluation period the supervisor is also encouraged to use a critical incident approach wherein noteworthy efforts are jotted down and placed in an evaluation file. Both formal (with a written copy inserted into the employee's file) and informal communications between employees and supervisors are encouraged. For negative incidents it is important that a record of recommended corrective action be documented; employees must be notified if they are doing something wrong and the supervisors must indicate how the employees can correct their behavior.

The MBO approach allows for tailoring the performance appraisal to each individual's job responsibilities. While this is a tremendous advantage, it also entails certain difficulties. For large organizations individual appraisals can be a time-consuming task. If after all the jobs are not all that different, then there is not much gained from this effort, hence even if they are using an MBO approach most large organizations resort to a BARS format for those position classes that involve multiple incumbents. As long as a full-scale job analysis is undertaken this is not a problem; however, the MBO format's looser construction places less emphasis on this process, so it is more easily overlooked under an MBO approach than in the BARS system.

Should these responsibilities require modification due to changing circumstances, a new job description would be prepared by the supervisor and employee. During the course of the evaluation period the supervisor is also encouraged to use a critical incident approach wherein noteworthy efforts are jotted down and placed in an evaluation file. Both formal (with a written copy inserted into the employee's file) and informal communications between employees and supervisors are encouraged. For negative incidents it is important that a record of recommended corrective action be documented; employees must be notified if they are doing something wrong and the supervisors must indicate how the employees can correct their behavior.

At the end of the evaluation period, another conference is scheduled at which the employee's formal "performance review or rating" is discussed. As with the first conference the employee has advanced notice. The employee and supervisor meet to discuss the employee's job performance in light of the responsibilities and expected results that were outlined in the employee's first section. Worksheets are also used at this meeting, with the formal, written evaluation prepared only afterward. Employees are also given the opportunity to comment formally on the final evaluation form.

The overall employee rating is the weighted average of the individual responsibility ratings. Each responsibility's weight is determined by dividing its time and importance raw score (varying from 2 to 10) by the total for all raw scores and converting this into a percentage figure. This percentage is then multiplied by the individual rating assigned by the supervisor to that responsibility. Each responsibility is rated on a five-point scale—1) unacceptable, 2) needs some improvement,

3) competent performance, 4) very good, and 5) outstanding—assessing the degree to which its standards were achieved. The rounded-up tally of the weighted responsibility ratings is used as an overall measure, using the same five-point scale terminology.

Finally, a third, essay section devoted to a "summary of total job performance and future performance plans" is also completed at this time. The supervisor is provided the opportunity to list the employee's "areas of strength" and those "areas needing improvement." In the latter instances "training and developmental plans" for correcting these are also completed.

## **VIII—**

### **Performance Appraisal Feedback**

Feedback is an integral and essential part of the performance appraisal process. Through appraisal feedback employees gain an understanding of their performance as well as an idea of what is expected of them. It is a means for correcting past behavior and encouraging motivation.

Performance appraisal can be employed in both areas needing improvement and in areas of already proven strength. Feedback focuses on both positive and negative behavior. Knowing what is done well can be just as important as knowing what is done poorly.

While managers and employees seek out feedback, this is a process fraught with difficulties. The dangers lurking in providing employees with inappropriate or negative feedback require that a cautious approach be employed in delivering such messages. Supervisors themselves need training in how to conduct an appraisal interview, otherwise the hard-earned benefits gleaned from the appraisal process can be lost (Yeager et al., 1985; Longenecker and Gioia, 1988; Ashford and Tsui, 1991).

The appraisal interview requires careful preparation and planning. Supervisors must not only know the specific role they are to play in a given employee interview but need to have been schooled in the general crafts of stage setting and the use of verbal and nonverbal communications skills (Pajer, 1979; Maier, 1958; 1976; Kikoski and Litterer, 1983; Bolton, 1986; Clement and Stevens, 1986; Clement, 1987).

Poor performers represent an especially difficult situation. The organization is faced with a basic question regarding the salvageability of the employee. An employee investment in recruitment and training must be balanced against losses in current and future productivity. Assessments as to the extent this is actually a performance problem—rather than an organizational failure due to unrealistic goals or an environmental setback—must be made. Where appropriate, the employee's ability and willingness to undertake necessary changes is calculated (Bramson, 1981; Lovrich, 1989).

Finally, the ability of the appraisal system to serve as a tool for training and development needs assessment must be examined. The performance appraisal system must both detect performance discrepancies and see to it that corrective remedies are applied (Herbert and Doverspike, 1990). In performance appraisal systems that are also employed for judgmental purposes this may prove impossible to do, however (Cascio, 1982; Hyde and Smith, 1982; Herbert and Doverspike, 1990).

## **IX—**

### **Diagnostics**

Performance appraisal is a human process. While the tendency to focus attention on the tools used in the appraisal process can draw attention away from this, it remains the essential aspect of performance evaluation. The development of psychometric accuracy has produced a performance appraisal instrument of complex sophistication, yet the resultant objective BARS and MBO appraisal systems are only as good as the people who use them. For all their advantages, they are still only tools for aiding us in making our decisions (Daley, 1992: 119–131; Landy and Farr, 1980; Latham and Wexley, 1981; Murphy and Cleveland, 1995: 275–285).

Training individuals in the use of these tools is just as important as the development of objective appraisal techniques. Supervisory training requires care.

Supervisory training can encompass organizational and employee considerations as well as those related to the appraisal process itself. Performance appraisal is part of an overall performance

management system. As such, its interaction with the other systemic aspects is just as important a part of its functioning as are the mechanics of the appraisal process itself.

Information on what the appraisal process is and how to use it is only the beginning of the training program. Troubleshooting or diagnostic skills that enable a supervisor to introduce adjustments and corrections into the appraisal process are also called for. Finally, supervisory training must also provide for experiential components. Supervisors need practice with the appraisal system prior to employing it in real situations.

This necessitates an understanding of the cognitive processes and how they affect decision making. If supervisors are to be taught how to correctly employ performance appraisal, what must be taught is how the human mind actually operates. Training methods such as those associated with behavioral modeling and frame of reference training attempt to meld together psychometric accuracy and cognitive processes.

Within these approaches, supervisors are trained in error avoidance rather than error detection. In fact, training is positively focused on doing what is needed rather than on what to avoid.

X—

### **Review of Guides for Consultants**

Performance appraisal is useful. While performance appraisal is not an unnecessary technique, it is one that can readily be abused. Many of the complaints lodged against the employment of performance appraisal systems stem from these abuses. Nonobjective appraisal systems or objective systems in the hands of inadequately trained individuals are the source of most of these problems. Six guides outline the problems to be avoided in conducting performance appraisal.

First, the culture of an organization must support the use of performance appraisal. An appraisal process must fit in with and support the strategic objectives of an organization, hence it must possess legitimacy (from the employees) as an appropriate means for measuring individual and organizational achievements. Appraisal is merely a tool for aiding individuals in the accomplishment of that mission.

Second, research demonstrates that objective appraisal instruments—BARS or MBO—are essential to a successful performance appraisal process. Objective instruments set clear, doable work goals. They thereby act to instill trust and confidence among employees.

Third, effective appraisal systems provide employees with extensive feedback. Performance appraisal is not merely some annual summing up. Employees are apprised of how they are doing early and often. The appraisal process is continuous.

Fourth, many complaints are derived from the linking of appraisal to judgmental purposes, especially when the rewards dispensed on the basis of such judgments are themselves uncertain. Unlike the private sector, where supervisors can more easily calculate the benefits from making such judgments, the public sector suffers from many systems that "only go through the motions." A pay-for-performance system that fails to pay off pays all the psychological costs of appraisal without reaping its motivational and productivity benefits.

Fifth, an appraisal system can prove itself quite useful, especially when employed in a developmental approach. Developmental appraisals are compatible with and actually compliment efforts at TQM. Developmental appraisals focus on the positive, helping aspects of the personnel process. For the most part, they represent rewards that are both desired by employees and deliverable by managers.

Sixth, supervisors (and all others involved in the appraisal process) must be trained in its operation. Success comes from practice and knowledge of the tools at one's disposal. Mechanic or airline pilot, musician or sports player—all are versed in the use of their particular instruments.

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24—

## Managing Organizational Conflict

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As any field of theory and practice matures, it enters a stage of development characterized by an unwieldy body of literature that lacks coherence. It searches for a meta-theory or general model that incorporates the theoretical and practical contributions that have so far accumulated.

Organizational conflict management, a field of applied behavioral science, has experienced explosive growth over the past two decades and is approaching a modest level of maturity. Our understanding of the sources, dynamics, and means of effective management of conflict in organizations has progressed rapidly. Just as in the well-worn metaphor of several blind men attempting to agree on a common "view" of an elephant, consultants and managers who seek a coherent vision of this adolescent field might be confused by apparently inconsistent or unconnected parts of the "animal" of conflict.

This contribution proposes a general model of organizational conflict, addressing both diagnosis and intervention, that can more or less comfortably incorporate the foregoing contributions of my colleagues and contemporaries. It is also dynamic, taking into account the sequence of events through time.

Being chapter rather than book length, the present piece will not attempt a comprehensive review of the literature. Instead, I offer a general framework that may serve as a useful context within which to consider other models, methods, diagnostic schemes, intervention techniques, and typologies that have appeared in the popular, academic, and professional literature.

Being an interdisciplinary field, organizational conflict management blends contributions from psychology, sociology, communication theory, supervisory management, and other behavioral sciences with organizational theory, that provide an understanding of structure, technology, and information processing. If the present model contains a disciplinary bias, it is toward psychobehavioral aspects of the subject, although I believe it offers a valid framework within which the contributions of all disciplines may be viewed.

I—

### Diagnosis and Analysis

The general model proposed here (see Figure 1) consists of eight sequential levels, beginning with conditions in the organization as they are encountered, leading ultimately to assessment of the impact on organizational effectiveness. Each level gets brief attention.

A—

#### Level 1:

##### *Conditions in the Organization*

Several useful listings of conditions that breed organizational conflict are found in the literature. One of the more comprehensive is that of Robbins (1983), which is summarized in Table 1.

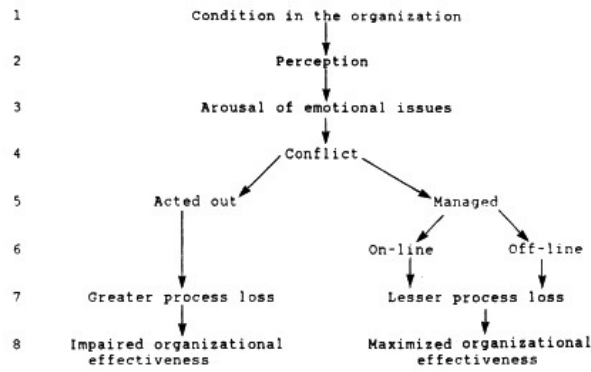


Figure 1  
General model of organizational conflict.

**TABLE 1** Organizational Conditions That Can Lead to Conflict

Mutual task dependence

The extent to which two units depend on each other for assistance, information, compliance, or other coordinative activities to complete their respective tasks effectively.

One-way task dependence

The extent to which one unit is unilaterally dependent on another.

High horizontal differentiation

The extent of difference between units in goals, time orientations, and management philosophies.

Low formalization

The extent to which rules and regulations are insufficient to minimize ambiguity.

Dependence on common scarce resources

The extent to which two units depend on a common pool of scarce resources such as physical space, equipment, operating funds, capital budget allocations, or centralized staff services.

Differences in evaluation criteria and reward systems

The extent to which top management emphasizes the separate performance of each unit, rather than their combined performance.

Participative decision making

The extent to which those who will be affected by a decision are made part of the decision-making body.

Status incongruence

The extent to which two or more individuals or units hold different positions relative to each other on distinct status hierarchies, such as length of service, age, education, and pay.

Communication distortions

The extent to which information is susceptible to ambiguity and distortion as it is passed along the vertical hierarchy, between horizontal units, or through other channels.

Source: Adapted from Stephen P. Robbins, *Organization Theory: The Structure and Design of Organization*, Prentice-Hall, Englewood Cliffs, NJ, 1983.

The undesirable conflict-producing tendency of these organizational conditions may be offset and overcome by certain resulting benefits. For example, the interdependence inherent in project teams, self-directed work groups, "total quality management" programs, and other employee configurations enables higher levels of performance and productivity to be achieved. Likewise, participative decision making, while likely to cause conflict in the near term, often pays off in the long term in increased employee commitment and job involvement. These conditions place a burden on the capacity of employees to manage the resulting conflict, but they also offer potential for greater organizational effectiveness if that conflict is well managed.

I have suggested (Dana, 1984) that a universal precondition for conflict is the existence of difference. Differences include role-based self-interests, professional orientations, departmental goals, cultural values, personality features, beliefs, behavior and cognitive styles, and ethnic- and gender-based patterns of perception. Each can serve as the cornerstone on which the edifice of conflict is erected.

**B—**

**Level 2:**

**Perception**

The eight organizational conditions can trigger conflict, but whether that happens depends on how those conditions are perceived by the people who compose the organization, and who manifests the attitudinal and behavioral norms that define its culture; that is, the subjective meaning and significance that individuals attach to a particular objective event or condition matters, or may even be determinative. Each individual's idiosyncratic personality contributes to that determination, as does the surrounding organizational culture, which provides the context of meaning for interpreting what is "proper" and "normal." A combination of these individual and sociocultural factors determines how level 1 conditions are perceived.

**C—**

**Level 3:**

**Arousal of Emotional Issues**

"Issues" may be defined as "the matters of concern to the parties in conflict." Walton (1969) supplied an early distinction between "emotional" and "substantive" issues, which I have attempted to refine and elaborate (Dana, 1984; 1990). (See Table 2.)

Whereas substantive issues represent the objective self-interests of organization members or units, and constitute the "business problem" to be solved, emotional issues reflect what concerns people psychologically. For example, allocation between departments of such scarce resources as

**TABLE 2** Examples of Substantive and Emotional Issues

Substantive Issues (a sampling)

- Resource allocation (to be received from others)
- Resource distribution (to be given to others)
- Assistance, information, and support from up-line sequentially dependent units
- Policies and standard practices
- Future certainty and predictability

Emotional Issues

- *Power*, deriving from individual needs for influence and control over others, and the social status deriving from power differences
- *Approval*, deriving from individuals' needs for affection (i.e., to be liked by others)
- *Inclusion*, deriving from individuals' needs for inclusion in social groups (i.e., belongingness)
- *Justice*, deriving from individuals' needs to be treated fairly, equally, and equitably
- *Identity*, deriving from individuals' needs for autonomy, self-esteem, and affirmation of personal values

money is frequently the subject of debate. That debate may be a reasonable, fair-minded, problem-solving discussion in service to the common good; or it may be a competitive, divisive, mutually destructive battle for private gain. The difference lies in the extent to which the satisfaction of emotional needs is perceived to be threatened.

If emotional issues are not aroused, it may be said that conflict does not exist—we simply have a disagreement. It is only when these covert needs are threatened that the situation takes on the qualities that we will call "conflict."

**D—**

**Level 4:**

**Conflict**

Conflict is the natural and inevitable consequence of the arousal of emotional issues. Many authors have suggested definitions of this omnibus term. Following suit, and hopefully providing an inclusive definition, I suggest that conflict be defined as "a condition existing among interdependent people in which at least one person perceives that his or her self-interests are threatened by another party's actions or apparent intentions, feels angry, and/or finds fault with other party or parties, and the condition has potentially harmful effects on the organization."

I advisedly include feeling angry in this definition, and with a nod to game theorists and others who may regard our subject as an essentially rational, cognitive process. Constrained by the norms of our organizational and societal cultures, we frequently do not overtly display, or even admit to our own conscious awareness, the emotion of anger. Nevertheless, I contend that it is anger that supplies the energy that precipitates the behavior inherent to the phenomenon that we customarily recognize and label as conflict.

**E—**

**Level 5:**

**Acting Out/Managing**

Every organization member experiencing conflict has a choice about how to behave. Two broad options exist: We may "act out," or we may "manage." The term *acting out* originated in psychoanalysis, but has popularly come to refer, for our purposes, to behavior that unconsciously and covertly expresses hostile impulses. The behavior inherently has destructive consequences to the relationship within which the acting out occurs, as well as to the organization that houses the relationship.

The acting out of conflict takes two general forms:

1. *Noncommunication*, or attempts to withdraw from contact with other parties to the dispute
2. *Power play*, or attempts to override others' objections to one's preferred outcome, to coerce compliance, and to "win" the conflict

The reader will recognize these as modern forms of the familiar and so-called flight-or-fight instinct.

Noncommunication deprives the foe of information, support, and other resources needed to perform tasks. Power play damages trust and provokes revenge, often inciting a retaliatory cycle that degenerates into a mutually destructive "lose-lose" conflict.

In organizations, acting out by the use of noncommunication takes forms such as withholding one's ideas during a team meeting, not returning telephone calls, and being unavailable for meetings. Acting out by use of power play takes forms such as destructively competitive behavior, assassination of an adversary's reputation, politically motivated sabotage of a foe's self-interests, or simply exercising one's legitimate authority to override or veto other's wishes.

As an alternative to acting out the emotional impulses of conflict, people can choose to manage it. Managing conflict implies that a both-gain solution is sought, rather than a victory at others' expense. The organization's self-interests are usually better served by a both-gain solution than by a one-sided victory of an individual or unit over others.

The expression *both-gain* is preferred to the more common term *win-win* to avoid the inherently competitive definition of winning, which implies a loser, and to recognize that all parties in even a well-managed conflict can seldom achieve a total victory in having all their needs fully met.

Reasonable compromise, in which an outcome preferable to continued lose-lose conflict is reached, is typically the most realistic solution.

Exceptions exist. Most personnel professionals will rightly insist that an employee whose behavior violates laws, formal regulations and policies, or explicit standards of conduct should not be accommodated through negotiated compromise. If counseling fails, personnel actions, progressive discipline, and other apparent "power plays" may be justified to maintain the order that serves the common good.

*F—*

**Level 6:**

***On-line/Off-line***

The terms *on-line* and *off-line* are borrowed from data-processing information systems. As applied to managing conflict, on-line management means that parties attempt to resolve differences while normal work is in progress. Correspondingly, off-line management means that a conflict has become sufficiently disruptive to suspend normal work processes and to require dedicated time to address the conflict. On-line management is typically a private strategy implemented by an individual that is not disclosed, even if conscious, to other participants in on-line task activity. Off-line management may fall into four categories of strategies: personal, interpersonal, group, and organizational. (See Table 3.)

On-line conflict management usually occurs without awareness that it is happening. People are trying to handle a conflict situation in a constructive way, using interpersonal skills that have been learned through social adaptation and have become habitual by adulthood.

Off-line conflict management is by definition a conscious, intentional, purposeful process. Parties have usually attempted to handle the conflict, either by on-line management, acting out, or both, for some period of time, and these efforts are perceived to have failed. A crisis has arisen and an individual with the authority to do so has called for an explicit attempt to resolve the conflict.

**TABLE 3** Examples of On-line and Off-line Conflict Management Methods

On-line

- Modify perceptions of situation, motives, interests
- Strengthen internal barriers to manifesting conflict
- Apply stress reduction techniques
- Active listening
- "Laundering" provocative, inflammatory information
- Foster a defensiveness-reducing climate (Gibb, 1961)

Off-line

- Third-party mediation—I, G, O
- Self-mediation by four-step method (Dana, 1984; 1990)—I
- Third-party arbitration—I, G, O
- Negotiation—I, G, O
- Team building—G
- Stress management—P, O
- Health management—P, G, O
- Education—P, G, O
- Counseling/psychotherapy—P
- Survey feedback—O
- Organization development—O
- Structural redesign—G, O

*Note:* P = personal; I = interpersonal/dyadic; G = group/team; O = organizational.

**TABLE 4** Financial Costs of Organizational Conflict*Wasted management time*

- Portion of salary budget allocated to dealing with conflict

*Reduced decision quality*

- Restricted and distorted information flow

*Loss of investment in skilled employees*

- Voluntary and involuntary termination

*Restructuring*

- Inappropriate redesign of reporting relationships and work procedures

*Sabotage*

- Destruction of equipment and facilities, employee theft, damage to management credibility

*Lowered job motivation*

- Suboptimal productivity and task performance

*Lost work time*

Absenteeism, medical leave

*Health and insurance costs*

- Impaired performance due to ill health, increased insurance premiums linked to claim rates

Source: Adapted from D. Dana, The costs of organizational conflict. *Organiz. Dev. J.* (Fall 1984).

**G—****Level 7:****Process Loss**

The term *process loss* was articulated by Steiner (1972), referring to the difference between actual productivity and potential productivity that is attributable to a group process. In the current context, that process is conflict.

Maximum potential productivity (zero process loss) would be enjoyed if all human resources—knowledge, skills, creativity, and collaborative synergy—were fully utilized with no waste or inefficiency resulting from mistrust of others' intentions, withholding of support, not sharing ideas openly and candidly, resentment of others' behaviors, retaliation for past hostilities, misperceptions of others' motives, etc. However, this ideal is probably never achieved. There is virtually always some process loss resulting from these factors, which prevents the completely effective application of human resources to the performance of interdependent tasks.

**H—****Level 8:****Organizational Effectiveness**

The amount of process loss directly determines individual and group task performance and, ultimately, organizational effectiveness. More than being simply an irritant and annoyance in the workplace, conflict incurs actual, and in some cases measurable, financial expense. Dana (1984) listed some of these costs, summarized here in Table 4.

**I—****Intervention**

As presented so far, this general model serves simply as a diagnostic and analytical scheme, and offers little help as a guide for intervention, but by posing the question "Where in this eight-level sequence may a manager or consultant *strategically influence* events?" points of intervention become apparent. Strategic management at these points may be expected to reduce process loss and improve organizational effectiveness.



The question yields four "intervention points." Action-takers can influence

1. Organizational conditions (level 1 in Figure 1)
2. Employees' and others' perception of organizational conditions (level 2)
3. Relative prevalence of acting out and managing of conflict (level 5)
4. Support for use of on-line and off-line conflict management competencies, tools, and services (level 6)

Some examples may stir the reader's thoughts about how this model may be strategically applied to his or her own organization. The contributions below provide details about possible interventions.

**A—**

***Intervention Point 1:***

***Manipulate Organizational Conditions***

*Example 1:* Cross-train employees to perform tasks in areas other than their primary specialties (decrease horizontal differentiation).

*Example 2:* Revise the performance appraisal system to require more objective evaluation (increase formalization).

*Example 3:* Provide business writing courses to enhance clarity of communication (reduce communication distortions).

**B—**

***Intervention Point 2:***

***Manipulate Perceptions***

*Example 1:* Promote a normative attitude within the organization that values teamwork rather than individual achievement (mutual and one-way task dependence).

*Example 2:* Provide opportunities for employees who feel disenfranchised by the promotion of talented young employees, women, minorities, and other so-called low-status groups to understand the rationale and reduce the perceived unfairness of being "passed over" for promotion themselves (status incongruence).

*Example 3:* Promote acceptance of the necessity of "pulling together through hard times" within the workforce (dependence on scarce resources).

**C—**

***Intervention Point 3:***

***Shift Employee Behavior from Acting out to Managing Conflict***

*Example 1:* Design and implement a dispute resolution system (Ury et al., 1988) to shift from rights and power contests to interest-based negotiations (power play).

*Example 2:* Establish an open-door policy, an employee assistance program, or other vehicle to encourage employees to constructively express and manage conflict-related feelings (noncommunication).

*Example 3:* Include as a criterion for employee performance appraisal the employee's effectiveness in working as a member of a team, getting along with others, working cooperatively and collaboratively, etc. (noncommunication and power play).

**D—**

***Intervention Point 4:***

***Provide Conflict Management Competencies, Tools, and Services***

*Example 1:* Administer training to enable employees to use effective communication and conflict management skills and tools (e.g., Dana, 1983; 1984; 1990; Thomas and Kilmann, 1983).

*Example 2:* Provide in-house and external services in conflict and dispute resolution (e.g., Blake et al., 1964; Ury et al., 1988).

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25—

## A Two-Phase Planning Process for Managing Change in Organizations

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I—

### Introduction

This chapter presents a two-phase planning process for managing change in organizations. Rapid rates of change in society place high demand upon leaders of modern organizations to maintain strategic direction and to provide high-quality services and products cost-effectively. Hence, this planning process, which values such results.

II—

### A Two-Phase Planning Process

This planning process consists of two distinct phases—open systems planning and operational planning—which differ in fundamental ways. Table 1 compares phase characteristics.

A—

#### *Open Systems Planning*

Open systems planning (OSP) assumes that an organization has permeable boundaries, and pays particular attention to interactions with the social environment. Other management concepts assume that an organization is a closed system, with impermeable boundaries. An internal focus characterizes planning in such views.

Open system planning is almost entirely conceptual. Detailed, action-oriented steps are deferred to the operational planning phase. Blurring lines between these fundamentally different processes detracts from the effectiveness of many planning models—witness resistance by top-level leaders to doing detailed work during organizational planning. In this model, such resistance is appropriate, since detailed planning is the province of middle-level managers.

Table 2 shows OSP tasks. As top-level leaders do OSP, they define and clarify a context in which an organization operates. They create a "vision" of success, marked by outcome orientation, exploration of assumptions, and the creative application of intuition.

I—

#### Map Environment

This task clarifies the future societal environment. This "map" is of the distant future, which varies from 2 to 10 years, depending on the nature of an organization. Many other organizations, groups, and societal forces will interact with the organization. For example, an external force might be the expected changes in the educational levels of potential workers. An internal group might be a labor union seeking increased wages and benefits.

This map considers socioeconomic, legal, and political factors. It contains objective data projections and intuitive judgments of leaders. Factors are clarified at local, regional, national, and global

**Table 1** Comparison of Open Systems Planning and Operational Planning

Characteristics	
Open systems planning	Operational planning
80% conceptual	20% conceptual
20% detail	80% detail
Emphasis on future	Emphasis on present
Visionary and intuitive	Logical and linear
Addresses context	Addresses content
Decides what is effective	Decides what is efficient
Driven by desired outcomes	Driven by available resources
Task of top-level leaders	Task of middle-level managers

levels, as appropriate. This map analyzes opportunities, restraints, and assumptions. Particular care is given to the identification of customers and prior commitments, both of which will have future ramifications.

This task depicts a "playing field" on which the organization will operate. Processes of constructing this map are as valuable as the product. Exchanging opinions, assumptions, and objective data about the future creates leadership focus.

2—

### **Define Organization Purpose**

This task clarifies an organization's *raison d'être*, or reason for existence. Organization purpose reflects service to society, and is an end state rather than an action. For example, a reserve military organization defined its purpose as: "Combat ready, mission capable, citizen soldiery." By serving its purpose, this organization reduced vulnerability to attacks upon U.S. national interests.

Leaders often take understanding of purpose for granted, but this task typically reveals a lack of clarity. Such diffusion detracts from organizational effectiveness as leaders make decisions and allocate resources toward several assumed purposes.

A purpose statement is broad and general, representing an organization's essence. It differentiates the organization, and gives focus to people at all levels. Such a purpose provides a standard against which members may make decisions, set goals, allocate resources, and perform daily duties. In order to serve such a function, a purpose statement must creatively combine idealism and realism. It must be inspirational, yet avoid simple jingoism.

3—

### **Design Organization**

This task describes the desired future organization, and is guided by two considerations. One is a model of organization design components. Another concerns organizational competence.

**Table 2** Task List for Open Systems Planners

Map environment
Define organization purpose
Design organization
Develop mission statements
Develop goals
Clarify desired results
Develop societal dialogue
Assign proponentcy

**Table 3** Key Design Components of an Organization

Leadership and management  
 People  
 Technology  
 Structure  
 Input and output

*Model of Organization Design Components.* Many observers (e.g., Kast and Rosenzweig, 1980; Szilagyi and Wallace, 1980; Weisbord, 1978) agree about key design components, shown in Table 3. These components may be described concisely.

*Leadership and management:* Formal and informal actions by organization members that focus an organization and align plans, programs, and policies. Includes elements of selection and development, interpersonal style, orientation to tasks, and role definition. Leadership creates focus, vision, and goals. Management keeps an organization on a steady course toward these destinations.

*People:* Human resources of an organization. Includes elements of selection and development, skills, motivation and commitment, communication patterns, group and individual interaction, and levels of satisfaction.

*Technology:* Equipment, tools, and machinery. Includes elements of procurement, maintenance, and support.

*Structure:* Formal and informal composition of an organization. Basis may be functional, such as production and marketing; product/project, such as a computer circuit board; or a combination. Includes elements of physical layout and real estate.

*Input and output:* Resources entering an organization from the environment, and products and services delivered to customers.

A detailed description of each component of the organization is prepared. This desired future state describes what would be seen, heard, and felt by a visitor.

As an example, consider the component "leadership and management." Effective leadership and management is described. What skills do leaders and managers have? What are their normal duties? How do they relate to other workers? Where do they perform their duties? How are they selected and developed?

Changes in one component affect other components. For example, a change of machinery may require workers with new skills. Descriptions of the desired future state acknowledge this systemic interaction. In this example, skilled workers are described operating new machinery and new training programs are in place.

*Organizational Competence.* A U.S. Army study in the early 1970s indicated that organizations perform more effectively in rapidly changing environments when they execute certain critical processes well. Table 4 depicts my view of such processes, which make up organizational compe-

**Table 4** Processes of Organizational Competence

Acquire resources  
 Disseminate resources  
 Work processes  
 Stabilize  
 Communicate plans, decisions, etc.  
 Implement plans, decisions, etc.  
 Deliver products, services  
 Check results

tence. When these processes are performed poorly or not at all, overall effectiveness declines. Individual and group skills are degraded by wider organizational incompetence (Olmstead, 1972; Olmstead et al., 1973). These processes may be described briefly.

*Acquire resources:* Seeking, gathering, and processing relevant resources from the environment. Examples include information, materiel, capital, and people.

*Disseminate resources:* Distribution of resources to appropriate subordinate elements of an organization. Includes component of discussion and interpretation.

*Work processes:* Actions such as planning, decision making, meeting management, and role clarification. Considers actions at all levels. Includes component of timeliness and quality.

*Stabilize:* Predicting and/or modulating implications of organizational activities. Includes adjustments to procedures, structures, and communication patterns.

*Communicate plans, decisions, and so on:* Transmission of information about plans, decisions, and the like resulting from work processes to appropriate subordinate elements. Includes component of discussion and interpretation.

*Implement plans, decisions, and so on:* Execution of actions required by plans, decisions, and the like. Includes component of timeliness and accuracy. Considers appropriateness of adjustments during implementation.

*Deliver products, services:* Providing products and services to internal and external customers. Includes component of discussion and interpretation.

*Check results:* Actions taken to learn impact of product and service delivery. Compares intentions with results. Provides basis for corrective actions and follow-up activities.

These processes often do not occur in the sequence shown; there may be redundancy and backtracking. The efficacy of later processes is clearly related to high quality in earlier ones, however.

A detailed description of organizational competence is prepared. This desired future state depicts what would be seen, heard, and felt by a visitor.

For example, consider the competence process "communicate plans, decisions, and so on." How are plans and decisions delivered to implementers? Face-to-face meetings? Electronic mail? Memorandums? A combination of such methods? What types of plans and decisions prompt each method? What methods accomplish the discussion and interpretation function? Who is responsible for such communication? How do planners and decision makers know that information has been received and understood?

#### 4—

#### **Develop Mission Statements**

This task identifies key areas in which the organization will focus its efforts. Mission statements are conceptual, unmeasurable, action-oriented, and indicate priorities. Consider the following three missions identified by a U.S. Army Organizational Effectiveness Regional Center:

"Provide consultation to military organizations in our region."

"Maintain and improve professional effectiveness of center members."

"Manage administrative operations of center."

Typically, four to six mission statements adequately describe key areas. Arranged in priority order, mission statements aid in making decisions and allocating resources. They may represent traditional values in such areas as production, advertising, and sales, or alternative values such as holistic health and workplace diversity.

#### 5—

#### **Develop Goals**

This task clarifies evidence that leaders will accept as indication of progress toward mission accomplishment. These outcome-oriented goal statements include an event signifying completion. For example, a public safety organization might develop goals to support the following mission statement:

Provide relief services for natural disasters and civil emergencies.

Consider the following such goal:

Demonstrated capacity of subordinate elements to perform mission-relevant tasks, in specified conditions, to specified standards, evidenced by annual readiness evaluation.

Usually, three to five goals adequately support each mission. Arranged in priority order, goals facilitate decision making and resource allocation.

6—

### **Clarify Desired Results**

This task focuses beyond products and services provided by an organization. It produces a statement of intention by leaders, clarifying how they want society to be different as a result of organization output. This task answers the question: "So what, if our organization serves its purpose and provides its output?" For example, a nontraditional health care provider may have a desired result of "self-reliant citizenry in matters of holistic health." A producer of building materials may have a desired result of "adequate, affordable housing in our local community." A creative mixture of idealism and realism: desired results inspire, yet avoid triteness.

This task requires a key attribute of organization leaders—a deep knowledge of their driving motivations. Exploration of such issues is abnormal in many organizations, but is an appropriate component of a strategy for effectiveness.

7—

### **Develop Societal Dialogue**

This task plans an open, honest dialogue with society. It establishes relationships with community leaders, citizen groups, other organizations, and governmental agencies. Planners describe desired relationships in order to answer questions of who, what, when, where, and how. These relationships serve to communicate desired results, to gather information about actual results and about social aspirations.

Many organizations perform community outreach; however, this task contains a unique factor—open, honest dialogue about values, motivations, intentions, and aspirations. Some may see such dialogue as misguided altruism. One observer postulates that more than 80% of organizational problems result from lying and withholding, however (Schutz, 1994). Perhaps those who deride this task reveal evidence of their own moral turpitude. Such work is a manifestation of courage by organization leaders. Derision from afar allows avoidance of the fray.

8—

### **Assign Proponency**

This task specifies management responsibility for elements of an open systems plan. For example, one leader may assume responsibility for communicating this entire plan to the organization. Another may assume responsibility for one or more missions. These proponents report progress or problems to the leadership group.

A key aspect of this task identifies middle-level managers who will do the detailed work of operational planning. They are chosen based upon their interest, knowledge, and skills.

9—

### **Benefits of Open Systems Planning**

Open systems planning tasks described to this point require significant expenditure of time and energy by leaders. Failure to perform such planning detracts from success of many change projects, however.

A clear vision of a desired future state serves as a blueprint, guiding daily actions of organization members toward success. A subtler, perhaps more essential, benefit results if this plan is described in such a way that members may "see" the future state and imagine their own roles. Athletic performance is replete with evidence connecting clarity of vision, or imagery, with performance. Consider Roger Bannister, the first athlete to run a mile in less than 4 minutes. He has stated that a critical factor in his success was mental imagery of himself crossing the finish line in just less than 4 minutes. Health care and other fields provide similar evidence (e.g., Achterberg, 1985; Harmon and Rheingold, 1984). Such connections of imagery and performance apply equally well in organizations.

B—

**Operational Planning**

Moving an organization toward the desired future state clarified in OSP requires planning of a different nature, as depicted in Table 1. Open systems planning creates context for an organization, while operational planning (OP) addresses detailed content of that context.

A transition team with an express charter of planning and implementing required changes conducts OP. Table 5 shows OP tasks. Operational planning teamwork moves an organization from the relative stability of the present, through a transition period marked by rapid change and instability, toward the desired future state.

A transition team includes key subordinates of the OSP group. Top leaders are thus free to carry out their normal duties while the OP team does detailed work. It is critical, however, that top leaders support this team, lending authority and credibility to their work.

Given the critical nature of this work, explicit team building is conducted. Few teams reach full effectiveness without such development, for which ample guidance exists in the literature (e.g., Beckhard, 1989; Francis and Young, 1979; Reddy, with Jamison, 1988). Team building is marked by the recruitment of quality members, clarity of purpose, and attention to group dynamics.

1—

**Assess Present State**

This task conducts a detailed analysis of an organization in terms of design components and competence, as presented in Tables 3 and 4. Particular attention is paid to areas identified for change. Consider a planned change in the competence "work processes." Analysis focuses on the present state of the work processes. What planning and decision making methods are used at high levels? At low levels, near points of implementation? How accurate and timely are plans and decisions?

Observations, surveys, interviews, and reviews of records provide data for this assessment. This "picture" of the present state portrays each design component and each organizational competence.

2—

**Compare Desired Future State to Present State**

This task analyzes the "gap" between what is and what is wanted. Initially it compares the desired future state and present state in terms of design components and competence. How much change will be required to manifest the desired future state? This task also compares missions and goals to the present state. Will the accomplishment of goals and missions require other changes?

The transition team identifies gaps by their contribution to fundamental change, estimated time required, degree of difficulty, and cost, thus allowing effective cost/benefit analysis. For example, moving an organization to a new location represents a significant gap, with strong contribution to fundamental change. Such a change is probably time-consuming, difficult, and costly.

Most changes have implications in other design components or competencies. For example, any major change usually requires effective leadership and management. Present state assessment may indicate that leaders and managers are incapable of directing such change, thus, another gap is identified. The transition team assesses such systemic implications as part of this task.

3—

**Develop Action Plan**

This task formulates an explicit plan to close the gap between the present state and the desired future state. Table 6 shows a format for such a plan. This plan contains specific, measurable, and time-guided objectives. It has assignments for subordinates, cost/benefit data, and intermediate mile-stones to check progress on long-range objectives. The plan addresses design components, competence, missions, and goals.

**Table 5** Task List for Operational Planners

Assess present state

Compare desired future state to present state

Develop action plan

Implement action plan and monitor progress



**Table 6** Format for Action Plan

Competence process	Proponent	Objectives		
Acquire resources	Chief of staff	1. Conduct quarterly conferences with open systems planners to update environmental map. 2. Establish liaison with local government and community leaders within 6 months.		
Cost/benefit data				
	Impact	Time	Difficulty	Cost
Objective 1	A	N	1	II
Objective 2	A	M	2	II

Notes: A—fundamental, B—moderate, C—nice to have; N—0–3 mos., M—3–12 mos., L—1 yr. +; 1—easy, 2—moderate, 3—hard; I—minimal, II—moderate, III—expensive.

#### 4—

#### **Implement Action Plan and Monitor Progress**

This task begins movement towards the desired future state. With a detailed and effective action plan, many people contribute to this task in a decentralized process. The transition team disseminates this plan, monitors implementation, and relays information to the OSP group. Top leaders and the transition team make adjustments as appropriate. Operational planners also compile the lessons learned during this project. Such information is useful to other organizations and project planners.

#### 5—

#### **Dissolution of the Transition Team**

When the change project is fully implemented, the transition team disbands. Typically, team dissolution receives little attention in organizations. If team members are to integrate their experiences and return effectively to other duties, explicit attention to this issue is required. Members clarify their contributions to the change project and the organization. They are given the opportunity to express reactions, feelings, and thoughts about the project and each other. If the team leader and others have very different relationships in the future, they explicitly relinquish their transition team roles. Members exchange information about how they will apply lessons learned during the project. Such actions facilitate a "letting go" by team members, and a more effective assumption of different roles in their changed organization.

#### C—

#### **Developing Commitment**

Change projects are more likely to succeed if supported by an adequate portion of the organization's population. Most concepts of developing such support may be described as political strategies (e.g., Beckhard and Harris, 1987; Block, 1989). These strategies seek to recruit influential members as supporters and coopt or isolate those with objections. They assume that people will seek reward and avoid punishment in such a power structure.

A major result of such strategies is highly creative resistance by those who disagree with the proposed changes, in spite of an appearance that resisters have acquiesced to influential members. Obviously this phenomenon detracts from effective change management.

Political strategies ignore the possibility that those who object do so with good reason. Perhaps more important, such strategies conflict with the fundamental nature of resistance and commitment, which are "internal" responses to "external" events. In the same way that popular literature misunderstands that human stress is an internal response to external stimuli, these strategies misunderstand issues addressed and intervene inappropriately.

Developing a commitment to change involves a reorientation at the individual level. Interventions at the individual and work group level create more commitment than elaborate political posturing. Such interventions include interested organization members, give them a degree of control over

changes, and provide them with opportunities for disclosure of reactions, feelings, and thoughts concerning changes.

Political strategies, despite a facade of intellect and respectability, are patterns of dominance and submission similar to those exhibited by most mammals. Such territoriality and hierarchy, while normal in many organizations, fall far short of optimal. I aspire to different attributes in organizations.

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26—

**Micro and Macro Perspectives on Gain Sharing:  
Achieving Organizational Change with Alternative Reward Strategies**

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I—

**Introduction**

In an era when U.S. firms are seeking ways to increase their productivity and competitiveness in a global economy, managers are more closely scrutinizing how business is conducted. A crucial concern is how well employees work to advance the goals of the firm. Often, compensation has been viewed as an important means of promoting employee vigilance to and compliance with desired objectives. However, changes in employee interests and values, the nature of work, and organizational goals threaten to make traditional compensation systems less effective. As a result, alternative reward strategies have been developed as a way to complement or extend the kinds of incentives available for motivating employee performance.

Group performance-based plans are one form of alternative reward strategies that have recently captured the imagination of managers, consultants, and researchers alike as ways for enhancing employee productivity. These reward plans offer employees the opportunity to earn awards in addition to their salaries and benefits for achievement of a prespecified performance standard.

One of the more popular and commonly applied group performance-based plans is gain sharing, a generic term for unitwide bonus systems that reward productivity improvements (Hauck, 1987; Miller and Schuster, 1987). The basic notion of all gain-sharing plans is that performance on prespecified objectives is measured for all designated work groups, and a percentage of the value of any improvements is distributed to the group members (i.e., the gains are shared).

Gain sharing has been found to be successful when applied in a variety of organizational settings (Towers et al., 1990). Besides productivity improvements and increases in return on investment (ROI), gain sharing often results in greater coordination and teamwork among employees, fulfillment of labor's social needs through participation and working in teams, positive attitudinal changes among the workforce, and greater effort and sharing of ideas by workers as they work smarter, not just harder (Lawler, 1988, 1990).

With the apparent success comes the question, Why are the outcomes from gain sharing generally positive? Presumably, if the underlying principles are better understood, they could be incorporated systematically into group performance-based plans generally.

To understand the success of gain sharing, a comprehensive investigation of the principles and factors common to most plans is undertaken in the first part of the chapter. A micro perspective reveals behavioral tenets, process variables, and several other factors that are common to most plans. It is argued that the effective implementation of these elements are instrumental to the effectiveness of gain sharing.

Since gain sharing appears to have a successful track record, can it be used as a mechanism for organizational change? The second part of this chapter responds to this question by first considering the fit of gain-sharing plans to the organization from a macro perspective. Specifically, the relationship between an organization's strategic objectives, culture, and reward system is explored. Gain sharing and other alternative reward strategies are considered for their role in supporting strategy-culture-pay fit, or stimulating organizational change to achieve fit when none exists. A frame-work is provided for selecting the appropriate alternative reward strategy based on its needed role and the scope of desired change. It is suggested that alternative reward strategies, when designed and applied correctly, can be useful mechanisms for organizational change.

## **II— Gain Sharing from a Micro Perspective**

### **A— Behavioral Tenets**

Gain-sharing plans generally subscribe, at least implicitly, to the basic behavior modification principle that behavior is a function of its consequences. The likelihood that desired behavior will occur again is increased when positively reinforced after its emittance (Skinner, 1953; Luthans and Kreitner, 1975)—in other words, when rewards are viewed contingent on performance. Well-designed gain-sharing plans operationalize these ideas through formulas for measuring worker performance, and with meaningful rewards applied contingently to desired outcomes.

### **1— Formulas**

Gain-sharing plans are popular because it is generally possible to relate their results to the bottom line. The ability to quantify the outcomes from gain sharing is possible through the use of formulas for measuring and rewarding improvements in productivity. Formulas associated with the classic plans (i.e., Scanlon, Rucker, Improshare), for example, are figured on the amount of labor required to produce a specified quantity of goods, and the bonus is based on the labor cost savings from comparing actual labor costs to standard production costs. These plans are distinguished by how the various costs are defined and measured. Scanlon and Rucker's formulas are based on financial criteria (e.g., payroll or labor costs) while Improshare's are physical or nonmonetary (e.g., actual labor hours). Whichever the plan, a classic or one that is custom-designed for the organization, a baseline of performance on the desired objective(s) (often established over a period of several months to a year or until a trend line is evident) is needed for determining the point at which an improvement over the base will be rewarded.

### **2— Rewards**

Gain-sharing plans also tend to be successful when employees value the rewards. Generally, there are two aspects to a reward being viewed as valuable. First, employees must perceive that their piece of the "gain-sharing pie" is fair and significant. The fairness issue is the major reason most organizations establish a 50/50 split between workers and the organization (O'Dell and McAdams, 1987).

Second, a lump-sum reward is typically perceived more favorably by employees than a payment that is stretched out over a period of time (O'Dell and McAdams, 1987). The significance of the reward can be generally enhanced through the use of noncash rewards. Increasingly, organizations have turned to noncash rewards because of their long-term "trophy value" to employees. The care with which the organization can promote noncash incentives also reduces the likelihood that employees will confuse gain sharing with their basic compensation plan (O'Dell and McAdams, 1987; McAdams, 1991).

Gain-sharing rewards are typically based on group performance. Since individual performance is often difficult to distinguish, a group-based system can more effectively motivate, support, and reward team initiatives, while reducing potential problems of perceived inequity among group members.

Developing a gain-sharing plan based only on formulas and valued rewards is not sufficient, however. Increasingly, the processes by which gain sharing is designed, introduced, and operated also make a difference to its success.

**B—**

### **Attention to Process**

Increasingly, the importance of process to the effectiveness of gain sharing is being recognized (Hatcher and Ross, 1985; Doherty et al., 1989; Graham-Moore and Ross, 1990). Reviews (e.g., White, 1979; Lawler, 1981; Preiwisch, 1981; Goodman and Dean, 1983; Ross, 1983) typically note structural (e.g., size, technology) and situational (e.g., market and labor force conditions) factors that contribute to the success of gain sharing, but it is how gain sharing is introduced and implemented that seems increasingly to be the predominant concern.

In fact, many of the explanations given for gain sharing's positive outcomes are strikingly similar to the key process variables common to most organization development (OD) initiatives (Beer, 1980). Two that are particularly critical to gain sharing are effective communication and employee involvement.

**1—**

### **Effective Communication**

Effective communication and information sharing are important to the success of gain sharing. Gain-sharing rules and procedures must be understood fully by the plan's participants. If they are not, or if the program objectives are not clearly specified or linked to the performance measures, the plan is likely to fail.

More important, however, are the kinds of communications that promote information sharing between management and worker and among workers themselves regarding the performance objectives. Employees need to know the goals and current status (including financial) of the organization, and how they can assist in achieving desired outcomes. This means that the "line of sight" between their actions and results must be relatively short and defined in ways that make sense to them. If the more familiar operational means of describing results (e.g., units produced per hours worked) are not sufficient for explaining to them the consequences of their actions, then employees should receive enough training to more fully comprehend and interpret the typically less familiar financial data [e.g., ROI, return on net assets (RONA)]. Any additional training or information should be provided in ways that relate directly to employees. Global, general findings are not as helpful as information that is relevant to their own jobs or is described in such ways that they can see how their actions have an impact on the achievement of organizational goals.

**2—**

### **Employee Involvement**

Reviews of research on employee participation (e.g., Locke and Schweiger, 1979), quality circles (e.g., Lawler and Mohrman, 1985), and OD (e.g., Beer, 1976) attest to the contribution that increased employee involvement can make to organizational effectiveness. Employee involvement means that management acknowledges the employees' knowledge and expertise and solicits their input and participation in the process of bettering the organization. A variety of approaches such as small problem-solving groups, teams, or task forces, quality circles, or autonomous work teams have been used successfully with gain sharing (O'Dell and McAdams, 1987).

Investigations of gain sharing reveal the importance of employee involvement in both the design of the plan and its implementation (Doherty et al., 1989). The explanation generally given is that part of gaining the necessary acceptance and trust of employees for gain sharing depends on their successful inclusion in all stages of the plan's development, implementation, and evaluation. One note of caution, however: employee involvement can have its drawbacks (Baloff and Doherty, 1989) or be ineffective *if* the ideas and suggestions generated by the process are not acted on (Doherty

et al., 1989). Nevertheless, employee involvement can help create a culture supportive of gain sharing and increase the likelihood that both employee and organizational interests are satisfied.

**C—**

#### ***Other Important Factors***

Several other factors are repeatedly cited for their importance to gain-sharing success. One is management support (White, 1979; Preiwisch, 1981; Doherty et al., 1989). When managers fully commit to and encourage the gain-sharing scheme, chances for its success increase markedly. Active management engagement not only provides necessary support for the plan, but also helps to forge better relations and more open communications with the workforce.

Another factor important to gain-sharing success is employee job security (O'Dell and McAdams, 1987). One of the first concerns raised by employees is their fear that if gain sharing is successful in increasing productivity, fewer workers will be needed to do the work. The threat of losing one's job if substantial improvements in organizational effectiveness occur will reduce the chance of employees actively and wholeheartedly taking part in gain sharing. Therefore, assurances by management that no person's job is in jeopardy are important. These assurances will only be sufficient, however, if employees already believe in and trust management as faithful to their promises.

A final factor has to do with the operations of gain sharing. For gain sharing to be successful, Wallace (1990) noted the importance of training and information sharing in capturing the attention of the organizational members, and helping them to understand and get involved in the program. Additionally, he suggested that continuous follow-up and assessment of the program's progress and its effects in meeting the organization's needs are necessary to minimize difficulties and prevent the plan from being derailed.

**D—**

#### ***Gain-Sharing Success Understood***

When gain sharing has problems or fails, it often is a result of deviations from the behavioral tenets, process variables, or other factors noted above. Analyses of plans that have had shortcomings (not surprisingly, the literature reports few failures) reveal common difficulties. These include 1) complicated or improperly designed formulas for payouts, 2) changes in the bases from which rewards are determined, 3) objectives not perceived as based on performance, 4) distrust and lack of support by management or workers, 5) competing priorities within an organization, 6) poor communication, and 7) lack of sufficient control in the way the work is accomplished (Preiwisch, 1981; Ross, 1983; Doherty et al., 1989).

When gain sharing succeeds, however, all four principles of goal-setting theory are evident. In successful programs, every employee and work group knows the baseline performance level that must be exceeded before a bonus can be earned because the goals are stated in very specific terms. Since these goals are not too easy, but not too difficult either, they challenge employees to perform. Also, gaining employee understanding of and commitment to the goals increases their acceptance of, and involvement in, the gain-sharing plan. Finally, the employees' ability to monitor their progress and adjust their behavior, if necessary, to achieve the targeted objectives is possible with the frequent feedback they receive. Since employee motivation and performance are enhanced when these principles (i.e., goals that are specific, challenging, accepted, and enhanced with feedback) are implemented fully (Locke and Latham, 1990), gain sharing is a useful strategy for increasing organizational effectiveness.

**III—**

#### ***Gain Sharing from a Macro Perspective***

The previous discussion demonstrates that the mechanics and processes of gain sharing are well developed and understood. As Cooper (1991) noted when discussing compensation systems, however, "implementation of these programs is too often focused on technical issues. Yet true effectiveness is dependent on issues that deal with integrating the program and organizational, cultural, and human characteristics into the firm's strategy" (p. 569). This point might be applied equally to gain-sharing plans. It is not clear, for example, that the success of gain sharing has been fully explained

since the focus of its development has been almost exclusively on design and implementation issues. Attention to only these micro issues ignores the importance of fitting a gain-sharing plan to the organization.

A macro perspective focuses on the broader concern of integrating gain sharing with an organization's goals and systems. The assumption is that gain sharing succeeds when it promotes the mission and accommodates the style of a particular organization.

The objective of this portion of the chapter is to use a macro perspective to first consider the relationship of pay with strategic and cultural aims. The importance of achieving a synergistic fit between these three elements is discussed. Finally, the uses of alternative reward strategies such as gain sharing to either support or stimulate fit between strategy, culture, and pay, at both a general and specific level, are discussed. It is shown that alternative reward strategies in general can play an important role as organizational change mechanisms.

A—

#### ***Fit of Pay Systems with Strategic Objectives and Organizational Culture***

Kerr (1985) suggested, based on his findings from investigating 20 large industrial firms, that the processes for achieving a firm's strategic objectives have some bearing on what is considered the most appropriate reward type. For example, he noted that organizations with a steady-state strategic posture (emphasis on existing products and markets) typically utilize a hierarchical-based reward system (i.e., subjective evaluations of performance with rewards based on position). In contrast, an evolutionary objective (emphasis on growth through mergers, acquisitions, etc.) is most commonly associated with a performance-based compensation design (i.e., one that relies on a precise definition and measurement of performance and a close tie between performance and rewards). His findings suggest that a fit between an organization's strategic objectives and its reward system is important to the firm's effectiveness.

Hufnagel (1987) supports the idea of strategy-reward fit when she argues that since there is no one type of strategy, neither can there be only one form of compensation. In fact, she posited different compensation systems for three strategic models. Specifically, when a firm has a linear strategy (a rational, long-range planning approach), for example, she indicated that compensation is best based on a long-term evaluation method that rewards achievement on certain goals over an extended period of time. For an adaptive strategy that requires constant monitoring of the environment for change and corresponding adjustments, she advocated a reward system that can be flexible when required. Finally, with an interpretive strategy, one based on social contact and interchange and the fit of an organization's value orientation with its strategic mission, she suggested that a reward scheme that encourages teamwork, innovation, and challenging but attainable performance standards is needed.

Despite the absence of empirical evidence (Hufnagel, 1987), it is certainly plausible, based on arguments presented by Kerr (1985), Hufnagel (1987), and Wallace (1990), that an organization's effectiveness will be enhanced over the long term when its pay system complements its strategic mission. In fact, Salter (1973) provided a framework for designing a compensation or reward plan that accounts for key policy problems or strategic aims. In particular, he identified key aspects for developing incentive compensation schemes by contrasting four major policy issues (i.e., short run vs. long run, risk aversion vs. risk taking, interdivisional relationships and company-division relationships) with six crucial compensation issues (i.e., financial instruments, performance measures, degree of discretion in allocating rewards, size and frequency of awards, degree of uniformity, and funding).

The fit of an organization's reward system with its culture is important too. Lawler (1991) stated that reward systems "must fit with the overall management style of the organization and must reinforce and support the kind of behavior and culture that is desired" (p. 593). More specifically, Sethia and Von Glinow (1985) argued that a firm's corporate culture and reward system are interdependent and that a "state of dynamic balance" is required. They suggested that because an organization's culture is defined by the values, beliefs, and assumptions of its members, the nature of this culture will influence the kinds of behaviors and relationships that are favored and the types of rewards that are provided. Similarly, the reward system influences the culture by the kinds of

employees who are attracted to and hired by the organization, and through its selective reinforcement of particular values and beliefs. Clearly, it is important that an organization's culture and reward system be in sync.

Finally, just as strategy-reward system fit and culture-reward complementarity appear necessary, so too is the coordination of an organization's strategic objectives with its culture (Schwartz and Davis, 1981; Kerr and Slocum, 1987). In fact, the fit of an organization's reward system with both its culture and strategic objectives is crucial for achieving a competitive advantage (Lei et al., 1990). Often, however, it is difficult for a traditional compensation or reward system to fully respond to the needs and interests of the organization. Supplementing basic compensation schemes with alternative reward strategies can provide additional support for the organization's initiatives, and in many cases improve its effectiveness by aiding the coordination of its strategic and cultural aims. In short, alternative reward strategies can be instrumental in achieving organizational change.

### **B— Organizational Change Using Alternative Reward Strategies**

Several types of alternative reward strategies that are applicable to organizational change are presented in Figure 1. Group performance-based plans (e.g., gain sharing) are just one of these types. All group-based performance plans "share the gains" and attend to the process issues, but their goals differ. As discussed earlier, gain sharing is most effective in increasing productivity. Objective-based plans, on the other hand, use a specific measure of an objective (e.g., quality, attendance, customer service, safety, cost reduction) to reward increases in performance. A third type of group performance-based plan, nondeferred profit sharing, uses profits or overall company performance to measure success. This type of plan is not as effective as a pay-for-performance strategy, but it does generally heighten employees' awareness of the organization's financial performance (O'Dell and McAdams, 1987).

Other alternative reward strategies that are not premised on the group-based performance plan concept, but may also be relevant to organizational change, include skill-based pay (Lawler, 1990) and recognition plans. Skill-based pay ties a person's base salary to the number and types of skills in his or her repertoire. As new skills are acquired and demonstrated, the person's base is adjusted upward. This scheme has been found particularly useful for increasing the flexibility of the work force, improving work redesign efforts, and reducing rigid, hierarchical, multilevel job classification systems. Recognition plans can take many forms, but generally they are designed to acknowledge outstanding individual or group performance after it has occurred. These plans typically increase employees' awareness of the organization's values, provide role models for desired behavior, and help to retain excellent workers (O'Dell and McAdams, 1987).

Given the potpourri of alternative reward strategy possibilities, a method for selecting the particular plan best suited to achieving the desired organizational change is needed. This selection decision

#### *Group Performance-Based Plans*

Gain sharing:	Unitwide bonus system that rewards productivity improvements
Objective-based:	Unitwide bonus system that rewards improvements of specific objectives other than productivity (e.g., quality, cost reduction, attendance)
Nondeferred Profit Sharing:	Lump sum bonuses paid to individuals depending on organizational profits

#### *Individual Plans*

Skill-based:	Ties a person's base wage to the repertoire of skills acquired during employment
<i>Recognition Plans</i>	Public or private acknowledgment of individual or group performance

Figure 1  
Alternative reward strategies.



may be determined by the orientation to change and the role that the alternative reward strategy is expected to play, and the scope of the change.

### 1— Orientation to Change

Selecting the best type of alternative reward strategy to accomplish the desired organizational change depends, at least in part, on the degree of strategy, cultural, and reward system fit that exists within the organization. Considered here are two conditions: when strategy-culture-pay fit exists and when it does not.

If an organization's culture and reward system are already aligned with its strategic objectives, then the organization is often healthy and stable. Change in this environment is best done gradually and when it is aimed at helping the organization evolve effectively. For example, an organization may be operating successfully, but gradual movement toward total quality management is desired as a way to enhance its outcomes. In this case, alternative rewards need only fit and accommodate the business strategy, organization direction, compensation plan, human resources practices, and other systems already in place.

An alternative reward strategy that assumes a "supportive" role (often referred to as "lag" by compensation specialists) is more appropriate for accomplishing this goal. A "support" orientation simply reinforces major changes that have already occurred, facilitates efforts to modify operations in a limited way, or encourages a focus on underattended aspects of the organization. Most organizations in this position will already have achieved improved communications and greater employee involvement. Now, an alternative reward plan is needed to support these interventions and respond to the employees' question, "What's in it for us?," since they are already involved in making key decisions.

If, on the other hand, there is lack of fit between an organization's culture, reward system, and its strategic goals, then the organization may be in trouble. In contrast, the organization may be healthy but perceive a unique opportunity in which to make a dramatic change. For example, an organization may be seeking stability and a redefined distinctive competency after a major downsizing. In either case, change is usually dynamic and directed to accomplishing significant outcomes in key areas.

In this context, alternative rewards can be useful for "stimulating" change and guiding the organization as it establishes its business objectives, direction, and practices. Alternative rewards in a "stimulate" (or lead) role can help achieve (re)alignment between an organization's strategy, culture, and rewards by creating a context for introducing new practices and a way of operating. Specifically, as a catalyst for change, alternative rewards can call attention to the need for improved communications and greater employee participation in decision making. In short, they can send the message to employees that management is serious about making significant changes, and that it is willing to promote and pay for it up front.

### 2— Scope of Change

Selecting an alternative reward strategy also depends on the extent of the change that is sought. The scope of desired organizational change may be characterized as either general or specific. General change involves broad, often diffuse goals. These goals may concern major problems such as the need for increased profitability, or be designed to maintain the overall well-being of the organization. General change is targeted at the level of the organization, business, or facility. Performance is measured and rewarded at the corporate wide or multifacility level.

Specific organizational change, on the other hand, is more limited in both its objectives and extent of intervention. Specific change addresses narrowly defined, targeted concerns such as safety or absenteeism. Specific change interventions are designed for a targeted group of employees or are associated with selected units. Therefore, performance is measured and rewarded at lower levels within the organization hierarchy.

### 3— Alternative Rewards As Organizational Change Mechanisms

Contrasting the orientation to change that the alternative reward strategy is expected to assume (i.e., support or stimulate) with the scope of organizational change needed (i.e., general or specific) produces a  $2 \times 2$  matrix (see Figure 2). This matrix, while simplified, provides a framework for

		ORIENTATION TO CHANGE	
		Lag	Lead
SCOPE OF CHANGE	General	1 Enhance	3 Overhaul
	Specific	2 Fine-tune	4 Jump-start

Figure 2  
Alternative reward strategies as organizational change mechanisms.

suggesting how alternative reward strategies can be used to fulfill desired organizational change objectives. The usefulness of this framework is more evident upon closer inspection of the four cells.

Cell 1 is defined by organizations that could benefit from alternative reward strategies used in a supportive capacity to achieve general organizational change. Organizations in this cell are healthy and effective with few problems. Employees in these organizations are already involved and active in the decision-making process. Management, however, may be interested in increasing employee awareness of the operation's outcomes or in seeking ways to sustain its profitability. In this case, alternative rewards are useful in a supportive role for general organizational change. Because the organization's strategy, culture, and pay systems are already coordinated, alternative rewards are only needed to "enhance" the current goals and functions. Alternative reward strategies best suited to achieving these objectives are nondeferred profit sharing or corporate wide/multifacility gain sharing. Additionally, recognition programs or skill-based pay may be useful in this context for supporting and maintaining the general well-being of the organization. Generally, alternative reward strategies operating in an enhancement model help to make for more enriched, longer lasting, and better fitting strategic-cultural-pay systems.

Cell 2 represents organizations that could improve if alternative reward strategies were used in a supportive manner to achieve specific change. Organizations in this cell are generally healthy and effective overall, but management perceives a weakness in one unit or would like to boost a particular area. In this case, a supportive orientation is sufficient for "fine-tuning" a particular aspect of the organization. The general strategic direction may be acceptable, but management may want to emphasize a specific objective such as cost containment in one of the units. Alternative reward strategies can be useful in pinpointing and focusing effort in the needed area. For example, sending a signal that employee involvement is important in reducing costs could be accomplished with a cost reduction objective-based program. Other customized objective-based plans such as ones focusing on absenteeism or safety are also appropriate for supporting limited change in targeted units. In short, alternative rewards may serve a useful supportive role to a specific strategic goal and assist the organization in "fine-tuning" its operation.

Organizations in cell 3 would benefit from alternative reward strategies that are stimulating in nature and at the general level of change. Organizations in this cell are characterized by the need for a complete "overhaul" of their systems. This need may emerge, for example, during or following a major restructuring or significant layoffs or downsizing. An overhaul strategy may also be applicable when an organization seeks to capitalize on a perceived opportunity, or when management wants to move away from providing a competitive way or is interested in making fixed pay more variable. Whatever the basis for an organization's overhaul, significant organizational change is required. Improved communications and greater employee participation will be crucial to achieving organizational success. "Business as usual" can no longer be the operating motto.

General alternative reward strategies can be helpful in stimulating acceptance of and adjustment to the broad-scale changes. For example, an organization wide cost reduction objective based plan could establish a culture based on greater employee involvement and improved vertical and horizon-

tal communications. Gain sharing, however, is the classic alternative reward strategy for stimulating general or global change. As discussed in the first part of this chapter, gain sharing captures employees' attention and rewards them for getting more involved. Because of this need for increased employee understanding of and involvement in the change process, and the emphasis on greater work accountability, nondeferred profit sharing is inappropriate in this situation. In short, alternative reward strategies designed to "overhaul" create the conditions necessary for employees to benefit from their increased participation and for the organization to take advantage of its opportunities and realize its goals.

Lastly, organizations that would benefit from alternative reward strategies used to stimulate specific change fit into cell 4. These organizations lack strategy-culture-pay fit and have a problem in one of the business units or a particular objective (e.g., quality) that requires attention. In this case, alternative rewards are needed to stimulate change and resolve specific problems. In other words, the organization needs a "jump-start" in a specific area to meet its potential and strategic goals, or to resolve a particular problem.

In this situation, alternative reward systems may be useful in leading organizational members to focus their energy and effort more productively. Specific objective-based programs are particularly suitable for drawing attention to targeted objectives such as enhanced quality or better customer service. In general, alternative rewards used in a jump-start capacity advance a business unit and move it significantly beyond its current status toward ambitious goals and more effective functioning.

This framework and its distinctions provide alternative reward system designers a model to begin determining the orientation and extensiveness of their plans for achieving organizational change and meeting organizational objectives. Gain sharing or any other alternative reward system is best thought of not just as an intervention, but as one component, perhaps one aspect of an alternative rewards package, for either supporting or catalyzing an organization in desired ways. Even then, alternative reward systems are only one component of a comprehensive response to organizational change. Specifically, for example, alternative reward strategies must be consistent with other human resources management activities (e.g., training and development, communication, empowerment) designed to bring about change.

#### IV—

#### **Conclusion**

Even with the probable selection bias, reported findings indicate that gain sharing and other alternative reward strategies, particularly those that are based on group performance, have an exceptionally good record when executed well. As discussed above, much of the success can be attributed to strong behavioral underpinnings and careful attention to process. This insight is important, but consideration of more than just the micro issues is necessary. Specifically, how various alternative reward plans fit with the firm's strategy and culture, and whether these reward systems are designed to support or stimulate organizational change in general or specific ways should be addressed too. Although little research has investigated how the success of gain sharing is affected by these macro concerns, it appears that advantages beyond those gained from good technology can be reaped when these systems are viewed strategically.

Although only a sketch of how alternative reward systems can act as organizational change mechanisms was provided, the advantage of the framework is that practitioners, managers, and researchers have a starting point for thinking through the goals and intended role that the alternative reward systems are expected to achieve. Do they need alternative rewards that will support organizational change or stimulate it? Is the desired change general in nature or more specific? Coupling the framework for selecting the most suitable reward strategy with the guidelines for implementing the plans ought to bode well for the success of gain sharing and alternative rewards specifically, and organizational effectiveness more generally.

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27—

## **Goal-Setting Programs: An Agenda for Practitioners**

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One of the most basic and enduring concerns that organizations encounter is precisely how to increase the effectiveness and efficiency of employees. The motivation of employees (or rather, the lack thereof) is seen as just one of many potential sources of the drop in productivity in the United States (Katzell and Guzzo, 1983). Provided that workers possess the required skills and abilities, increased levels of worker motivation will lead to increased levels of production.

Methods for producing and maintaining increased motivation levels are varied, numerous, and often contradictory. For example, managers and psychologists have focused on recruitment and selection, training and instruction, appraisal and feedback, goal setting, financial compensation, work redesign, supervision, organizational structure, decision making, work schedules, and systems design. Programs that establish work-related performance goals, however, have gained widespread acceptance from managers and supervisors.

Goal setting, as a motivational technique, is one of the few psychological methods for improving motivation that has received extensive attention both in the laboratory and in the field. It has been described by many as one of the more effective approaches to improving performance (Katzell and Guzzo, 1983; Locke et al., 1981; Mento et al., 1980; Tubbs, 1986). Goal setting is not a new idea. For many years, managers have been using similar notions—including performance quotas, management by objectives, and deadlines—to motivate their employees (Latham and Locke, 1979).

But goal-setting approaches do not always work. This contribution therefore focuses on the conditions and procedures that lead to effective application of goal-setting techniques. Based on almost 25 years of research, we catalogue here the elements of goal-setting programs that are most likely to produce performance improvements.

Table 1 provides a list of successful goal-setting studies conducted in field settings and describes the type of worker and variety of performance measures included in those studies. This is an impressive list. The number of different workers and performance measures that have been used to demonstrate the effectiveness of goal-setting programs testifies to the ability of goal-setting procedures to apply to a broad segment of people and situations.

The majority of work with goal setting has relied on the research and models of Locke (1968). Locke initially asserted that employees' work performance increases as the level of difficulty of their performance goals increases; later research demonstrated that this model was overly simplistic and that other factors influence the successful motivational influences of goal-setting practices.

**Table 1** Examples of Goal-Setting Field Studies

Type of worker	Performance measure
Vending machine servicemen	Supervisory report
Telephone operators	Self-rating
Managers	Self-rated goal attainment and effort
Production employees	Amount produced
R & D managers	Self-reported motivation
Managers	Self/supervisory-rated goal attainment
Sales	Sales
Production	Amount produced and quality
Managers	Changes in self-rated satisfaction
Truck drivers	Net weight of truck loads
Logging crews	Amount produced
Office and garment workers	Improvement in amount produced
Managers and supervisors	Amount produced
Assembly work groups	Improvement in work quality
Manufacturing work groups	Productivity and rework costs
Supervisors	Supervisor rating of performance
United Way fundraisers	Dollars collected

Source: Adapted from Table 1, Latham and Yukl (1975).

Locke et al. (1981) pointed out a variety of factors that influence the success of a goal-setting plan. According to his conceptualization, successful goal-setting programs should at a minimum contain the following elements, each of which plays a crucial role in the success or failure of a goal-setting program:

1. *Difficult goals*—Goals are set at a *reasonably* high and challenging level.
2. *Specific goals*—Goals are expressed in known and measurable units (generally in number of units to be produced but sometimes in quality).
3. *Goal acceptance*—Goals are accepted by the individual employees who are willing to work for the goal.
4. *Feedback*—Information is provided to employees on their performance and their progress relative to the set goals.

The following sections provide specific details on how to implement these elements in a goal-setting program. In addition to the four major elements, we discuss concerns and problems that may occur in specific cases and offer advice on suitable methods for dealing with them.

### I— Goal Difficulty

Generally, performance is expected to increase as workers are assigned more difficult goals, but it is possible to set goals that are so difficult that they negatively impact employee motivation (and hence performance) thus, the issue here is assignment of goals that are appropriately challenging without being unreasonable. Four major approaches to the setting of goal levels can be found in the literature (Wright, 1990). Three of these approaches are discussed (the fourth is not appropriate for organizational applications), along with their respective strengths and weaknesses.

### A— Assigned Goal Levels

In this approach, the level of goal difficulty is determined by the manager or supervisor (or other person in charge) and is directed to all workers. It is the simplest procedure to apply. Assigned

goals are simple and straightforward to develop and apply, and we have the potential to yield good performance increases. For example, the manager evaluates the production records, determines a suitably difficult goal level, and assigns it to each employee. The trick is to ensure that the assigned goal level is attainable by the majority of the employees.

Although this procedure has been shown to be very effective in demonstrating the relationship between goal difficulty and performance, some problems have been identified when it has been applied in the workplace. For example, it fails to take into account basic ability differences between workers. To the degree that some individuals are more competent than others in doing their jobs, higher-ability individuals may not be challenged by the established goal and the lowest-level individuals will be overly challenged. If an organization's selection procedures have not ensured that more capable individuals are hired, this problem will be exacerbated.

#### **B— Self-Set Goal Levels**

With this approach, individual employees are asked to set their own levels of goal difficulty without significant guidance on how or where to set their goals. In other words, the manager asks each individual to set themselves a set of goals and work toward accomplishing them. This method for determining goals is also easy to apply and has been shown to produce improvements in production or performance.

Although this method takes ability differences between workers into account and allows more effective workers to set higher performance goals, it presents a dilemma for the manager; that is, there are different standards for different workers. In addition, it is possible that work groups or teams may find it difficult to accept varying goal levels for its members, or may find it difficult to accept different levels of effort from different teams.

#### **C— Performance Improvement Goal Levels**

This approach sets goal difficulty levels by asking all individuals to improve their performance by some set amount above the current level—generally, a standard percentage increase over some baseline (e.g., 10% more than last year's level). The logic is based on managers and employees determining current performance levels and defining "difficult" goals as those that demand an increase over past performance.

Performance improvement techniques for setting goal difficulty have been shown to result in increased production and combine some of the positive features from the other two methods. In addition, this method can be used to set goal difficulty levels that take into account ability differences between individuals. A negative outcome is that it can result in different goals for different individuals.

#### **II— Goal Specificity**

Prior work with goal-setting programs has determined that the best results occur when goals are set in terms of clear and specific production measures. This is true for goals that are stated in terms of the quantity of production as well as those stated in terms of product quality. Care must be taken to ensure that the goals are stated in measurable (numeric) units that apply to each job.

One major failure of goal-setting programs has been the tendency for managers to adopt a "do-your-best" approach to defining goals. Instructions to (1) "do your best," (2) "do as much as you can," or (3) "improve over last year" are less effective than instruction to (1) "sell 10 cars this month," (2) "collect \$1000 in donations," or (3) "reduce your rejection rate by 25%." The superiority of specific, clear performance goals over pleas for best efforts is the most important lesson to emerge from the goal-setting literature (Saal and Knight, 1988).

#### **III— Goal Acceptance**

The third element of an effective goal-setting program is acceptance of the goals by employees. Research evidence (and common sense) suggest that goals that are set and not accepted by the individuals who must accomplish them will *not* motivate employees and will *not* be accomplished.

Locke et al. (1988) outlined a variety of internal and external factors that increase workers' commitment to and thereby their acceptance of goals. The external factors that support more commitment to goal levels are the following:

1. *Authority*—In most cases employees respond positively to legitimate requests made by the individual(s) in charge. To the degree that the manager is seen as trustworthy, effective, knowledgeable, and interested, workers will be more likely to accept established goals.
2. *Peer group influence and models*—There is evidence that goal setting is effective for groups (teams) as well as individuals. For example, a work team can set a goal to increase productive output. When the majority of the team accepts established goals, the remainder of the team comes under increasing pressure to accept the goals. Thus, one method for improving the commitment of group members is to establish group level goals (vs. individual goals).
3. *External rewards and incentives*—Prior research has suggested a complex set of relationships between goal acceptance and rewards and incentives (Locke et al., 1988). To the degree that goals are attainable, rewards appear to have a minor and positive effect on goal commitment, while negative rewards (or punishment) for failure to reach a goal may not be effective. As Latham and Marshall (1982) stated, the key issue appears to be *not how* a goal is set but *whether* the goal is set.

The internal factor that supports commitment to goal level is the following:

*Expectancy/self-efficacy*—To the degree that workers expect to attain their goals, they will be more committed to the goals established. In other words, employees will work hard when they feel they can be successful. This relationship emphasizes the importance of setting a difficult, but *not* impossible, goal. If the goal established are such that people do not feel they can accomplish them, they will not work for the goals.

#### IV—

##### **Feedback on Performance**

The review by Locke et al. (1981) suggested that individuals' "knowledge of results" has a positive effect on their attaining set goals. In other words, if we have no way of determining if we are succeeding or failing to meet our goals, we are likely to stop trying. Latham and Yukl (1975, p. 835) provided four reasons for the positive effects of feedback: 1) feedback may help individuals establish more specific goals (e.g., improve by so much), 2) feedback may encourage individuals to raise their goal levels after attaining a previous level, 3) feedback informs an individual that his or her previous efforts to reach a goal are insufficient and more or smarter effort is required, and 4) feedback is a valuable aid to help an individual to improve his or her performance. If feedback is to be effective it must be provided in a timely fashion (regular and frequent) and must be tied to the specific goals that were established. Feedback on a yearly basis is *not* likely to be effective. Depending on the type of job, weekly (or at most monthly) feedback will aid a worker in monitoring his or her goal attainment.

#### V—

##### **Additional Factors**

The four elements discussed above (goal difficulty and specificity, acceptance, and feedback) are seen as the crucial elements of a successful goal-setting program. In addition, an assortment of other factors has been suggested as moderating the effectiveness of goal-setting programs under certain conditions. Latham and Locke (1979) provide an expanded view of the goal-setting process and outline a variety of facilitating factors. They are 1) input sources, 2) overcoming resistance to goal acceptance, and 3) support elements. While some parts of these factors have been discussed above they will, when necessary, be reinforced.



A—

**Input Sources**

These are the issues that need to be considered when establishing goal levels. Successful goal-setting programs are established by individuals who have a thorough knowledge of the job. This knowledge can be acquired by a study of the work (e.g., time-and-motion studies, job analysis, studies of previous performance levels) or by actually performing the job. Goal-setting programs are not made in a vacuum and "external constraints" (e.g., contract obligations and deadlines) as well as "organizational goals" both can have an impact on the types and levels of goals established.

B—

**Overcoming Resistance to Goals**

It is often the case that workers will have an initial resistance to a goal-setting program, if for no other reason than it affects a worker's own definition of what it means to be productive. In an earlier section, the factors that affect goal commitment were outlined. However, three additional factors have been shown to reduce such resistance: training and skill development, participation, and rewards and incentives. If individuals receive the proper "training and skill development" to allow them to perform the tasks successfully, they are likely to be more accepting of the goal levels. In some cases having workers "participate" in the establishment of goal levels will also lower resistance to the goal-setting program. Finally, as discussed above, "rewards and incentives" can lead to lower levels of resistance to goal levels. The establishment of these types of programs requires that the individuals be responsible for goal-setting programs in its initial phases.

C—

**Support Elements**

Another important consideration in establishing a goal-setting program is the context or environment in which the program will be operating. Establishment of a goal-setting program without the proper organizational support is an open invitation to failure. These support elements include providing the proper resources (i.e., time, money, tools to support workers), establishing company policies (i.e., formal recognition of organizational achievements to reinforce the goal attainment), instituting selection and training programs that ensure workers have the necessary skills to accomplish the work, and, as noted above, providing the proper feedback to workers on their performance. Unless the proper supporting features for performance are in place within the organization, a goal-setting program is unlikely to work.

VI—

**Summary**

Past work with goal-setting programs has demonstrated their effectiveness in improving employee performance on a wide range of jobs. Four elements (difficult and specific goals, goal acceptance, and feedback) are seen as the crucial elements for a successful program. Plans to establish an effective goal-setting program should pay close attention to these elements. In addition, the individuals who design and execute goal-setting programs need to be aware of the organizational setting in which the program is established.

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28—

## **Enlivening Developmental Relationships: The Next Best Thing to Mentoring and Coaching**

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Lucky employees have capable and caring mentors or coaches, or managers who can act as a mentor or coach; however most persons can reasonably aspire only to developmental relationships that offer some, but not all, the benefits of the mentoring or coaching relationship (Kram, 1985). Responsibility for cultivating a developmental relationship rests primarily with the individual person who seeks personal and professional development. This developmental relationship typically involves multiple persons rather than one important and significant other person, as in mentoring and coaching.

I—

### **The Mentoring Relationship**

The pop-management literature often suggests that organizational members must find a mentor to succeed in their jobs and careers, thus the mentor-protégé relationship has come to represent the ideal relationship for helping to ensure one's career success. Few persons ever find or have a mentor as this term is used in the historical sense, however. Why? Let's take a look at the origin of the term and its characteristics.

Homer's epic *The Odyssey* depicts the original mentor. Mentor acted as a surrogate parent and guide for Telemachus, son of Odysseus, who was off fighting the Trojan War. Mentor performed a variety of functions in a sharing and supporting manner, which helped Telemachus to develop the values and competence appropriate to the son of a warrior-king. Mentor's relationship with Telemachus during his initial two decades of life included many of the characteristics of a loving relationship (Sternberg and Grajek, 1984) and credible leaders who sustain the hope of their employees (Kouzes and Posner, 1993). These characteristics include: 1) "good chemistry"; that is, mutual understanding, attraction, and respect, 2) skill development; that is, sharing of ideas and providing technical assistance to Telemachus as he faced the challenges of childhood and young adulthood, and 3) giving and receiving of emotional support and help to support the psychosocial development of the son of Odysseus. This is quite a difficult act to duplicate in today's turbulent times.

A more contemporary version of the mentor-protégé relationship from Greek mythology refers to a relationship of mutual attraction and commitment, usually based on shared interests and values and on the mutual benefits the relationship offers to both persons. A deep trust between the mentor and protégé often emerges from this mutual commitment and attraction, and can result in substantial influence on both persons' personal and professional development. In addition to the very positive

chemistry between the two people, a mentor may thus perform a variety of functions in his or her relationship with a protégé in the organization. For example, this highly competent person may act as a coach, guide, sponsor, advisor, and role model (Hadden, 1997).

Although the mentor-protégé relationship is well known and often recommended to those who want guidance as to how to advance in their career, organizations' efforts to establish this type of relationship have usually proven unsuccessful. Organizational attempts to build a mentoring relationship among employees often fail because an ad hoc committee assigns junior employees as protégés to other more senior employees. Then the organization expects the more senior employee to take on the role of the mentor. Organizations fail to acknowledge or appreciate, however, that a key element of the mentor-protégé relationship is the good chemistry and attraction between the two persons involved. Organizations cannot force the mutual attraction and commitment fundamental to the mentor-protégé relationship. Realistically, the image of the mentor-protégé relationship represents an ideal version of what employees or their employers can strive to achieve but usually never attain.

A less positive view of mentoring describes it as the passing on of informal organizational cultural norms from one generation to the next; perhaps a tool most effectively used in the 'old boys network,' mentors assist protégés in building powerful networks to advance their careers. This limited view of mentorship minimizes and narrowly portrays the puissant impact an effective mentoring relationship can have on the development of the protégé and for the legacy of the mentor. Hopefully, the mentor offers the fortunate protégé the benefit of his or her distinct expertise and wisdom.

## **II— The Coaching Relationship**

In response to an increasing emphasis on finding ways to help adults becoming more self-renewing employees in a continuously changing world, during the past decade the field of coaching has emerged as a more realistic version of the mentor. One leading thinker and practitioner in the field suggests that the two root metaphors for the coach who works with organizational members are the athletic coach and the mentor. Both the mentor and athletic coach work long term with their clients to "motivate, train, and facilitate human excellence and performance" (Hudson, 1998).

Coaching emphasizes both personal and professional development but does not require a strong mutual attraction between the two people. This approach to development relies less on conscious and unconscious attractions in the relationship; rather it emphasizes the interpersonal skills associated with effective managers and consultants (Quinn et al., 1996; Fisher and Torbert, 1995; Golembiewski, 1979). Coaching is thus a more realistic approach than mentoring for persons who hope to establish developmental relationships with others inside or outside their organizations.

In place of trying to structure mentor-protégé relationships between their employees or creating a separate cadre of internal coaches, many organizations have increasingly added coaching responsibilities to their managers' list of tasks. Continued dissatisfaction with managers' performance as coaches, however, suggests that many organizations remain unclear about how to train managers for their developmental activities, hold them accountable for this task, and support them in this role (Gutteridge, 1993).

The field of coaching continues to grow and develop. One conceptual model about coaching provides guidelines for consultants working with individual and organizational clients by emphasizing deep renewal and ongoing learning. This emphasis on deep change and learning entails six knowledge and skill areas: 1) managing the phases of change; 2) assessing key values and incorporating them into one's purposes; 3) balancing activities and roles; 4) mastering the adult life cycle; 5) creating an appropriate learning agenda; and 6) creating a personal purpose, vision, and action plan for moving into the next chapter of one's life (Hudson, 1999; Hudson and McLean, 1996; Filipczak, 1998).

The field of coaching continues to grow and develop. Different views about coaching involve the relative emphasis that its practitioners give to: 1) executive development based on theories of personality and the development and performance of normal and extraordinary adults, and 2) the

development and performance of teams and organizations based on systems dynamics. Increasingly executives employ coaches to help them develop the "people skills" that many senior executives failed to learn on the fast track to the top. In addition, some coaches want to help clients discover meaning and purpose in their lives by examining their values and spiritual beliefs and offer services that others believe enter into the realm of counseling and psychotherapy. While some coaches may legitimately employ effective and valuable interventions to uncover their clients' purpose and meaning in life, others believe coaches may best serve their clients by referring them to a counselor or psychotherapist.

Some coaching practitioners believe that the realm of the coach ends as the client's issues move into social, emotional, and spiritual matters. Clearly, there are many grey areas at the periphery of coaching and coaches should be clear about their qualifications and the boundaries at which they should refer clients to a psychologist or other professionals.

We acknowledge an important distinction between coaching and counseling. While both may be viewed as appropriate relationships to address developmental needs, coaching primarily focuses on effective skill development for attaining personal and professional goals, whereas counseling and psychotherapy primarily address needs associated with social, emotional, and spiritual development (Filipczak, 1998). For some this may appear to be a false distinction and in actual practice coaches will encounter emotional undertones in all developmental discussions with the seeker. The point is that one of the responsibilities of the resource person is to understand the nature of the seeker's primary developmental needs and to acknowledge his or her own strengths and limitations in addressing these needs. At whatever level of the organization, effective coaches establish their credibility to the degree they enhance on-the-job performance, build skills, or orient seekers to more effectively carry out their responsibilities.

### III— Developmental Relationships

The developmental relationship is an alternative to mentoring and coaching and provides similar benefits. Developmental relationships refer to those that contribute to the developmental needs of one and, hopefully, both individuals in the relationship. Developmental relationships involve "seekers" who are looking for support in meeting their personal and professional developmental needs from "resource persons" who can provide the assistance they need. The following characteristics highlight the nature of developmental relationships:

1. A person's developmental relationships most commonly focus on two broad aspects of people's lives: personal development and professional development.
2. These relationships are mutually beneficial in some way to both persons.
3. These relationships can occur either inside or outside a specific organizational context.
4. Seekers have primary responsibility for meeting their developmental needs and cannot delegate that responsibility to someone else.
5. For a developmental relationship to occur, seekers must understand their personal and professional needs, take responsibility for pinpointing appropriate resource persons inside and outside the firm who can provide training and advice toward meeting their needs, and take the leadership role in devising a plan to use these resource persons.
6. These relationships may occur in both structured and unstructured frames and may be ongoing or only provided during a specific period of time.
7. The resource persons frequently are supervisors and peers and they may or may not be fully aware of their role in the developmental relationship.
8. Seekers must solicit trusted and significant others to act as reality testers for them. In this role the reality testers act as checks on the progress of the seekers. Trusted others are persons with whom the seeker shares core values. Significant others refer to those persons who are organizationally or professionally important to the seekers' career advancement.
9. Seekers have primary responsibility to find reality testers. Ideally, reality testers are both

organizationally important and trusted by the seeker. Realistically, most seekers can only expect to find persons who are either organizationally important or trusted by the seeker. If seekers trust their supervisors, they are ideal persons to act as reality testers. Alternatively, the reality testers can be important but not trusted persons in the organization, or trusted others who are not organizationally important to the seekers.

10. Seekers may or may not find reality testers at the workplace.

11. To take advantage of developmental relationships, organizations can support employees' efforts to assess their needs and find those supervisors, peers, and others who may assist seekers in developing their skills.

This chapter focuses on developmental relationships and suggests five skills appropriate to *personal* development, as well as five skills necessary to enhance one's *professional* development. Then the chapter illustrates the actions supervisors and peers can initiate to help develop these aspects of personal and professional development.

To reiterate, this chapter's rationale is direct—if employees and seekers understand the dimensions of personal and professional development, they can choose those features they want to focus on. From this new vantage point, they can decide what types of developmental relationships they require, and also can take the initiative in finding the persons inside or outside the organization who can provide these developmental functions.

#### IV—

#### Personal Development

This section has two main features. It describes the five dimensions of personal development, and sketches the actions employees might ask supervisors and peers to take to improve the employee's level of functioning on these dimensions.

Personal development occurs on five related dimensions applicable to the full human life span—from early years to death—rather than to age-specific activities, decisions, and transitions (Heath, 1991; 1977). For our purposes we can say the employees will experience healthy psychological development when they develop the following five skills:

1. Employees learn to *analyze and evaluate* personal experience. When employees demonstrate this skill, they can accurately reflect on their experiences. They also will better understand themselves, their values, and their relationships with other persons. To help develop the skill to analyze and evaluate their experience, employees should seek supervisors and peers who

- a. Provide role models for establishing goals and acting effectively in a variety of situations
- b. Take time to talk with and help employees reflect on their own experiences
- c. Help employees critically analyze their thinking and actions
- d. Help employees reflect on their personal and career development

These activities are difficult to undertake on one's own. Spotting others who can help set goals and act effectively is the first task. Then the seekers can talk to them about their experiences and in turn get them to comment on the seekers and their developmental goals.

2. Seekers learn to *become more other-centered*. This means that their thinking becomes more analytical, logical, and objective, and seekers become more capable of taking others' perspectives. Their values become more focused on other persons and their relationships with others become more accepting and tolerant. To develop the skills to become more other-oriented, employees should seek supervisors and peers with specific attributes. These include abilities to

- a. Create a climate of trust that encourages nondefensive and open personal relationships with supervisors and peers
- b. Give employees responsibility for the personal and professional development of others in the organization

- c. Provide employees with opportunities to learn to work cooperatively with others
  - d. Help employees assume different roles in the organization
3. Seekers become *more integrated*. These persons' thoughts become more coherent and relational, and their sense of self becomes more realistic. Also, their values become more consistent, and seekers become more capable of creating mutually supportive and cooperative relationships. To develop personal integration skills, employees again need to search for quite specific supervisors and peers. They will
- a. Encourage employees to take more responsibility for their own learning
  - b. Provide employees with the opportunities to reflect on their own learning on the job
  - c. Confront employees with increasingly more challenging tasks requiring processes that are both inductive (reasoning from the specific to the general) and deductive (reasoning from the general to the specific)
  - d. Provide opportunities for employees to use different methods of thinking
4. Seekers become *more stable* as their thought processes become more resistant to stress. Their ideas of self, values, and relationships become more consistent and enduring. To develop the skills that contribute to increased personal stability, employees should seek supervisors and peers who
- a. Encourage employees to practice the skills required to effectively perform their jobs
  - b. Take time to discuss how to close the gap between the employees' present level of performance and what is expected of them
  - c. Provide opportunities for employees to take responsibility for their own behavior, thus experiencing the consequences of their decisions
5. Seekers become *more autonomous*. These persons can effectively use their intellectual skills to become more useful across a variety of situations. They can sustain their self-image. Their values reflect enduring principles that they have the courage to defend or act on when challenged or threatened by others. They act independently in their relationships but also allow for dependency—there can be an interdependence with others. To become more autonomous, employees should seek supervisors and peers who
- a. Express realistic faith in an employee's sense of responsibility by giving challenging projects
  - b. Encourage employees to assume increasing responsibility for their own personal growth and development early in the relationship
  - c. Increasingly give the employees more challenging or even ambiguous tasks to determine the degree to which they can become more autonomous
  - d. Give employees opportunities to apply what they have learned in increasingly varied situations

We can now take another step, an important one. Once seekers recognize their personal development needs and identify role models, they have the following three alternatives:

1. Contract formally with the resource person(s) if the organization recognizes and rewards resource persons and seekers for participating in developmental relationships
2. Contract informally with the resource person(s) if the organization does not recognize and reward employees for participating in developmental relationships
3. If the resource persons do not seem willing to commit themselves to the development of the seekers, initiate actions to fulfill limited developmental needs without the active support of the resource persons

V—

### **Professional Development**

This section isolates five skills important to professional development, which will help seekers to assess their needs. Then seekers can determine what persons inside or outside the organization have the experience, expertise, or information they require, and contract with them to act as resource

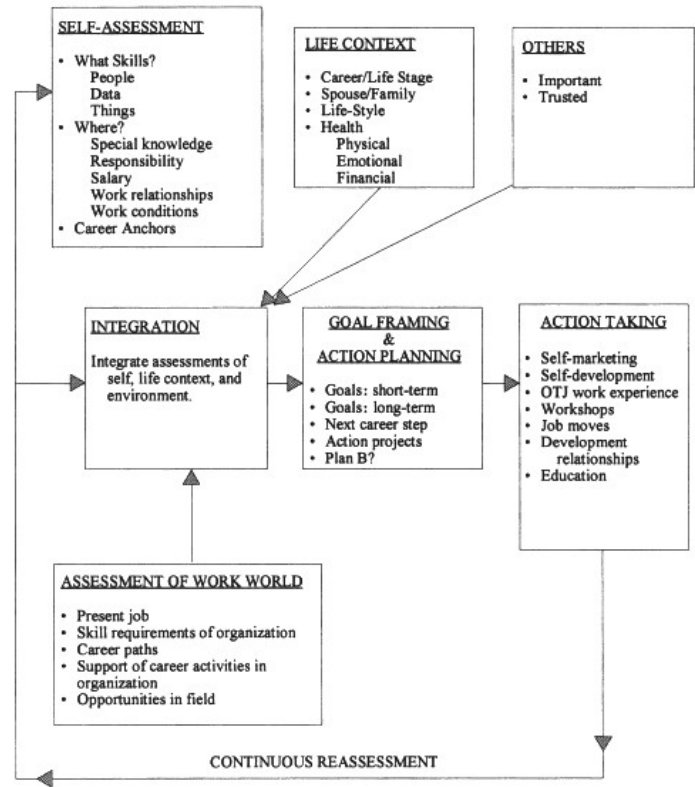


Figure 1  
 Model of personal and professional development.  
 (Adapted from Gutteridge and Otte, 1983, p. 32.)

persons. Figure 1 integrates elements discussed in this section and should help clarify the multiple relations of the components of professional development.

First, each seeker must identify and understand her or his "individual genius"—each person's unique blend of skills and values. To illustrate, the components of this individual genius include diverse preferences and desired conditions: special knowledge, responsibility, and salary and preferred working conditions and work relationships.

Second, persons must understand how life context factors facilitate or restrict the use of their skills, preferences, and values. Life context factors include employees' lifestyles, family situations, and the qualities of physical, financial, mental, and spiritual health. All of these factors, while not directly related to the job the organization expects employees to perform, influence effectiveness on the job. The relevance of these factors in large part depends on the person's career stage.



Life context factors can support the seekers' job performance, *if* they are aligned correctly. If life context factors are not given adequate care and weight, however, they can prevent employees from effectively using their skills.

Third, employees must develop the skill to assess the existing and future opportunities in the world of work. This is a big, wide "world," and includes the employees' present jobs, career paths in their organization or field, opportunities for progressing through these career paths, and forces that prevent them from moving in the organization—whether upward, laterally, or in some cases to lower levels of responsibility and skill.

Fourth, employees must become skilled at finding a tolerable fit between the results of their self-assessment (i.e., their skills, values, and life context) and the opportunities available in the world of work. A seeker can find persons who help them become more competent at matching an "individual genius" with the world of work. Ideally, employees can rely on their supervisor during the formal performance appraisal to help in this matter, to supplement many informal occasions throughout the year.

Fifth, employees must learn to translate the results of integrating their self-assessment and environmental assessment into long-range and short-range goals in a detailed action plan. Here employees are looking for reasonable opportunities that challenge them to develop their skills.

Employees can use developmental relationships to become competent in devising a plan for achieving their goals. In fact, such relationships are vital, if not essential, in this critical planning for action as well as in its implementation. Developmental relationships can help employees make specific connections between the results of their assessment and the desired outcomes. What results do specific seekers want? Can they link these desired outcomes to organizational goals? Can they establish long-range and short-range objectives that fit the organization's activities and events? After clarifying their desired outcomes, employees can consider the activities necessary or useful for achieving these objectives.

Developmental relationships help employees translate their goals and objectives into action plans. Supervisors and peers in developmental relationships have useful information about the organization or opportunities and trends outside the organization, for example. Developmental relationships can also help employees clarify their goals. Supervisors and peers also often know key leverage points that can help employees translate their assessment into an action plan and achievable goals. This can be critical information.

## **VI— Summary**

The discussion above highlights key features of mentoring and coaching. It then describes developmental relationships as central to personal and professional development and suggests them as a viable alternative to mentoring and coaching. Employees can use the two dimensions of personal and professional development most successfully if they first take stock of their current situation and desired future scenario. Then they can search for persons inside or outside the organization who can help them provide the functions described above.

Employees may not require developmental relationships for all their developmental tasks, of course. Most often employees learn through and from others to achieve their developmental goals, however. Overkill is probably preferable to underkill in this matter.

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## 29— Strategies for Organizational Transition

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### I— Approaches to Organizational Change

#### A— *The Critical Questions*

As Western organizations have moved toward and across the economic watershed of the 1980s and 1990s, their managers have struggled to find answers to two critical questions posed by the need to maintain fit with a discontinuous and rapidly changing environment. These questions are as follows:

How radically must the organization change to survive and seize the opportunities that will provide it with a critical competitive advantage?

What kind of leadership is needed to manage the transition?

### II— Toward a Situational Model of Organizational Change

Advocates of particular change ideologies mostly claim that their model has universally applicable answers to the questions posed above. Turbulent times create varied circumstances and demand different responses according to the situation, however, so managers and consultants need a model of change that is essentially a "situational or contingency model" that is, one that indicates how to vary change strategies to achieve "optimum fit" with the changing environment. Below we develop a model of this kind which has two critical dimensions: the *scale* or degree of change needed, and the *style* of leadership required to bring about that change.

#### A— *The Scale of Change: Incremental or Transformative?*

##### I— The Incrementalist Viewpoint

The dominant model arising from the organizational development (OD) and related literature has been that of incrementalism (Quinn, 1977, 1980; Golembiewski, 1979 a,b; Dunphy, 1981; Kanter, 1983). J. B. Quinn (1977, 1980) is one theorist who has argued forcibly for the incrementalist view and against radical change in strategic organizational directions, systems, or central processes. Quinn's fundamental argument is that the effective manager moves the organization forward in small, developmental steps. This paces the organizational change so that relevant environmental information can be gathered, shared, assimilated, and internalized by employees. The measured pace

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A more extensive version of the material in this chapter, with detailed case studies of Australian organizations, appears in D. C. Dunphy, and D. A. Stace, *Under New Management: Australian Organizations in Transition*, McGraw-Hill, Sydney 1990.

allows organizational subsystems to be adjusted progressively rather than discontinuously. Quinn also argues that incremental change increases the confidence of employees; they find that they can manage change themselves rather than having to depend on others to provide the impetus for change.

Quinn's thesis is a prototype of the behavioral scientist's argument for incrementalism. It values evolutionary rather than revolutionary change, order rather than disorder, consensus and collaboration in preference to the dictates of positional authority or the emotionality of charismatic leadership. Quinn is only one of many behavioral scientists supporting the incrementalist thesis; for example, Golembiewski (1979 a,b) and Sashkin (1984) are two writers who hold tenaciously to a similar viewpoint.

2—

### **The Case for Radical Transformative Change**

Incrementalism was well suited to most organizations in a period of linear economic growth. These conditions have virtually disappeared in Western economies, but the significance of major environmental changes was at first ignored by the OD movement which, as Beer and Walton (1987) noted, "has focused too narrowly on planned, internal efforts and neglected the role of environmental factors" in assessing the type of change strategy appropriate to organizational needs.

However, changed environmental conditions have led in recent years to a growing literature on organizational transformation; that is, on radical changes of mission, overall structure, management processes, and corporate cultures. Writers in this new literature made it clear that a bigger game was afoot, and challenged the incrementalist thesis as inadequate to provide guidance to managers caught up in the economic maelstrom of the 1980s (Beer and Walton, 1987; Kimberley and Quinn, 1984; Miller, 1982; Miller and Friesen, 1984; Schein, 1985; Harris, 1985; Peters, 1988). The title of an article by Kimberley and Quinn (1984) set the theme for the new approach: "Restructuring, Repositioning, and Revitalization," while the title of Peters' book (1988) amplified the theme: *Thriving on Chaos: A Handbook for a Management Revolution*. The time for incremental and evolutionary transitions had run out for many organizations; the time for transformative and revolutionary change had arrived.

When organizational environments become turbulent and unpredictable, managers may not be able to make organizational change incrementally, however much they wish to do so. Major economic fluctuations and discontinuities, political interventions, industry restructuring, the disappearance of markets, and new technological breakthroughs are just some of the forces that create major discontinuities managers cannot foresee, plan for, or prepare for. In such crises the choice is between organizational extinction or immediate and radical transformation. Transformation becomes the norm, not the exception.

3—

### **A Resolution of the Incrementalist/Transformative Debate**

However, we cannot simply *assume* that all contemporary organizations need radical transformation. We must ask instead: Under what conditions is radical transformation required and when does it become imperative?

To answer these questions we need a way of portraying how much change an organization needs to maintain or restore its fit with its business environment. We view this as a continuum beginning with the smallest organizational adjustment, which we call "fine-tuning," passing on to "incremental adjustment" and "modular transformation" and ultimately to "corporate transformation." We define each of these as shown in Table 1.

4—

### **Research Results on the Scale of Change**

We carried out extensive case studies of 13 Australian service sector organizations: banks, insurance companies, transport, and communication organizations. The service sector in Australia has been subjected to large-scale environmental change with deregulation, increasing overseas competition, technological innovation and so on. We asked executives in each of these 13 organizations to rate the scale of change in their organization for two time periods: as the organization was in the previous 3 years before the study and then again at the time of the study; that is, in 1988. Table 2 shows the results. The table shows that two-thirds of these organizations experienced or

**Table 1** Defining the Scale of Change

**TYPE 1 Fine-Tuning:** Organizational change, which is an ongoing process characterized by fine-tuning of the "fit" or match between the organization's strategy, structure, people, and processes. Such effort is typically manifested at departmental/divisional levels and deals with one or more of the following:

- Refining policies, methods, and procedures
- Creating specialist units and linking mechanisms to permit increased volume and increased attention to unit quality and cost
- Developing personnel especially suited to the present strategy (improved training and development; tailoring award systems to match strategic thrusts)
- Fostering individual and group commitment to the company mission and the excellence of one's own department
- Promoting confidence in the accepted norms, beliefs, and myths
- Clarifying established roles (with their associated authorities and powers), and the mechanisms for allocating resources

**TYPE 2 Incremental Adjustment:** Organizational change, which is characterized by incremental adjustments to the changing environment. Such change involves distinct modifications (but not radical change) to corporate business strategies, structures, and management processes, for example:

- Expanding sales territories
- Shifting the emphasis among products
- Improved production process technology
- Articulating a modified statement of mission to employees
- Adjustments to organizational structures within or across divisional boundaries to achieve better links in product/service delivery

**TYPE 3 Modular Transformation:** Organizational change, which is characterized by major realignment of one or more departments/divisions. The process of radical change is focused on these subparts rather than on the organization as a whole, for example:

- Major restructuring of particular departments/divisions
- Changes in key executives and managerial appointments in these areas
- Work and productivity studies resulting in significantly reduced or increased workforce numbers
- Reformed departmental/divisional goals
- Introduction of significantly new process technologies affecting key departments or divisions

**TYPE 4 Corporate Transformation:** Organizational change, which is corporationwide, characterized by radical shifts in business strategy, and revolutionary changes throughout the whole organization involving many of the following:

- Reformed organizational mission and more values
- Altered power and status affecting the distribution of power in the organization
- Reorganization—major changes in structures, systems, and procedures across the organization
  - Revised interaction patterns—new procedures, work flows, communication networks, and decision-making patterns across the organization
- New executives in key managerial positions from outside the organization

were currently experiencing transformative change (our scale types 3 and 4), reflecting the turbulence of these industries and the response of the organization to that turbulence. (Of the 13 organizations, only 4 maintained the same scale of change over the period of 3–5 years; for most organizations in the sample, the degree of change fluctuated substantially over that time period.) The table also illustrates that there are still some organizations that operate with the fairly minor changes of fine-tuning or incremental adjustment (our scale types 1 and 2). However, the evidence here indicates

**Table 2** Scale of Change: Research Results (%)

Period	Type 1, fine-tuning	Type 2, incremental adjustment	Type 3, modular transformation	Type 4, corporate transformation
1985	4	11	8	27
1988	38	11	31	—
Subtotals	12	22	39	27
Totals for alternate approaches	34, incremental approaches		66, transformative approaches	

*Note:*  $N = 13$  organizations in two time periods. Figures given are based on modal responses of senior executives in each organization and have been converted to percentages.

that service sector organizations changing in this way are a minority, so the fine-tuning incrementalist doctrine of the 1950s and 1960s does not seem viable for most contemporary organizations, for modular and corporate transformation have become the norm rather than the exception.

**B—**  
***The Style of Change Leadership:  
 Tender or Tough-Minded Approaches?***

**1—**  
**Participative Change Leadership**

The second major question to be faced in managing organizational transitions is, What kind of leadership is needed to manage the transition? Once again OD writers adopted a clear value position on this question. They argued consistently for employee participation as the one universal way to effect organizational change even when major corporate decisions are being made. A major aim in adopting a participative approach has been to develop commitment to an organizational vision based on shared values.

There has been considerable debate about what kinds of participation are appropriate and why. This debate has in fact become international, with cultural differences becoming important factors in the advocacy of differing views. While the OD movement is worldwide, its guiding ideas have been generated in the United States. The context in which it grew was one where many in the United States were seeking to find an economic ideology to counter that of totalitarian communism, and particularly the perceived left-wing threat to managerial prerogatives. Other proponents of OD were equally concerned to soften the right-wing tradition of U.S. industrial magnates and the upsurge of McCarthyism. OD writers therefore occupied an ideological middle ground, tending to downplay conflicts of interests and to assume that a harmony of interests existed or could always be reached. In practice, however, workforce participation in the United States has been primarily limited to involving employees in determining subgoals in a larger change program initiated or planned by management, or in determining the means of implementing management-initiated goals. The emphasis has been on creating informal participative processes rather than on creating formal participative structures.

Another tradition challenges the OD approach. This is the industrial democracy (ID) school, which is primarily European and often associated with the school of organizational change known as sociotechnical systems theory. The ID tradition stresses democratization rather than participation. It frequently emphasizes the conflicting interests of stakeholder groups, therefore its proponents have argued for the creation of enduring participative structures with legally enforceable powers which can, in some circumstances, limit the managerial prerogative. This tradition has been formally incorporated into organizational life in Germany, Norway, and Sweden. For example, in Germany, one of the world's most successful economies, elected worker representatives compose 50% of the membership of the boards of major enterprises.

Proponents of the ID tradition of participation argue that those whose lives will be affected by organizational change programs should have a significant role in the direction of change. They

therefore believe that the workforce should be involved in the setting of major organizational goals for change as well as in their implementation. Advocates of the ID approach point to the fact that the managerial elite itself may be the major point of resistance to transformative change. The elite's self-interests or entrenched mind-set may be preventing the central paradigm shift needed to initiate change and restore environmental fit. In Elden's words, "conventional OD tends to sustain rather than transform hierarchical authority" (Elden, 1987, p. 250).

2—

### Coercive Change Leadership

The ID tradition of participation has significantly widened the debate about the nature of participation in organizational change. In our view, however, it does not widen the debate far enough. Employees and managers are only two key stakeholders in a potentially wider range of stakeholders who may have vital and legitimate interests in the direction and extent of organizational change. Other important stakeholders are shareholders, customers/clients, and governments. A group of change theorists known as "the pluralist power school" have emphasized that effective change programs are seldom planned and executed in logical and rational ways but are the result of power plays between stakeholders who form influential and often competing coalitions to further their interests (Salancik and Pfeffer, 1978; Mason and Mitroff, 1981). Coercion, for example, is normally used when there are significant and often irreconcilable differences between the interests of key stakeholder groups. It may be used by any of these groups, not necessarily by management.

3—

### Defining Styles of Change Leadership

In portraying the second component of our change model, we view it as a continuum from collaborative, through consultative, to directive, and coercive change leadership. These leadership styles are defined in Table 3. These categories are derived from a variety of sources in the literature. A very similar classification system was proposed by Tannenbaum and Schmidt (1958) and by Sadler and Hofstede (1972).

4—

### Research Results on Leadership Styles

Our research enables us to describe the prevailing styles used to manage change in our 13 Australian service sector organizations. Table 4 shows how the executives of these organizations described the styles they used in managing corporate change processes in the two time periods of the study. Clearly the predominant style is directive, not participative. These are measures, however, of the style of the executives, the dominant coalition in the organization, *as rated by the executives themselves*. We can ask two questions about this:

Is their perception of their style shared by their subordinates?

Is the leadership style used to manage change at the top of the enterprise also characteristic of change management at lower levels?

**Table 3** Styles of Change Leadership

Type 1, Collaborative:	This involves widespread participation by employees in important decisions about the organization's future and about the means of bringing about organizational change.
Type 2, Consultative:	This style of leadership involves consultation with employees, primarily around the means of bringing about organizational change, with their possible limited involvement in goal setting relevant to their area of expertise or responsibility.
Type 3, Directive:	This style of leadership involves the use of managerial authority and direction as the main form of decision making about the organization's future, and about the means of bringing about organizational change.
Type 4, Coercive:	This style of leadership involves managers/executives or outside parties forcing or imposing change on key groups in the organization.

**Table 4** Styles of Change Leadership (at Corporate Executive Level; %)

Period	Type 1, collaborative	Type 2, consultative	Type 3, directive	Type 4, coercive
1985	—	11	31	8
1988	—	19	31	—
Subtotals	—	30	62	8
Totals for alternate styles	30, participative styles		70, directive/coercive styles	

*Note:*  $N = 13$  organizations in two time periods. Figures given are based on modal responses of senior executives in each organization and have been converted to percentages.

We gathered further evidence to examine both of these questions. In each organization we interviewed executives, but we also interviewed a systematically selected sample of middle-level managers and first-line supervisors. Using the same four leadership styles, we asked them to characterize the leadership style of the senior executive group. In 9 of the 13 organizations there was exact correspondence between the scores of the executives and their subordinates; both the executives and their subordinate managers/supervisors agreed that their corporate leadership style was directive, or in one case coercive. In each of the other four cases the executive group saw their own style as consultative whereas a majority of the middle managers and supervisors saw it as directive. These four cases were all organizations where the field research showed that senior executives espoused consultative values, had embodied these values in a formal corporate value statement, and had also devoted considerable time and energy to a range of consultative activities. These activities included ensuring widespread participation by staff in constructing a goals and values statement, creating a number of cross-organizational task forces to develop new products and create new initiatives, and regular negotiation with unions over proposed organizational changes. However, these activities were not necessarily perceived by supervisors or, if perceived, evaluated as consultative. When asked what kind of leadership they thought appropriate for their senior executives, most supervisory respondents favored a directive corporate leadership style in the current rapidly changing business environment.

We also gathered data on the extent to which the same leadership style was used lower in the organization, at a business unit level. Ratings for this were obtained only from first-line supervisors and middle managers. In nine organizations, middle managers/supervisors rated the corporate change leadership style differently at the corporate and business unit levels. In eight of these cases, there was a shift from ratings of "directive" at the corporate level to "consultative" at the business level. This strongly suggests that the OD model is more widely applied at the business unit level than at the corporate level. The most probable explanation is that, as a general rule, major organizational change strategies are conceived at the corporate level by senior executives who expect those below them to follow the strategies. At the business unit level, however, there is consultation on the implementation of these strategies to ensure commitment and relevance. However, at neither the corporate nor the business unit levels, did we find any respondents indicating that a collaborative style of change leadership was used, as defined by our style type 1.

### III—

#### A New Situational Model of Organizational Change Strategies

#### A—

##### *Outline of the Model*

In developing a comprehensive model of change strategies, we have combined the two dimensions scale and style of change to create a matrix that can be used to classify organizational approaches to change (see Figure 1). This model was originally presented in Dunphy and Stace (1988).



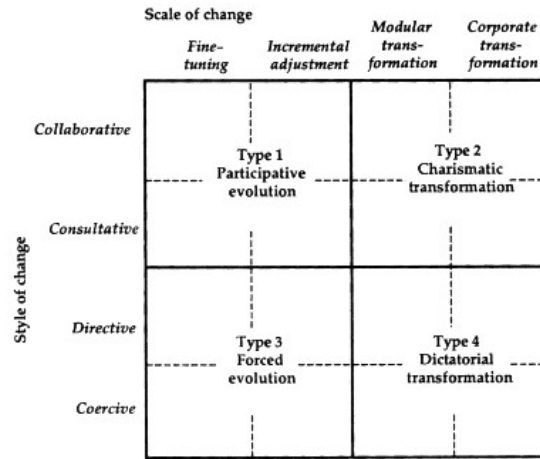


Figure 1  
Strategies for change.

Figure 1 shows that organizational change can potentially be managed by one of four strategies.

Incremental adjustment, achieved by collaborative means: *Participative evolution*, change strategy type 1

Large-scale discontinuous change, achieved by collaborative means: *Charismatic transformation*, change strategy type 2

Incremental adjustment, achieved by coercive means: *Forced evolution*, change strategy type 3 Large-scale discontinuous change, achieved by coercive means: *Dictatorial transformation*, change strategy type 4

These change types are situational; the effectiveness of the strategy seems mainly dependent on the volatility of the organization's strategic environment, support for change by the workforce, and leadership of the processes of change by the corporate executive.

#### **B—** **Application of the Change Model to Organizations**

The four change strategies illustrated in Figure 1 can be used to describe how change has been conducted differently in different organizations. Several examples may assist in understanding the application of the model to organizational change.

##### **1—** **Change Strategy Type 1**

Until recently, IBM worldwide has been representative of the "participative evolution" approach to organizational change. Historically IBM has changed mainly through incremental adjustive processes (although there have been some departures from this), a high degree of employee involvement in the management process, and a comprehensive, systematized approach to human resource management policy and practice involving employees at all levels.

##### **2—** **Change Strategy Type 2**

The turnaround of Honeywell (now Bull Computers) is a clear example of the transformative change process under charismatic leadership (Renier, 1987). Kanter (1983) also gives examples in

her well-known book, *The Change Masters*. In Australia, the transformation of Westpac bank under Bob White in the early 1980s is also a clear example.

### 3— Change Strategy Type 3

Organizations within the electricity generation and supply industry in Australia typify the type 3 organization. In a technically dominated, capital-intensive environment, change in this industry has been traditionally managed by an incremental adjustive process. The relationship between management and the workforce has been usually more directive than consultative. Major environmental turbulence has recently caused this type of organization to move to change strategy type 4 in its change methodologies.

### 4— Change Strategy Type 4

A well-known example of the type 4 change category was the reorganization by Australian media tycoon Rupert Murdoch in 1986 of his four British newspapers, *The Times*, *The Sunday Times*, *The Sun*, and *News of the World*. Murdoch was faced by resistance on the part of British printing unions to the introduction of new printing technology. In a covert operation, he built an entirely new production plant at Wapping, installed the new computerized printing presses, recruited a new workforce, and then sacked most of his existing workforce of 5,500 employees. His action resulted in violent battles between police and unionists, but Murdoch made his newspapers the most profitable in Britain and tripled the value of his shares on the New York stock exchange (Harris, 1987).

These four change strategy types help to define four major traditions of change consultancies. Organizational development consultancy is clearly related to type 1, but it is increasingly adopting type 2 strategies. Type 3 is represented by consultancies frequently associated with large consulting firms that make change primarily through designing and installing control systems and managerial techniques. There has been a recent trend for such consultancy firms to enlarge their activities to include type 1 change strategies. Finally there are many well-known corporate strategy consultants who operate mainly by recommending type 4 change strategies. Our view is that advocates of each of these four approaches have much to learn about the situational specificity of their own particular consulting approach and can learn to widen the applicability of their consultancy, if they wish, by learning from the approaches of others or creating partnerships with other groups with divergent approaches.

### C— Research Results on the Change Model

Our research provided interesting evidence of how the 13 organizations in our study mapped onto the complete matrix. Table 5 gives the overall results; in reading Table 5, note that each organization was rated twice—once for 1988 at the time of the study and for 3–5 years before.

**Table 5** Change Strategies of Sample Organizations (%)

Style of change management	Scale of change				
	Fine-tuning	Incremental adjustment	Modular transformation	Corporate transformation	
Collaborative	—	—	—	—	0
Consultative	8	12	12	—	32
Directive	4	8	26	22	60
Coercive	—	4	—	4	8
	12	24	38	26	100

*Notes:*  $N = 13$  organizations in two time periods. Figures given are based on modal responses of senior executives in each organization and have been converted to percentages.

Table 5 shows clearly that the dominant strategy used in managing change has been "directive transformation" that is, large-scale organizational transformation achieved by directive leadership. In term of the typology shown in Figure 1, 52% of our sample fall into the dictatorial transformation quadrant, although we would more accurately describe the majority as examples of directive transformation. Only 12% fall into the charismatic transformation quadrant which has been widely advocated in the U.S. literature. Twenty percent fall into the participative evolution quadrant, the traditional OD approach. Sixteen percent fall into the forced evolution quadrant, which is probably closest to our traditional Australian change management style. But the major conclusion to be drawn is the dominance of the directive/coercive style of leadership (of corporate change), which accounts for 68% of cases the remaining 32% being consultative, while none were collaborative.

**D—**

### ***The Change Model and Corporate Performance***

In the sample of organizations included in our research, there were two organizations that were rated by independent financial analysts as being relatively lower performers in their industry sector. We were interested, therefore, in comparing their change strategies with medium to higher performing organizations in the sample. The two lower performers were the only organizations in the sample that rated themselves as using fine-tuning change: one associated with the use of a consultative change style, the other associated with the use of a directive change style. Therefore, on the basis of this limited sample, fine-tuning appears not to be a viable change strategy in the current turbulent environment, although it may remain an option in a less volatile business environment. There were also low performers undergoing corporate transformation. These were organizations had been markedly out of fit and were currently making radical changes in the hope of regaining fit.

On the other hand, the medium to high performers were those organizations that were maintaining fit by incremental adjustment or modular transformation; that is, by midrange change strategies. Some had already been through a corporate turnaround and were in a consolidation phase.

These results illustrate the following principles of maintaining or regaining enhanced performance:

Fine-tuning is not a viable change strategy in the current environment.

Corporate transformation (using a directive/coercive style) is the most common change strategy used when an organization needs to radically regain fit with a changed environment. This suggests that Muczyk and Reimann (1987, pp. 301–311) are right in pointing to the "danger of concluding that the 'best' or 'excellent' style of leadership is the participative one."

The maintenance of fit can be achieved by either a consultative or a directive corporate leadership style, and as regards the scale of change, by incremental adjustment or modular transformation.

The selection of an appropriate change strategy, in association with appropriate business strategies, is essential for enhanced performance. Medium to high performers will usually not have to resort to radical corporate transformation unless the conditions in their environment change dramatically; in fact radical corporate transformation used inappropriately may cause greater problems than its architects envisage. Similarly, if an organization's performance is relatively low, clinging to known and stable values (fine-tuning) rather than reaching out and making bold changes will entrench that low performance.

**IV—**

### **Conclusions**

**A—**

### ***When to Use Different Change Strategies***

The differentiated contingency model of change we have described allows managers and consultants to understand the change management task in situational terms. Our research of change strategies suggests that much of the traditional OD literature has been concerned with type 1, participative evolution, and that its prescriptions are valid for the conditions described for that change strategy

	<i>Incremental change strategies</i>	<i>Transformative change strategies</i>
<i>Collaborative/ consultative modes</i>	1. Participative evolution	2. Charismatic change strategies
	Use when organization is in fit but needs minor adjustment, or is out of fit but time is available and key interest groups favor change.	Use when organization is out of fit, there is little time for extensive participation, but there is support for radical change within the organization.
<i>Directive/ coercive modes</i>	3. Forced evolution	4. Dictatorial transformation
	Use when organization is in fit but needs minor adjustment, or is out of fit but time is available and key interest groups oppose change.	Use when organization is out of fit, there is no time for extensive participation and no support within the organization for radical change, but radical change is vital to organizational survival and fulfillment of basic mission.

Figure 2  
A typology of change strategies and conditions for their use.

(see Figure 2). These conditions are more prevalent in times of stability or steady economic growth. However, forced evolution (change strategy type 3) may also be used. In actual fact, successful evolutionary change often uses a combination of both change leadership styles.

Our study showed that, with exceptionally farsighted leadership, continuous *incremental* (evolutionary) change combined with a flexible style of change leadership can maintain environmental fit and high performance even in a rapidly changing industry environment. Macquarie Bank was the one organization of the 13 we studied that had continued to be highly profitable using an incremental change strategy. Macquarie is a niche merchant bank with an impressive growth and performance record. Over the period 1984–1988, its total revenue rose from A\$46 million to A\$198 million. Its high performance has continued into the economic downturn of 1990 when it became the only Australian bank to receive an upgrade of its domestic credit rating (Australian ratings from AA- to A+) and was rated A1 on its first international rating by Standard and Poor's.

Under the leadership of David Clarke (Chairman) and Tony Berg (MD), the bank developed a strategy of continuously proactive innovation. One executive described it this way: "We never stay still, but we don't change in quantum leaps—our corporate culture would preclude that—running a business on partnership concepts means that policy decisions are not dramatic, they evolve." Macquarie met banking deregulation in the 1980s by diversification into such high value-added specialist markets as foreign exchange, bullion, and commodities. It later diversified into a range of new areas and made carefully chosen acquisitions. Internal change was managed by developing an increasing number of relatively autonomous business units (30 by 1988) and solving the resulting coordination problem, not by establishing additional structures and control systems, but by developing a corporate set of values. Increasingly the management style developed was a collegial style seen as consultative by the executive but, on balance, more directive than consultative by first-

line and middle-level managers. These lower-level managers all rated a directive style as appropriate; "we need strength and decisiveness at the top," one commented.

Macquarie Bank's strategies appear to have been successful because of its relatively small size relative to other banks and its development of innovative niche-oriented business strategies combined with a continuously adaptive loose-coupled flexible organization. It seems that there can be a place for evolutionary change strategies in a turbulent environment, provided that environmental scanning is effective, relevant organizational changes are made continuously, and the style of executive change management is flexible rather than stereotyped.

As environmental discontinuity increases, charismatic transformation (change strategy type 2) becomes a more viable approach. However, for this approach to be viable, key organizational stakeholders must accept the need for large-scale organizational transformation. This will occur most often when rewards are available to ensure sufficient support from within the organization and when there are similar views on how to bring the organization back into fit. Schein (1985) outlines several alternative approaches in making "collaborative/transformational" change. Our research indicates, however, that the conditions needed for making change by charismatic transformation alone are infrequent; resistance to change by critical interest groups is sufficiently frequent to require a more directive approach in most circumstances.

Finally, dictatorial transformation (change strategy type 4) will become more common in a turbulent business environment marked by major changes such as global business redefinition, social change, new technologies, and political intervention. At such times, major organizational restructuring is needed. It may run counter to the entrenched interests of some key stakeholder groups, and there may be few rewards to offer them for changing. In such circumstances, force (authoritative direction or coercion) may become the only available means to ensure organizational survival. There are many current cases of the application of this strategy. In the public sector in Australia, governments have used commissions of inquiry, replacement of "permanent" heads of departments and statutory authorities, and efficiency audits to bring government organizations into line with changed definitions of function and reductions in resources. In the private sector, boards of management have removed CEOs and executive staff, and individual entrepreneurs have used takeovers and mergers to initiate organizationwide transformation.

In our study, MLC Life Ltd. is an example of dictatorial transformation being an effective means of regaining high profitability. MLC Life went through cataclysmic transformational change subsequent to its takeover in 1983 by Lend Lease Corporation one of Australia's most successful building construction companies.

MLC Life was a traditional insurance company that had failed to adjust its culture to a series of major industry changes beginning in the mid-1970s and intensifying in the 1980s. As a result, it was rapidly becoming unprofitable and losing market share. Under two successive chief executives from Lend Lease (John Morschel and Ian Crow), a new focused business strategy was chosen that targeted superannuation and products designed for middle socioeconomic consumers. As a result, the organization was dramatically downsized, with reductions of up to 40% in some areas. The process of retrenchment was selective and focused strongly on senior executives, middle management, and lower-level administrative staff. A new business-driven, externally oriented culture was built around concepts of accountability, initiative, and high performance. This culture was underpinned by a leaner, flatter organization driven by well-defined objectives. By 1988 corporate transformation had given way to modular transformation and a coercive change management style had given way to a consultative style (as seen by senior executives) or a directive style (as seen by supervisors and middle managers).

In business terms the change strategy was highly successful. MLC's revenue rose from A\$243 million in 1983 to A\$453 million in 1987; its pretax profit rose from \$133 million to \$249 million. In 1990 MLC Life remains one of the most profitable companies in the Australian insurance industry.

The selection of appropriate change strategies depends on a strategic analysis of the situation. Table 3 indicates the main bases on which this analysis can be made. Change agents (internal or external) should select the most effective strategy and mode of change, rather than reflexively relying on a change strategy and mode compatible with their own personal values. An implication is that most OD practitioners will need more knowledge of charismatic and coercive strategies more com-

petence in using emotion and symbolism and in engaging in politically based interventions. Similarly, financial and strategic corporate consultants need to develop more appreciation of the role that consultative and participative methods of change can play, in some circumstances, in securing the implementation of their recommendations as well as improving the quality of their recommendations. In most cases, also, they need to develop better skills of working with people to implement change. Managers need to develop a range of skills broad enough to provide the flexibility needed to manage the full range of organizational situations, or to assess their strengths and find organizations at transitional states where their strengths are needed.

**B—**

***A More Comprehensive Approach to Organizational Change Management and Consultancy***

We have suggested a more comprehensive approach to organizational change management and consultancy which finds a place for transformation as well as incrementalism and which accommodates the use of directive/coercive as well as participative means of achieving change. Our model reconciles the views of two major and often opposing theoretical traditions in the organization behavior area as they apply to the management of organizational change. These are the "tender-minded" tradition of the "human relations/human resource" theorists whose theories underlie OD strategies and the "tough-minded" tradition of the pluralistic power perspective theorists and economic rationalists. Rather than evolution and transformation being incompatible strategies, and collaboration and coercion being incompatible modes, they are in fact complementary, their usefulness depending on the particular circumstances.

Thus the model described here is a situational model for planned change strategies that allows managers and consultants to go beyond personal value preference as the major selection criterion for an organizational change strategy. The model suggests that for most organizations undergoing transformational change at the corporate level, a directive management style is needed to begin the process of repositioning the organization. However, it goes on to suggest that once this basis for organizational renewal is in place, there is a choice to be made at the corporate level as to the mix of directive and consultative strategies needed to keep up the momentum of change. If the change program is to be successful, there must also be a predominance of consultative practices at the business unit level in order to win commitment at that level to the implementation of change. Effective organizational change therefore demands that managers and consultants give up rigid reflexive responses in designing organizational change programs in favor of a mindful flexibility of choice.

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### 30— Organizational Effectiveness and Development at Different Stages of Growth: Implications for Consultants

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This chapter deals with organizational effectiveness and development at different stages of growth and the resulting implications for consultants. It presents a holistic framework based on insights derived from action research conducted for more than 17 years in organizations ranging from small entrepreneurs to Fortune 500 firms. That research consisted primarily of management and organizational development interventions as an advisor and consultant, and included attempts to step back from the observations of organizational behavior to generalize about the common determinants of effectiveness at various points in an organization's life cycle.

The framework presented in this chapter is thus a synthesis of two different models of organizational functioning: an organizational effectiveness model (termed the *pyramid of organizational development*) and an organizational life cycle model (which designates seven key stages of growth from a new venture through organizational decline).

The chapter is intended for internal as well as external consultants who wish to make organizational interventions. It provides a holistic perspective in which specific problems can be viewed in terms of an organization's overall development.

The chapter begins with an explanation of the organizational effectiveness framework, or the pyramid of organizational development. Next, a method for identifying and defining key stages of organizational growth is introduced. Finally, some of the organizational development problems that emerge when an organization has not made the transition effectively from one stage of growth to the next are discussed. These developmental programs may be likened to conflicts in the various stages of human development that must be resolved to achieve individual growth (Erikson, 1980). It should be noted from the outset that although this chapter is clearly related to the work of other organizational effectiveness and life cycle theorists, it does not build on their work in any direct sense; rather, it presents a view based on inductive analysis of a wide variety of organizations in action. For an excellent summary of organizational life cycle models, see Randle (1990).

Five major ideas are included in the framework:

1. All organizations must satisfactorily perform six key tasks or prerequisites in order to develop a successful entity.
2. The six key tasks are always being performed to some extent in any organization, but they do not always receive (or need to receive) the same degree of emphasis at each stage of growth.
3. The achievement of the six key organizational tasks can be viewed as a developmental



process, with each task requiring development to a different extent at different stages of organizational growth.

4. The failure to perform one or more of these developmental tasks satisfactorily will lead to a variety of predictable organizational problems or "transition pains."
5. Organizations that have been successful in managing the developmental problems at one stage of growth will still face the challenge of making the transition to the next stage of growth.

We shall begin by describing the key tasks of developing a successful organization and then discuss their role at each stage of organizational growth.

### I— **Critical Tasks of Organizational Success**

Analysis of the experience of actual organizations (both successful and unsuccessful) and research on organizational effectiveness yield the following six key dimensions essential for building a successful organization:

1. Identification and definition of a viable market niche (Aldrich, 1979; Britain and Freeman, 1980; Freeman and Hannan, 1983)
2. Development of products or services appropriate to the firm's chosen market niche (Burns and Stalker, 1961; Midgley, 1981)
3. Acquisition and development of resources required to operate the firm (Pfeffer and Salancik, 1978; Brittain and Freeman, 1980; Carroll and Yangchung, 1986)
4. Development of the operational systems necessary for day-to-day functioning (Starbuck, 1965)
5. Development of the management systems necessary for the long-term functioning of the organization (Child and Keiser, 1981; Tushman et al., 1985)
6. Development of the organizational culture management feels necessary to guide the firm (Peters and Waterman, 1982; Walton, 1986)

The nature of each of the critical tasks of developing a successful organization is described below.

### A— **Identification of a Market Niche**

The most fundamental prerequisite of a successful organization is the identification and definition of a firm's market and, if feasible, its market niche. A market includes the current and potential buyers of the goods and services a firm intends to produce and sell. A market niche is a place within a market where a firm can develop a sustainable competitive advantage in providing goods and services. The chances of organizational success are enhanced to the extent that the firm identifies a need that is not being adequately met or about which there is little competition.

This challenge is the primary one every new venture must overcome as well as the critical test of growing concerns. Thus, many firms have achieved great success merely because they were one of the first in the new market. Apple Computers, for example, grew in a few years from a small entrepreneurship in a garage to a \$500 million publicly held firm because its founders identified the market for a personal computer. By the beginning of the 1990s, Apple had achieved annual revenues of approximately \$4 billion.

Many firms that achieve great success often have not only identified a market need but also captured a market niche. For example, Dreyer's ice cream (selling a relatively undifferentiated product) grew from sales of \$14.4 million in 1978 to \$55.8 million in 1982 because the company saw and cultivated a market niche between the superpremium ice creams such as Häagen-Dazs and the generic (commodity) ice cream most supermarkets sell. The Dreyer's brand name is the thing that ultimately became the company's sustainable competitive advantage, and the basis for its niche.

Looked at another way, other firms have foundered because they either failed to define a niche or mistakenly abandoned their historical niche. For example, a medium-size national company that manufactured and sold specialty clothing wished to upgrade its image and products and become a high-fashion boutique. It failed to recognize that historically its niche was the "medium" market, and its efforts were unsuccessful.

In brief, the foundation for an organization's ultimate success is the firm's ability to define a place for itself in a market. Thus the first phase of developing a successful organization must emphasize the definition of the firm's markets and potential niches. This process will, of course, involve strategic market planning to identify potential customers and their needs and laying the strategy for the firm's competition with others for its share of the intended market.

**B—**

### ***Development of Products or Services***

A second task facing the organization involves "productization"—the process of analyzing the needs of current and potential customers in order to design the products or services that will satisfy their needs.

Although many firms can perceive a market need correctly, they may not be able to develop a product capable of satisfying that need. The firms of the Silicon Valley, for example, were able to identify the need for a 64K chip; however, the market for that product was ultimately dominated by Japanese companies and Motorola because of their ability to mass produce the chip with a higher degree of reliability. Being first is not necessarily enough.

The productization process includes not only the design of a product (defined here to include services as well) but also the ability to produce it. For a service firm, the ability to produce involves the firm's service delivery system—the mechanism through which services are provided to customers.

The problem of productization faces not only relatively new or small companies but also large, well-established firms. Indeed, it can even face whole industries. The U.S. automobile industry, for example, was unsuccessful during the 1970s in productizing to meet the need for reliable, fuel-efficient, economical automobiles. Hence they permitted powerful competitors (Japanese firms) to emerge in a market that they once dominated. Many entrepreneurial firms, such as Ashton-Tate with its dBase product, are unable to follow initial successes with new product lines. Thus they become equivalent to "wasting assets," such as coal mines or oil wells. They are businesses that do not replenish themselves because of the inability to develop new products.

The development of successful products depends to a great extent on effective strategic market planning, which involves recognizing potential customers, their needs, how they buy, and what they perceive to be value in a product. Thus the success of the productization task depends on the firm's success in defining its market niche. The greater the understanding of the market's needs, the more likely it is that the productization process will be effective in satisfying those needs. It also depends on a product "design" process, which translates potential customer needs into deliverable products or services.

**C—**

### ***Acquisition and Management of Resources***

A firm may identify a market and products but not have sufficient resources. For example, small competitors in the soft drink industry need to be low-cost producers. Cutting costs requires high-speed bottling lines, but at \$1 million a line the smaller firms simply cannot afford them.

A firm's success in identifying a market niche and productization will create increased demand for its products or services, which in turn will stretch the firm's resources very thin. The organization suddenly finds that it requires additional physical resources (space, equipment, and so on), financial resources, and human resources. Human resources, especially management, will become particularly critical. Ironically, at this stage of development, the firm's own success creates a new set of problems.

If an organization does not acquire the resources it needs to facilitate its growth, it can actually "choke on its own growth." For example, many rapidly growing companies run out of space, squeeze people in, and suffer the effects of diminished productivity and poor morale as a conse-

quence. One large rapidly growing financial institution simply outgrew its telephone capacity. Clients were put on hold and the "call abandonment rate" rose sharply, together with increased customer dissatisfaction.

*D—*

#### ***Development of Operational Systems***

To function effectively a firm must not only produce a product or service but also administer the basic day-to-day operations reasonably well. These include accounting, billing, collection, advertising, personnel recruiting and training, sales, production, delivery, and related systems.

Typically, firms confronted by the tasks of developing their market niche and products neglect the development of the operational systems required to run their organizations from day to day, and as a firm grows, the strain on such basic operating systems increases. The firm tends quickly to outgrow the administrative systems available to operate it. In one electrical components distribution firm with more than \$200 million in annual revenues, salesmen were continually infuriated when they found that deliveries of products they had "sold" were unavailable because the firm's inventory records were hopelessly incorrect. Similarly, a medium-size residential real estate firm with annual revenues of about \$10 million found that it required almost a year of effort and embarrassment to correct its accounting records after the firm's bookkeeper retired. A \$100 million consumer products manufacturer had to return materials to vendors because there was simply not enough warehouse space (a fact no one noticed until the deliveries were at the door).

When firms grow rapidly and neglect the operational systems needed to run their business (for the understandable reason that they have been too busy making money to devote the effort to developing such systems), they experience a variety of organizational growing pains (Flamholtz 1990) that are symptomatic of a deeper issue. Specifically, the firm has outgrown its "infrastructure." If the underlying causes are not treated, the organization can experience failure even though there is a strong market for its products and services. For example, Osborne Computers achieved \$100 million in sales in just 2 years after the company was established; but the firm went into bankruptcy in its third year.

*E—*

#### ***Development of Management Systems***

The fifth task required to build a successful organization is developing the management systems to facilitate the long-term growth of the firm. These include systems for planning, organization, management development, and control.

The planning system is the process of planning for the overall development of the organization as well as for scheduling and budgeting operations. It involves strategic planning, operational planning, and contingency planning. A firm may do planning but lack a formal planning system. The organizational structure of the firm is how people are organized, who reports to whom, and how activities are coordinated. All firms have some organizational structure (formal or informal) but not necessarily the right structure for their needs. The management development system is the planned development of personnel needed to run an organization as it grows. The control system is the set of processes (budgeting, goal setting) and mechanisms (performance appraisal) used to influence behavior and motivate employees to achieve organizational objectives. In brief, to function effectively all organizations must have satisfactory management systems.

Until the firm reaches a certain size (which is different for every firm), it can typically operate without formal management systems; planning can be done in the entrepreneur's head and is frequently ad hoc. The organizational structure, if it exists, tends to be informal, with ill-defined responsibilities that may overlap. Informal management development is often on-the-job training, with managers essentially on their own. Such organizations tend to use the accounting system as a basis of organizational control rather than for broader management control.

The basic underlying cause of organizational growing pains at this level of development is the decreasing ability of the original entrepreneur or senior executive to control all that is happening, and the corresponding failure to supplement (or replace) the entrepreneur with a set of management systems.

F—

### *Developing the Corporate Culture*

Just as all people have personalities, so all organizations have cultures: shared values, beliefs, and norms that govern how persons are expected to operate the business from day to day. Although all firms have cultures that can be identified by trained observers, they may be implicit rather than explicit.

Values are what the organization believes to be important in key areas such as product quality, customer service, and treatment of people. Beliefs are the ideas that people in the corporation hold about themselves as individuals and about the firm as an entity. Norms are the unwritten rules that guide day-to-day interactions and behavior, including language, dress, and humor.

Corporate culture affects and is affected by every other aspect of organizational functioning, including the bottom line. Some companies, notably Disney, 3M, and IBM, have strong corporate cultures, which have been carefully defined and nurtured over decades. Others merely allow their cultures to exist, without being managed explicitly. In any case, building a successful organization involves institutionalizing the corporate culture, as shown in Figure 1. Taken together, these six key tasks of building a successful organization constitute a "pyramid of organizational development"; that is, a series of sequential steps or tasks that must be performed in an integrated fashion in order to develop a successful organizational entity.

The six key tasks making up the pyramid must all be performed successfully for the organization to function successfully. The pyramid form should not be viewed as suggesting that the six tasks are developed independently at different times; rather, all six are essential to the functioning of the firm at any given time, but each develops to a different degree at different stages in an organization's growth process, as described below.

The notion that a series of sequential steps must be performed to assure a developmental process is supported by the organizational theory literature. Woodward (1965), for example, observes a relationship between market niche and product (which define the degree of customization required and thus the production process or "technology") and the organization's structure and culture. Similarly, Chandler (1962) suggests that organizational structure follows from a firm's long-term strategy. The market niche, product, and resources required reflect the firm's strategy in this context.

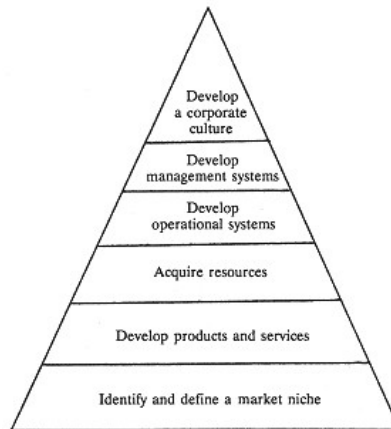


Figure 1  
Pyramid of organizational development.

## II—

### Implications of the Pyramid Framework

The framework is a useful "lens" for management and consultants. It has a number of implications. Whether organizations are aware of it or not they are competing with each other at all levels of the pyramid. Specifically, organizations are not competing only in products and technology, but also in the choice of markets, the resources available, and the operational and management systems developed, as well as in their corporate culture. Indeed, since markets can be easily entered and products can be easily copied or improved on, organizations are effectively competing at the four top levels of the pyramid.

The four top levels of the pyramid can be viewed as comprising an organization's infrastructure, which has two sets of components: (1) operational infrastructure, consisting of resources and operational systems, and (2) management infrastructure, consisting of management systems and corporate culture.

## III—

### Stages of Organizational Growth

Organizations experience developmental problems when their infrastructure is not consistent with their size, as measured by the following seven stages of an organization's life cycle that I have identified:

1. New venture
2. Expansion
3. Professionalization
4. Consolidation
5. Diversification
6. Integration
7. Decline-revitalization

The basic notion is that at each stage of the life cycle, one or more of the critical tasks of organizational development must receive relative priority. In this context, "relative priority" is defined as approximately two-thirds to three-fourths of the overall developmental emphasis on all six variables. The stages of growth and the related critical development areas as well as the approximate size (measured in millions of dollars of sales revenues) at which an organization will pass through each stage is shown in Table 1 and described below.

Empirical research confirms the notion that the criteria for organizational effectiveness, as well as the means for achieving it, shift from stage to stage of the organizational life cycle (Quinn and Cameron, 1983). Similarly, Randle (1990) provides empirical evidence of the validity of the developmental logic articulated here.

**Table 1** Stages of Organizational Growth from a New Venture to Maturity

No.	Stage description	Critical developmental areas	Approximate organizational size (millions of sales)
I.	New venture	Markets and "products"	Less than \$1
II.	Expansion	Resources and operational systems	\$1 to \$10
III.	Professionalization	Management systems	\$10 to \$100
IV.	Consolidation	Corporate culture	\$100 to \$250
V.	Diversification	Markets and "products"	250 to \$1000
VI.	Integration	Culture, management and operational systems, and resources	Greater than \$1000
VII.	Decline-revitalization	All six tasks	Any size

**Table 2** Emphasis of Key Tasks at Different Stages of Growth

Key development variable	Stages of growth						
	I	II	III	IV	V	VI	VII
Corporate culture				X		X	X
Management systems			X			X	X
Operational systems		X				X	X
Organizational resources		X				X	X
Product or service	X				X		X
Market	X				X		X

**A—**

**Stage I:  
New Venture**

Stage I of organizational growth is the inception of a new venture. In this stage the critical issues for management are to identify the markets and niches that will be served and to develop the products (or services) appropriate to the selected market segments.

Stage I typically extends from the time the organization has virtually no sales until it reaches approximately \$1 million. During stage I, the firm must perform all of the critical tasks of organizational success; however, the relative emphasis will be on the first two tasks: defining markets and developing products.

The key variables of organizational development that must be managed at each stage of growth are presented in Table 2. Although the table shows the key variables to which the most attention is turned at each stage, it is important to remember that all six areas must be managed at the same time.

In brief, the major concern during stage I is survival: Does the firm have a viable market and product?

**B—**

**Stage II:  
Expansion**

If an organization successfully completes the key developmental tasks of stage I, it will reach stage II—the rapid growth or expansion of sales revenue, number of employees, and so forth. For most firms, the rapid growth that characterizes stage II begins when sales reach \$1 million, though it can occur at lower or higher levels.

Expansion presents a new set of developmental challenges. Organizational resources are stretched to the limit as increasing sales require a seemingly endless increase in people, financing, equipment, and space. Similarly, the firm's day-to-day operational systems for recruiting, production or service delivery, purchasing, accounting, collections, and payables are overwhelmed by the sheer amount of product or service being "pushed to the door."

The major problems of stage II are those of growth rather than survival. Thus the emphasis must be returned to organizational resources and operational systems, as shown in Table 2. It is during this stage that horror stories begin to accumulate.

Salespeople sell a product they know is in inventory only to learn that someone else has grabbed it for other customers.

One vendor's invoices are paid two and three times, while another vendor screams that it has not been paid in 6 months.

Product quality drops precipitously for unknown reasons.

Turnover increases sharply just when the company needs more personnel.

**C—**

**Stage III:  
Professionalization**

During the period of explosive growth that characterizes stage II, senior management realizes (or ought to realize) that a qualitative change in the firm is needed. The firm cannot cope with growth

merely by adding people, money, equipment, and space. Rather, it must undergo a metamorphosis to a somewhat different type of organization—it must become "professionally managed."

To this point, the firm has been entrepreneurial. It has operated with a great deal of informality, lacking well-defined goals, responsibilities, plans, and controls, and still prospered. However, once a critical size is reached, the sheer size of the organization requires more formal plans, regularly scheduled meetings, defined organizational roles and responsibilities, a performance appraisal system, and management control systems. These changes require a planned program of organizational development; that is, development of the key systems required to manage the new entity that the firm has become—the fifth key developmental area described at the beginning of this article.

During stage III of an organization's life cycle, as depicted in Table 2, the emphasis must be on the management systems. To this point, it was possible for managers to be hands-on "doers," but what is increasingly required are people who are adept at administration: planning, organization, motivation, leadership, and control. Thus the individual manager is faced with a personal transition. He or she must increasingly adopt not merely the title but the behavior and psychology of a manager.

*D—*

***Stage IV:  
Consolidation***

Consolidation presents a different set of problems. Once the transition has been made to a professionally managed firm with workable systems for planning, organization, management development, and control, the firm must turn its attention to an intangible but nevertheless real and significant asset: the corporate culture. (See Deal and Kennedy, 1982.)

During the growth to stage IV (which typically occurs at about \$100 million in sales), the firm brings in new waves of people. The first wave occurred when the firm was relatively small and informal (stage I). Initially, then, the firm's values, beliefs, and norms were transmitted by direct day-to-day contact between the founders and personnel. The diffusion of culture was a by-product of what the firm did. Virtually everybody knew everybody else, what the firm wanted to achieve and how.

During stage II, rapid expansion brought a new wave of people who were socialized to a considerable degree by the first wave; that is, the first wave transmitted the culture to the next generation. However, at some organizational size, especially when operations are dispersed geographically, the informal socialization process becomes more attenuated and less effective. The sheer number of new people overwhelms the informal system.

By the time a firm reaches \$100 million in revenues, a third wave of people has joined the organization and the informal socialization system is simply no longer adequate. At this stage, the firm must develop a formal method of transmitting the corporate culture consciously throughout the organization. Therefore, as Table 2 shows, the key developmental variable in stage IV is the corporate culture.

*E—*

***Stage V:  
Diversification***

The key problem in stage V will be to develop new products and services to facilitate additional growth. Typically a firm will grow to a point as a result of its initial products or service. Beyond that point (which frequently occurs at around \$250 million), the firm may well have to develop new products or services to facilitate future growth. This stage requires the reintroduction of the entrepreneurial spirit that launched the firm and also involves the development of segments of the firm that resemble new ventures (stage I). Those segments may require the completion of the cycle from stage I through stage IV. As Table 2 shows, the emphasis has turned again to the products and services and the market niche.

*F—*

***Stage VI:  
Integration***

The firm's growth from the diversification that took place in stage V has made it significantly larger and more complex. It may have geographically dispersed divisions, for example, which results in new organizational problems. In essence, each location of the organization is a different business,

but also part of a larger entity. Accordingly, the key management challenge for the firm will be to integrate the separate units into an operating whole while simultaneously allowing them to realize the benefits of quasi-decentralization.

As Table 2 shows, integration requires the organization to focus on the corporate culture, management systems, operational systems, and organizational resources.

G—

**Stage VII:**

***Decline-Revitalization***

It appears inevitable that all organizations will ultimately decline, and the key issue at this stage is organizational revitalization. The organization will have to deal with the symptoms of aging (discussed below) that will inevitably have accumulated. It will have to find new markets in order to reestablish itself as a viable competitive entity.

The attempt to revitalize the organization while its resources are contracting will strain all of its systems. Thus, as Table 2 indicates, the firm must manage all six key developmental areas in the pyramid of organizational development.

IV—

**Two Kinds of Organizational Pains**

Most organizations encounter some degree of difficulty in managing the transitions required between stages of growth. When the transition between stages has not been made successfully, the organization experiences a "developmental gap." This developmental gap, in turn, produces what may be termed "organizational transition pains." The transition pains may be viewed as the symptoms that an organization experiences because of a failure to develop an infrastructure appropriate to its stage of growth. In this context, organizational infrastructure can be operationally defined as resources, operational systems, management systems, and corporate culture; that is, the four top levels of the pyramid of organizational development.

There are two different types of transition pains that can occur, because of a discrepancy between an organization's development (its infrastructure) and its stage of growth. Type I, which may be termed "organizational growing pains," emerges during stages I–VI (but especially at stages II–VI) because the infrastructure has not been sufficiently developed. Type II, which may be termed "organizational aging pains," emerges during stages V–VII (but especially at stage VII, when an organization is in decline).

A—

***Organizational Growing Pains***

Based on action research and consulting experience, I have identified 10 classic symptoms of organizational growing pains, as shown in Table 3. These growing pains and their measurements are described further in Flamholtz (1990). It must be noted that these growing pains are not merely problems in and of themselves, but symptoms of a deeper systemic problem.

**Table 3** Organizational Growing Pains

1. People feel that there are not enough hours in the day.
2. People spend too much time "putting out fires."
3. Many people are unaware of what others are doing.
4. There is a lack of understanding about where the firm is headed.
5. There are not enough good managers.
6. Everybody feels, "I have to do it myself if I want it done correctly."
7. Most people feel, "Our meetings are a waste of time."
8. When plans are made, there is very little follow-up and things do not get done.
9. Some people begin to feel insecure about their place in the firm.
10. The firm continues to grow in sales but not in profits.



**Table 4** Systems of Corporate Aging Pains

1. Strategic planning tends to emphasize form rather than substance.
2. Middle-level managers feel frustrated by their inability to play a more active role in the strategic planning process.
3. There is a lack of understanding about the strategic direction of the business, and this affects the daily operating decisions that are made.
4. Difficulties are experienced when implementing strategic plans.
5. There is a lack of coordination and integration among the different organizational units ("we are all rowing as hard as we can, but in different directions").
6. There is a resistance to new ideas and innovation.
7. People are unwilling to take risks.
8. The organization is incapable of moving quickly to take advantage of market opportunities.
9. Managers are technical or functional specialists rather than general business managers.
10. The company has grown in sales revenue but not in profits.

The basic underlying problem is that the organization has outgrown its infrastructure. This produces a "developmental gap" which results in the growing pains.

**B—  
Organizational Aging Pains**

Similarly, I have also identified 10 classic symptoms of organizational aging pains as shown in Table 4. These are further described in Flamholtz and Randle (1990). Like growing pains, aging pains are not merely problems in themselves but symptoms of an underlying systemic problem.

The basic underlying problem is that the organization's infrastructure has become bureaucratic and is causing the company to choke on its own systems.

**V—  
Implications for Consultants**

Organizational development and change too often involve interventions not based on a holistic perspective. The frameworks presented in this chapter provide a "lens" through which organizational diagnosis can be viewed. This lens can provide a common framework for the management of the company to begin to assess and understand its developmental issues.

When this lens is accepted by managers they begin to have a common frame of reference and even common language to use in the organizational development process. The pyramid and stage models can thus be used as a jumping-off point to develop a holistic plan for future organizational development.

One of the major implications of this framework for consultants is that the traditional notion of organizational development as a process is not likely to be effective without the comprehensive focus on all of the six key variables comprising the pyramid of organizational development as a system. Leadership practices cannot be the focus of an effective organizational development intervention in isolation of an organization's markets, products, resources, and so on, soon, both individually and as a holistic system.

Another implication for consultants concerns the stages of growth. There is a *predictable* set of issues, which organizations will face at different stages of their life cycle. Specifically, at stage I, the critical issue is markets and products; at stage II it is the development of resources and operational systems; at stage III it involves the development of management systems; at stage IV it involves management of corporate culture; at stage V it involves replication of the cycle from stages I–IV for a new subunit; at stage VI it involves the integration of different business subunits into synergistic levels; at stage VII it involves organizational revitalization. If consultants understand the framework, they will be able to orient their organizational development efforts to the appropriate focus.

Finally, consultants must appreciate what will happen when an organization has failed to match its infrastructure to its developmental stage. The result will be a predictable set of growing pains

and/or aging pains. These must be understood not only as problems per se but as symptoms of underlying systemic issues involving the overall development of an organization.

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31—

### **Sexual Harassment: What's Old, What's New?**

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Sexual harassment will exist wherever men and women work together, but until recently we had no real idea of how often it occurs or with what costs. Now we have a better sense of the extent of sexual harassment. The U.S. federal government's Merit System Protection Board's survey of civilian employees in the executive branch of the federal government resulted in over 20,000 completed questionnaires, a return rate of 85%. In this study, 42% of the women employees and 15% of the men indicated they had been sexually harassed on the job at least once during a 2-year period. The report estimated conservatively that the cost to the federal government from sexual harassment during this 2-year period amounted to \$189 million for related effects such as emotional and physical stress, absenteeism, hiring and training expenditures, and decline in individual and group productivity. A related report from the Labor Department indicates that "American businesses lose almost \$1 billion annually from absenteeism, low morale, and new employee training and replacement costs due to sexual harassment." (Moore and Bradley, 1997). Finally, damages awarded to victims of sexual harassment have also increased dramatically since enforcement of the new Civil Rights Act began in 1991 and since the Clarence Thomas confirmation hearings in the Senate (Moore and Bradley, 1997).

Sexual harassment has received renewed interest with such high-profile stories surrounding the president of the United States and allegations of sexual harassment. Along with these high-profile cases and interest, legislation surrounding sexual harassment continues to evolve with a trend toward greater protection for victims of sexual harassment. Most recently, decisions by the U.S. Supreme Court place further responsibility upon employers to protect employees against sexual harassment.

I—

### **Sexual Harassment: What Is It?**

Although sexual discrimination has existed since biblical times (Gen. 39:7–20), legislation finally prohibited it in 1964 when enemies of proposed civil rights legislation added a rider about sexual discrimination that they hoped would help defeat the full bill. The effort backfired, the full bill passed, and the law therefore came to prohibit sexual discrimination, just as it made illegal discrimination based on racial, religious, and ethnic grounds. Under the terms of the 1964 Civil Rights Act, Title VII, one could no longer impose special conditions of employment on persons because of their gender.

Unlike other forms of discrimination, the Civil Rights Act did not define sexual discrimination or provide guidelines for dealing with cases involving sexual discrimination. In the mid-1970s the

women's movement coined the term sexual harassment to capture the key feature of discrimination in the workplace based on one's gender. Although the courts have defined sexual harassment in terms of non gender-specific conditions, the vast majority of sexual harassment cases have been filed on behalf of women.

Equal Employment Opportunity Commission (EEOC) guidelines define sexual harassment as

unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission to or rejection of this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance, or creates an intimidating hostile or offensive work environment (EEOC, 1982).

Under this definition, sexual harassment takes place when one or more of the following conditions exists:

1. An employee submits to sexual advances as a necessary condition of getting or keeping a job, whether expressed explicitly or implicitly
2. The supervisor makes personnel decisions based on the employee's submissions to or rejection of sexual advances
3. Sexual conduct becomes unreasonable and interferes with the employee's work performance or creates a work environment that is intimidating, hostile, or offensive

Sexual harassment is thus defined in terms of its economic and psychological consequences on the victim, and these constitute the two main types of sexual harassment (MacKinnon, 1979).

The first two conditions above tie the harassing demands to adverse job consequences. The third condition relates objectionable comments and behaviors to their psychological impact on the victim. The harassing aggressor can be a supervisor, coworker, or anyone in the organization who contributes to the occurrence of these three conditions. For example, a coworker could be accused of sexual harassment if the aggressor's actions were explicitly or implicitly supported by the victim's supervisor. The aggressor can include anyone who can affect the victim's present job, advancement in the organization, or career.

The first type of sexual harassment involves either of the first two conditions. Known as *quid pro quo*, or informally as "put out or get out," this form of sexual harassment occurs when the aggressor makes an advance, the victim resists, and the harasser retaliates by demanding sexual compliance of the victim as a condition of employment or advancement. If the victim resists, the harasser retaliates by withholding something that he or she has the power to give or withhold. This retaliation takes a variety of forms: firing, transfer, loss of promotion, poor performance appraisal, demotion, salary cut, unfavorable material put in the person's file, disciplinary layoff, or allegations about the person's incompetence or poor attitude.

The second type of sexual harassment emerges from the EEOC's third condition—when the aggressor's activity affects the victim's performance on the job or creates unhealthy working conditions. The aggressor's actions make the working conditions unbearable for the victim, and the performance level deteriorates.

The second type of sexual harassment is more ambiguous, even more insidious. Unlike the first type of sexual harassment, no obvious direct relationship exists between the behavior of the aggressor and the victim. In this form the aggressor's harassing remarks and nonverbal behavior create working conditions that adversely affect the victim's psychological and physical health.

While the distinction between these two types of sexual harassment was previously of legal significance, the U.S. Supreme Court ruled in June 1998 that the distinction between these two types was "of limited utility." The Court explained that even if a supervisor's threat against an employee is indeed an empty threat, it can still lead to a hostile environment form of harassment (Carelli, 1998). Either form of harassment may leave the employer liable.

These recent sexual harassment decisions place greater responsibility upon employers to protect employees from sexual harassment of any form. In effect, employers must be able to demonstrate that they "exercised reasonable care to prevent or correct promptly any sexually harassing behavior"

and that "the employee unreasonably failed to take advantage of any preventive or corrective opportunities provided by the employer to avoid harm otherwise" (Carelli, 1998).

As the courts reveal a trend of providing stronger rulings in favor of victims, the number of claims filed with the EEOC have tripled since 1990, with a 150% increase between 1996 and 1997 (Moore and Bradley, 1997). Similar trends are reported in Canada ("Campaign Targets Sexual Harassment," 1998). Some employers are going as far as hiring "Cupid police" to address workplace relationships that have the potential of turning into harassment charges if the relationship sours (Sullivan, 1998; Weiss, 1998). Although some view the Cupid police as going one step too far and intruding on the private affairs of employees, some employers believe their increased liability justifies such preventive actions (Weiss, 1998).

The Office of Personnel Management has attempted to deal with these muddy waters by establishing guidelines that suggest sexual harassment has clearly occurred if it is "repeated or deliberate." Although individuals may make lewd, off-color, or abusive comments to others, these remarks alone do not constitute sexually harassing behavior. Sexist comments and behaviors tend to be more time-bound than sexually harassing conditions. Sexist comments and behavior take on the characteristics of sexual harassment when they recur over a period of time and create an offensive work environment or unreasonably influence the person's work performance.

## II— Views of Sexual Harassment

Sexuality, sexism, and sexual harassment occur to varying degrees in male and female interactions in the workplace, but what activities and degrees qualify? In a survey of its readers, *Harvard Business Review* (Collins & Blodgett, 1981) found that men and women agreed on what constituted the more blatant forms of sexual harassment in employment decisions. Subscribers generally agreed on which of 14 situations constituted an "exchange" form of sexual harassment. The respondents believed that those incidents that linked workplace rewards/penalties with sexual advances in a nonmutually satisfying relationship constituted sexual harassment.

Opinions vary, however. For example, the federal study asked the respondents if they viewed six uninvited and unwanted forms of behavior as sexual harassment. These six forms of behavior were later organized into the following two major categories:

### *Severe*

1. Letters, phone calls, or materials of a sexual nature
2. Pressure for sexual favors
3. Deliberate touching, leaning over, cornering, or pinching

### *Less severe*

4. Pressure for dates
5. Sexually suggestive looks or gestures
6. Sexual teasing, jokes, remarks, or questions.

The majority of men believed that the initial four forms of uninvited and unwanted behavior constituted sexual harassment while the majority of women considered all six behaviors to be sexually harassing.

People make far more subtle distinctions, however. Some uninvited and unwanted behavior appeared innocent or intolerable depending on the initiator's gender and behavioral context. The majority of women in the federal study considered all six unwanted behaviors as sexual harassment when committed by a supervisor. In contrast, less than half the men considered sexually suggestive looks and remarks as sexual harassment when initiated by a coworker. The women did not make this distinction. In the *Harvard Business Review* study, the judgment about sexual harassment depended on whether the victim was a male or female executive, a female manager or secretary, and who made the advance.

Many observers also make more difficult judgments about sexual harassment—judgments based on the intent of those involved. Sexual looks, gestures, or remarks are more ambiguous and

more open to different interpretations of the person's motives and demeanor. For example, fewer than one-third of federal employees who completed the questionnaire thought sexual harassment occurred when the initiator did not intend to be offensive, regardless of gender, supervisory status, or victim status. In these more ambiguous cases the aggressor often did not make a direct demand or retaliate. Instead, the harasser's verbal and nonverbal sexual advances were embarrassing and often obnoxious, thus polluting the work environment for the victim without having a direct or immediate demand associated with him or her.

While most male executives view all the extreme forms of sexual harassment as violation of the victim, they did not consider any one specific verbal or physical action of the aggressor as sexually harassing. We doubt that the courts would judge as harassing a single verbal or physical behavior of mild variety. Instead the courts look for a pattern of behavior or an ongoing practice of the milder forms of behavior that collectively influence the psychological health of the victim and thus constitute a clearer case of inappropriate conduct by the aggressor.

When asked what responsibilities the victims have for their own harassment, there was a noticeable gap between the responses of men and women. Almost half the men in the federal government study believed the issue had been exaggerated, while less than 25% of the women believed the issue had been exaggerated. Likewise, two-thirds of the male subscribers in the *Harvard Business Review* study thought the amount of sexual harassment was "greatly exaggerated," while less than one-third of females believed that the issue has been exaggerated.

In another study, a random sample of female Mounties from across Canada showed that 60% experienced some form of sexual harassment. Harassment was defined as conduct, comments, gestures, or contact that is derogatory to a person's gender or of a sexual nature. At the same time, over 50% of male officers felt women and minorities "see discrimination where it doesn't exist" ("Survey Suggests Majority of Female Minorities Have Been Sexually Harassed," 1996).

With the workplace changing rapidly to include an increasing number of women, organizations must become better equipped to address the potential threat of sexual harassment and their liability. Now, more than ever before, organizations are accountable for ensuring employees are protected from any form of sexual harassment and for having in place well-communicated policies and procedures for employees to voice concerns and seek support in addressing situations that may be considered sexual harassment.

### III—

#### **A Difference in Power between Men and Women**

Legitimate power gives supervisors the authority to direct their subordinates' activities. Subordinates obey orders from their superiors because managers have the right to make these organizationally related demands. Within acceptable organizational limits, no problem may exist. When supervisors demand compliance to requests that go beyond acceptable organizational limits, however, subordinates experience a conflict. Although the employees believe the demands are not a legitimate part of the relationship, they may give in to their boss's demands if they believe that refusal will cause a loss of economic opportunities in the organization or adversely influence their career.

The majority of supervisors continue to be men. While not all forms of sexual harassment occur between a male supervisor and female subordinate, this example serves to represent a large number of cases. When a male supervisor sexually harasses a woman subordinate, he depersonalizes the female by stereotyping her. If the male supervisor views the woman employee as a sexual object rather than a person, depersonalization becomes a problem when it is combined with his efforts to dominate and "possess" her. We may view the woman employee's vulnerability to sexual harassment in terms of two polar views.

At one pole, the male supervisor stereotypes the woman employee as inferior; that is, the woman is viewed as a second-class citizen-incompetent, vulnerable, and weak. Alternatively, the male aggressor stereotypes the woman as an equal competitor; a powerful and dangerous threat that he must contain. In both cases, the male supervisor strives to dominate and possess the woman employee by viewing her as a sexual object, thus at one pole women are viewed as powerful, threatening, and dangerous and at the other pole women are seen as powerless, weak, and vulnerable.

A—

***Woman As Second-Class Citizen***

The woman as second-class citizen stereotype views women as a social group with low status. It prescribes what women should and should not do in society and suggests that the socialized female must accept the dominant role of men and her own subservient role in society. This stereotyping of women makes it difficult for both parties to relate to each other as equal persons.

On one hand this stereotype, while derogatory and critical, views women in a relatively optimistic way. In some cases women can influence others' expectations and attitudes about them. To overcome this stereotype women must demonstrate they do not fit men's objectification of them by performing effectively in their organizational roles. They can use the dissonance created by the gap between their level of performance and their male stereotype of women to reduce the credibility of the stereotype held by some men that women are second-class citizens. Often men then stereotype competent, capable women as "men in a skirt."

On the other hand, this stereotype links women to generalized gender expectations of the female and emerges from the belief in a sexual division of labor in society. This view asserts that women should work at such tasks as procreating and bearing and breast-feeding children. Some men extend this division of labor to include women as sexual objects for their gratification. This pessimistic view of women makes change difficult, even impossible. If a male accepts this view of women, he disregards her as a person and only relates to her in terms of his fantasies about her physical features as a means for sexual gratification.

B—

***Woman As Equal Competitor***

The stereotype of woman as equal competitor has often been used to explain the backlash against the feminist movement. In this stereotype, women are viewed as challenging the status quo and exercising power and independence that is new to women. Men often feel threatened by the woman as equal competitor. From this perspective, sexual harassment is a mode of controlling women. The male aggressor asserts his dominance over the woman through sexually harassing behavior. This stereotype presents a positive view of women as equal competitors, however, the woman as equal competitor stereotype may trigger a man's sense of fear and loss of power. To overcome this stereotype women must first acknowledge the positive aspect inherent in the stereotype; being considered equal. Women have the opportunity to reframe the nature of the relationship from one of competition by emphasizing a collaborative approach to a common purpose.

We have illustrated various forms of sexual harassment by using an example involving the male supervisor and female subordinate. We recognize this oversimplifies the reality of sexual harassment in the workplace. Although this example effectively illustrates many key issues of sexual harassment cases, the reality is that sexual harassment is not limited to relationships between individuals from different levels within the organization. For example, one employee may harass a colleague or peer at the same organizational level. In a peer relationship, the stereotype of woman as competitor may best describe the conditions of the case.

In any type of sexual harassment, the victim may be uncertain of how to stop the harassment, how to report it, and how to deal with it emotionally. The victim may also experience fear or retribution in reporting the harassment. Worse, even if the victim knows how and where to report the incident often the victim is reluctant to report the harassment because of either the associated shame or the fear that the story will be minimized.

The law states that it's the victim's responsibility to inform the perpetrator that his actions, comments, or gestures are unacceptable or make her uncomfortable. Legally, to establish harassment, the harasser needs to know that his behavior is unwanted, particularly if the behavior is not obviously sexual harassment to a reasonable person. Why must the victim confront the harasser? Because the harasser may claim a lack of awareness that the behavior was unwanted or caused the victim discomfort. Once the victim has warned the harasser, if the behavior continues, then the victim is also responsible for reporting the behavior to a supervisor within the company. The organization must then respond in a timely and reasonable manner. Even if the organization has taken preventative

steps against sexual harassment, how the organization responds to a report of sexual harassment is important.

**IV—**

**Organizational Norms:  
The Important Third Party**

The organization's formal and informal norms act as an important third party to sexual harassment by establishing prescriptions and proscriptions about acceptable behavior in the organization. If the organization's written and unwritten rules clearly condemn sexual harassment, less ambiguity exists about the consequences of these acts for the aggressor and victim. A public agency's commitment to stamping out sexual harassment will be reflected in its formal policy prohibiting sexual harassment and its grievance procedure for handling complaints. This policy and these procedures are an organization's necessary first steps to protect itself from being sued because of a supervisor's sexually harassing behaviors.

Figure 1 helps us examine the importance of the organization's norms in supporting or blocking sexual harassment. For the sake of conceptual clarity, we will view an organization's policy on sexual harassment as being one of two alternatives. One dimension asks if the public agency has established a formal policy defining sexual harassment that creates expectations about acceptable conduct for employees and explains the grievance procedures for dealing with it. The second dimension asks if the departmental norms condone or condemn sexual harassment. This dimension suggests that the organization's informal norms range from tacit approval of sexual harassment to condemnation of sexually discriminating acts.

In boxes 1 and 2 the informal norms of the department will influence how male supervisors relate to female employees. In box 1 the organization has a clear policy concerning sexual discrimination, but the informal norms of the department condone sexual harassment. If the aggressor sexually harasses an employee, the lack of support for the formal policy supports his actions. In box 2 the organization's policy condemns sexual harassment, and the informal norms of the department support this policy. Sexual harassment would be less likely to occur in this department.

In box 3, again the informal norms of the department create conditions for sexual harassment that are supported by the absence of a formal policy. Here the organization acts clearly as an implicit ally to the sexual harasser and the informal norms of the division condone sexual harassment. In this case, the victim probably will go outside the organization to get help with her concern.

In contrast, box 4 pictures a situation in which the organization does not have a formal policy concerning sexual harassment but the informal norms of the department condemn sexual harassment. In this work setting, the informal norms would pressure its members to avoid acts of sexual harassment.

**V—**

**What Can Be Done about Sexual Harassment?**

The recent court cases dealing with sexual harassment clearly emphasize the responsibility of organizations dealing with respect to sexual harassment. The law holds organizations accountable for

		Agency policies defining sexual harassment	
		No	Yes
Departmental norms condoning sexual harassment	No	4	1
	Yes	3	2

Figure 1  
Departmental norms and agency policy.



exercising reasonable care to prevent sexual harassment from occurring and reacting quickly to complaints of sexually harassing behavior. Although the victim is still responsible for exploring all avenues for addressing the harassment and taking steps to prevent harm, the courts place increasing responsibility on organizations to prevent sexual harassment or, if it does occur, to ensure it is dealt with in a timely and effective manner. Organizations may be able to mitigate their damage if they can demonstrate that they took preventative actions or responded effectively.

To decrease the reported incidents of sexual harassment, organizations can employ several strategies. These strategies effectively serve to reinforce organizational norms that prohibit sexual harassment and support a workplace of sexual equality. Supervisors and managers must model the way for other employees. Setting the example from the top down sets the standards for other employees. Training is an effective tool for increasing employee awareness of sexual harassment and the position of the organization with respect to sexual harassment. Organizations can ensure the effectiveness of their training by assessing employees' comprehension and providing ongoing refresher courses (Moore and Bradley, 1997).

Organizations are well advised to assess the level of risk that sexual harassment may occur in the workplace through appropriate surveying activities that identify attitudes and behaviors associated with sexual harassment. Figure 2 presents high- and low-risk potential for sexual harassment in an organization. A score of 1 on the scale suggests a high potential for sexual harassment to occur in the organization. In contrast, a score of 5 suggests a low potential because employees are well informed and knowledgeable about sexual harassment. They also understand its consequences, how to respond in cases in which it occurs, and the company's unwritten view of sexual harassment.

Alternatively, a questionnaire could evaluate employees' knowledge of the definition of sexual harassment, the consequences, process for reporting, and the company policy on sexual harassment. Such tools provide information to the organization regarding the level of risk and knowledge surrounding sexual harassment and should guide preventative actions by the organization. Such preventative actions could include mandatory training programs, communication packages, reporting procedures, and encouragement to address sexual harassment sooner rather than later.

How organizations deal with complaints of sexual harassment is also important. Clearly organizations would be wise to follow up on any complaints with prompt, confidential investigations

High potential for sexual harassment	1	2	3	4	5	Low potential for sexual harassment
No individual awareness or organizational policy on sexual harassment						Clearly defined policy
Demeaning attitudes toward opposite sex tolerated						Policy widely communicated and well understood
Can't identify/define sexual harassment						Concerns and reports responded to promptly
No response to concerns, reports of sexual harassment						Strong cultural norm against any behavior that may be construed as sexually harassing employees
Failure to model appropriate behavior by senior						Disciplinary action clearly understood and prohibitive
Lack of consequences or awareness of them						

Figure 2  
Scheme of a questionnaire defining potential for sexual harassment.

(Moore and Bradley, 1997). Current legal trends increasingly push organizations into untenable situations, however. As organizations attempt to avoid liability, considerable incentives exist to deny the occurrence of any form of harassment. Because the courts are increasingly holding employers strictly liable for sexual harassment, the motivation to avoid stiff monetary penalties may encourage employers to minimize complaints of sexual harassment. Such an approach communicates a message to employees that sexual harassment is acceptable conduct or that the organization doesn't want to hear about it or deal with it.

Alternatively, employers, equally eager to avoid significant claims, may react strongly by firing accused harassers. Recent wrongful dismissal cases brought against these employers have left several organizations paying damages to both the accused and the victim, however. Clearly, it is in all organizations' best interests to prevent any form of sexual harassment from occurring in the first place. When complaints arise, organizations must conduct timely, confidential, and thorough investigations to address these complaints, avoid liability, and ensure a work environment based on equality.

Sexual harassment will occur in the workplace, however, organizations can take steps to minimize the frequency of sexual harassment and the associated risks to their employees when they occur.

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32—

## A Statement of Values and Ethics by Professionals in Organization and Human Systems Development

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I—

### Preamble

Organization and Human Systems Development (OD-HSD) is a professional network or community of professions whose practice is based on the applied behavioral sciences, a human systems perspective, and both human and organizational values. As OD-HSD professionals we seek to promote and facilitate the process by which human beings and human systems live and work together for their mutual success and well-being. Our purpose is to promote a widely shared learning and discovery process dedicated to the vision of people living meaningful, productive, good lives in ways that simultaneously serve them, their organizations, their societies, and the world.

II—

### Nature and Purposes

For OD-HSD to exist as a profession, substantial consensus is necessary within the profession about its primary beliefs, values, and ethics. The process of co-creating this Statement is a means of establishing such consensus, but it is important to remember that *this Statement is not our primary objective. It is only a means to increase ethical consciousness and practice throughout our profession.*

This Statement is an *aspirational* guide, a specification of ideals toward which we strive. For a more detailed description and explanation of our professional norms, see the Annotated Statement in the book by Gellermann, Frankel, and Ladenson.

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Reprinted from W. Gellermann, M. S. Frankel, and R. F. Ladenson, *Values and Ethics in Organization and Human System Development: Responding to Dilemmas in Professional Life*, San Francisco, Jossey-Bass, 1990, pp. 372–388, Notes are omitted.

The purposes of this Statement are to (1) increase our professional and ethical consciousness and our sense of ethical responsibility, (2) guide us in making more informed ethical choices, and (3) help our profession function more effectively.

We intend this Statement as a resource to help us make responsible, informed choices about our behavior by helping us to be clear about our:

- Vision, since it enhances our sense of common purpose
- Beliefs, since they affect our ability to see the truth
- Values, since they are the essential element underlying our choices
- Moral rules and ideals, since they are fundamental to our being responsible members of the human community
- Ethical principles, since they provide general guidance for our choices
- Ethical guidelines, since they provide more specific guidance in the kinds of situations we encounter as OD-HSD professionals

Using the Statement as a guide involves living consistently within its spirit and not just its words, particularly in ambiguous situations in which the good or right thing to do is not clear.

Because we view ethical practice as continuing and developmental, we encourage all OD-HSD professionals to use the Statement as a resource in 1) reflecting on their own values and ethics, ethical problems, and problem resolutions, and 2) communicating about the results of their reflection with other OD-HSD professionals and, when appropriate, with their clients.

### III—

#### Beliefs

As OD-HSD professionals, we recognize the fundamental importance of the following beliefs, which guide our practice and provide context for our ethics. We believe that:

##### 1. *Human beings* are:

- a. Equally worthy regardless of race, creed, age, nationality, gender, ability, socioeconomic status, or any other attribute that distorts people's perceptions of their essential equality
- b. Rightfully entitled to equal opportunity in their lives
- c. Interdependent economically, politically, socially, culturally, and spiritually
- d. Rightfully responsible for taking charge of their own lives, functioning autonomously and interdependently, and for controlling and facilitating their own growth

##### 2. *Human Systems*—including individuals, groups, organizations, communities, countries, and transnational systems—are:

- a. Interdependent economically, politically, socially, culturally, and spiritually
- b. Unique configurations of human energy—derived from needs, desires, beliefs and values, purposes and visions, goals, talents, and resources—shaped by tensions among system, subsystem, and macrosystem dynamics
- c. Open systems whose actions influence and are influenced by a variety of stakeholders

##### 3. *Human beings and human systems* are:

- a. Interdependent and therefore positively or negatively affect one another's lives, survival, productivity, and growth
- b. Interdependent with the earth's ecosystems
- c. Responsible for living in harmony with all beings to ensure a sustainable future.

### IV—

#### Values

We acknowledge the following values or *standards of importance* as the foundation of our ethics as OD-HSD professionals:

### 1. Fundamental values

- a. *Life and the quest for happiness*: people respecting, appreciating, and loving the experience of their own and others' being while engaging in the search for and the process of cocreating "good" life
- b. *Freedom, responsibility, and self-control*: people experiencing their freedom, exercising it responsibly, and being in charge of themselves
- c. *Justice*: people living lives whose results are fair and equitable

### 2. Personal and interpersonal values (may also be larger system-level values)

- a. *Human potential and empowerment*: people being healthy and aware of the fullness of their potential, realizing their power to bring that potential into being, growing into it, living it, and generally doing the best they can, both individually and collectively
- b. *Respect, dignity, integrity, worth, and fundamental rights of individuals and other human systems*: people appreciating one another and their rights as human beings, including life, liberty, and the quest for happiness
- c. *Authenticity, congruence, honesty and openness, understanding, and acceptance*: people being true to themselves, acting consistently with their feelings, being honest and appropriately open with one another (including expressing feelings and constructively confronting differences), and both understanding and accepting others who do the same
- d. *Flexibility, change, and proaction*: people changing themselves on the one hand and acting assertively on the other in a continuing process whose aim is to maintain or achieve a good fit between themselves and the external reality within which they live

### 3. System values (may also be values at personal and interpersonal levels)

- a. *Learning, development, growth, and transformation*: people growing in ways that bring into being greater realization of their potential, individually and collectively
- b. *Whole-win attitudes, cooperation-collaboration, trust, community, and diversity*: people caring about one another and working together to achieve results that are good for everyone (individually and collectively), experiencing the spirit of community and honoring the diversity that exists within community
- c. *Widespread, meaningful participation in system affairs, democracy, and appropriate decision making*: people participating as fully as possible in making the decisions that affect their lives
- d. *Effectiveness, efficiency, and alignment*: people achieving desired results with an optimal balance between results and costs, and doing so in ways that coordinate the energies of systems, subsystems, and macrosystems—particularly the energies, needs, and desires of the human beings who comprise those systems

V—

#### **Ethics:**

#### **Principles, Moral Rules and Ideals, and Justifying Violations**

We commit ourselves to the following *standards of behavior*.

A—

#### ***Fundamental Principle (Elements of a Meta-Principle Underlying All Our Ethics)***

Act so that we would be willing to universalize the principles underlying our action and live with the consequences of our action if everyone else were to act in accord with its underlying principles.

B—

#### ***Moral Rules and Ideals***

Morals (rules and ideals) are ethics aimed at minimizing harm or evil. We believe they are fundamental to living responsibly as members of the global human community.

1. *Moral rules*. Do not harm: do not kill, cause pain, disable, deprive of freedom, deprive of pleasure, deceive, cheat, break promises, disobey the law, or fail to do our duty.
2. *Moral ideals*. Prevent (or do those things that will lessen) harm suffered by anyone: prevent death, pain, disability, deprivation of freedom, deprivation of pleasure, deception, cheating, breaking of promises, disobeying of the law, and neglect of duties.

**C—**

### ***Justification of Moral-Ethical Violations***

We recognize that violation of ethical standards (including morals) may be justified under certain conditions because such violation is required to minimize harm or to serve most fully the ideals represented by our values and ethics as a whole.

Justifying violation of morals and other ethical standards involves such considerations as: the standards violated; the harm avoided, prevented, or caused and the good promoted; the kinds of good or harm; their seriousness, duration, and probability of occurring; the number of people who will suffer or benefit; and the distribution of the benefit and suffering. In seeking to balance all of these considerations, we seek to serve the "greatest good of the whole," which includes valuing the "good of the individual" and respecting individuals' rights.

In considering possible ethics violations, we are guided by the following:

1. Do not violate moral rules without clear *moral* justification.
2. Do not violate moral ideals, ethical principles, or ethical guidelines without appropriate, clear, *ethical* justification.

**D—**

### ***Ethical Principles***

1. Serve the good of the whole.
2. Do unto others as we would have them do unto us.
3. Always treat people as ends, never only as means, respect their "being," and never use them only for their ability to "do"; treat them as persons and never as objects.
4. Act so we do not increase power by more powerful stakeholders *over* the less powerful.

**VI—**

### **Ethics: Guidelines for Practice**

We commit ourselves to acting in accordance with the following guidelines:

#### I. Responsibility to Ourselves

- A. Act with integrity; be authentic and true to ourselves.
- B. Strive continually for self-knowledge and personal growth.
- C. Recognize our personal needs and desires and, when they conflict with other responsibilities, seek whole-win resolutions.
- D. Assert our own interests in ways that are fair and equitable to us as well as to our clients and their stakeholders.

#### II. Responsibility for Professional Development and Competence

- A. Accept responsibility for the consequences of our actions and make reasonable efforts to ensure that our services are properly used; terminate our services if they are not properly used and do what we can to see that any abuses are corrected.
- B. Develop and maintain our individual competence and establish cooperative relations with other professionals.
  1. Develop the broad range of our own competencies. These include:
    - a) Knowledge of theory and practice in
      - (1) Applied behavioral science generally
      - (2) Leadership, management, administration, organizational behavior, system behavior, and organization/system development specifically

- (3) Labor unions issues, such as collective bargaining, contracting, and quality of working life (QWL)
- (4) Multicultural issues, including issues of color and gender
- (5) Cross-cultural issues, including issues related to our own ethnocentric tendencies and to differences and diversity within and between countries
- (6) Values and ethics in general and how they apply to both the behavior of our client systems and our own practice
- (7) Other fields of knowledge and practice relevant to the area(s) within OD-HSD on which we individually concentrate

b) Ability to

- (1) Act effectively with individuals; groups; and large, complex systems
- (2) Provide consultation using theory and methods of the applied behavioral sciences
- (3) Cope with the apparent contradiction in applying behavioral science that arises when our "science" is too particular or too theoretical to be applicable or when our real approach is intuitive and not clearly grounded in science
- (4) Articulate theory and direct its application, including creation of learning experiences for individuals; small and large groups; and large, complex systems

2. Establish collegial and cooperative relations with other OD-HSD professionals. These include:

- a) Using colleagues as consultants to provide ourselves with feedback or suggestions about our own development and to minimize the effects of our blind spots
- b) Creating partnerships with colleagues to enhance our effectiveness in serving clients whose needs are greater than we can serve alone

C. Recognize our personal needs and desires and deal with them responsibly in the performance of our professional roles and duties.

D. Practice within the limits of our competence, culture, and experience in providing services and using techniques.

- 1. Neither seek nor accept assignments outside our limits without clear understanding by clients when exploration at the edge of our competence is reasonable.
- 2. Refer clients to other professionals when appropriate.
- 3. Consult with people who are knowledgeable about the unique conditions of clients whose activities involve specific areas in which we are inexperienced or not knowledgeable:
  - a) In special functional areas (such as marketing, engineering, or R&D)
  - b) In certain industries or institutions (such as mining, aerospace, health care, education, or government)
  - c) In multicultural settings (such as when we practice in settings in which there is significant diversity in the race, ethnicity, or gender of the people involved)

E. Practice in cultures different from our own only with consultation from people native to or knowledgeable about those specific cultures.

III. Responsibility to Clients and Significant Others

A. Serve the long-term well-being of our client systems and their stakeholders.

- 1. Be aware of the beliefs and values relevant to serving our clients, including our own, our profession's, our culture's, and those of the people with whom we work (personal, organizational, and cultural).
- 2. Be prepared to make explicit our beliefs, values, and methods as OD-HSD professionals.
- 3. Avoid automatic confirmation of predetermined conclusions about the client's situation or what needs to be done by either the client or ourselves.
- 4. Explore the possible implications of any OD-HSD intervention for all stakeholders likely to be significantly affected; help all stakeholders while developing and implementing OD-HSD approaches, programs, and the like, if they wish help and we are able to give it.
- 5. Maintain balance in the timing, pace, and magnitude of planned change so as to support a mutually beneficial relationship between the system and its environment.

B. Conduct any professional activity, program, or relationships in ways that are honest, responsible, and appropriately open.

1. Inform people with whom we work about any activity or procedure in which we ask their participation.
  - a) Inform them about sponsorship, purpose and goals, our role and strategy, costs, anticipated outcomes, limitations, and risks.
  - b) Inform them in a way that supports their freedom of choice about their participation in activities initiated by us; also acknowledge that it may be appropriate for us to undertake activities initiated by recognized authorities in which participants do not have full freedom of choice.
  - c) Alert them to implications and risks when they are from cultures other than our own or when we are at the edge of our competence.
  - d) Ask help of the client system in making relevant cultural differences explicit.
2. Seek optimum participation by people with whom we work at every step of the process, including managers, labor unions, and workers' representatives.
3. Encourage and enable people to provide for themselves the services we provide rather than foster continued reliance on us; encourage, foster, and support self-education and self-development by individuals, groups, and all other human systems.
4. Develop, publish, and use assessment techniques that promote the welfare and best interests of clients and participants; guard against the misuse of assessment techniques and results.
5. Provide for our own accountability by evaluating and assessing the effects of our work.
  - a) Make all reasonable efforts to determine if our activities have accomplished the agreed-upon goals and have not had other undesirable consequences; seek to undo any undesirable consequences, and do not attempt to cover them up; use such experiences as learning opportunities.
  - b) Actively solicit and respond with an open mind to feedback regarding our work and seek to improve our work accordingly.
6. Cease work with a client when it becomes clear that the client is not benefiting or the contract has been completed; do not accept or continue work under a contract if we cannot do so in ways consistent with the values and ethics outlined in this Statement.

C. Establish mutual agreement on a fair contract covering services and remuneration.

1. Ensure mutual understanding and agreement about the services to be performed; do not shift from that agreement without both a clearly defined professional rationale for making the shift and the informed consent of the clients and participants; withdraw from the agreement if circumstances beyond our control prevent proper fulfillment.
2. Ensure mutual understanding and agreement by putting the contract in writing to the extent feasible, yet recognize that:
  - a) The spirit of professional responsibility encompasses more than the letter of the contract.
  - b) Some contracts are necessarily incomplete because complete information is not available at the outset.
  - c) Putting the contract in writing may be neither necessary nor desirable.
3. Safeguard the best interest of the client, the professional, and the public by making sure that financial arrangements are fair and in keeping with appropriate statutes, regulations, and professional standards.

D. Deal with conflicts constructively and minimize conflicts of interest.

1. Fully inform the client of our opinions about serving similar or competing organizations; be clear with ourselves, our clients, and other concerned stakeholders about our loyalties and responsibilities when conflicts of interest arise; keep parties informed of these conflicts; cease work with the client if the conflicts cannot be adequately resolved.
2. Seek to act impartially when involved in conflicts among parties in the client system; help them resolve their conflicts themselves, without taking sides; if it becomes necessary



to change our role from that of impartial consultant, do so explicitly; cease work with the client if necessary.

3. Identify and respond to any major differences in professionally relevant values or ethics between ourselves and our clients; be prepared to cease work, with explanation of our reasons, if necessary.

4. Accept differences in the expectations and interests of different stakeholders and realize that those differences cannot always be reconciled; take a whole-win approach to the resolution of differences whenever possible so that the greatest good of the whole is served, but allow for exceptions based on more fundamental principles.

5. Work cooperatively with other internal and external consultants serving the same client systems and resolve conflicts in terms of the balanced best interests of the client system and all its stakeholders; make appropriate arrangements with other internal and external consultants about how to share responsibilities.

6. Seek consultation and feedback from neutral third parties in cases of conflict involving ourselves, our clients, other consultants, or any of the systems' various stakeholders.

E. Define and protect confidentiality in our client relationships.

1. Make limits of confidentiality clear to clients and participants.

2. Reveal information accepted in confidence only to appropriate or agreed-upon recipients or authorities.

3. Use information obtained during professional work in writings, lectures, or other public forums only with prior consent or when disguised so that it is impossible from our presentations alone to identify the individuals or systems with whom we have worked.

4. Make adequate provisions for maintaining confidentiality in the storage and disposal of records; make provisions for responsibly preserving records in the event of our retirement or disability.

F. Make public statements of all kinds accurately, including promotion and advertising, and give service as advertised.

1. Base public statements providing professional opinions or information on scientifically acceptable findings and techniques as much as possible, with full recognition of the limits and uncertainties of such evidence.

2. Seek to help people make informed choices when they refer to statements we make as part of promotion or advertising.

3. Deliver services as advertised and do not shift without a clear professional rationale and the informed consent of the participants or clients.

IV. Responsibility to the OD-HSD Profession

A. Contribute to the continuing professional development of other practitioners and of the profession as a whole.

1. Support the development of other professionals by various means, including:

a) Mentoring with less experienced professionals

b) Consulting with other colleagues

c) Participating in reviews of others' practices

2. Contribute to the body of professional knowledge and skill, including

a) Sharing ideas, methods, and findings about the effects of our work

b) Keeping our use of copyright and trade secrets to an appropriate minimum

B. Promote the sharing of professional knowledge and skill.

1. Grant use of our copyrighted material as freely as possible, subject to a minimum of conditions, including a reasonable price based on professional as well as commercial values.

2. Give credit for the ideas and products of others.

3. Respect the rights of others in the materials they have created.

C. Work with other OD-HSD professionals in ways that exemplify what the OD-HSD profession stands for.

1. Establish mutual understanding and agreement about our relationships, including purposes and goals, roles and responsibilities, fees and income distribution.

2. Avoid conflicts of interest when possible and resolve conflicts that do arise constructively (following guidelines similar to Guideline III.D).

D. Work actively for ethical practice of individuals and organizations engaged in OD-HSD activities and, in case of questionable practice, use appropriate channels for dealing with it.

1. Discuss directly and constructively when feasible.
2. Use other means when necessary, including:
  - a) Joint consultation and feedback (with another professional as a third party)
  - b) Enforcement procedures of existing professional organizations
  - c) Public confrontation

E. Act in ways that bring credit to the OD-HSD profession and with due regard for colleagues in other professions.

1. Act with sensitivity to the effects our behavior may have on the ability of colleagues to perform as professionals, individually and collectively.
2. Act with due regard for the needs, special competencies, and obligations of colleagues in other professions.
3. Respect the prerogatives and obligations of the institutions or organizations with which these colleagues are associated.

#### V. Social Responsibility

A. Accept responsibility for and act with sensitivity to the fact that our recommendations and actions may alter the lives and well-being of people within our client systems and within the larger systems of which they are subsystems.

B. Act with awareness of our own cultural filters and with sensitivity to multinational and multicultural differences and their implications.

1. Respect the cultural orientations of the individuals, organizations, communities, countries, and other human systems within which we work, including their customs, beliefs, values, morals, and ethics.
2. Recognize and constructively confront the counterproductive aspects of those cultures whenever feasible, but with alertness to the effects our own cultural orientation may have on our judgments.

C. Promote justice and serve the well-being of all life on earth.

1. Act assertively with our clients to promote justice and well-being, including:
  - a) Constructively confronting discrimination whenever possible
  - b) Promoting affirmative action in dealing with the effects of past discrimination
  - c) Encouraging fairness in the distribution of the fruits of the system's productivity
2. Contribute knowledge, skill, and other resources in support of organizations, programs, and activities that seek to improve human welfare.
3. Accept some clients who do not have sufficient resources to pay our full fees and allow them to pay reduced fees or nothing when possible.
4. Engage in self-generated or cooperative endeavors to develop means for helping across cultures.
5. Support the creation and maintenance of cultures that value freedom, responsibility, integrity, self-control, mutual respect, love, trust, openness, authenticity in relationships, empowerment, participation, and respect for fundamental human rights.

D. Withhold service from clients whose purpose(s) we consider immoral, yet recognize that such service may serve a greater good in the longer run and therefore be acceptable.

E. Act consistently with the ethics of the global scientific community of which our OD-HSD community is a part.

Finally, we recognize that accepting this Statement as a guide for our behavior involves holding ourselves to standards that may be more exacting than the laws of any countries in which we practice, the ethics of any professional associations to which we belong, or the expectations of any of our clients.

33—

## Issues in Ending Consultancies

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Endings of consulting projects demarcate a critical transition from the joined, collaborative work of a consultant and a client to the client's continued work alone on the issues that were the focus of the consultancy. Despite the importance of endings, they have not been the focus of study in consultation, especially in comparison to the literature on termination in psychotherapy, family therapy, and study of endings in groups. Given the aim of consultation to develop the competence of the client system to cope with the critical issues it faces, we need to understand the dynamics that surround endings to explore what forces may interfere with the effective follow-through on the results of a consultancy. This chapter draws on the endings literature in some other fields to suggest questions and issues for the ending of consulting projects. There is particular focus on final reports because they are unique to consultancies. Often final reports are used unconsciously by both consultant and client in a pairing dynamic that results in unrealistic hopes for the anticipated report and excessive disappointment when it is finally completed.

I—

### Why Are Endings Neglected?

Endings are critical transitions in consulting or action research projects because of the explicit goal in such work to increase the competence of client organizations to diagnose and solve their problems on their own. Even in projects performed in an "expert" consulting mode, it is necessary for the client to make use of the advice after the consultancy is over. Therefore, we need to know much more about how clients and consultants choose to end a project or work relationship and what happens when the consultant departs. As Levinson et al. (1972) note: "The way in which it [the closure phase] is handled will be the most significant influence determining whether the client will proceed to work further on the issues discerned" (p. 495).

Despite their importance, endings in consultation are woefully underexamined, especially in contrast to the voluminous literature on entry and contracting. Possible reasons for the limited study of endings are the following.

1. *Denial*: At the broadest level, the sadness occasioned by endings is denied through not confronting the separate futures for the parties involved.
2. *Continuation anxiety*: In endings, consultants face issues of appraisal of the work as well as anxiety about possible continuation. Recommendations that call for further work that only the consultant can do are frequently the source of humorous barbs about consulting. Even if both consultant and client agree that additional work is not appropriate at this time there may be feelings of failure on the part of the consultant because of the role of repeat business as a measure of success. Therefore, many endings of projects are framed in terms of the end of a phase, with both parties colluding in a generalized promise of future work together to avoid confronting the ending and the issues of disappointment that might be

present on both sides. Even when there is likely to be ongoing work, I would argue that the joint flight to the future phases is often a way of avoiding the ending of current work. As Miller (1985) notes: "The future can be used as a defense against engaging with the present; and the primary task in the present may become to make a future relationship. The consultant who is protecting prospective relationships with clients is less available for rigorous scrutiny of the here and now" (p. 396).

3. *Nonobjectivity*: Finally, from a research point of view, the consultant is not in a position to reflect on endings of his or her work because that research would require access to both parties of the relationship. Attempts on the part of the consultant to assess the work and to inquire about the postdeparture behavior of the organization are often viewed as self-serving—as either requests for validation that the work was valuable, or attempts to market new work. Schein (1969) suggests a ground rule that it should be the client who will initiate future contact "to guard against these attributions" (p. 131).

In my research and consulting organization, we first stumbled on our difficulties with endings of projects through a group meeting on the design of a final week of a year-long executive development project. We were unusually incompetent in designing the week, especially as we thought about the final day of the session. Once we surfaced our denial of the ending of many satisfying personal and professional relationships, we were able to work more effectively. From that experience, we began to scan endings of other projects, ranging from short organizational diagnostic engagements to longer action research projects. In many cases, we felt that the endings had been handled ineffectively.

At the behavioral level, we saw many endings surrounded by ambiguity in terms of when the project really ended. Did the projects end because funds ran out or because the objectives had been accomplished? What was the meaning of the frequency of no-cost extensions and cost overruns? Did the project end with an on-site meeting and discussion of a report, with the submission of a final report, or with the closeout of the financial relationships?

There were other patterns that suggested avoidance of acknowledging an ending. Project files often remained in the disorganized pile that had resulted from the final push to complete a report. We noticed the speed with which we psychologically shifted to new projects, much preferring the optimism and excitement of new relationships and activities to working through unresolved aspects of the old work. Despite our knowledge of the importance of debriefings on closed projects, we rarely found the time for such discussions. Endings surface issues that remained unresolved and perhaps even unrecognized throughout the relationship between a consultant and a client. The forcing into awareness of these avoided issues—what might or should have been different—often leads to flight from dealing openly with endings.

As the issue of endings has been so limited in the consultation literature, this chapter draws on the literature of termination in psychoanalysis, family therapy, and groups to see what questions and issues they might suggest are present at the ending of a working alliance in an organizational context. The chapter discusses similarities and differences in endings of consultancies, identifying issues that need to be researched further. It concludes with an extended discussion of final reports as they are unique to consultancies yet play an active role in the relationship dynamics.

## II— Some Literature on Endings from Other Fields

There is a considerable literature on endings in various other contexts, including many approaches to psychotherapy and various types of groups. For this chapter, three are considered: psychoanalysis, family therapy, and group workshops. However, it would be fruitful to make use of a broader sample of this literature in future research on endings in consultation.

Storr (1979) looks at the issue of termination in psychoanalysis and first dispels the myth of the "normal" person (self-realized, integrated, etc.) as a criterion. However, he contends that there is considerable consensus, even among different thinkers, when the criterion is reframed as "getting

better." Storr notes that "[A]ll these [Jung, Rogers, Szasz, Winnicott, Fairbairn] formulations have in common the idea that change and development is part of human existence, and that when people feel that they are changing and developing, they are living satisfactorily" (p. 164). Consistently, Fromm-Reichmann (1950) suggests these important indicators of when to end: the reduction of distortion in the relationship to the therapist, both positive and negative; an increased capacity to see people and situations as they are rather than as shadows of their past experiences; and an ability to cope with conflicts and anxiety without assistance.

In the family systems therapy literature, there exists the same imbalance as in organizational work in focusing on entry, joining, and contracting in contrast to the issues of disengaging and ending. Carl Whitaker (Napier and Whitaker, 1972) noted: "Nobody writes about ending. I suspect because everyone feels guilty about it. And because it is painful."

Lynn Hoffman (1981, pp. 330–332) noted that many endings of family therapy may involve the therapist becoming the scapegoat for the family as "the price of change." She theorizes that the therapist may substitute for the prior strategies of the family to exclude one of its members: "How else to account for the amazing indifference families display toward a therapist or team after the problem has dropped away, no matter how intensely all have been involved before." In this vein she notes Erickson's search for a "graceful exist" so that the relationship can end without the family feeling that the therapist has triumphed. In contrast to conventional therapy, which sees the termination as intimately linked to the resolution of the transference, these methods seek to have the changes take place away from the therapist. Often a final tactic—"the paradoxical imperative"—in this type of work is for the therapist to question the stability of the client's change or bet that it will not last as a way of reinforcing the patient's ownership of the change.

Both Bowen (1978) and Hoffmann (1981) prefer to think of coming to a "recess," with easy reentry around new transitions or crises, rather than imagining that the family has the skills that it needs for future challenges. Alternatively, some models of brief family therapy with a primary focus on the presenting problem often specify an ending at the outset to motivate family progress.

In study group workshops, Rice (1975) discusses endings via the use of application groups with their primary task as linking workshop learnings to members' work organizations. He notes that the ending issues dominate and distort that task: "Application groups . . . have to provide an opportunity to deal with the mixture of depression, elation, and anxiety that accompanies the loss of what have become valued human experiences. They are intended to deal with the let-down within the conference rather than leave it all until after the conference is over, when members have neither each other nor the staff to help them" (p. 146). Rice notes that the avoidance of ending often pulls the consultant back into recreating a study group.

As people move outward to their organizations, they become anxious about reports that they will have to give of their experiences to their work colleagues. Trist and Sofer (1959) noted that participants tried to draw staff into helping them prepare for these encounters. As they felt inadequate to carry the learnings back and apply them, they felt let down and became tempted "to reject what had been gained because everything had not been gained" (p. 44).

Many of the textbooks and general references on groups give considerable attention to the final steps of a group and termination/postgroup issues. For example, Corey and Corey (1982) discuss these issues under the following categories: consolidation of learnings, dealing with feelings of separation, dealing with unfinished business, practice for behavior change and transfer of learnings to the organizational context beyond the group setting, giving and receiving feedback reviewing the group experience, ways of carrying learning further, and evaluating the impact of the group in a personal way. Each of these issues seems to have direct relevance to consulting endings.

Although not writing specifically about group relations workshops, Segal (1985) captures nicely the dilemma of the ending boundary of such experiences. He notes: "We must be able to hold on to good experiences without destroying the memory of them the minute they are past. We must also be able to tease out the goodness in a mixed experience without spoiling it either by too much emphasis on the bad or by 'blowing it up' and trying to pretend that the bad was not there too" (p. 76). Often endings are the occasion for irrational spoiling of the good work as a way of not having to follow through.

### III—

#### Similarities and Differences in Ending of Consultancies

Consulting projects vary in the intensity of interpersonal relationships. For example, organizational role counseling (Reed, 1976) can be close to a therapeutic encounter with the structure of regular office visits. At the other extreme, when consultants are simply hired as extra experts for a technical task, the interpersonal aspects may be rather unimportant. However, for action research and organizational development projects the relationship issues are critical. The similarities and applicability of learnings from therapeutic endings are greatest for consulting projects in which the interpersonal and relationship dimensions are important.

Argyris (1970) discusses terminating an ineffective relationship but does not discuss ending in the context of successful work. His criterion for ending a consultancy is the unwillingness of the client to work on his or her problems. Consistent with his approach, he presents to the client his data on the statements and actions of the client that indicate unwillingness in as verifiable a way as possible, focusing on the dilemma that the incongruity of the client's public and private statements cause for the consultant. His aim is to discuss the issues related to ending in a way that both parties can decide freely, based on valid information. He notes the likelihood that the client will experience the discussion of termination as a hostile act, implying that: "the interventionist sees their system as being unchangeable and hopelessly unable to make progress . . . rejecting them . . . implying that he [the interventionist] is a better individual than any of them" (p. 346). Argyris suggests that the consultant fully explore his or her contribution to the failure. Although Argyris does not discuss it, the reverse situation of a client terminating a consultancy because he or she perceives it to be ineffective may lead to the same feelings on the part of the consultant. Clearly, endings that are initiated by only one of the parties will have a different dynamic than those that are mutually agreed on or are specified by the completion of a phase of the work.

Levinson et al. (1972) devote a chapter to feedback of a report, noting the intensity of the emotions that can surround hearing a diagnosis of their system. They counsel focusing on strengths, ensuring that the recommendations are within the capacities of the executive and the organization. They propose a structured sequence to deal with the "powerful feelings . . . guilty for having squealed . . . attacked . . . deserted . . ." (p. 500) that are stirred up by providing a diagnosis. The consultant first reads the report to the sponsoring executive, and then lets the executive reread it in the evening prior to a meeting the next day, during which a more balanced discussion is likely. This method dampens the potential distortions that can arise in the relationship and helps the executive to receive and assimilate the report in a constructive way.

In the context of termination of consulting, as with therapy, the most important issue is the ongoing development of the organization without the consultant. Often, during a relationship, the consultant comes to serve as the organization's superego, motivating the organization to take the time to address the issues and to make the necessary changes. Sofer (1961, p. 154) notes how, in his experience,

a further element in sustaining the change initiated was . . . the relationship with myself . . . The group seemed to feel a commitment to me, and to feel that they would be letting me down or making themselves liable to reproaches from me if they did not persevere . . . I was being used as an index of real or imagined, higher or more moral, standards . . . they were able to use me as a split-off part of themselves that wanted the new situation or higher standards.

What is the fate of this effect of the consultant after the relationship is over? Much depends on whether there has been some working through such that the client has reclaimed the split-off parts and reintegrated them such that they are available in an ongoing way, without the continuous presence of the consultant. It is striking how an organization is often able to arrange its affairs to have a well-accepted high standard when a consultant is present, but is unable to do that without a consultant present. Part of the reason that the desire for higher standards is transferred to the consultant may have to do with a sense of its danger of being destroyed if it is kept within the organization—that the organization is so troubled and filled with destruction that it would overwhelm the positive parts of oneself. Trist (1988, personal communication) has suggested that coal workers put their badness into work systems; hence some of the resistance to changing these arrange-

ments is the risk of taking back these split-off parts. Conversely, good parts may be placed outside in idealized consultants. Such distortions at the end of a project would be contraindications of successful termination.

In our work we have often noticed how much an effect the visit of the consultant can have as a deadline for getting tasks accomplished. As Sofer (1961) observed, clients can often hold themselves accountable by using the consultant as a forcing mechanism. A colleague told me of a project in which he had noticed during a multi-year effort that the monthly meetings were the main driver of the client's work. Then, the third-year budget for consultation was reduced as part of a foundation budget-tightening strategy. In response, they developed the following innovative phase-out strategy. The consultants and clients contracted for the third year as if they would continue to have the monthly meetings, knowing that they only had the budget for half as many. The agreement was that the consultants would randomly cancel half of the meetings, but only at the last minute so that the clients would continue to have to prepare for each of the monthly meetings on the risk that the consultants would show up. Such weaning strategies may allow for better working through of the ending, allowing for some of the complicated feelings that Rice (1975) notes in the context of conference endings to be worked within the boundary of the consultancy.

Despite the similarities of consulting projects to psychotherapy in the importance of relationships, and their similar use of a normative model of health, there is a major difference in the duration of relationships. While most would agree that an interminable analysis is dysfunctional, a long ongoing relationship between an organization and consultant may be adaptive and very desirable—for example, Tavistock's relationship to Glacier.

In complex organizations, there are an infinite number of developmental issues that can be worked on. Therefore, the issue of termination may be relevant at the level of a project rather than the relationship to the organization. Schein (1987) notes that "expectations about termination in the clinical relationship [in contrast to ethnomethodographical work] focus on the client. The project is over when the client feels that enough help has been provided" (p. 34). In the process consultation model, Schein (1969) discusses termination in terms of "disengagement" and suggests that it usually is agreed on mutually by both parties, involvement is reduced but not to zero, and the door is always left open for additional work if the client desires it.

This model of ending most closely resembles Bowen's (1978) ending of coaching in family systems. Similarly, the sessions become less frequent rather than a discrete ending point, with the option of reengaging if the patient wishes. Schein's (1969) argument for the continued relationship is twofold. First, there may be errors in the mutual judgment about reduced involvement, so staying in contact allows easy adaptation to the unfolding situation. Second, Schein argues that a good working relationship between a consultant and client takes time to develop, hence should be regarded as a capitalized asset. If there is trouble, then the consultant can reengage quickly. In addition, the knowledge of the organization by the consultant may represent an asset in taking on new areas of development.

However, long-term relationships can also be pathological. Walton (1973), in reflecting on ethical issues, suggests that "perpetuating client dependency" is unethical when a consultant "creates and preserves a dependency relationship whereby the client's capacity for self-sufficiency is retarded." He notes that this may come about because of economic exploitation or psychological exploitation. Block (1981, p. 195) raises a similar issue in his discussion of ending a project. He explores the

trap of continuing to work with a manager after the real need for my services has passed. My objective all along has been for the client system to be able to do for themselves those things they were initially dependent on me to accomplish. Sometimes this actually happens. In one case, the manager and I enjoyed working together so much that we found ourselves trying to create projects and problems just for the sake of keeping me around. It was not a good feeling. When the project is over, be gone.

We do not know enough about a given organization's pattern of using consultants. Is an organization's successive use of several consultants similar to a patient shopping for a palatable diagnosis?

Under what circumstance do organizations reengage with a previous consultant vs. switch to a new one? Given that organizations often have multiple relationships with consultants, both simultaneously and over time, endings and beginnings may be linked in ways that differ from psychotherapy work.

One of the areas that is most different between endings of organizational consultants and therapies is the institution of the final report. Because of the significance of this difference, I want to explore it more fully.

#### IV—

#### Final Reports

This final section examines the dynamics that surround the preparation and receipt of a final report. My thinking on final reports was first stimulated by a struggle with a client over our report.

A state policy and planning agency (PPA) contacted us to assist with a retreat and self-study on why they had such difficulty in being more strategic and proactive. Despite their charter, they became mired down in the day-to-day operations of budget development and oversight. At the initial contracting meeting, I explained the distinction between facilitation and being an expert and explained that we would be in a facilitation mode, helping them develop and use their own insights to formulate concrete strategies to change their orientation. We got the contract. We interviewed the top deputies, and conducted a brief workshop with middle managers inside the agency. We interviewed legislators and secretaries of other state cabinet level departments outside of the agency. We presented back the interview data and facilitated a one-day workshop, which went very well. The Secretary was very pleased at the end and had assumed considerable leadership himself as the group began to look at next steps. At the end of the day, he commented on the need for them to think realistically about follow-up action items. It was agreed that we would write a report with recommendations and submit it in two weeks. We drafted the report and sent it a few days late. We then heard nothing from them; neither the Secretary or his Deputy would return our telephone calls. Finally, almost a month later, the Secretary returned a call and said how disappointed they were in the report: it was academic, and had not captured the spirit of the workshop.

Upon reviewing the report, there were clearly ways in which it could be improved and indeed there was off-putting academic jargon, but nothing sufficient to explain the strength of their disappointment. This led me to reflect on the other side of disappointment, their expectations for the report. I further began to examine the frequency of my own feelings of disappointment in final reports. I was struck with the relevance of Bion's (1961) conceptualization of two simultaneous levels of thinking: a work level and a basic assumption level. Bion postulates three modes of basic assumption functioning: fight-flight, in which the group acts as if there is an external enemy that must be fought or fled from; dependency, in which the group acts as if it is incapable of caring for itself and needs to be nurtured by the all-powerful leader; and pairing, in which the group is suffused with hope for an as yet unborn savior.

In the context of a consulting project, dependency is a major issue and has been discussed frequently with the aim of creating conditions in which the client can make free, informed choices for himself or herself (Argyris, 1970). However, when reflecting on the dynamics surrounding final reports, I was struck with the relevance of pairing. Bion (1961, pp. 16–17) describes pairing as follows:

[an] air of hopeful expectation . . . that some kind of a new community—an improved group—should be developed, and so on. These expressions tend to divert attention to some supposedly future event, but for the analyst the crux is not a future event but the immediate present—the feeling of hope itself. . . . For the feelings of hope to be sustained it is essential that the "leader" of the group, unlike the leader of the dependent group and of the fight-flight group, should be unborn. It is a person or an idea that will save the group—in fact from feelings of hatred, destructiveness, and despair, of its own or another group—but in order to do this, obviously the Messianic hope must never be fulfilled. Only by remaining a hope does hope persist.



Structurally an outside consultant and an organization come together around a presenting problem that usually contains difficulties for the group. The rationale for bringing in the outsider may signal an inability in the group to confront the internal problems (Gilmore and Krantz, 1986). In the joining that takes place during a consultancy or in a workshop setting, the valency for the basic assumption of pairing is high because both the consultant and the host have reasons for the fantasy that the event will create the hoped for future of a healthy group, without the painful and confrontative work to get there.

In this context, it is easy at the end of a workshop or a consultancy for the report to become the container of these feelings of hopefulness. Both the consultant and the participants place in the as yet unwritten report their positive feelings from the collaboration. In doing so, they avoid unpleasant issues in the present, especially difficult and painful choices that they may face without the presence of the consultant after the ending of the consulting relationship.

When the report is actually written, it can no longer serve the pairing basic assumption since, as Bion (1961) writes, "the Messianic hope must never be fulfilled." When written, the report is experienced by both the consultant and the participants as acutely disappointing. From the participant's side, the disappointment can easily turn to anger for not protecting the group from the difficult internal work they still face. From the consultant's side, an element of the disappointment stems from the use of a final report in fantasy as reparative for mistakes or failings during the consultancy and for failing to bring about the total transformation for which the consultant hoped. I can recall in working relationships, especially during workshops that are experiencing difficulty, beginning to focus on the final report even as the workshop is ongoing as a flight into the future. Conversely, final reports can be vehicles for punishing the client, by "piling recommendations on a system that clearly exceed its capacity or competence to hear and act on" (Levinson et al., 1972, p. 497).

Further evidence of the pairing basic assumption surrounding final reports is the endless revising of them that often occurs, either by the consultant alone or in collaboration with the client. The report is revised and reworked as if it will in some magical way be linked to real issues that the report addresses—a confusion of logical types. The effort to keep the report from being finished preserves hope, as did Penelope in the *Odyssey*, doing and undoing her tapestry while awaiting the hero's return. As long as it is undone, the hope of the hero remains; when it is finished, she must choose among the present suitors.

A—

### ***Reports As the Container of the Goodness of the Consultancy***

In another case, I have experienced a final report being used in a different dynamic between consultant and client. In this particular case, we had explicitly ruled out preparing such a document as inconsistent with our coaching approach. Rather, we had prepared many smaller working notes, discussion papers, and had facilitated two successful task forces around the two major issues with which the organization was wrestling.

As the resources for this project neared the end, a complicated issue arose over the information division that involved both technical issues of hardware and organizational issues of staffing and reporting level. In my negotiations with the president to undertake this work, I noted that this would consume the remaining resources in the contract, except for a final meeting. We further discussed that this type of work might become a model for an ongoing relationship, with us meeting periodically to help them appraise their progress and, on a specifically contracted basis, assisting them with specific projects which they lacked the internal skills to undertake on their own. As the president began to prepare for a board meeting at which he had to discuss the overall work with the consultant, he became anxious about his ability to convey to the board the value that he and the organization had received, and he requested that we write a final report. We refused but offered to help him write his report. Interestingly, our staff person deployed to write an assessment of the information services situation, in which both the president and I agreed that a report would be valuable, became blocked in getting her report in on time. When I sat down with her to see what the difficulties were, I discovered that she had been filled up by the president with his hopes to use this report as the deliverable that would satisfy his anxiety in meeting the board to discuss the value of the work. I believe that the president felt himself to be an inadequate container of the goodness of the ongoing

work and experience, which he regarded very positively. He therefore sought to have a report that would somehow capture permanently the value of the consultancy.

Clients' feelings about reports (especially anticipated ones) oscillate between lionization, as if the answer will be found there, and denigration—the proverbial report gathering dust on shelves. The instability in the value of a report may reflect the unworked-through character of the client-consultant relationship, for which it substitutes. By analogy from termination in psychotherapy, a report may represent continued distortions of the consultant. As Fromm-Reichmann (1950) suggest, a patient's attitude toward the therapist should become "increasingly true to fact," replacing the "oscillation of overdependence" and "spiteful negations of granting the psychiatrist any influence."

**B—**

### ***Consultant Fantasies over Final Reports***

There are also many opportunities for consultant distortions in thinking about endings and final reports. For example, in several cases I have written final reports that explicated a key dynamic in the organization to which I was consulting. In the final meeting to discuss the report, the dynamic has actually been enacted in ways that often help the organization see it more clearly than I have been able to achieve during the consultancy. In these instances, I have the fantasy that I have discovered *the key* to working effectively with the organization. Now that the consultancy is over, I would know what to do, if I could do it over again.

Part of the flight to new projects is the belief that there are learnings that one can apply; however, each situation is sufficiently different that the process repeats itself. I suspect that my insights are actually superior as we begin to disengage because I am getting perspective as the boundaries between myself and the client become clearer, yet I am unable to find those means during the ongoing encounter. Finally, having insights after something is over is a defense against having to risk acting on them if they had come into awareness during the consultancy. In this vein, final reports and certainly the writing from clinical projects can serve as a defense of intellectualization, taking the consultant away from the relationship and the attendant risks.

**V—**

### **Conclusion**

My aim has been to raise questions and identify some key issues about the management of endings in consulting projects. I think that we can learn, by analogy, from considering the termination literature in other fields. This chapter has explored in greater depth some of the ways in which final reports function as a container for issues in the client-consultant relationship.

In closing, I would suggest a research agenda in which we need to look at both ongoing relationships and endings over longer periods of time so that we can theorize about the adaptive and maladaptive uses of consultants in organizations. We need to better understand the conscious and unconscious dynamics that surround a single consultant with an interminable relationship with an organization vs. an organization that has a succession of different consultants over time. Which are healthy and developmental; which are maladaptive? Focusing on the actual transition of endings will throw light on many of the ongoing issues in consulting relationships.

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34—

## Alternative Models for Structuring Work

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To simplify a bit, two contrasting emphases in the structuring of collective action get attention here. Overall, Table 1 reflects some basic trends in the organizational challenges that are reflected in today's practice, and those probably will be exacerbated in the future. These trends are anchored in alternative emphases for organizing work.

I—

### Structuring Work and Four Polarities

Probable changes in organizational patterns consistent with such diverse technological trends can be described in terms of four polarities. Different times and technologies give different emphases to these four polarities:

Differentiation and integration  
Repression and wriggle room, or freedom to act  
Stability and newness  
Function and flow of work

These four polarities imply different basic structures for work, as four points establish. First, any organizing pattern reflects relative emphases on differentiation and integration. Following Paul R. Lawrence and Jay W. Lorsch (1967), differentiation can be defined in terms of the development among the several units of an organization—of "different formal reporting relationships, different criteria for rewards, and different control procedures." In summary, differentiation is defined in terms of "the difference in cognitive and emotional orientation among managers in different functional departments." Integration refers to "the quality of the state of collaboration that exists among departments that are required to achieve unity of effort by the demands of the environment" (pp. 10–11).

Although organizations of the future will increasingly emphasize integration, bureaucracy dominated over the first half of this century and it is rooted in differentiation, as these properties imply:

A well-defined chain of command that vertically channels formal interaction

A system of procedures and rules for dealing with all contingencies at work, which reinforces the reporting insularity of each bureau

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Modified from Robert T. Golembiewski, *Approaches to Planned Change*, vol. 2, New York: Marcel Dekker, 1979, pp. 35–43. For an update and expansion, see Golembiewski, 1995.

**TABLE 1** Two Contrasting Emphases in Organizing

<b>From Basic Emphasis on</b>	<b>To Growing Emphasis on</b>
Regularity in operations →	Creativity in concept; adaptability in execution
Programmed decisions →	Novel decisions
Stable and simple competencies, technologies, and market →	Volatile and complex competencies, technologies, and markets
Stop-and-go processing →	Continuous processing
Stable product lines, programs →	Volatile product lines, programs
Monolithic product lines, programs →	Variegated product lines, programs
Demands of hierarchy →	Demands of task, technology, profession
Departmental orientation →	System orientation
Expanding volume at central site →	Developing national and international field units

A division of labor based on specialization by major function or process that vertically fragments a flow of work

Promotion and selection based on technical competence defined consistently with the first three points above

Impersonality in relations between organization members and between them and their clients

More recently, integration has received increasing emphasis. The "system approach" and the computer underlay the major contemporary technical expressions of this integrative thrust. Behaviorally, integration implies meeting both human needs and technical demands at work.

Second, any pattern for organizing impacts on repression and "wriggle room"; that is, every structure intentionally limits behavior, but some structures do so significantly more than others. Increasingly, an emerging integrative emphasis seeks an organizational climate having the minimal constraints consistent with quality performance. This is the essence of the contemporary stress on management by objectives, as well as of job enrichment.

There is no mistaking the root cause of today's deemphasis on repression. Contemporary organizations reflect a growing need for an organic and evolving integration, as opposed to a mechanical structuring. The consequences are profound. In short, adherence to a mechanical system can be enforced, but commitment to an organic integration can only be elicited and encouraged. Put another way, the integrity of a stable and simple technology may be safeguarded by culling deviants. But changing and complex technologies require the careful husbanding of selected kinds of innovation or adaptability in a widening range of employees, hence the growing importance of wriggle room, or freedom to act.

The change in emphasis on repression and wriggle room may be characterized broadly, and with essential accuracy. The bureaucratic spirit is oriented toward developing a system to guard against humans at their worst, to preclude error or venality. Flows of work are fragmented as functions or positions or motions, and surplus repression is the glue used to pull them together. The integrative spirit, on the other hand, is oriented toward creating an environment in which humans can approach their productive best.

Costs must be paid whether the thrust is integrative or fragmenting, of course. The costs of the bureaucratic logic are repression and narrowed developmental opportunities; and the costs of freedom to act may be calculated in terms of lessened control over behavior, or of more complex decision-making processes which hopefully facilitate the implementing of decisions. Thus, integration constitutes no facile panacea. Rather, technological developments require that we cope with the costs of the integrative model because we can no longer, in general, bear the costs of the undiluted differentiating model.

Third, the relative emphasis on stability and newness also has profound implications for organization structures. The acceleration of newness has been described in many places, hence, the bare notice here that the all-but-overwhelming newness that is a trademark of our times is poorly served

by bureaucratic properties. In summary, the bureaucratic model better serves the trends listed in the left column of Table 1 than it meets those listed on the right.

Fourth, different emphases on the three polarities above imply different organization structures built around functions and flows of work, respectively. Illustrating this conclusion requires a major input.

## II— Two Alternative Models for Organizing

Demonstrating that different emphases on the polarities above will generate different organization structures is straightforward, if involved. To begin, take an easy case: the organization of three activities, A, B, and C, which when combined yield some product or service. Figure 1 presents the skeletal structure consistent with these four emphases: differentiation, repression, stability, and flow of work.

The ways in which the two structures reflect extreme emphases on the four polarities can be suggested briefly. For example, Figure 1 essentially puts the same or similar activities together in basic units of organization; that is, the model builds on departments differentiated by kinds of activities, usually called "functions" at high levels of organization and "processes" at lower levels. Relatedly, the narrow span of control is well designed to facilitate surplus repression in the details in operation; that is, the structure encourages centralization of decision making at the level of  $M_{ABC}$ , who alone can make reasonable decisions about the flow of work  $A + B + C$ . Hence, he alone controls a "managerial unit," the size of which is indicated by the broken-line circle. Finally, the model presumes a *stable* state. The underlying model implies a mechanical meshing of parts rather than of a dynamic flow of work.

Figure 2 presents one alternative structure consistent with the principal adaptations that have been made to the ongoing organizational revolution. These adaptive arrangements include: decentralization, project management, matrix overlays, independent profit centers, management by objectives, autonomous teams, and numerous other variations on the same central theme.

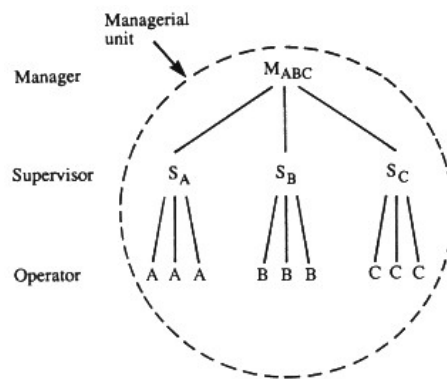


Figure 1

A structure consistent with values of bureaucracy: emphasis on differentiation, repression, stability, and function.

Underlying properties: authority is a vertical, or hierarchical, relation. Departments are organized around the same or similar activities, called "functions" at high levels of organization and "processes" at low levels (i.e., "like" activities are put together). Only a relatively small number of people should report directly to any superior.

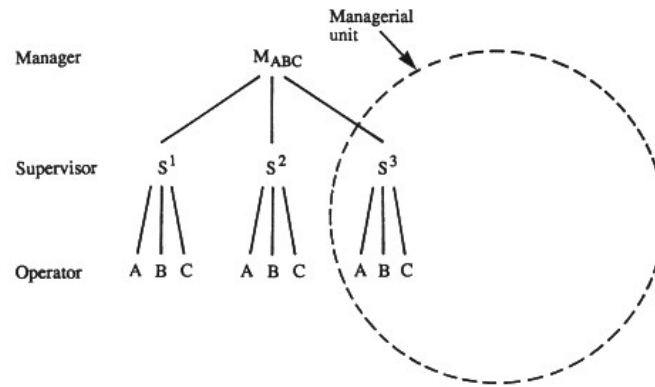


Figure 2

An alternative structure: emphasis on integration, wriggle room, change, and flow of work. Underlying properties: authoritative relations occur up, down, and across the organization, and all these vectors should be directed to similar goals by an effective structure. Departmentation reflects the flow of work (i.e., related activities are put together whether they are "like" or "unlike"). A relatively large number of people may report to any superior, given a structure that facilitates measuring performance.

As the Figure 2 model suggests, these adaptations stress integration, wriggle room, change, and flow of work. The compound conclusion will only be illustrated here. To begin, the unorthodox model organizes around integrative departments; that is, it groups together activities related in a total flow of work.

Other examples of the two structures exist in convenient sources (e.g., Golembiewski, 1979, vol. 2, pp. 52–94). They provide greater detail consistent with the brief sketches above.

There is a gentle way of reflecting the attractive characteristics of a Figure 2 structure which involves the sense of different systems of interaction introduced by another Golembiewski contribution in this volume—"Competence via Regenerative Systems." The notion of a degenerative interaction system involves a self-heightening model of four variables:

Low openness  
 Low owning  
 Low trust  
 High risk

Such degenerative sequences are at once one of the prime targets for change, one of the common products of a Figure 1 structure, and a major impediment to change. Evidence also suggests that Figure 2 structures tend to induce forces that reverse degenerative sequences, as well as to reinforce regenerative sequences.

Conveniently, a miniature argument sketches the fuller sense in which Figure 1 structures can encourage degenerative sequences. Consider only that  $A + B + C$  generate some product or discrete subassembly and consequently must collaborate. But individual supervisors are responsible only for A or B or C, and thus tend to be drawn into zero-sum competitive games that fragment the required integration. For example, the very act of departmentalizing in a Figure 1 structure around like or similar activities encourages we-vs.-they dynamics. Illustratively, powerful reasons encourage A's to identify in vertical cliques—reasons such as promotions, pay increases, and so on. And organization dilemmas often make the worst of these reasonable identifications. Thus, an  $S_A$  and an  $S_B$  could get

involved in a question over the allocation of some costs in dispute, and any resulting socioemotional disturbance would at once be reinforced by the fragmentation inherent in a Figure 1 approach to departmentation, while it also contributes to that fragmentation.

Such fragmenting tendencies in a Figure 1 structure imply reduced openness and owning between (for example) the units headed by  $S_A$  and  $S_B$ , which could lead to chronically low trust and paralyzing risk. The probabilities of such an outcome are increased by the problems of assessing validly and reliably the relative contributions to performance of A, B, and C, which issue plagues Figure 1 structures. The classic question is: How many A's are equal to how many B's? Appropriate standards are difficult to set and perhaps even harder to change, while they also involve major elements of arbitrariness. This combination encourages disputes because all parties can rightly claim much virtue for their positions.

Moreover,  $M_{ABC}$  in a Figure 1 structure may have a vested if paradoxical interest in reinforcing such degenerative sequences. Assume her (or his) interest is avoiding low output. Note also that low output can be preserved most safely only by the close cooperation of the three supervisors and their units. A certain measure of degenerative interaction between the Figure 1 units might seem a reasonable price to pay to avoid such an unwanted collaboration.

From many perspectives, then, Figure 1 structures often imply a high risk of trusting, of being open, and of owning one's ideas and feelings with those involved in the same flow of work.

Figure 2 structures trend oppositely. In a pure Figure 2 structure, performance of the units headed by  $S_1$ ,  $S_2$ , and  $S_3$  may be meaningfully compared, and at least some important elements such as productivity levels can be changed by the independent efforts of any individual work unit. This massive datum induces attractive relationships between  $A + B + C$  in each of the three supervisory units. The structure encourages integration of what needs to be integrated—the several activities and persons necessary to produce some product or service. If A and B in  $S_1$  are not open with one another, to bowdlerize the point, it could affect their mutual performance and consequently might come out of their combined hides.

Consider an approximate but powerful contrast. Tersely, it is risky in a Figure 2 structure not to be open, not to own, and not to trust those in the same flow of work. Tersely, also, it is risky in a Figure 1 structure for an individual to be open, owning, and trusting with all those in the same flow of work. The difference is awesome.

The same point can be made in many other ways. We-vs.-they relationships no doubt will exist in a Figure 2 structure among the units headed by  $S_1$ ,  $S_2$ , and  $S_3$ , but relationships among those units are not critical to performance, except where massive antagonism between the units exists. In Figure 2 structures, in contrast, the probable we-vs.-they relationships also should be integrative. It is by just such central tendencies that the Figure 2 structures induce more attractive consequences than the Figure 1 structures.

### III—

#### Some Major Consequences of Alternative Structures

Table 2 at once consolidates, builds on, and extends these illustrative differences between the two structural types. The exhibit has been adapted somewhat for present purposes, but it is faithful to the existing research literature or to reasonable inferences where that literature is lacking. This integrative thrust at the departmental level can also be extended to the operators, as through job rotation and job enlargement. In addition, the model seeks the *minimum control* consistent with end-item quality and quantity. The multiple opportunities for self-discipline and self-control built into the model, for example, reduce the need for external repression in tying individual needs to organizational goals. The key factors are teams that control a flow of work whose performance is easily and meaningfully comparable.

Implicitly, the role of higher management changes profoundly in a Figure 2 structure. The emphasis is on developing and monitoring measures of performance, and on responding to exceptions as that is necessary by training, by redefining policies, or by disciplinary action. Higher management in Figure 1 stands more oriented toward enforcing than eliciting, with catching someone doing something wrong.



**TABLE 2** Comparisons of the Consequences of Two Structural Types Using Selected Properties of Performance

Selected properties	Figure 1 structure functional model	Figure 2 structure flow-of-work model
1. Information overload	1a. Tends toward information overload at level of integrative managers like $M_{ABC}$	1a. Reduces information overload at level of managers like $M_{ABC}$
	1b. Lengthens the social and psychological distances between the points at which messages originate, at which decisions are made, and at which actions will be taken	1b. Shortens the distance between points at which messages originate, at which decisions are made, and at which actions will be taken
	1c. Decreases the probability that messages will get through, at least without distortion	1c. Increases the probability that messages will get through, and with minimal distortion
	1d. Decreases likelihood that messages will be acted on	1d. Increases the probability that messages will be acted upon
2. Response time	2a. Increases response time, due to longer communication chains	2a. Reduces response time, due to shorter chains
	2b. Prone to responses that are too little, too late, and to a paralysis of analysis	2b. Increases the probability of timely awareness/response to rapidly changing conditions
	2c. Prone to errors of omission, to failure to communicate and/or to act	2c. May encourage errors of commission, as in awkward innovation
3. Management review	3a. Tends to refer decisions to higher management for prior review	3a. Tends to make decisions at lower levels, with later review at higher levels
	3b. Decreases likelihood of errors of commission at lower levels	3b. Increases likelihood of errors at higher levels
	3c. Subjects decisions to considered judgment at various levels	3c. Decreases likelihood that decisions will benefit from top level perspective
4. Decision locus	4a. Centralizes decision making	4a. Decentralizes decision making
	4b. Decisions may suffer from lack of detailed and up-to-date information about operating situation	4b. Decisions may suffer in that they are so responsive to specific operating situations
5. Mutual influence	5a. Reduces mutual influence across functional lines	5a. Increases and legitimates mutual influence across functional lines

*(table continued on next page)*

TABLE 2 Continued

Selected properties	Figure 1 structure functional model	Figure 2 structure flow-of-work model
	5b. Requires either informal bargaining or cumbersome up-over-and-down link-ages of separate hierarchical chains of command that are integrated only far above the operating level	5b. Functions are integrated near the operating level via identification with a common flow of work
6. Competition/collaboration	6a. Encourages intergroup competition between functions  6b. Encourages we/they attitudes that fragment flow of work, or, alternatively, a "mind your own business and we'll mind ours" attitude that isolates functions  6c. Encourages blaming of other functions for problems	6a. Encourages collaboration between functions in same flow of work  6b. Encourages "we" attitudes that integrate contributors to a flow of work and that induce helping relationships between the several functions  6c. May induce some competition between units monitoring different flows of work  6d. Reduces blaming of other functions for problems
7. Dependence/independence	7a. Encourages dependence on higher authority and unwillingness to act without specific authorization  7b. Gives higher management a sense of significance and of being in control  7c. Equilibrates higher management's authority and responsibility	7a. Encourages aggressiveness and independence of higher authority, plus an eagerness to act without specific authorization  7b. May isolate higher management from the action  7c. May lessen the sense of control by higher management

Source: Adapted from Roger Harrison, *Effective Organization for Startup*, mimeographed, Development Research Associates, Inc., Cambridge, Mass., July 8, 1970, p. 14.

Moreover, Figure 2 variously facilitates adapting to *change* and to *growth*. For example, Figure 1 structures tend to grow tall very quickly, with consequent increases in reaction time, in communication costs, and so on. The limited span of control is the major culprit. Figure 2 structures are much less growth-sensitive and can remain relatively flat even with manifold increases in size.

Finally, Figure 2 structures departmentalize around *flows of work* as opposed to functions. Each S now controls a managerial unit.

The two structures represent ideal types or analytical extremes. In practice, they can be approached only in degree, often in complex mixtures, but approaches to one ideal model or the other will tend to generate significantly different consequences. The vertical loading of work in job enrichment, for example, illustrates the movement from a Figure 1 to a Figure 2 job at the operator's level. This movement implies major changes in the role of the manager, as well as a freer work environment which emphasizes self-control.

In a more complex organization, similarly, the two structures can motivate radically different hierarchies. Consider the U.S. Department of State's effort to create autonomous "program managers" who reported directly to the Deputy Undersecretary of State for Administration. Following a Figure 2 structure made the organization much "flatter." For example, one manager in it reports to the Deputy Undersecretary. Prior to the reorganization, this towering chain of command loomed above that manager: Division Head, Office Director, Deputy Director of Personnel, Director of Personnel, Deputy Assistant Secretary for Administration, Assistant Secretary for Administration, and Deputy Undersecretary.

Note that each structural form has advantages and disadvantages. The critical issue then becomes one of choosing the structure that best meets the set of actual operating conditions, and the relevant challenge involves coping with the more or less inevitable problems generated by the structure that is chosen. Beyond this, startup seems to require structural properties like those in the right column in Table 2. After the shakedown period, however, the need may shift to regularity in operations, programmed decisions, and other properties of a Figure 1 structure. In such cases, disadvantages notwithstanding, a Figure 1 structure may have a balance of economic attractions that legitimate its choice. Normative differences between the two types of structures will also influence the choice of specific structural variants (e.g., Golembiewski, 1989).

The general ideas stated here might be elaborated on and extended beyond the two ideal models above. See, for example, "the boundaryless organization," which has more in common with Figure 2 than with Figure 1 (e.g., Ashkenas, Ulrich, Jick, and Kerr, 1995). See also Chapters 100 and 117.

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35—

## Aspects of "Executive Constellations" That Can Trouble Consulting

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This brief review summarizes personal experience with over three dozen integrative executives, and focuses on a single-issue arena—the motivations and rationales associated with seeking and maintaining an executive role. Eight perspectives on this arena are presented, for the purpose of illustrating the texture of consultation at the executive level deriving from the often "negative" character of such motivations and rationales.

I—

### Several Preliminaries

Seven orienting guides help frame this review of experience, which seeks to learn from the past to help focus future consultation.

1. The term *executive constellation* has been used elsewhere, and in a very different way (Hodgson et al., 1965). The contrary usage here refers to common (but hardly universal) aspects of the personal profiles of attitudes, behaviors, and experiences of executives.
2. An "executive" is someone with formal or actual authority/responsibility for a substantial enterprise. Examples here include the chief executive officer of a multinational firm, the dean of a large graduate and undergraduate school in a state university, the worldwide V-P for research and development in a multibillion dollar firm, the general manager of a large urban bus/rail transit system, the president of a large land-grant multiversity, the head of a regional public utility, and so on. So the term *executive* is used here in a restrictive way to be understood as "key executive."
3. The emphasis here is on personal experiences over several decades. In several cases, formal research underlays the generalizations (e.g., Golembiewski and Kiepper, 1988).
4. The underlying population is about equally divided between those in business and in the public sector at the time of consultation. The major unrepresented area is heavy industry, although production and manufacturing executives are included in the present panel. The comments below are seen as relatively generic with respect to all policy and organizational arenas, but the features of specific organizational turfs may variously condition interpretations of what follows.
5. The brief inventory below does not pretend to completeness, but it does include a number of the major issues that can color or even complicate consultation with executives. The inventory also serves as a pump-primer for a more complete summary of my consulting experience at executive levels, which is underway.

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Reprinted with minor modifications from *Consulting Psychology Bulletin*, Vol. 43 (Winter 1991), pp. 47–51. For examples of the "more complete summary" referred to above, see Chapter 64, "Risking Consultative Relationships to Stay Really Alive" and Chapter 68, "Sociopathology in Today's Organizations."

6. No executive represents the full inventory sketched below and, since the several emphases below do not characterize any single person, any similarities to individuals are coincidental and much beside the present point. This point is to provide consultants with some orienting cues toward factors that often will surface in consultation with *any* population of executives, but may have no relevance in a particular case. In the most simplified view, the emphases here constitute part of a checklist which consultants can use to estimate how and why a specific consultation might be troublesome. In this sense, consultants should be continually concerned with testing for these aspects within each individual's "executive constellation." Looked at another way, the several aspects represent part of a knowledge pool whose growing content in the long run can more effectively target specific sets of consultative activities for consultee as well as consultant.

7. In all cases on which present generalizations are based, this consultant worked with the executives over substantial periods, often intensely. Very often, but not always, the consultation included the executive's first-reports as well as multiple hierarchical levels below them. So a substantial degree of interobserver reliability can be attributed safely to what follows.

Conveniently, this chapter focuses on a single if primary feature of executive constellations—the motivations and rationales for seeking and exercising authority/responsibility in executive roles. Eight perspectives on this central target are introduced below by brief quotations from my cohort of executives to help frame some aspects of major negative motivations/rationales observed in many executives during the course of consultations.

## II— So You Want to Be an Executive: Why?

This is perhaps a more daunting issue for executives than for those in most roles. Broadly, aspiring to executive status is like the decision to be a media star. The obvious rewards can be so great as to discourage the appropriate self-inquiry—before, during, or even after serving in such roles. Direct role models are few and far between; and layers of persiflage can obfuscate the realities underlying available representations of possible role models, as in biographies or autobiographies.

Other factors also complicate a response to this basic motivational question. Often, one's original motivations are deeply buried and forgotten; or they may be seen as hopelessly naive after an executive attains "it." Or the "it" can be a chameleon—if it is not a chimera. The "executive role" can be quick-silvered in content. In large part, also, the ante has been raised recently on executive-dom. Not only are substantive and action skills required, but the literature is now full of exhortations that executives be "leaders" rather than "merely managers"—that they be charismatic, have a vision, and aspire to be architects if not prime builders of a collective epic myth that is always in the act of being recreated by near and distant multitudes in large enterprises.

Executive-dom for what? I raise the question because so many of my clients do not push the issue very much, and also especially because most of my clients—self-inquiring or not—often embody major negative features in their motivations or rationales. Both tendencies stand up poorly, not only in the institutional transformations so widely called for nowadays, but even in the day-to-day organizational ebb-and-flow and almost certainly during the frequent *sturm-und-drang* intervals experienced by all executives.

Hence my early consultation with executives often focuses on ontological issues: the why of the what, as it were. In the easier cases, these motivating rationales are largely cobbled and stitched together from the executive's motives and experiences via processes of discovering or highlighting what already exists in latent or variously conscious forms. In the more difficult cases, in the midst of the rush of events, this crucial aspect of an executive's constellation has to essentially be created, or recreated phoenix-like from the debris of an earlier working view which events have shown to be inadequate, often dramatically so. Like many other crucial features in life, the lack of a serviceable rationale/motivation is most relevant when most needed. Hence, the press of other events often postpones the analysis of motivations/rationales until their imprecisions, inconsistencies, or inadequacies are all too obvious.

It is not possible in this space to permit a reasonable representation of "positive motivation," but one can easily illustrate some of the more obvious and common contributors to "negative motivation." Eight examples constitute the present short list.

1. *"You can't beat the benefits."* There is nothing inherently wrong with status and perquisites, but they provide only a shallow foundation for an executive—especially when life gets rough, which will probably occur, and often sooner rather than later. If nothing else, for the executive with an emphasis on the hygiene factors associated with the role, attention can turn to ways to get enough space to begin the indulgence the benefits permit, and perhaps even seem to justify. This indulgence can be mirth-providing among associates and subordinates, or even destructive or dangerous; but in any case it constitutes an unsure basis for executive behavior and choice making.

Such self-indulgence can take numerous forms and often surfaces just after one has "made it," whether the individual foolishly defines that as a terminal "making of the club" or more reasonably as a milestone to other "its." Not infrequently, my overwhelmingly male cohort shows a marked (albeit not majoritarian) tendency to become embroiled in domestic turmoil—often (although not always) associated with extramarital affairs that are easy to interpret as extensions of conquering egos whose standards in mates have been inflated by organizational success. "I now deserve better than I once settled for" in a mate constitutes a common expression of the present point.

Domestic turmoil is perhaps the one thing an executive needs least—jeopardizing a stable home base, which can buffer the almost-certain shocks of life at work. A double-barreled dose of stressors can mean serious trouble.

I encourage executives with such an itch to exclude from their view of the executive role as much as possible of the swashbuckling privateer. In fact, my observations allow for a far greater relevance to the typical executive constellation of monastic life than swashbuckling. And, definitely, "balance" has a far greater practical salience in executive-dom than does swashbuckling—in sex, loosely justified trips via Concorde or the corporate jet, "power lunches," or whatever.

The central paradox seems clear to me: executives have greater leeway for self-oriented and even self-destructive behavior, and yet their performances get projected on a very big screen and can influence the attitudes and behaviors of large numbers of persons. This implies forces that can be in real opposition.

2. *"Executives don't ask for personal help—they give orders and inspire others to do the right things. That's how executives reflect proactive signs of strength."* Asking for help, and accepting it, are not prominent in the repertoires of most of the executives with whom I have worked. The quotation above is a more or less typical formulation of the common guilt-by-association that I hear from many executives—asking for "personal help" equals weakness. That is a circular and self-defeating association, and especially so because executive status insulates from "normal feedback" those who are highly self-directed or "hard-headed" to begin with, as a categoric group.

In short, once executives get in trouble on the home front, it may be hard for them to do alleviating things. Reinforcing closed loops seems far more likely. Thus an executive often will hurl self into more intense activity, as in becoming a champion for some organizational issue. Or a series of sexual liaisons may develop with those at work—secretaries or colleagues who are said to "understand my pressures and problems" but who in their turn may have quite instrumental motivations. Such overcompensations probably will exacerbate any imbalance in home life rather than moderate it. Basic conflicts of interest also may be generated at work, as when "business trips" are arranged for basically personal reasons but use organizational resources easily available to executives.

The point about incapacity or unwillingness to ask for help applies even more forcefully to the worksite, if only because that environment often will be far less benign than at home. Incongruence can be common, where even sincere pleas for trust and trustworthiness often will be evaluated in jaundiced terms. The prevailing metaphors relate far more to "sharks in troubled waters" than to "giving and accepting help."

Witness the popularity for what amount to peer support groups for executives, such as those provided by the increasingly popular The Executive Committee (TEC) memberships. TEC provides opportunities to get together with executive peers having no obvious organizational ax to grind, where "straight talk" can occur. Individual consultants can provide similar relief for executives with concerns about blind spots, checking the reactions to situations of people in similar situations, highlighting any biases or inadequacies in orientations and action plans, and so on.

3. "*Being an executive makes me feel worthy.*" Executive-dom requires high self-esteem, but it is a poor arena for heightening one's level or even maintaining it. Hence the basic fallacy of the quotation heading this section, at least over the long run. This extends the previous point, and generalizes it.

Many of my cohort of executives seem to lack sufficient self-esteem *in their own terms*. Some of this seems to come from the more or less constant poundings they experience from virtually all quarters, which can distance an executive from useful anchors—personal preferences, visions for the collectivity, or even deeply held values. So distanced, an executive can become variously at the mercy of changing organizational winds and currents, which can achieve tornadic and rip-tide proportions.

Perhaps even more significant in "not being me" is a distaste for behaviors the executive role often encourages if not requires, and which executives commonly come to dislike and even to deeply reject or resent. These may include inauthentic and even coddling relationships with others, appropriate responses to organizational politics that have little or no technical, ethical, or even economic support, and so on. It is difficult for many executive to remain "happy warriors" whose view of a desirable future helps transcend, and perhaps transform, immediate inelegancies, opportunism, or organizational toe dancing that may appear necessary to function in an executive role. In turn, any sense of being "forced into" such disliked or rejected behaviors can powerfully reinforce tendencies toward even extreme self-indulgence as being "no more than I deserve."

No doubt *sui generis* in regard to fragile self-esteem are classic entrepreneurs and those who inherit the fruits of someone else's labor. Not always but often, such people seem to reflect a lack of parental acceptance—mostly by autocratic fathers, it seems. Success at work for them becomes a way—perhaps *the* way—to seek the self-worth denied them by overly demanding or even rejecting parents. One of my clients remembers, painfully, being referred to by an economically successful father as "Captain Kapusta" (for cabbage-head). Such contingent self-esteem easily can lead to extremes—to being generally overbearing and quick-triggered, or being truculently passive-aggressive to unpredictable stimuli, to the discomfort and surprise of others.

4. "*I can safely escape from intimacy.*" Many executives tend to be emotional "takers" rather than "givers," and the executive role at times requires and often reinforces any such a tendency toward depersonalizing others. Time is short and pressures can be great, which encourages highly instrumental decisions that often neglect or even deeply frustrate emotional needs of both the executive and others. In a crucial sense, then, powerful selection and socialization processes can be at work. Those uncomfortable with intimacy can find not only an apparent shelter in executive-dom, but also may see an apparent premium placed on that part of their constellation which executives themselves often evaluate negatively. Such persons will tend to "lose" even when they "win."

Especially at crucial points, however, the executive role far more requires intimacy than justifies its absence. So those believing in the quotation above may be in store for unpleasant surprises. Such unfortunates report being deeply alone and empty, often even as their professional success seems at or near its peak. President Johnson provides a profoundly sad case-in-point, as his biographers reflect in his various reliances on functionaries to help him in his efforts to fall asleep. Recognition of these dour possibilities is common, although that insight often dead-ends in hollow references to "the family" or in exaggerated and unfelt superficialities in the place of camaraderie.

5. "*Better you than me.*" A special form of emotional distancing and depersonalization seems quite common in executive-dom—the sometimes conscious but mostly semiconscious reliance by executives on "flak catchers," on those willing to "fall on their swords," or on those who are used as simple scapegoats. President Eisenhower put it directly in the case of a subordinate keel-hauled for a misadventure attributable to the President: "Better you than me."

Such a use of subordinates may be justified in cases, perhaps, but the common practice nonetheless has multiple awkward consequences. Thus, it profoundly reinforces the instrumental character of relationships between those at the executive level, and it also encourages among peers and especially subordinates CYA behavior that can complicate relationships and slow processes that should be more spritely. Perhaps most insidiously, a kind of code of silence often characterizes the relationships between an executive's subordinates, none of whom are eager to be made use of.

Hence a common condition: the executive is the last to know about serious problems between subordinates or within their individual spheres. Each subordinate is restricted by all, as it were, and hence problems fester and can grow to unmanageable proportions even though they could have been conveniently "nipped in the bud."

6. *"Risk aversion and blame aversion become acquired characteristics."* Especially in autocratic organizations, and related to the preceding point, many would-be executives learn early the usefulness of a certain native cunning that can harden into maladaptive tendencies or even into knee-jerk reactions as learners move into executive roles. For many executives, unlike their lower-level counterparts, a protective infrastructure also exists. This can amplify and reinforce any personal tendencies toward hunkering-down, to put the point in Georgia patois. The critical point is the one at which "reasonable protection" blends into "insulation" or "detachment from."

Compelling cases can be made for such native cunning in specific cases, of course, and no one can dispute its sometimes crucial character. But overgeneralization seems common, and when that occurs, major negative consequences often follow. Witness the executive, frozen into a dynamic indecisiveness even when easy ways out seem obvious. The case of President Nixon seems instructive: he "stonewalled" the early Watergate investigation, despite his own apparent lack of an early and direct role. His presidency might well have been served—perhaps even saved—by a garden variety application of the common principle: "Better you than me." In fact, volunteers for such a role might have been available, as seems to have been the case with G. Gordon Liddy. It is even possible, perhaps probable, that President Nixon himself was not among the early culprits, although his apparently strong proclivity to see many issues as "wars" or "battles" involving "enemies" seems to have encouraged others to excesses that he later expressed surprise about.

7. *"My life is simplified by the pleasant coerciveness of compelling events."* Many executives find a kind of chaotic surcease in the hurly-burly of their work, which keeps them insistently moving and often distant from reflecting on that movement. Some pride themselves on being "crisis managers," and a few even admit to generating crises for their alleged motivational impetus.

Without careful monitoring, any such tendencies seem to have a range of consequences, most of which (as Coach Bear Bryant used to say about the forward pass) are bad. For executives themselves, at least in the long run, this surrender to situational compulsion can lead to a distancing from a guiding vision for the organization, and perhaps even from deeply held personal attitudes and values. For most subordinates, most of the time, management-by-crisis has even less to recommend it. Detail on the range of consequences can be found elsewhere (e.g., Golembiewski and Kiepper, 1988), as well as in Chapter 64.

8. *"Being an executive is like being a matador: not all of the 'bulls' will prove to be difficult, but your courage always has to be high."*

The executive arena often features an emphasis on physical courage and steadfastness, but responses to these role requirements can be overdone, and easily. For example, metaphors of war and struggle are common, often expressed in locker-room language. Those who listened to the tapes made in Nixon's White House offices during the Watergate era have a good sense of what is often heard. Within limits, of course, the implied emotional armoring may build cohesiveness and even contribute to a sense of camaraderie. But the metaphors also can encourage excesses, and even seem to legitimate them.

The requisite fine-tuning often seems absent to me. Indeed, aspects of an executive constellation commonly are characterized by cross-purposes, or a condition threatening double binds. For example, the emphases on risk aversion and blame aversion can seriously conflict with many versions of courage and steadfastness. Some propose a kind of studied avoidance of such crosspurposes, as does an executive among whose primary maxims is: "What you know often can hurt you."

Less virulently, other verbalisms common in the executive arena stress aspects of hardiness. Thus one may hear of the importance of "character"—a kind of grace under pressure by people who remain "under control" when the temptation to lose one's head permeates the air. Or elements of humor may leaven the basic message. Thus, one contentious U.S. senator proudly displayed a "brass balls" award from his colleagues for his tendency to "tell it like it is."



In common, such examples illustrate prevailing metaphors as well as imply the absence of the relevant behaviors sufficient to establish their noteworthiness when they are performed regularly by any person.

The nature of executive relationships at times makes such aggressive metaphors reasonable, and sometimes even justifies them, but one of their common consequences is a lack of the softer, supportive attitudes and behaviors. This reinforces some troublesome and often counterproductive features of consulting with and for executives—the ill-fated attempt to escape from intimacy, the lack of trust and valid communication, the high-risk levels, and so on.

Such double-barreled consequences can pose real dilemmas for consultants as well as executives, especially in connection with the danger that metaphors originally directed at externals may come to characterize or even pollute internal relationships. I have in mind the transformation of poker games among an executive team—once "friendly," but which soon came to reflect many of the characteristics of their behaviors in their market niche. That market niche was a very tough and even unscrupulous arena—where actors perforce were given substantial leeway and even license, where the stakes always were very high, where everyone was expected to be a "big boy" and hence uncomplaining to the point of uncommunicativeness about even the things that really mattered, and where conflicts of interest abounded but the rewards of a certain acceptance of unpleasant realities were munificent.

As consultant, I felt obliged to point out the very real cross-pressures of the poker on internal relationships, even as I realized that my attempts to do so probably would be seen as implicitly negative evaluations of what the executives did in their external activities. My efforts to compartmentalize were heard but accepted only as tactical.

I succeeded as I failed, or vice versa. The poker games were discontinued, after a flurry of revelations about the cross-pressures which most did in fact experience; but the consultant also was terminated! My exit was made very comfortable, but I clearly was a norm-breaker in an emotionally charged arena. A few saw me as a spoilsport, pure and simple, but most reported they wanted no future reminders of the unattractive external minefield in which they worked, perforce. So they discontinued what they could do easily enough, and they continued the rest.

### III—

#### **An In-Process Summary**

Eight negative aspects of common motivations/rationales related to being an executive are introduced and briefly discussed, so as to illustrate the challenging and daunting features of consultation that one can expect. This list for the single-stimulus issue here could be expanded; and many other stimulus issues could be utilized. So the description above is quite limited, but should suggest the outlines of a fuller analysis.

In addition to being only a sketch of the map to a very complex territory, this piece clearly does not address in a satisfactory way what consultants can do to reflect an active and effective awareness of the major features of the executive arena. This remains largely an agenda item for future presentations. Nonetheless, consultants can do some things to facilitate coping with aspects such as those detailed above, and some charting of these useful actions and perspectives is available (e.g., Golembiewski and Kiepper, 1988). See also Chapter 64, "Risking Consultative Relationships to Stay Really Alive."

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36—

### Balance as a Useful Metaphor for Consultation and Fly-Fishing, Too

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This piece was written as part of a special issue directed at members of the Managerial Consultation Division, Academy of Management. The entire issue deserves attention, but we will be selective in this handbook. A second selection by Robert Tannenbaum appears elsewhere in this handbook, Chapter 120, "Self-Awareness: An Essential Element Underlying Consultant Effectiveness."

Dear Colleagues:

The invitation requesting views about consultation jangled my alert button a while back, and a recent fly-fishing adventure on the Pere Marquette for salmon and steelhead provided the stimulus for musings on the theme: "Balance as a Useful Metaphor for Consultation, and Fly-Fishing, Too."

I had long ago and publicly decided that consultation in my ideal was aggressively value-loaded. When my Mom asked what I did, consequently, my answer once was ready. "I try to increase the opportunities for responsible freedom for those in organizations—for others, and also for myself."

No doubt, that sounded a bit strange to Mom—indeed, perhaps bizarre. Her developmental arena had been pervasively authoritarian, and people in it were inclined to take more than their share, if they could get away with it. And if that required force or violence, so what else was news?

However, my one-liner once had about the right tone and substance. It met my normative impulses; suggested contention with formidable targets, who could both resist as well as reject with great force; and the associated consultant style features a certain—ah—aggressive jauntiness.

I can even date and locate the heyday of this self-image—August 9, 1980 in Atlanta, at the Annual Meeting of the Academy of Management. Then, Jerry Harvey and I debated the proposition: Is the OD Intervenor: Nebbish or Super Woman/Man?

Jerry took the case for the nebbish; and yours truly was the other guy. A tape documents the seriousness-laced-with-fun. You can look it up (Development Digest, 1980), as the wily Casey Stengel used to say.

You can guess the scenario. I began my presentation with a long pause—I then removed my glasses, slowly started to undo my tie, and the familiar red S was soon revealed on my T-shirt. The audience was tickled at each stage, and then burst into boisterous applause as I opened my briefcase to extract a cute little red cape, stitched only that morning by my bemused wife, Peg. (No, we never got down to tights and full-length leggings. There are *some* limits, after all.)

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From Craig C. Lundberg, editor, *Managerial Consultation Consulting Practice Communique*, 21(3):11–14, Dec. 1993.

The presentations proceeded in a high-energy context. For example, how could the intervenor be Superman or Superwoman? Easy enough, in cases, if one were willing to risk.

Saying "No!" was one major way, e.g., that probably won't work; I can't accept the normative or ethical consequences of that; I don't do team-building that has the smell of a hit-squad already primed to discipline a member; I don't do a survey—at least 3 or 4 are necessary to establish a trend; and so on.

These are not petulant negatives. Theory and experience (Golembiewski and Hilles, 1979, 1984), as well as ethical guides (Gellermann, Frankel, and Ladenson, 1990), underlay them all, and others of similar kind. But the medium and its connotations could overpower those reasonable messages, I now realize.

There were days out in the field, in my consulting suit, when the self-ideal was approached. The walls of a number of HR offices carry the evidence. Consider an opening line of mine to executives predisposed to gut a program of planned change: "Gentlemen"—[goes the quote, there having been no women present]—"We are not here to reinvent the status quo."

That set a *real* tone for that meeting, and the good guys carried the day, but only by inspiring longer-run resistance.

On occasions, fortunately not numerous (Golembiewski, 1989), I got my comeuppance more quickly.

In more recent days, and especially during work on an autobiography (Golembiewski, 1992), I have begun to shift my sense of self as consultant. "Balance" became more my orientation to interpreting the past, as well as for guiding future actions, than what got portrayed—even caricatured—during that 1980 afternoon in Atlanta.

In fact, "balance" has been critical all along for me as a consultant, but I did not sufficiently appreciate that reality. Consider a single elemental—my long-standing belief that the consultant ought to be a competent, caring, and a comfortably "marginal" person in the sociologist's sense of that term—credible to client systems, while also being guided by a referent culture of traditions, guidelines, working theory, and operating values. That's clearly balance, with a capital B.

But reflection shows that the old sense of self often dominated. For example, this was the case when a group of us argued in the late 1970s, just as doubts among ODers had burgeoned, that a large-batch survey revealed high success rates of OD applications—and nearly as much so in the public sector (Golembiewski, Proehl, and Sink, 1981) as in business (Golembiewski, Proehl, and Sink, 1982). Some ODers doubted the results, and a few even clearly implied that we might only be selective perceivers.

Defensiveness dominated, not balance. The moderate part of the defense emphasized that our success rates fell smack in the ballpark of virtually all earlier estimates. The differences: we dealt with 574 OD applications rather than one or a few; we had enough cases to compare public and business applications; and so on. However, the basic reaction was high-octane defensiveness. At a minimum, ODers whose personal success rates were low might well reconsider their theoretical and conceptual bases for intervening. Alternatively, low estimators might consider a different line of consultation, or none at all!

Now, those data could have been suppressed, but the way they were reported and sometimes explained/defended no doubt created dissonance in their interpretation. If nothing else, our enthusiasm about sharing the good news could have been balanced by a stronger sense of the depressed condition into which many ODers had then settled. Nowadays, much ebullience has returned, and I wonder whether we paradoxically delayed that recovery by flying so determinedly in the face of the then-consensus.

The usefulness of "balance" as a metaphor got multiple reinforcement a few weeks ago on a sandbar of a Michigan river. To sample only the highlight of anglers viewed as marginal persons in multiple environments:

- To balance the fish/person encounter, we used very light tackle (e.g., lures the length of a thumbnail or so) for large fish that knew how to gain leverage from a wild river.
- Several "balances" were established, and quickly reformatted, as I struggled with a wild hen-fish—about 27 pounds, as it turned out—over the better part of a mile of river. Through

rifle and calm water I went—at times floundering. When the water got too deep, which it did more than once, I had to scramble up the riverbank—stumbling and half-running after "my fish."

- I lost one of those "balances" on a high bank, big time, and fell about 10 feet into 4 feet of river. Hence, after recovering enough to net the fish, the need to establish a new "balance" under suddenly different conditions—standing on a sandbar, stripping off wet clothing to avoid hypothermia. The sun was shining, fortunately, and that day was relatively balmy—45°F.
- The "balance" of nature also was free to work itself out when the hen-fish was released—after restoring her coping capacities. None the worse for wear, she zipped off to seek a spawning area, or "redd."

So, here's to you. Tight lines in your future; and the best of balances, in streams and in all other venues.

Sincerely,

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The reader might also usefully refer to Chapter 11, "Models of Development and Issues They Raise for Consultants," as well as Chapter 52, "Managerial Responses to Transitions in Adult Development."

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37—

### **Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases**

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Recent research with the "phase model of burnout" (especially Golembiewski et al., 1996) promises to help consultants in central regards. Consider the following two key questions that consultants can seldom finesse, let alone avoid:

Does the present state of a social system require ameliorative intervention, or is it better left alone?

Did certain interventions act in the expected direction, and to what degree?

The phase model provides convenient ways to face such central questions, and hence to improve consultative performance.

In preview, this chapter highlights findings from a program of research with an eight-phase model of burnout. The following five emphases dominate:

- Measuring burnout in terms of eight phases
- Identifying numerous major effects of different levels of burnout
- Estimating how many people are classified in various phases of burnout
- Assessing how long phases of burnout last
- Outlining some practical implications of the phase model for remedying burnout

I—

#### **How to Define the Phases**

*Until recently*, no one could be very precise about burnout. Consider this critical, compound question: How many people have which degrees of burnout, with what specific consequences, and for how long? Only a general answer to this question was possible.

Greater precision now seems possible through the phase model, as two points about measurement imply. First, most observers now agree that a person's degree of burnout can be expressed along three dimensions. They include (Maslach and Jackson, 1982, 1986, 1994) the following:

*Depersonalization*, or the tendency to view others as things or objects rather than as feeling, valued and valuing persons

*Personal accomplishment*, or the degrees to which one sees oneself doing well on tasks worth doing

TABLE 1

	Phases of burnout							
	I	II	III	IV	V	VI	VII	VIII
Depersonalization	Lo	Hi	Lo	Hi	Lo	Hi	Lo	Hi
Personal accomplishment (reversed)	Lo	Lo	Hi	Hi	Lo	Lo	Hi	Hi
Emotional exhaustion	Lo	Lo	Lo	Lo	Hi	Hi	Hi	Hi

*Emotional exhaustion*, or the degree of experienced strains relative to one's normal coping skills and attitudes.

Second, how does the phase model build on these three dimensions? To begin, an individual's three dimension scores are each coded as high or low. This assignment relies on norms derived from a large number of employees ( $N = 1550$ ) in a government agency with people-helping roles working under conditions that were very emotionally arousing (Golembiewski and Munzenrider, 1984). If anything, we feel safe in concluding that we employ a conservative operational definition of "high." Moreover, depersonalization is considered the least virulent contributor to burnout, and emotional exhaustion the most severe.

These two conventions generate the model given in Table 1, in which phase VIII includes those with the most advanced burnout. Notice that personal accomplishment is *reversed*. Low scores indicate people who see themselves as doing well on a worthwhile task.

The phase model provides valuable information, but its capabilities should not be oversold. Perhaps basically, the model proposes only that the phases are progressively virulent, and *not* that any individual will go through each of the eight phases in moving to full-term burnout. For example, consider the unlikelyhood of moving from phase II to phase III. In contrast, the phase model proposes testing only that phase I is less severe than II, II less than III, and so on.\*

## II— What Effects Are Associated with the Phases?

Does research support the usefulness of the phases? Yes, quite markedly. Over 200 variables generate similar patterns of association with the phases. For example, persons in advanced phases are characterized by definite tendencies toward the following (Golembiewski et al., 1996):

Seeing their work settings as unattractive—with punitive supervisors, little participation, low supervisory and peer support, high pressure for output, and close control, among other features

Adverse reactions to work—e.g., lower satisfaction and job involvement as well as higher job tension

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\*To be specific, the phase model usefully encompasses two basic flight paths to advanced burnout. Thus a *chronic* flight path involves a person moving from phase I to II, then to IV, and finally to VIII. The basic inducing condition seems to reflect the cumulative effects over time of unsatisfactory work site policies and practices, and especially those in the immediate work unit. Such immediate work groups include a foreman and operators at the lowest levels, and a chief executive officer and his or her first reports at the most senior levels. Chronic cases seem to dominate in advanced burnout, accounting for perhaps four of every five cases.

Acute burnout also may occur, as in the death of a beloved spouse who was a person's best and only friend. Here the common flight path seems I → V → VIII for a difficult grieving process. Other acute flight paths will characterize specific traumatic conditions (e.g., Golembiewski, Munzenrider, and Stevenson, 1986, pp. 206–208).

**TABLE 2** Summaries, Patterns of Covariation with the Phases, North America as Well as Globally

	Marker variables × phases, statistically significant by ANOVA	Paired comparisons (%)			
		In expected direction	In expected direction and statistically significant	In contrary direction	In contrary direction and statistically significant
North American public sec- tor; N = 9	83/87 of marker variables, or 95.4%	83.1	23.9	16.9	0.6
Global public sector work sites; N = 9	54 of 57 marker variables	80.8	24.8	19.2	1.9

Source: Based on Golembiewski et al., 1995.

Lower self-esteem

Lower productivity and performance appraisals

Higher turnover

Receiving less social support while needing more of it

Experiencing more conditions associated with poor mental health—greater depression, anxiety, and so on

Greater use of medical insurance

Several generalizations serve to demonstrate important features of this large body of research. First, virtually all variables so far tested vary with the phases in statistically significant ways e.g., physical symptoms increase as the phases progress I VIII; and reliance on medical insurance increase as the phases progress from least most burnout.

Second, not only does nonrandom variance almost always exist in the distribution of numerous variables arrayed by the phases, but all pairs of phases strongly tend to differ in expected ways. For example, physical symptoms for those people classified in phase I are lower than those for people in II, and those in II report fewer symptoms than IIIs.

Third, the pattern of covariants of the phases is much the same in North America work settings as in populations from nearly 20 other countries. Table 2 provides summary data relevant to this point (Golembiewski et al., 1998), relying on public sector work settings only. Note that 5% of the paired comparisons by chance should fall in the expected direction and achieve statistical significance. Data for businesses are quite similar.

### III—

#### How Many People in Which Phases?

In many senses, *the* bottom line question is: How many people have which degrees of burnout? Practical as well as theoretical reasons support this significance, and at least for now, the phase model is the only one that can provide an estimate of *the* question.

So, what can be said about the distribution of the phases? Table 3 provides summary details, for two large panels of studies—from North America, and also from about 21 other countries (Golembiewski et al., 1996, esp. pp. 158–172).

Overall, the distributions of advanced phases are attention getters, even startling. They imply that burnout approximates a "pandemic," far beyond the conditions we normally consider "epidemic." Note also that, if anything, the present data may be conservative in that they probably come from "better organizations" whose managements have an interest in estimating stress and strain as important aspects of a high quality of working life.

**TABLE 3** Distribution of Phases of Burnout, North America and Worldwide

A. 62 North American work sites, N = 24, 721							
Phases of burnout (%)							
I	II	III	IV	V	VI	VII	VIII
24.8	6.0	12.4	8.2	7.1	13.1	8.0	20.4
43.2%				41.5%			
B. 21 global work sites, N = 6, 692							
Phases of burnout (%)							
I	II	III	IV	V	VI	VII	VIII
10.0	5.3	12.2	14.1	5.2	10.9	5.0	37.3
27.5%				53.2%			

**IV—****How Long Do the Phases Last?**

The staying power of phase assignments seems substantial. Consider the illustration in Table 3 (Golembiewski et al., 1996, p. 174), which typifies the assignments in 11 North American work settings, N = 1411. The  $T_1$  vs.  $T_2$  interval in Table 4 is 2 years, but other cases deal with pre- vs. post intervals of a few weeks to 3 years (Golembiewski et al., 1996, pp. 174–178).

Available data about persistence all have limitations, but the estimates nonetheless seem conservative, thus the estimates referred to above do not discount measurement error, which would show up as instability in phase assignments. Moreover, all data support the view that phases IV and V are impermanent—shifts in phases occur in 8 or 9 of every 10 cases, even over relatively short intervals (Golembiewski et al., 1996, pp. 173–175). The summary data in Table 3, however, do not discount this phase IV and V impermanence, which is expected on theoretical grounds as well as observed empirically, as Table 4 shows.

**V—****Implications for Consultants**

Overall, the phase model reveals plenty. Basically, then, we can measure something in human behavior akin to clinical descriptions of burnout. Moreover, that something seems regularly and robustly associated with important effects, given that more research is needed, and especially with "hard" variables (e.g., Burke and Deszca, 1986). In addition, the large proportions of individuals in advanced phases urge attention. Finally, the apparent persistence of phase assignments implies that easy ways out do not exist (e.g., Munzenrider and Golembiewski, 1986; Golembiewski, Deckard, and Rountree, 1989), as Table 4 illustrates quite dramatically.

**TABLE 4** Estimates of the Persistence of Phase Assignments in One Work Setting, N = 307, Over an Observational Interval of Two Years

Measures of stability	Percent
No change	43.0
No change and +/- one phase	54.7
Stability within phases I–III	71.5
Stability within phases VI–VIII	66.7
Stability within phases IV–V	29.9



This summary does not propose that all issues are settled, of course (e.g., Burke, 1989): and one special challenge involves doing something for *and* with those in advanced phases of burnout. Also of moment is the issue of maintaining those in less advanced phases of burnout.

How well are we meeting those two challenges? Six notes must suffice for present purposes.

First, we have useful theoretical and practical knowledge for keeping individuals at less advanced phases by manipulating environmental variables. Openness and interpersonal sensitivity, for example, will reduce the probability of Is becoming IIs, or worse. This effect can be achieved—via team building, conflict resolution, and so on. Relatedly, a psychologically meaningful job seems capable of raising one's sense of personal accomplishment, low levels of which are the gateway to phases III, IV, VII, and VIII.

Those familiar with the organization development (OD) literature will have good maps for containing burnout. Numerous designs seem applicable to keeping Is where they are, as well as to improving the odds that those at intermediate phases will not jump to advanced phases (e.g., Golembiewski et al., 1996, pp. 232–238). Success rates for the appropriate interventions range from 50 to 85%, depending on the populations considered and the measures of "success" utilized by different researchers. For "hard" indicators of success attributed to OD designs, see Nicholas (1982). For a larger population and different measures of the success of OD interventions, see Golembiewski, Proehl, and Sink (1982).

The problem is basically one of managing the effects of stressors rather than trying to make life stressor-free. Indeed, participative management interventions themselves imply real stressors: these include striving for enhanced communication, greater collaboration, and better use of human as well as physical resources.

Second, common prescriptions for advanced burnout involve high-energy interventions—stress management workshops, job enrichment, or interpersonal confrontations—but VIIIs are already overstimulated and lacking in energy by definition, and so high-energy demands may be awkward or even seriously counterproductive. Periodic job rotation—between tasks high vs. low in stress—can help in burnout, where applicable. Moreover, various low-stimulus designs seem appropriate for those in advanced phases. Such designs include flexible work hours and mild role negotiation (Golembiewski, Hilles, and Daly, 1987, pp. 296–299).

Third, chronic burnout seems to be a group-rooted phenomenon. Indeed, the most powerful prediction that one can make about burnout is that members of the same immediate groups will have similar phases of burnout. Work groups have an affinity for extreme scorers, in short. Specifically, if you know the phase assignment of any single group member—say I–III, IV–V, or VI–VIII—several studies indicate you have a 75 to 90% chance of predicting the burnout level of a majority of all other work-group members (Golembiewski and Munzenrider, 1988, pp. 156–158; Rountree, 1984).

The intact team should thus go through stress-management workshops, but such workshops typically serve "strangers"—singles who come together only for offsite training and then separate.

In addition, strong anecdotal evidence suggests what common sense warns about—participants in stress-management workshops may be predominantly Is with only a few VIIIs. Stress management workshops are understandably voluntary, in short, but the least-needful people may seek them. Here, we desperately require research to test for such awkward possibilities.

Paradoxically, moreover, success in such workshops—and I believe they typically *do succeed* in raising coping capabilities—may paradoxically result in a *net increase* in back-home stress levels. In effect, people in less advanced phases will learn how to do even better in dealing with stress. Back-home environments probably will remain as they were, however, if they do not worsen, and those back home already in the advanced phases may not volunteer for stress management workshops.

Fourth, although details are beyond this piece, research has successfully dealt with one class of people in advanced phases of burnout—those maintaining an "active" versus a "passive" or "resigned" orientation to their advanced burnout. Using conventional OD designs in one organization, the percentage of those in phases VI through VIII was reduced from 64 to 14% over a year's interval. In addition, employee turnover decreased by approximately 50%, and various group properties reflected nonrandom movement in expected directions (e.g., group cohesiveness and employee

supportiveness increased). These OD designs are highly stimulating and require high energy, hence the caution about their possible or probable inappropriateness for "passives" in advanced phases of burnout.

This effort addresses only part of the challenge because "passives" seem to dominate in phases VI–VIII apparently 2:1 or 3:1 (Golembiewski and Munzenrider, 1988, pp. 236–245). Moreover, we do not yet know whether "active" status is a way station on the route to "passive" status in the advanced phases (Golembiewski et al., 1996, pp. 232–233).

Fifth, more broadly, the ongoing work with the phase model has implications already broad enough to impact the full strategic framework of human resources development (HRD). The position has been developed at substantial length elsewhere (Golembiewski and Myers, 1999), so a brief review will do for the present purposes. To begin, a task force commissioned by the American Society for Training and Development (ASTD) generated a portfolio of 13 "future forces" that will challenge the evolution of HRD, and the work on burnout has major implications for acting on each of those forces—from both strategic and tactical perspectives. To illustrate only, HRD's future activities must do better at estimating both sides of interventions, as it were: the need for change; and the effects of specific interventions designed to induce that change. The phases can provide useful estimates of both kinds, as via distributions of employees in the most- vs. least-advanced phases at time 1 before an intervention and at time 2 . . . N following the treatment.

Sixth, results are very similar in populations from worksites in more than 25 countries (Golembiewski, 2000).

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38—

**Career-Planning Design**

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Table 1 sketches a career-planning seminar, an opening experience that is intended to encourage organization members to give continuing attention to their own development. Participation is voluntary. Basically, the design can speak for itself as the column "Purpose of Design Element" in Table 1 should establish.

The internal logic of the design begins with less threatening elements and escalates to those that can be quite threatening. Moreover, the design seeks a true collaboration between participants that reinforces their sense of individual responsibility and initiative. Hence, the design initially emphasizes feedback and inputs from others, as each participant sharpens his own sense of career planning.

Then, design elements 8 and 9 in Table 1 emphasize individual planning and action. That is, each individual takes responsibility for his or her actions or designs. The theme is paradoxical: assertion of self based on help from others. In the ideal case, element 9 has each career planner meet a supervisor to test whether specific job improvement changes can be built into the planner's job.

Finally, design element 10 returns to the group locus for what can be done better there. Individuals share ideas, stimulate further probing, and provide reinforcement as well as emotional support for future efforts toward career planning.

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Modified from Robert T. Golembiewski, *Renewing Organizations*, F. E. Peacock, Itasca, Illinois, 1972, pp. 304–306.

**TABLE 1** Design for a Career-Planning Seminar

Duration (minutes)	Description of activity	Purpose of design element
?	1. Premeeting work. Each participant prepares a list of six "most satisfying achievements since leaving high school" and describes in writing specifically what he did. The list is to be brought to the first meeting of the career-planning seminar.	1a. to start the individual thinking about what things he finds valuable and satisfying 1b. to start the individual thinking about his positive skills and abilities reflected in these achievements
90	2. Groups of six individuals briefly introduce themselves, and then in turn: <ul style="list-style-type: none"> <li>• Each individual describes and briefly discusses his first most satisfying achievement.</li> <li>• Other individuals jot down the skills and abilities seen as relevant in that achievement.</li> <li>• Each individual in turn describes the second most satisfying achievement, then the third, etc.</li> <li>• Notes about skills and abilities reflected in these other achievements are taken.</li> <li>• Each of the six persons in the seminar ends up with five sets of notes about his skills and abilities, one set from each of the other five participants who heard each of his achievements described.</li> </ul>	2a. to provide a positive start to self-analysis 2b. to provide each individual with lists of his positive skills and abilities as perceived by others 2c. to provide each individual with some gentle feedback concerning what others perceive as his strengths, which he might later use to make his career plans as realistic as possible
35-40	3. Each individual prepares a list of how five specific individuals who know him well would describe him, with the instructions this time calling for both positive and negative features: <ul style="list-style-type: none"> <li>• Participants prepare descriptions of "Me as Seen by Others."</li> <li>• Participants in turn share these descriptions by reading them aloud.</li> </ul>	3a. to introduce gently the individual's negative features 3b. to provide some reality testing of these negative features by other participants, based on their probably limited acquaintance
5	4. The focus is on the various roles that participants assume in their work lives and at home. The subelements of the design variously expand on this theme: <ul style="list-style-type: none"> <li>• In a deliberately brief period of time, participants prepare as long a list as they can of roles they play.</li> </ul>	4a. to remind participants of the variety of roles they play, and of their diverse reactions to them
5		4b. to encourage participants to think of specific factors in roles that induce dislike or dissatisfaction
15	<ul style="list-style-type: none"> <li>• Participants in turn share their lists of roles.</li> <li>• Each participant adds to his own list as he hears roles shared by others that are reasonably applicable to himself.</li> </ul>	4c. to raise motivational issues with participants, to help determine whether there is any way of avoiding the performance of disliked/dissatisfying roles

*(table continued on next page)*

TABLE 1 Continued

Duration (minutes)	Description of activity	Purpose of design element
5	<ul style="list-style-type: none"> <li>Each participant then distinguishes two lists:               <ol style="list-style-type: none"> <li>roles that are most satisfying</li> <li>roles that are least satisfying</li> </ol> </li> </ul>	4d. to heighten the sense of personal choice and individual responsibility by choosing to accept certain roles and to reject others
15	<ul style="list-style-type: none"> <li>Taking only the list of least-satisfying roles, each participant deals with two critical questions:               <ol style="list-style-type: none"> <li>What do I dislike about the least-satisfying roles?</li> <li>Why do I continue to fulfill these least-liked roles?</li> </ol> </li> </ul>	
60–75	<ul style="list-style-type: none"> <li>Participants share as much about answers to these two critical questions as they wish.</li> </ul>	
60–75	<p>5. The focus is on "success patterns," dealing at greater depth with the six most satisfying achievements introduced in items 1 and 2 above:</p> <ul style="list-style-type: none"> <li>Each achievement is rated in terms of 10 possible satisfactions, each of which is to be listed as a "major" or "minor" factor in each achievement.</li> <li>A scoring system helps the individual to discern if there is an underlying consistency in which particular combinations of satisfactions define personal "achievement" or "success."</li> <li>Based on these combinations, the individual develops "My Definitions of Success" in writing.</li> <li>The results are shared with the group of six, especially the definitions of success.</li> </ul>	<p>5a. to encourage individuals to think about what they need to succeed or achieve, in terms of specific satisfaction relevant to self</p> <p>5b. to search for patterns in personally defined cluster of satisfactions</p> <p>5c. to develop a written definition of "success" against which to measure current job roles, etc.</p>
60–90	<p>6. A "fantasy experience" concludes the design for the first day, with the focus on three things each participant would like to have done with his career:</p> <ul style="list-style-type: none"> <li>Each participant draws three pictures representing these three unfulfilled desires.</li> <li>The admonition is to draw a picture, not a projective image.</li> <li>The pictures can be shared.</li> </ul>	<p>6a. to end the day with an ostensibly light exercise</p> <p>6b. to induce some minor regression that may reveal insights repressed under other circumstances</p>
30–45	<p>7. Deliberately, the design begins to deal with more difficult issues:</p> <ul style="list-style-type: none"> <li>Each participant describes self in detail in writing, in the third person.</li> <li>The third-person descriptions are read to the other participants, who react.</li> </ul>	<p>7a. to encourage the participant to be an observer of self, to facilitate personal analysis by adapting an observational perspective of the self</p> <p>7b. to provide some measure of how realistic the person is in assessing his own qualities, in observing the self</p>

(table continued on next page)

TABLE 1 Continued

Duration (minutes)	Description of activity	Purpose of design element
60–75	<p>8. While preceding design elements were intended to sharpen insights, the focus here is directly on the present or future job, as well as on action steps to make it meet the individual's needs and values:</p> <ul style="list-style-type: none"> <li>• Each participant drafts an ideal future job description that would meet his needs.</li> <li>• Each participant must detail the specifics of what resources he has or requires in order to fill that ideal job description, e.g.:               <ol style="list-style-type: none"> <li>a. credentials</li> <li>b. information</li> <li>c. skills</li> <li>d. contacts</li> </ol> </li> </ul> <p><i>These products are not shared.</i></p>	<p>8a. to encourage participants to develop their plans to fit their needs and values</p> <p>8b. to encourage participants to match their resources, job preferences, and values with specific career plans</p> <p>8c. to reinforce the critical notion that, beyond a certain point, career planning rests on individual decisions and initiatives</p>
90–120	<p>9. All participants are told that they cannot change their jobs, short of major and unexpected developments, and hence must improve their present jobs:</p> <ul style="list-style-type: none"> <li>• Each participant designs five initial steps for a job-improvement plan.</li> <li>• each individual has one hour to begin or complete as many of the five initial steps as he can.</li> <li>• Six participants reassemble to share reactions to their efforts to implement their job-improvement plans.</li> </ul>	<p>9a. to encourage participants into an action mode, as a complement to the earlier analytical mode</p> <p>9b. to provide an experience with the possibilities for improving a job environment</p> <p>9c. to give the participant a sense of control over his environment and a feeling of individual responsibility for increasing the need-satisfying potential of his work</p>
30–40	<p>10. Each participant prepares a list of "Excuses for Inaction" and shares it by reading it to other participants, who discuss each list.</p>	<p>10a. to warn participants of the seductive quality of "excuses" or "reasons" for not acting after the seminar</p> <p>10b. to emphasize, from a negative perspective, that failure to act is often a self-imposed restriction and a lost opportunity to exercise initiative</p> <p>10c. to reinforce any developing norms or values toward future action/ planning re: careers of participants</p>
15	<p>11. Wrap-up and evaluation.</p>	

Finally, design element 10 returns to the group locus for what can be done better there. Individuals share ideas, stimulate further probing, and provide reinforcement as well as emotional support for future efforts toward career planning.

39—

## Competence via Regenerative Systems

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A simple model goes a long way toward facilitating both diagnosis and prescription in consultation. This model describes patterns of interaction in terms of four variables, whose two basic combinations may be called "regenerative" and "degenerative." Figure 1 suggests the sense of two self-reinforcing systems of interaction, defined roughly in terms of high vs. low profiles of four variables. For simplicity, Figure 1 refers only to the interaction system that develops between any two people.

Commonsense understandings of risk and trust will suffice for now. The former refers to the objective threat, and the latter to the confidence in one's colleagues that things will work out. Openness and owning must be distinguished. For one can be open without owning; and one can own up to a fib and hence not be open on that point. For example, Jim may tell me that some of my friends regard some of my behavior as reprehensible. If Jim is one of my friends, and if he feels that my behavior is reprehensible, then Jim is being open about that attribute, but he is not owning it. He lets me judge which of my friends he is referring to.

In the degenerative pattern, one cannot win for losing. Consider the husband and wife whose relations are degenerative. During a long business trip away from home, the husband has second thoughts about the relationship. He decides to take a risk, to trust that his wife will understand if he openly talks about and sincerely owns his true feelings toward her. On the way home from the airport, the husband buys an extravagant bouquet of flowers to help begin a new era of good feelings. His wife has not gone through the same thoughts and feelings as her husband, however, and she perceives the flowers in the context of her low trust and high risk. "Well, what have you been up to now?" she reflexively and bitingly assails her husband. This increases the risk perceived by the husband and discourages the owning and openness he had planned on. "Why, you bitch," he blurts out. And so the best of intentions were interpreted so as to confirm a degenerative pattern. As was said, you cannot win for losing in degenerative systems.

A similar bouquet no doubt would have had more pleasant consequences, given a more healthy interaction system. In a real sense, regenerative systems increase the probability that two interacting persons cannot lose for winning. This is meant in two senses. First, there is less likelihood that misunderstandings and misperceptions will develop in regenerative systems, trivial events often being the materials out of which major impasses develop. Second, even if major issues do develop between a pair of individuals interacting in a regenerative system, the prognosis is still good. At worst, the trust is there to confront the issues, and the risk of doing so is low enough to discourage the continued festering of the issue in the closedness of silence.

Two summary points can be made. Consultation often attempts to provide experience and to

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Modified from Robert T. Golembiewski, *Renewing Organizations*, F. E. Peacock, Itasca, Illinois, 1972, pp. 30–32, 35–38.

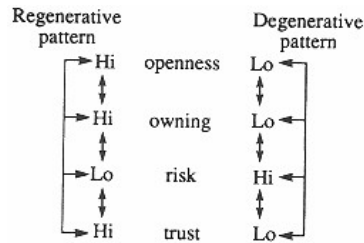


Figure 1  
A simple model of two systems of interaction.

develop skills for heightening regenerative systems, as well as for reversing degenerative ones. Why? The consequences of degenerative systems imply powerful motivation to reduce their impact and especially to seek regenerative interaction. Among other consequences, degenerative interaction is associated with

Ineffective communication and decision making  
Dependence and overcaution  
Fragmentation and isolation of people and organization units

To extend the argument an important step, regenerative systems are critical aids to individuals as they seek to establish and augment their interpersonal competence. This is no small matter. Directly, the drive to substantial and growing interpersonal competence is associated with a person's emotional health, in broad terms. The development by Argyris (1970) of Robert White's (1963) basic concept will be relied on heavily. The concept of interpersonal competence is a central one for the laboratory approach, related closely to its goal of heightening or inducing regenerative systems between individuals. To begin suggesting this close relationship, White defined interpersonal competence as the "capacity, fitness, or ability" of an individual to carry on those transactions that result in the individual maintaining himself, growing, and flourishing. White also argues persuasively that interpersonal competence is a basic human concern. Argyris develops this conceptual beachhead by proposing three measures of interpersonal competence. Interpersonal competence tends to increase, Argyris proposes (1970),

As one's awareness of relevant factors increases  
As the problems are solved in such a way that they remain solved  
As the solutions involve a minimal deterioration of the problem-solving process

The relevance, if not the necessity, of a regenerative system for maintaining and extending interpersonal competence in the Argyrian sense should be patent. That relevance can therefore be sketched briefly. A regenerative system will help insure that relevant factors are considered in problem solving, especially as those factors involve feedback or disclosure from other persons, as they often do. Moreover, a regenerative system between individuals will help assure that problems are solved in such ways that they remain solved, as by taking into account the preferences of relevant parties or by providing feedback early in the implementation of any solution should it prove to have unanticipated consequences. Finally, a regenerative system will raise the probability that individuals are content that their inputs have been made and heard. Such a heightened probability can help maintain the viability of a problem-solving process. Even an objectively correct solution, that is, may prove a failure if it is arrived at or implemented in ways that strain the processes or persons through which subsequent solutions will have to be made. This is the case even where an objectively correct solution exists, and there are very many cases in which one does not exist. Particularly in interpersonal relations, in sum, it is often the specific way you skin a particular cat that really counts.



The relevance of regenerative systems, and thus the relevance of the laboratory approach, to the development of interpersonal competence also can be suggested in another way. That is, there are ample reasons to imply a strong relationship between interpersonal competence or effectiveness and four conditions:

Self-acceptance  
Confirmation  
Essentiality  
Psychological success

*Self-acceptance* clearly relates to the balance of regenerative/degenerative systems that an individual has developed. Specifically, self-acceptance refers to the confidence that an individual has in himself and to the degree that he regards himself highly. Self-acceptance depends on knowledge about self, then, and the clarity of that knowledge will be influenced in significant senses by the quality in the interaction systems in which an individual operates.

The more regenerative are the interaction systems within which an individual operates, on balance, to make a crude extension, the greater the individual's probable interpersonal competence. The point holds in two major senses. That is, a regenerative system implies that valid information will be available to parties in interaction, and each needs that information to know how the other sees him. More significantly, a regenerative system affects two crucial probabilities. It reduces the probability that feedback or disclosure will be perceived as hurtful or punitive. Moreover, a regenerative system increases the probability that feedback or disclosure will lead to the development of new values or attitudes or behaviors. The high trust and low risk to experimentation in regenerative systems are the two factors which most directly raise these two crucial probabilities. Low trust and high risk can make any feedback or disclosure pointless and even punishing.

In conclusion, it is not always easy to learn how others see us, to accept ourselves as others see us, or to change ourselves in ways that make our perception by others more acceptable to us. And degenerative systems complicate all three of these paramountly human concerns.

*Confirmation* of an individual occurs to the degree that others experience him as he sees himself. To the degree that an individual sees himself as different than others experience him, his interpersonal competence is likely to be reduced. The rationale is both clear and compelling. Such an individual is not likely to be effective in gaining his objectives, or at least in gaining them for the reasons he expects. In a more fundamental sense, an individual who is more or less consistently disconfirmed may experience major problems associated with who he is or, to say much the same thing, with how he is perceived by others. The two major alternatives for coping with consistent disconfirming are difficult to sustain. Thus, an individual can deny the validity of the disconfirming cues, or he can accept his ineffectiveness in revealing himself to others as he intends. The implicit conclusion merely requires stating. Regenerative systems are important vehicles via which an individual can either gain this critical confirmation or can begin working to reduce the degree of disconfirmation he experiences.

The quality of an individual's interaction system also affects confirmation in a more subtle and insidious way. In degenerative systems, an individual may experience a kind of bogus confirmation. This is perhaps even worse than getting confirmation from others concerning aspects of himself which an individual prefers to forget. Others may report they perceive the individual as a poet, for example, and he indeed sees himself as a souped-up if undiscovered Keats. In fact, these others really feel he is clumsy even in ordinary conversation, and a disaster with ballpoint in hand. But the others do not feel free to be open enough to own such a sentiment. And the individual may scribble on, uninformed by the kind of reactions he needs, or suspects, or may even want.

*Essentiality* refers to the condition under which an individual is able to express central needs as well as to utilize central abilities. The very term implies the sense of the concept. "What am I doing involved in this?" is one way we can express feelings of a low degree of essentiality. The underlying concept of the personality is one of many layers, with preferences or abilities or values somehow ranked in order. Continued need to activate low preferences will induce feelings of low essentiality. The common vernacular refers to "scraping the bottom of the barrel," I believe.

Regenerative systems clearly would be more likely to induce feelings of essentiality than would a degenerative system of interaction. In the latter, for example, an individual who preferred to be collaborative might find himself unavoidably relating with another with a narrowly competitive style. The individual would be caught in a condition of low essentiality. There might be no way to avoid the interaction, and there would be no easy way to improve it. The high-risk level in a degenerative system, to illustrate, could inhibit raising the issue of the unsatisfactory pairing of the collaborative style preferred by the one person with the win/lose competitive style he actually experienced. This describes a vicious circularity, which is demeaning in an ultimately human sense.

*Psychological success* is a complex of the three conditions above, as can be established briefly. It is a function of the degree to which an individual can define his own goals or meaningfully participate in their definition. Responding only to the goals set by others can generate feelings of failure, even when objective successes are achieved. Psychological success is also probable to the degree that goals are related to an individual's central needs, or abilities, or values. In addition, as the individual defines paths to attain his goals, the possibility of psychological success is heightened. Finally, attaining a realistic level of aspiration will induce psychological success. The point applies in two major senses. An aspiration level that is set too high can generate feelings of psychological failure, no matter what the actual performance. One can fail even as he does quite well, that is to say.

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40—

### Contextual Specificity in Consultation: Similarities and Differences between Business and Public Sectors

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*ABSTRACT.* It is not uncommon for consultants to differentiate between public and business organizations, often lamenting the difficulties these differences create in choosing the "right" intervention. This chapter argues that, while differences certainly do exist between these two sectors, differences within each sector can be equally as great or greater. Therefore, using a public/business dichotomy does not help particularly in assessing intervention practices. The chapter discusses eight generic features that are relevant in adapting consultation to the specifics of a particular organization, without regard to its public or private sector affiliation, and concludes by highlighting a few characteristics which seem to be present more frequently in public organizations than in private organizations.

These reflections on practice in the public and business sectors have an interstitial quality, even though these days are not hospitable to interstitiality. Indeed, many of those in public management find themselves responding defensively to aggressive efforts at bureaucrat bashing and blizzards of proposals for privatization. Their basic defense is: public management *is* different, *really*. The typical motivation seems transparent to me: the more one can differentiate "public" from "business," the less the former is subject to privatization, to demands to become "more businesslike," and to cut back staffing levels.

This chapter does not polarize "public" and "business" administration, however. Rather, the chapter takes different conceptual ground—in outline:

The realities of "public" and "private" grow more protean, by leaps and bounds.

All organizations need to distinguish between the "public interest" and a gaggle of parochial interests. Indeed, many "business" organizations (e.g., General Motors) are more vested with a public interest than many "public" agencies. Hence, some "business" targets for consultation differ radically from "public" sites, but it also seems true that differences within each of those two realms can be as great as, or greater than, the differences between them.

All organizations feature a politics/administration or value/fact interface. The "line" is more or less clear, more or less permanent, and may appear at various levels; *but it is always there*. One often learns about that "line" by getting one's ears boxed for trespassing it, whether willfully or often unknowingly.

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Hence the common dualities—politics vs. administration, or values vs. facts—do not constitute useful criteria for distinguishing between organizations even as they are clearly relevant for differentiating phenomena within any organization.

Indeed, I endorse an emphasis in consultation on politics *and* administration, on values *and* facts, while I also caution against forgetting which is which.

These biases do *not* propose that an "organization is an organization," but urge sensitivity to differences in some generic features that are applicable to most or even all organizations. However, selected features lead to especially "tough" consulting assignments and—although examples may be found in all organizations—the incidence of these selected features seems greater in some public sector organizations.

Note also another significant preliminary. Despite general protestations to the contrary, the best available evidence in the published literature concerning organization development interventions—my usual angle-of-approach in consultation—indicates that public and business cases have quite similar success rates (Golembiewski, Proehl, and Sink, 1982). The population is substantial (some 574 cases) and 40% of them are public sector applications. The interventions cover the gamut from process observation through technostuctural change, and are classified in eight categories for this study. The arena of application makes some difference, but not much. Using four categories to rate "success," with all cases of doubt between multiple observers being resolved by assigning such cases to the lowest applicable category, the data reveal only a minor advantage for business applications.

	Public Sector Applications <i>N</i> = 270	Business Applications <i>N</i> = 304
Highly positive and intended effects	41%	46%
Definite balance of positive and intended effects	43%	44%
No appreciable effect	7%	5%
Negative effects	9%	6%

There are a large number of (to me, obvious) generic features, which the observant consultant can use in asymptotically describing a specific host for consultation, and in adapting the consultation to the specifics of a particular organization, without regard to its public or private sector affiliation. Eight categories of organization-related specificity are discussed below, for illustration, without any pretense of comprehensiveness: site, presenting symptoms, values, hierarchy and function, stage or phase, demography, context or immediate environment, and cultures.

### I— Site Specificity

The consultant can *never* be too site-specific. This prescribes diagnosis, and then more diagnosis, whatever the broader arena in which the host exists. If one really takes the care to look, the variations within the public or business sectors are often as great as, and sometimes greater than, the variability between sectors. Consequently, I never apply a single model for diagnosis, but a range of them—from the usefully sparse (e.g., Weisbord, 1976) to the ponderous, thus gaining multiple perspectives on different facets of a host.

This may seem foolish advice in the face of today's simple and sovereign view that attributes *a* culture to even giant aggregations of people and resources, following the lead of Peters's and Waterman's sales blockbuster *In Search of Excellence* (1982). However, at least since the Wehr-

macht studies of post-World War II, there have been reasons to be cautious about underemphasizing the central role of "the primary group" in organizational effectiveness (Shils and Janowitz, 1948). Some small Wehrmacht units folded in the face of combat; others fought fiercely, often unto death. Wehrmacht membership was not the critical variable then. Similarly, observers (e.g., Gosnell, 1985; Thompson, 1956) have emphasized the substantial differences between the effectiveness and character of units otherwise identical in mission, role, policies, and procedures.

Recently, our research methods have caught up with the implications of such observations. The long-standing tradition of work with integration/differentiation (Lawrence and Lorsch, 1969), for example, emphasized distinctive functional subsystems within formal systems. More recently and explicitly, we see the efforts of those measuring organization climate or atmosphere who, following a well-accepted tradition, now seek to identify distinctive clusters of subcultures, in sharp contrast with overgeneralizing about a System 4 culture, for example, in large systems. Relatedly, our work with burnout (e.g., Golembiewski, Munzenrider, and Stevenson, 1986, pp. 180–194) indicates that immediate work groups—the groups of first-reports—are the prime loci for burnout, not large aggregations of people. We did not find even a single multiunit aggregate that did not have substantial concentrations of members in both the most and least advanced phases of burnout. Moreover, almost all immediate work groups of first reports were homogeneous with respect to the phase classifications of their members on burnout.

Be site-specific, then, consultants. It will seldom hurt to be very site-specific, whether the macrolocus is business or the public sector. Indeed, if consultants are effectively site-specific, it will matter little what the sector happens to be. They will have described all major relevant features of their specific host, and need not be troubled with abstract and procrustean generalizations.

## II— Presenting Symptoms Specificity

From my perspective, the effective consultant must simultaneously be a tummy-rubber and a head-patter, by which I mean to convey the sense of at once being rooted in what medical people call "presenting symptoms" but simultaneously aspiring to systemic rather than topical interventions. The presenting symptoms are often behaviors and attitudes, but the systemic view focuses not only on interaction-centered phenomena but on related structural features and associated policies and procedures. Very often the latter induce the former.

My own specialization—organization development (OD)—has a checkered experience in regard to this local/systemic simultaneity. OD often has fixated on interaction-centered interventions but, as momentarily powerful as they can be, long and sometimes painful experience demonstrates that they need proximate reinforcement by structures and policies/procedures. Indeed, especially at low levels of organization and in autocratic/legalistic settings, emphasis on structure and policies/procedures might well *precede* efforts to develop appropriate interaction. Details about such an approach—first structural and policy changes, even minimal ones, and only later a focus on interaction—are conveniently available (e.g., Golembiewski, 1962; 1985, pp. 93–129).

Conventional OD, in the past, has often focused initially on interpersonal and group processes, progress of which provide a cultural infrastructure for the subsequent development of congenial structures and policies/procedures. First process and relationships, goes the conventional view, then task.

## III— Value Specificity

The consultant needs to be value specific, both in personal philosophy and in specific interventions. A clear sense of "why" not only guides a "what" but can ennoble even an apparently humble "what." This constitutes no mushy message. The more hostile the arena, in fact, the greater the salience of values.

My own professional values emphasize increasing the kind and amount of responsible freedom available to those in organizations (Golembiewski, 1979, Chaps. 1–4). These values serve in direct ways. For example, as long as a consultation shows reasonable progress toward those values, I can

accept even minimal interventions that approach the ideal. Specifically, we saw our early work on flexible workhours as permitting some increase in responsible freedom in organizations, and hence we presented it as a useful design, and especially for OD openers in organizations not deemed "culturally prepared" for more intrusive interventions. Indeed, flexible workhours might even be an optimum intervention in organizations still at an autocratic stage, or not yet comfortable about dealing consistently with interpersonal and group processes.

This issue has been a central one in OD consultation, in various guises. To some, interventions such as flexitime were incremental tinkering at best, and cop-outs at worst. My counter reaction: You begin from where a client system is, in general, rather than from where you might like it to be.

**IV—**

#### **Hierarchy and Function Specificity**

In addition, the consultant needs to be hierarchically and functionally specific, at all times. This specificity will provide far more directly interpretable data than will knowledge about which sector a consultant happens to be operating in.

The underlying proposition needs little elaboration: where one sits often influences what one sees, as well as how one feels and behaves. Lawrence and Lorsch's (1969) work, for example, points to the several significant differences that a consultant might expect between R&D and Manufacturing, even in the same organization—in time horizons and felt pressures, and so on.

**V—**

#### **Stage or Phase Specificity**

Even simplistic notions help in getting the consultant to follow this advice: begin from where your client happens to be and intervene in ways to ease the movement toward where the client will soon go. Thus General Motors might be located along this developmental path: beginning with an entrepreneurial rush, plateauing as a cumbersome bureaucracy in the 1960s and 1970s, and struggling in the 1980s to become effectively postbureaucratic. Reasonable consultant interventions at one stage could well be poison at another. Worse still, a consultant intervention that helped a client at the bureaucratic stage might make more difficult the subsequent transition to a postbureaucratic condition, absent a tempering of the then-present by the soon-to-be-present.

The point is often encountered at microlevels. Consultants might well distinguish two major phases or stages of small group life: when the prime focus is on allocating power or influence, and when that focus is on personal interactions or affect. The same behavior—e.g., patting someone on the head—might be interpreted in radically different ways in those two phases, as condescending in the former case or as affectionate in the latter. The phase-specific consultant will make the appropriate interpretation in planning a useful intervention.

Aware consultants also can put phase specificity to good use at macrolevels. Consider these familiar stages for growth (Chandler, 1962):

Add to volume at central site

Add field units

Add functions or activities

Diversify product lines

These phases often are experienced progressively, but two or more basic growth strategies might overlap, consciously or by inadvertence. Appropriate consultant interventions need to be informed about such phases, or mixtures of them. Prescribing good bureaucratic principles would be reasonable for the first (entrepreneurial) stage, but it can cause increasing mischief for the two following stages. That conventional advice would be seriously counterproductive for diversification, moreover.

Efforts to reform public management might have been well served by an awareness of such phases. Early encouragement for public sector applications of structural innovations that decades earlier appeared in business settings—e.g., divisionalization, the matrix, and job enrichment—

tended to fall on deaf ears. Why? Those innovations were long-delayed responses to earlier and often painful efforts at diversification in some businesses (e.g., Chandler, 1962), but diversification—except perhaps in Defense—was not much characteristic of federal public agencies until the late 1960s and 1970s.

#### **VI— Demography Specificity**

The aware consultant needs to be demography specific, in addition. In very real senses, that is to say, our destiny is implied by demographics. I recall, for example, a personal experience, even a jolting "aha!" I was engaged as a consultant by the Tennessee Valley Authority in the early 1970s. The picture in my mind was the TVA of 1935–1950: aggressive in its social mission of bringing power to the impoverished countryside, providing a "yardstick" against which to measure the rates of private generators of electricity, and so on. I met the entire managerial staff in a large auditorium. What I saw were grey heads, many bald, and almost all male; and what I learned soon was that most of them were far more interested in maintenance than change or renewal, and reasonably so. I took an informal poll, and learned that my audience clustered in the 60–62 age interval! I became demography specific in a hurry.

Not surprisingly, given a little reflection that should have been anticipation. Lots of idealistic youngsters joined TVA at its birth, in 1935. They tended to stay—basically for love of the region, and because many got quick promotions in the early growth of the Authority. These attractions had negative consequences. To oversimplify, young recruits—and especially those representing new disciplines such as atomic energy or espousing changed social conditions for blacks and women—were few and far between. Low turnover exacerbated the effects of tailing-off growth. Hence, agency personnel, especially management, were chronologically a lot older in 1970+, and their common maturing impacted the Authority.

The point is not idiosyncratic. For example, Pfeffer (1982, pp. 277–293) generalizes usefully about demography as destiny. For instance employees of most universities or colleges will recognize soon enough the basic point. American colleges boomed in the 1965–1975 interval, and they perforce hired major proportions of their professional cadres from a narrow cluster of ages. Faculties began aging and tenuring, in an age-specific clump, with consequences that are yet to exert their full impacts. For example, two effects—the peaking of college enrollments in the late 1970s and early 1980s, and the general raising of the retirement age from 65 to 70—left few spaces for new and younger recruits. Tenure policies will create more intense issues in academia than exist in many other arenas, and perhaps especially because many of the unfulfilled and frustrated would-be recruits are technically far better prepared than their seniors. With the bulk of many faculties now in their late 40s or early 50s, another effect is also clear. Fifteen or 20 years from now—absent concerted early retirement programs—higher education will be hit with a tsunami of personnel changes. Pessimists also might predict heightened attack and defense as this peak period approaches.

#### **VII— Context or Immediate Environment Specificity**

The useful consultant needs to position interventions so that they are context-specific, or responsive to the client's immediate environment. The point is obvious, and yet often is neglected. I have in mind the consultant hired to work on an overseas morale problem affecting Americans and locals. Industrious efforts at a quick fix via teambuilding resulted mostly in educating the consultant that the source of the morale problem was less tractable than interaction or relationships—the grossly higher salaries and fringes paid to Americans, for the same quality of effort on the same or similar jobs.

This prescription will become manifest in such numerous ways that only bare illustration is possible here. Consider two Georgia public agencies, both in transportation. They differ profoundly, nonetheless, as is reflected in one overall assessment: "We in the state's Department of Transportation are in much the same business as MARTA, or the Metropolitan Atlanta Rapid Transit Authority; and we could do what they're doing; but their 10-year program would take us about 50 years."

Briefly, the two agencies operate in different contexts. Thus one agency is enmeshed in state politics, and has been for a long time, while the other has a specific and local character, and MARTA was deliberately set up not to be "just another government agency," with various flexibilities as to compensation, etc., intended to encourage quicker reaction times.

Whatever the sources/consequences of such contextual differences, the bottom line for present purposes has a bold and simple character. A reasonable consultant intervention in one context might well be perceived as uniformed, insensitive, counterproductive, or even illegal in another setting. In today's diversified organizations, signally, local contexts or immediate environments often are on collision courses. Patently, Sales often will see a different world than Manufacturing, establishing again that few of us consistently or for very long transcend our context or immediate environment, without signal effort.

Some readers may sense a "whoops" here. Does recognizing contexts or immediate environments in effect allow a backdoor entrance of the public vs. business distinction? Well, yes, but mostly no. To the degree that the focus of a consultant's work in a public agency is affected by broad constraints—civil service regulations, legislative mandates, and so on—the consultant patently needs to be aware and responsive. However, the present point remains. Detailed diagnosis is necessary in all cases, and the consultant must attend to more finely honed discriminations than public vs. business in responding to differences in context or immediate environment.

### VIII— Cultures Specificity

The aware consultant must be cultures specific, and the plural is used advisedly. The present point applies in at least three senses.

The consultant is *always* in multiple cultures, and should be, to begin. Thus many clients—even smallish units of firms or agencies—can have distinctive cultures. For example, one of my client organizations has such a preoccupation with ties as part of their formal dress code that we, quite solemnly, negotiated a contractual provision providing a daily fee for my "appropriately wearing a suitable tie." (I believe the "appropriately" and "suitable" reflect not distrust, but rather my client's concern about my possible insouciance, as in sporting a Donald Duck tie in my breast pocket!) Another client proscribes short sleeved dress shirts, tie or no. In such small matters, and larger ones as well, lack of culture-specific sensitivity can damage an otherwise mutually profitable relationship.

The point is not a subtle one, but I encourage consultants to go through an explicit "culture audit." You can learn some useful things, and early in the game, for example:

Item: One client's offices showed no smoking or smokers.

Learning: Not surprisingly, it soon became clear that the CEO held a strong opinion in this matter.

Reality Test: Many people did smoke, and often at work.

Critical Indicator:—An absolute sign of trust and acceptance was sharing knowledge about "safe zones" and smoking at work in your presence.

Questions for Future: How many other mock observances existed? Was the CEO out-of-touch, or was the reality of issues less important than appearances?

Moreover, the effective consultant is a "marginal person," by definition, marginal in the sense of having a base in multiple cultures. Thus, one's professional code of ethics, or one's firm, or whatever, provides a more or less permanent membership. And one's client provides another, and potentially very different, set of social systems. The consultant who "goes native" often will suffer a reduced capacity to help, but the consultant as "alien" typically will have little or no occasion to be effective. Here consultants need to be cultures-specific, with all the potential for cross-pressures implied in that usage.

Finally, sensitivity to various macrocultures is increasingly useful, and often necessary. Whether the contact involves women, gays, blacks, Japanese trading partners, or whatever, the issue of broad



cultural-specificity can have a substantial salience. The folklore is full of mutual misperceptions, gaffes, or worse.

**IX—**

**Some Probabilistic Differences, Perhaps**

Let me now isolate a class of features that might well have a somewhat greater incidence in public sector consultation, despite their occurrence elsewhere. The list here is highly selective and sketchy, but both a longer list and greater details are conveniently available (Golembiewski, 1985). Four points get attention here, and consultants might put them on a priority list for early checking when working in the public sector, especially at the upper levels.

**A—**

***"Slough of Despond, Pall of Fear"***

In my experience, public sector consultation is more likely than business consultation to contain cases with dominant and difficult features. Elsewhere, and perhaps too fancifully, I refer to these features as the "slough of despond and the pall of fear" (Golembiewski, 1985, pp. 235–245). Such effects derive from multiple factors, including contemporary bureaucracy bashing, but perhaps more centrally—especially at the federal level—they are due to a simultaneous plateau in federal employment and a sharp increase in senior civil servants opting for (or even coerced into) retirement in the last 10–15 years.

Whatever the contributors, the condition poses severe challenges for the consultant, whether in government or in business. OD intervenors, for example, are not likely to focus on public confrontation or interpersonal breakthroughs. Rather, the focus is more likely to be on slowly building hope that something can be done, and on working toward various forms of collective empowerment and of inducing strength through mutual agreements. These can be approached by carefully charting areas of "wiggle room," and especially by facing the key question: "What is the worst thing that can happen if we . . . ?"

**B—**

***Crisis of Agreement***

Perhaps relatedly, my public sector experience seems to contain a higher percentage of cases of "crisis of agreement," of "going to Abilene" (Harvey and Albertson, 1971). Basically, the vicious dynamics of a "conflict of agreement" inhere in one of two basic conditions: a strong pull ("We're great people in a great group"); or a feared push ("I'm not that good, I know, and I'll do anything to maintain membership because I can never duplicate what I have here"). In both cases, loss of membership is consequential. Hence people may not talk to one another about commonly perceived problems or solutions to them, even when they happen to share problems/solutions. The paradox is that this actual agreement goes unspoken, often because each individual fears being the only sheep among goats, and hence chooses silence rather than risking membership or status.

"Crisis of agreement" seems far more difficult a target for helpful consultant interventions than does disagreement or conflict. Reasonable guidelines have been developed (Golembiewski, 1979, vol. 2, pp. 152–161), but only anecdotal evidence exists concerning the design's appropriateness. On diagnosing a conflict of agreement, I advise clients that the process will be long and arduous, with success rates being uncertain. Absent a conflict of agreement, I am ebullient regarding my standard teambuilding design.

In my experience, power/status dynamics involving the consultant's role seem more common and virulent in the public sector. In one interpretation, a loosely coupled system may be said to be particularly vulnerable to having its delicate equilibrium threatened by any new participant, and all the more so by a consultant who may be credentialed and highly paid.

Consultants must find their own way in how to be impactful while avoiding being seen merely as just another competitor for power/status. I find that idealistic protestations of being only a "helper" or "facilitator" do not much impress those concerned acutely about power/status, although my experience may be atypical. Rather, declarations of self-interest seem to go down better. Hence I have said:

Why am I here? Well, the money's welcome, but my dominant commitment is to get publishable results. Typically, that means a successful intervention. Moreover, I am not overly fond of failure. Although one can learn from failure, I prefer success. So I succeed when you and the agency make progress.

Hence, even my most deliberate helping or facilitating seem to be accepted better in the context of explicit self-interest. Perhaps that is because the position in fact approaches the truth, at least sufficiently and often enough.

C—

### *Consultant As "Silent Servant"*

In my experience, finally, consultation in the public sector more often has a "silent servant" quality than does consultation in business arenas. I do not mean this happens always or often in the public arena; but it happens to me almost not at all in business consultation. What is a "silent servant" expected to do? Well, you know the old joke: "a consultant is a person who borrows your watch, and then tells you the time." "Silent servant" consultants have a different role, and fate: They are "told" by the client, subtly or boldly, not only that there is a watch but what time it shows, and consultants are employed on the high probability that they will faithfully report to others about *that* watch and *that* time.

I may seem cavalier in this regard, but I zealously try to avoid the "silent servant" role. Certainly it is easier for me to "be principled" in this regard, being well-supported in my university role. So I may appear as a radical in this matter, but one with his rent paid, victuals supplied, and personal computer maintained. If that is the appearance, so be it. Nonetheless, the "silent servant" role helps neither client nor consultant—and I care enough for both to try to avoid demeaning either, given that even the most vigilant can be fooled on occasion.

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41—

**Continued Employability:  
More of the Old Fast-Shuffle, or an Emerging New Balance?**

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My experience with organizational phenomena spans what may become a continuum but right now has many signs of growing chasms. Let me illustrate, reserving specificity for later. This range of experience is anchored on one end by the loyalty model, perhaps nowhere more starkly represented than in Generous Motors, but with many counterparts across a broad range that existed in relatively undiluted form through the 1970s. You know how that one goes. "Do what you're told, and you'll be OK. We'll take care of you. Step out of line, and you're gone."

What's at the "other end?" Well, it's not yet altogether clear, and may never be. Some see that "it" as a "commitment model," or a "learning organization." No doubt "it" will be a complex amalgam—of new and old, of tried and true as well as flying by the seat of the pants, and of patches of experience and theory that are variously stitched together. But the presently plain fact is we don't have a very good handle on what will happen, even as our "shoulds" constitute a reasonably coherent vision of what would come to be if we could have our druthers. Several other readings in this volume suggest possible features of this other end, but they will be left to make their own cases.

I—

**"We'll Take Care of Our Own":  
Lifelong Employment**

A few details on the two models should help. One way of making the here there bridge is via two dominant views of the prevailing "employment contract." Then, at least in many well-known exemplars—in the IBMs and ATTs in business, in most government employment, and perhaps most clearly in the tenure granted to faculty in our universities—the focus was on *lifelong employment*, given a sufficient apprenticeship and variously onerous loyalty. You paid your dues, and managers respected their obligations—more rather than less, and with sufficient regularity to encourage some to think of an implicit covenant.

Some of organizational America, in short, had its own and earlier version of what came to be known as the "Japanese model."

My own primer on how things were came from a clanlike set of businesses, for which I had "worked" for several years at increasing levels of intensity. At first, from ages 9 to 12 or so, I was a once-a-week specialist. I delivered the cash for the payroll, every Friday around noon, in the large wire basket on my Schwinn Columbia bike. (Nobody would hurt a kid, went the rationale, and I

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attended school very near the bank.) Later, I grew into hot-and-heavy work—on the one hand building strength and endurance for violent sport, but also on the other "learning the business from the bottom" so as to credibly justify future roles.

Then came a spring day in 1950. I was asked about *when* I would be coming to summer work, now that my senior year in high school was coming to an end. I could be late in starting, but I *would be there*. That was taken for granted.

"Well, I won't be coming back," I replied. I had decided to major in physics in college, went my explanation, and it would be better if I signed on as a laboratory assistant with a local R&D outfit. A lot less money, for sure, but a lot more relevant to a scientific curriculum. And I *was* sorry that I had not got around to letting people know that I would be doing physics as well as football.

The response came like a shot from my questioner, an executive and a close relative. He noted, *very* firmly, as if he had doubted all along whether I had the right stuff to carry on the work of the extended family:

Well, that does it, for sure. Bravoski Limited doesn't have much need for nuclear physicists.

So, good luck.

And, of course, you're now out of the will.

II—

### "We'll Help You Take Care of Yourself":

#### Continued Employability

A sharply contrasting orientation seems to be taking shape in some American businesses, although the abandonment from lifelong employment in government and education has not yet generated a clear line of retreat. For want of a better term, this contrasting orientation may be called "continued employability."

This second mode has not appeared in full-blown form anywhere that I know of (Waterman, Waterman, and Collard, 1994), but the sense of it seems clear enough. That sense is reflected in some such psychological contract between employer and the employed.

Given the times, we cannot tell that we'll have a job for you in 20 years, or 10, or probably even 5. We don't have a reasonable assurance of what specific businesses we'll be in by then. In fact, if our luck is bad and events get beyond our control, we might not be in *any* business that far down the track.

So we can't guarantee your employment, or encourage you to think you can make a reasonable bet about staying.

What we can do is pledge to you that we'll work hard to provide you training and development opportunities that, with your active cooperation, can make you employable over the long run, somewhere but not necessarily with us. In fact, it will be unusual for any of our employees to have a full career with us.

III—

#### Old Fast-Shuffle or New Balance?

So, what posture is appropriate for what seems to be in the organizational winds? No one can say for sure, but a few things seem reasonably certain. Thus, many organizations will have to do much trust building to *induce* a wide acceptance of *any* new balance. Lots of people remember the old covenant, as well as what they saw as abrupt violations of the old psychological contract—especially in the 1980s, but with a few precursors going back to the late 1960s and early 1970s (Golembiewski et al., 1972). Defenses will be up, widely, and new models will be hard to sell.

Moreover, few organizations are geared up for the demands of continued employability. For example, the federal government has spent most of the last two decades *cutting* training and development budgets.

Finally, some managements seem to be risking a serious backlash. Some seem intent on squeezing as much as they can from labor/management relationships in this time of union and job-seeker

vulnerability. This kind of hardball could usher in a return to the harshly adversarial conditions that prevailed through the 1950s, if not of the actual warfare characteristic of earlier decades in some firms and industries. Neither would well serve such new balances as that implied by continued employability.

IV—

#### A Careful Prognosis for Employability

This much having been said, what is the prognosis for lifelong employability? Let me hazard four factors related to a guesstimate of the concept's staying power, although they have to be restricted mostly to organizations that have taken their human resources challenges seriously, or can learn to do so in a hurry.

First, continued employability seems to be the most realistic of the *optimistic* alternatives, given that very harsh alternatives are clearly available, if not desirable. This realism provides some base on which to build, and especially in collaborative ways along with both labor unions and professional associations. The loyalty model was a disaster waiting to happen, based as it was on assumptions that were debatable, if not shaky (e.g., that American economic dominance would just roll on, that we could always have plenty of guns *and* butter for ourselves and our allies, that organizational systems could be set up to persist—from the top, done once and right, lasting more or less indefinitely).

Second, "continued employability" as a guiding concept has a multilateral character to it. That strikes me as philosophically appropriate. This may encourage all parties to hang in there over the inevitable rough spots, and such there will no doubt be. What we do not know is whether the concept strikes enough of the relevant stakeholders as not only so appropriate, but also as so unavoidable, that they are willing to share the burdens beyond the conceptual superficialities.

Third, the concept of continued employability provides many excuses, and even some reasons, for jumping ship, or refusing to make the trip in the first place. In brief, the concept implies a range of practical problems about all sides keeping their parts of the contracted bargain. The delicacy and subtlety of the issues are implied by this description of the "resilient workforce." They are not only committed to the idea of "continuous learning," but we are told that the new workforce must also (Waterman, Waterman, and Collard, 1994)

stand ready to reinvent themselves . . . take responsibility for their own career management; and, last but not least, are committed to the company's success. For each individual, this means staying knowledgeable about market trends and understanding the skills and behaviors the company will need down the road. It means being aware of one's own skills . . . and having a plan for enhancing one's . . . long-term employability . . . . And it means moving on when a win-win relationship is no longer possible.

Or consider some practical or even political limits concerning psychological contracts. For example, self-managed groups at once encourage attractive management to make attractive contracts so as to motivate employee performance and satisfaction, but management thereby also limits its ability for change—whether rational or based on whim or passing fancy (e.g., Tinsley and Lee, 1999). That is, psychological contracts often get embedded in an organization's culture, and can powerfully frame employee perceptions and reactions (e.g., Ng and Ilgen, 1999). In addition, post-bureaucratic, structural variants also can be relevant in influencing the effects of psychological contracts, as Chapter 34 and others imply.

This balancing act required of all stakeholders will not be accomplished easily. Many factors, some outside of anyone's ability to control, could help set loose sufficient forces to unbalance even well-developed systems for continued employability. Primary among such factors is a worldwide recession or depression. Here, as most everywhere else, it is better to be lucky than to be competent, and best to be both lucky and competent.

Fourth, even today, some jobs in some organizations present such imbalances of demand over supply that some employers will feel justified in acting on continued employability, obvious costs

notwithstanding ("When Less Is More," 1997). Indeed, some executives may feel more compelled than justified to variously sweeten their senses of prevailing psychological work contracts.

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42—

### **Demotion Design: An Option for Forward-Looking Organizations**

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The "demotion design" came before its time (Golembiewski et al., 1972).<sup>\*</sup> It was developed about two decades ago for the express purpose of gaining experience with an adverse personnel action that is an alternative to termination. The goal was to enlarge the repertoire of responses available at difficult economic times in order to retain experienced personnel who could provide a valuable boost for organizational effectiveness when the economy revived.

Most experienced observers didn't believe the design would work. They doubted that demoted workers could be effectively integrated into the workforce, which is the key to retaining their experience and productivity until the economy revives.

The results proved otherwise. The design generated benign results, indeed highly favorable ones, for both individuals who had served their organization satisfactorily in the past as well as for the management acknowledging its obligation but seeing no alternative other than generous separation packages.

Bad times are upon us again, and this time the repertoire of responses is broader than in 1972. Shortened work weeks for all in work-sharing programs have replaced termination for some employees; union contracts have been renegotiated to support teetering firms; various job-sharing and part-time arrangements have been utilized to fine-tune the balance between employee needs and economic exigencies; and various useful efforts have been made to help employees constructively face loss of jobs from cutbacks, plant closings, and the like.<sup>\*\*</sup>

Even today, little attention has been directed at the demotion alternative, despite the fact that its usefulness has been established. Exceptions remain rare (e.g., Goldner, 1965; Stephens and Kohl, 1989), although demotion can be part of an organization's options because, among other reasons:

Some firms or public agencies periodically will experience bad times.

Any recovery might be shallow and short-lived, and demotion may enable organizations to retain experienced employees for a quick push when the economic climate really improves.

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<sup>\*</sup>See Golembiewski et al. (1972). A version of this study also appeared in Golembiewski (1977, pp. 99–122).

<sup>\*\*</sup>For an overview of such efforts, which are typically neglected in the literature, see Golembiewski (1979, vol. 2, pp. 185–214).

Even in very good times, skills will be obsolescing, employee needs and ambitions may be lowered, and products and missions will change. Each of these and other possibilities imply room for demotion among the options available to forward-looking organizations.

The following narrative sketches a simple design—applied first in 1972, and a number of times since then—for aiding in the adjustment to demotion; it illustrates the useful effects of such a design; and it raises a number of ethical issues associated with interventions in organizations. Broadly, it demonstrates that adverse personnel actions arouse powerful emotions that can and should be dealt with, for the sake of both management and employees.

### I— Purposes of the Design

The chapter focuses on an organization in which 13 regional marketing managers were, as part of a broader reduction in force, given a choice—either demotion to senior salesperson or termination. The managers were all males and ranged in age from 33 to 55; they had been with the company from 9 to 24 years; and they had served as managers for periods ranging from 6 months to 17 years. All had received satisfactory performance appraisals in the past. Most of the demotees would suffer a major reduction in salary, in some cases as much as \$4000 a year.

Several forces influenced the decisions of the 13 managers. The generous separation allowances available to those with seniority encouraged choosing termination. But on the other hand, the job market was tight and the company was considered a good employer.

All but two of the managers accepted the demotion and, as Table 1 shows, they were given an early work assignment intended to facilitate their making the required adaptations as effectively and quickly as possible.

The goal of the design was to counteract the apprehensions induced by the demotions via sharing of resources in a community setting. The hope was that this would increase a demotee's sense of mastery over the consequences of his demotion and hence reduce the initial anxiety, depression, and hostility likely to be induced by the adverse personnel action.

The approach sought to reinforce previous human resource developmental efforts. The firm had invested in a major way in an organization development, or OD, program, in which an off-site sensitivity training experience was a major learning vehicle. The thrust of the initial sensitivity training was to help organization members in two ways: in building a specific set of norms or values into their relationships at work, and in developing attitudes and behavioral skills appropriate to these

**TABLE 1** Timing of the Action Design and Major Activities

Day 1	Day 2	Day 6	Day 7	Day 45
Thirteen managers informed of choice	Decision required	Three major activities	Two major activities	Test of persistence of changes: long posttest
Demotion to salesperson or termination	Eleven managers accept demotion	Demotees and superiors respond to MAACL: <sup>a</sup> pretest	Demotees meet individually with their new superiors	Demotees and superiors respond to MAACL
Employees understand that choice of demotion will require reporting to a midwestern city for an "integrative experience" along with new superiors		Demotees spend balance of day in discussion Superiors have briefing meeting	Demotees and superiors respond to MAACL: short posttest	

<sup>a</sup> Multiple Affect Adjective Check List.



norms. Eighteen of the 22 participants in the demotion design—the 11 demotees and their immediate supervisors—had such a learning experience.

The demotion design was in effect a worksite effort to act on the values emphasized in the off-site training sessions. Briefly, those core values included:

Full and free communication

Expression of emotional as well as task-oriented behavior

Acceptance of conflict between the individual and the organization and coping with it willingly, openly, and rationally

The demotion design was an "integrative experience" in which feelings would be expressed *and* worked through, if possible. The working symbolism was the cauterization of a wound, and the design sought to avoid obsessiveness and the postponement of facing new work demands, which would probably have added to the negative emotional impact of demotion. In the absence of such emotional support—coming from demoted peers, superiors, and the employing organization—negative effects were probable, especially for the more senior men. Were depression to occur, for example, its effects would "include insomnia, loss of appetite, excessive worrying, indigestion and decline in energy" (Kiev, 1969, p. 2).\*

The integrative experience also offered an opportunity to obtain early data about possible adaptive difficulties for managers, demotees, and the consultants who included outsiders as well as in-house representatives from a human resources unit. The latter were essential, since it was they who could provide help if either supervisors or demotees later experienced difficulties.

II—

### **Characteristics of Action Design**

The design had two learning phases. For roughly 50% of the time, demotees worked together. Later, demotees individually attempted to work through issues of concern with their new supervisors.

A—

#### ***First Design Component***

All demotees spent about 4 hours together discussing mutual concerns and needs, with two consultants available. All sought to harness emotional energies to organization and personal purposes rather than to merely diffuse them through sheer ventilation. Several important themes were dealt with, beginning with personal reactions and moving toward work-related issues. The process included the following:

1. Comparing experiences, especially about the diverse ways in which various relevant organizational policies were applied in their individual cases
2. Encouraging expression of anxiety or hostility about the demotions themselves or associated processes, e.g., their style or timing
3. Surfacing and testing of suspicions regarding management, such as the concern that another personnel purge was imminent
4. Isolating and, as much as possible, working through demotees' concern about authority/dependence, as in their complaint that they were not being treated as adults or the feeling that they were strong enough to take the demotions without the integrative experience
5. Dealing with a variety of issues in work relations, e.g., explaining the demotions to clients or other salespeople, in order to develop strategies and norms that would reduce the probability of avoiding issues or handling them awkwardly in the field
6. Identifying specific relevant others with whom interaction had been stressful or with whom it might prove to be so, the emphasis being on strategies for handling such interaction

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\*The point has been neglected, perhaps because it is so painful. See Slote (1977).

The intentions of the consultants were to facilitate expressions of feelings and reactions; to help reveal the diversity of the demotees' experiences and coping strategies; and to work toward a successful adaptation to the demands of the new job. In short, the consultants directed attention to both "process" and "content," to use a convenient distinction. In their attitudes, the consultants were neither advocates of management actions nor emotionally neutral in response to the dynamics of the demotions.

The consultants believed that some demotees might decide to accept termination after the integrative experience. But none of the 11 participating demotees did so. Almost all of them emphasized the positive meaning of the integrative experience. To them, the design implied their value to the organization and reflected a continuing effort by their employer to provide resources that would help them adjust. Only one of the demotees had a different attitude. He resented the integrative experience as "hand-holding" and "coddling."

The first component of the learning design identified some common elements among the demotees, as well as some differentiating factors. The former included the impact of demotion on self-image; experiences with important referents, such as spouses, colleagues, or salespersons from other firms; and concerns about taking on the salesperson's job, "picking up the bag again" to cover a sales territory, participating in sales meetings with peers they had previously managed, and so on.

Among the differentiating elements was the fact that the demotees included both long-service employees and recent managerial appointees. On balance, the future for the longer service men was far less bright. Some men professed shock at being confronted with the choice of demotion or termination, while others maintained that they had more or less expected some action, especially because of falling demand in the industry. A few even expressed pleasure that the adverse action did not hit them as hard as it had many others affected by the major reduction in force.

### **B— Second Design Component**

The second design feature involved the integration of the demotees into the work force, and hence has strong implications for productivity and organizational effectiveness.

Two approaches were taken to building on the first phase, which sought to help the demotees reduce their general anxiety as well as to sharpen their more specific concerns about developing new working relationships. First, the demotees' new managers met for 2 hours to discuss their role in the design for the next day—which included individual meetings with the demotees. The basic thrust was to sensitize managers about how the demotees felt and to suggest ways of channeling those feelings toward making the most successful adaptation possible.

Second, the demotees spent approximately 3 hours with their new managers in one-to-one situations. The consultants sat in on these meetings, as time permitted. The major concerns in these one-to-one situations were as follows:

1. Building early supervisory relations, as in mutual pledges to work harmoniously together, which was easy in cases where demotees were able to choose their new manager
2. Discussing technical problems, such as going over sales territories
3. Developing strategies by which the manager and salesperson could be mutually helpful, as in discussing ways to moderate the formation of cliques, which the demotions might encourage
4. Isolating likely problems and cementing a contract to agree to meet any problems rapidly and mutually

Some one-to-one meetings concentrated on one of these concerns; others attended to several.

### **C— Measuring the Design's Consequences**

The effects of the action design were judged by changes in the Multiple Affect Adjective Check List (MAACL), developed by Marvin Zuckerman and Bernard Lubin. MAACL is an instrument for tapping the psychological aspects of emotion; it conceives of affect as a state, not as a trait.

That is, a time referent is specified for respondents, who react as they feel "today" or "now" rather than "generally" or "occasionally." Zuckerman and Lubin describe the MAACL as follows (1965, p. 3):

[It] was designed to fill the need for a self-administered test, which would provide valid measures of three of the clinically relevant negative affects: anxiety, depression, and hostility. No attempt was made to measure positive affects, but some of the evidence indicates that the scales are bipolar, and that low scores on the full scales will indicate states of positive affect.

The demotees were expected to have high initial scores on anxiety, depression, and hostility that a successful intervention would reduce significantly. The managers were expected to have lower initial scores than the demotees. For the managers, the posttreatment administration of MAACL was not expected to reveal any major shifts, except perhaps on anxiety. This anxiety about role was expected to fall as the design unfolded.

The MAACL was administered three times (see Table 1). One administration occurred just before the integrative experience, and a second immediately after. The third administration was by mail approximately a month after the intervention to test the persistence of any changes. One of the participants did not respond to the third administration.

### III— Consequences of a Critical Intervention

The effects of the intervention are summarized in two ways. A first section provides a brief review of the measured consequences. A following section urges caution about assuming too much.

#### A— *Five Perspectives on What Happened*

What effects did the intervention have? They were almost entirely in the expected directions, as Table 2 suggests. For the sake of simplicity, only gross trends are reported in Table 2, but the discussion below emphasizes statistically significant changes.

Five points detail the major results. First, the demotees reacted strongly to demotion. Without going into technical details, each of the three psychological states referred to in Table 2 has a different maximum. How high were those scores? About one-third of the scores for demotees on the initial MAACL administration surpassed or closely approached a "standardized score," which for convenience was set at a level below which 98% of a large number of past respondents had

**TABLE 2** Overall Effects of Intervention on Three MAACL Administrations

	Mean scale scores by days after demotion <sup>a</sup>		
	Day 6	Day 7	Day 45
<b>Demotees</b>			
Anxiety	9.8	7.5	6.5
Depression	17.8	14.8	13.6
Hostility	9.5	7.2	7.2
<b>Managers</b>			
Anxiety	6.3	5.3	4.6
Depression	9.8	9.5	9.5
Hostility	5.1	5.3	5.7

<sup>a</sup> Since each scale has a different maximum score, interscale comparisons should not be made. A lower scale reflects less of the emotion in all cases.

scored. So the initial MAACL scores for demotees in Table 2 are high but not off the scale. The scores for managers approximate "normal" levels, with a marked elevation only for anxiety (see Lubin and Zuckerman, 1969).

Since the demotions were announced about 6 days before the first administration of the MAACL (see Table 2, day 6), the initial scores suggest that the demotions had a great and persisting impact that was unlikely simply to wither away in the absence of the integrative experience.

Second, as expected, the initial scores of the managers were significantly lower in all cases. Since managers' scores for anxiety also decreased significantly at day 7, the last day of the learning design intervention, and again at day 45, the implication is that the managers were not upset by the integrative experience. Hostility scores rose, but not significantly.

Third, the effects of the design were consistent. These effects varied only randomly for employees who differed in age, years with company, years as regional manager, and loss of salary involved in the demotion.

Fourth, the effects on individuals also establish the efficacy of the design. Overall, about 80% of all MAACL scores for demotees were reduced, and an additional 10% were unchanged, when the initial scores were compared with the second and third scores for each individual. In addition, no demotee had an increased score on more than one scale. Overall, all average scores for demotees decreased significantly between days 6 and 7, which were the days of learning design intervention, and the reductions were maintained at least through day 45. In fact, anxiety scores on the average were significantly reduced between days 6 and 7 as well as between days 7 and 45.

Fifth, subsequent history suggests the value of the design. All of the demotees were on the job 3 years later. Moreover, five were repromoted when the firm's markets improved. No strict efforts were made to track the demotees beyond the 3-year mark but, essentially, the positive record continued. Personal problems plagued one of the demotees.

#### **B— Avoiding Foolish Claims**

The success of the learning design undoubtedly profited from earlier attempts of the host organization to develop supporting attitudes and behavior. Hence, this design may not be applicable in organizations as a first-generation effort. Methodological inelegancies also prohibit attributing the effects uniquely to the learning design, even though the presumptive evidence is strong. For example, some may attribute the initial reductions in anxiety, depression, and hostility to the passage of time. But the interval between the first and second MAACL administrations was a brief one, and the demotees had patently developed and sustained high scores on the three target variables in the six days between the demotion notices and the learning design intervention.

#### **IV— Moral and Practical Concerns about "Cooling Out"**

Efforts like the demotion design raise tangled ethical and practical issues. Organization development consultants clearly need to be concerned. But these issues also need attention from that broad range of decision makers who might consider or authorize interventions like the demotion option—executives in all functional areas, managers, personnel directors, and so on.

Four points relevant to these ethical issues of broad impact deserve highlighting:

1. *Value issues should be up front.* If organizational interventions are seen as a Band-Aid, an after-the-fact ameliorative effort to salve the wounds of any actions management decides to take, the organizational intervenor faces a range of serious ethical and professional issues. He becomes a cooling-out functionary, a person who merely dissipates the hostility that otherwise serve as a force for constructive change. In the long run, the intervenor's boss in this way can despoil a useful resource.

The best way of avoiding the Band-Aid role is to establish when interventions can make a difference. Such situations include those where:

- Management has a real stake.

- Management perceives that only traditional options exist.

An alternative has a real probability of working in an exchange sense; that is, the intervention helps management achieve its ends, on balance, while it also serves employee needs, within a normative context defined by the values underlying OD.

The consulting team saw all those conditions in the case discussed in this chapter.

Some authorities in organizations may desire only a reduction in conflict, of course, not an increase in options. The point here is that as the intervenor's ability to generate options is limited, so also will the latter's usefulness decrease in helping deal with conflict.

2. *"Cooling out" or increasing options?* The context of the present intervention created real confidence that this consulting team was not merely stabilizing the system and thus subordinating the interests of the demotees to those of the organization. Specifically:

The demotions were part of a broader reduction-in-force delayed by a management that for several years had vainly sought new products to occupy the full sales force.

Overstaffing, due to rapidly changing market conditions, was an objective dilemma that required confronting.

Three consultants served as process observers to various levels of management over the extended period during which policies and procedures for the reduction-in-force were being developed.

The demotion experience was suggested by the consultants in response to the expressed managerial concern that, unfortunately, there was no alternative to firing 13 managers.

The consultants basically saw themselves as enlarging the options open to both managers and demotees. Also, at a number of points, the design required specific choices by management and demotees to go ahead. Two of the 13 men chose termination in preference to demotion at one of these decision points.

3. *Real exchange or tenuous illusion?* One might argue that the demotees were in no position to engage in meaningful exchange with management and, consequently, that the demotees were powerless pawns who could hardly do other than to feign a positive response to an "integrative experience" that was in reality forced on them.

This possible argument does not seem to apply in the present case. On the contrary, the consulting team perceived the demotion experience as permitting real exchange that rested on four basic factors:

All demotees had been rated satisfactory performers, and all or most saw the action against them as due to market conditions.

Management valued the managers' past contributions and did not relish the negative impact on morale that was expected to follow the outright termination of managers with substantial seniority. But management could initially see no way to retain the eventual demotees without creating managerial situations that were unanimously seen as both unattractive and unavoidable.

Most of the demotees, given a choice, preferred staying with the firm despite real financial and status losses.

The managers' work experience might later be valuable when market conditions became more favorable.

In the present case, the repromotions mentioned above are perhaps the best indication that there was more than a tenuous illusion of exchange. A real basis for exchange might not have existed if, for example, the demotees had been marginal performers.

4. *Multiple and shifting clients.* Multiple and shifting clients clearly existed in the present case. The initial client was marketing management, which the consulting team served as process consultants and to whom consultants also recommended the demotion design. The OD team also was in the long run held responsible by management for the effects of the intervention. Management's expectation was that most of the demotees (and perhaps all of them) would experience major coping problems.

Once the 11 men accepted demotion, however, they became the focal clients. Later, when the immediate supervisors of the demotees were present, they also became part of the client population. The data suggest that the OD team served the immediate interests of the supervisors least effectively, inadequately helping them to deal with their anxiety in a situation that was novel and initially somewhat threatening to them.

Two points summarize the consulting team's biases in dealing with multiple and shifting clients. First, management was encouraged to apply control through results rather than through knowledge of specific details. Such specification of behavioral or attitudinal objectives may seem to put the proverbial noose around the intervenor's neck, but it has major redeeming virtues. Without such measurement of outcomes, management might be tempted to seek information about "what went on," with serious implications for trust and learning.

Second, whether or not clients must be multiple and shifting, and whether or not client interests are starkly opposed, the intervenor's basic allegiance is to a relatively clear set of values and orienting perspectives (e.g., Golembiewski, 1979, vol. 1). The allegiance should be articulated early and should be preserved even if all else is subject to compromise, blurring, or selective application. To do otherwise is to invite being considered a cooling-out functionary, and deservedly so.

From management's point of view, of course, this flexibility for intervenors will not come scotfree. Success in producing desired effects will motivate the necessary managerial adjustments.

V—

### **Conclusion**

In sum, the demotion design illustrates the usefulness of an applied behavioral science approach to organizational issues. Acting on certain explicit values, it proved possible to help meet the needs of some employees while management husbanded experienced resources for better economic times.

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43—

### **Diversity as Shining Goal or Sham?: Equifinality Definitely Does Not Apply**

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Many people get real comfort from the concept of *equifinality*, and understandably so, up to a point. For this term strictly applies to that happy circumstance under which some, or many, or perhaps all approaches will get conscientious people to the same end point. That circumstance, wherever it exists, would take much of the sting out of life—for example, I cannot imagine how real believers in equifinality could engage in religious or social discrimination.

However, this author is less impressed by equifinality. For one thing, he is suspicious about claims of its ubiquity in life. Moreover, there is a version of equifinality that deeply troubles. You know that one, gentle reader, by word of mouth if not direct experience. To wit: if you don't know where you are going, or don't care, any pathway will certainly get you there, sooner or later.

Basically, this chapter urges that equifinality may seem to apply in connection with diversity, but should not be seen that way. In brief, many observers—perhaps even most—subscribe publicly to the attractions of diversity, but there exists no consensus on how to get there from where we are. Indeed, in my more dour moments, I struggle against the conclusion that the diversity of approaches to diversity exists because many people really don't want to get there, while professing that goal with the rest of the choir on the general principle that it is better to suppress contrary thoughts than to be clear. In short, when in doubt—mumble.

And this author does have some dour moments despite his basic optimism. He is the guy, after all, who persisted in singing what he thought was a catchy country and western song: "Some days are diamonds; some days are pearls." He was hardly deterred by the truth. That song really goes: "Some days are diamonds; some days are coals." And even now, knowing the real words, I still prefer: "Some days are diamonds; some days are pearls."

I—

### **Diversity As Shining Goal**

Diversity often has been a front-and-center goal, despite the general belief that the condition constitutes a new gospel. Such proponents of diversity-as-just-invented haven't been paying historical attention. In the present view, *the* problem has not been the lack of advocacy of diversity-as-attractive-goal; rather, again in the present view, *the* problem has been that some approaches just won't get you there, at least for very long. Worse still, most approaches to diversity are likely to result in less diversity in the long run via a backlash.

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Note: A different version of this essay appears in *Org Dev J* 16 (1):5–9, spring 1998. Reprinted with permission of the publisher.

Let us postpone this demonstration for a while, and focus immediately on this prior question: Why is diversity seen as a shining goal by so many? A short list of five classes of motivators will have to do here.

Practically, demographics imply a clear destiny. We will either learn how to live constructively and creatively with differences, or we will be whipsawed by demographic near-certainties. One case in point: it appears to be the case that by 2005 or so, approximately 40 percent of the new entrants to the U.S. workforce will be brown-skinned and, if that is not diversity enough, the fact is that these entrants will be a heterogeneous collection—Latinos, Hispanics, Chicanos, European Spaniards, the descendants of the grandchildren of the professional and business classes who fled early-Castro Cuba, the grandchildren of the more recent Cuban Mariellite expatriates, Puerto Ricans, mezticos, and French-speaking Haitians, among others.

Economically, businesses will learn how to deal with diverse workforces and customers, or limit their abilities to attract and retain valuable allegiances and customers.

Politically, U.S. traditions and institutions proclaim *E pluribus unum*—"Out of many, one." We can be progressively faithful to those traditions and institutions, or we can risk their evisceration. The *e pluribus* here covers a broad range—differences in opinions, classes, races, genders, life styles, ages, and so on.

Socially, figurative or literal fences and moats are costly, and of dubious effect when one considers the number and distribution on "new Americans" that demographics envision in our future.

Normatively, many believe that all people are born intrinsically equal in the eyes of their Maker. Categorical differentiations thus are inappropriate, and a substantial and growing portfolio of opportunities open to all constitutes the working ideal. Diversity at once challenges this ideal, and gives it meaning.

## II—

### Diversity As Sham or As Shining Goal? Stages As Central in an Answer

The basic position here is direct. Diversity can be either sham or shining goal, and directly in proportion to how many of five stages of diversity are guiding its development. Roughly, these five stages are seen as building upon "prediversity times." In roughly historical order, the five stages correspond to successive emphases in the American experience, with later stages often inducing conceptual confusion because earlier stages did not just wither away.

The elemental lesson? Failure to make operational the full succession of phases can result in a recycling to earlier stages of diversity, if not a backlash forcing us back to a frantic pursuit of homogeneity. In fact, although it escapes up-front notice, just such a recycling has already occurred several times in American history. The full argument has been developed elsewhere (Golembiewski, 1995), but a review of several elementals will frame the present effort to minimize the sham in diversity and to maximize the shining goal.

## III—

### Five Stages in Diversity

At least five stages can be distinguished in American history, and although there may be others in our future, let's stop short of crystal-balling. These five labels and descriptions will be useful, at least for openers.

Diversity under duress

Equal employment opportunity, or "leveling the playing field"

Affirmative action, or "tilting the playing field," as by employment "targets" and "quotas" favoring some racial, ethnic, or gender category

Valuing of diversity, as typified by multitudinous workshops and training programs that seek



to expand knowledge, understanding, empathy, and skills applicable to various cohorts, groupings, or categories

Managing of diversity, which seeks organizational roots for diversity in action via Strategic plans

Organization structures

Programmatic forms reflected in policies and procedures that deal with the full range of employees, of conditions of employment, and of the quality of the work site

Earlier stages have value: they are indispensable in moving toward a fuller sense of "diversity," and they will retain their usefulness, if in supporting roles. While improving on their predecessors, however, each of the four earlier phases has sharp limits.

**A—**

### ***Diversity under Duress***

Two related questions having perhaps surprising answers help illustrate the limitations of this first stage.

Q. When did one of our major military services first include, let us say, 20% Afro-Americans?

Q. When did the first Afro-Americans graduate from one of our military service academies?

Most people guess the answer to both questions is no sooner than the onset of World War II, and probably later.

Most people are flat wrong, however. For details, see the tragic history of the Buffalo Soldiers in our U.S. Cavalry during the decades following the Civil War (Leckie, 1967).

Why do I write "tragic," not to mention shameful? There was a nasty civil war between the states; and there followed the very dirty work of pacifying the western U.S. territories. Racist qualms were overcome on the self-serving grounds that—given the incredible casualty rates in the Civil War, as well as the rugged western conditions—it was seen as more practical to allow blacks the opportunity to serve and often die than to hope for sufficient enlistments by whites, which had declined precipitously as the Civil War wended its tragic way onward.

Even with the extreme need, however, racism only had a temporary dent put in it. For the 30 or so years following 1865, privations and humiliations for Afro-Americans continued even as they served dutifully and often with distinction. Illustrations of the inhumane treatment abound. For example, regulations specified a *minimum* distance between Afro-American and white soldiers—about 50 feet.

The biggest tragedy of this first approach came in a backlash. No sooner was the pacification of our western territories accomplished than prediversity times again came to dominate. One clear sign: the first three Afro-Americans were enrolled at West Point between 1870 and 1890, to use ballpark figures. The fourth attended around 1945. In this and many other regards, the backlash gets reflected starkly. To put the point in other terms, the earlier needs abated and public authorities were decreasingly likely to impose the duress that led to the temporarily imposed diversity.

There are other signs of the basic limitations of this first stage (e.g., Marszalek, 1994), which had great top-level support for some extended time. Indeed, any whites resisting the original Civil War policy were promised "a bullet." Basically, when duress passed and coercion declined, so did the grudging reliance on diversity.

**B—**

### ***Diversity As Equal Employment Opportunity***

Under two goads, diversity appeared in other conceptual clothes, beginning with the 1950s. Basically, World War II involved all colors and races, and both genders; and a booming economy encouraged a fairness that often had been dormant. Directly, everyone should have an equal shot at qualifying for available jobs, and "full employment" would provide ample opportunities, along with the opening of doors promised by the GI Bill of Rights to education and training.

What were the major limitations of this urge to greater fairness, whetted by good times? Well, not much diversity resulted, and especially in the federal government. Moreover, the slim gains

achieved were tightly concentrated in entry-level jobs. Leveling the playing fields did not work very well, or very fast (Golembiewski, 1995, Chap. 2).

**C—**

### ***Diversity As Affirmative Action***

From these slim gains are significant pressures to tilt the playing fields in order to make our organizations "look more like the country." And quickly. Details are available in many places. Bottom line, a spurt in advantaging diversity in employment did occur, but it was uneven across "protected classes"; moreover it saw only modest increases in employment at middle and senior levels of employment.

The total situation showed many signs of a return to diversity under duress, if not further, with the courts often providing the stimulus to rise above the reactionary backlash. Much judicial pushing and shoving did occur, with greater resistance becoming manifest, and especially in connection with "quotas" or "targets" that were widely seen as in conflict with meritocratic principles. To many, "equal outcomes" went too far beyond "equal opportunities." Indeed, many saw quotas as in basic conflict with equal access and fairness.

The basic learnings? More than modest changes in overall demographics would be necessary to achieve productive *and* diverse organizations *at all levels* of work. If anything, indeed, the results of affirmative action were a wash: greater employment of minorities did occur, but at the cost of an increasingly negative public opinion. Judicial coercion was therefore probably necessary, but remained clearly insufficient to induce full-fledged diversity at work, and that coercion had high social and political costs as well.

**D—**

### ***Diversity As Valuing Differences***

A kind of rushing wind of recognition followed. The intent and especially the associated skills to "*value differences*" were critical in heightening the de facto as well as the de jure acceptance of the growing streams of diverse employees. Powerful reinforcement came from the sudden agreement among demographers in the late 1980s that we had not seen anything yet, when it came to the diversity of American workforces of our near future. Diversity would be among us in unexpected degrees, whether we liked it or not. Bluntly, it became clear that the challenges in rectifying the errors of the past would be exacerbated by highly probable demographic changes in our workforce over the next decade or two. White males would be the new minority, to put it directly.

Hence the sudden profusion of diversity workshops, most cognitively oriented, and all featuring ways to help understand differences. The hope was that valuing them would follow greater understanding, and that greater valuing in turn would trigger changes in attitudes and behavior more amenable to long-run diversity. Estimates are very tricky here, but probably at least scores of millions of government and business employees had one dose or another of valuing differences. Maybe there were more; no one really knows.

The intent was clear enough, in any case. The purpose was to induce a more receptive context for progress toward diversity. This was, in effect, a "bottom-up" counterpart to the courts' "top down." The soft sell of learning about differences, often coupled with festivities celebrating those differences, would create the long-run context for a real diversity for whatever minorities either moved into employment or went up our public and business hierarchies.

Although well-intentioned, valuing diversity had serious shortfalls. For one thing, related efforts seldom involved intact work teams or—to say much the same thing in a different way—they had an intrapersonal emphasis that did not involve managerial changes in structures as well as policies and procedures. Typically, also, the workshops were 2–3 hour affairs. Even given some impactful training experiences, *and many were*, transfer of learning to work sites and large systems was limited, and the go-go of organizations was seldom affected.

**E—**

### ***Managing Diversity***

More and more, the accumulating sense of these limitations comes to a growing—albeit not yet overwhelming—conclusion. The essential point can be put flatly. Without change in organizational

features—in strategies, structures, as well as in policies and procedures—not much lasting change of any kind can be expected in responding to pressures for diversity—whether demographic, courtinduced, politically sanctioned, or variously convenient or tactical, hence the need *to manage diversity*—to build its requirements into policies, procedures, and into the very structure of work itself (Golembiewski, 1995, Chaps. 3–7).

Indeed, in the absence of numerous reinforcing managerial changes at multiple sites, a backlash may very well occur as a consequence of the first four approaches. Given a worse-case scenario, we may slide back to the first phase, or even to prediversity times, thus those who put their full faith in affirmative action will find that presidential administrations, courts, and legislatures can and do change; and some managements, especially under tight economic conditions, may be emboldened to reverse pro-diversity initiatives. Those committed only to diversity under duress always will be ready to lead both political and management repression and regression.

I hope I am pardoned a small advertisement. Details about specific ways that diversity can be managed in organizations can be found elsewhere (e.g., Golembiewski, 1995). In general, the approach requires three emphases: on policy and procedures, interaction, and structure that is diversity friendly. For example, the bureaucratic model is not diversity-friendly; rather, that structural model encourages uniformity and regularity at the costs of inflexibility. To illustrate, also, flexible work hours programs are more diversity-friendly than "standard hours," which again induce uniformity and regularity as well as inflexibility. Numerous chapters in this volume provide substance and detail about such relevant topics and others. For example, see Chapter 34, "Alternative Models for Structuring Work."

#### **IV— Reprise**

So, how to put the present intent—really, the hope—of this chapter? Two statements do the job. Knowing where we have been will not only help us better track progress, but it also will help inhibit backsliding. Moreover, that knowledge can help guide moving confidently toward advanced stages of diversity.

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44—

### Easing the Rigors of Mergers: Some Guidelines from Experience

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Mergers and other ways of making one out of two or more have become increasingly popular in both government and especially business, for numerous reasons. Overhead costs might thus be saved when two or more separate organizations become one, or economies of scale might occur from creating one larger unit from two or more smaller ones, or an organization might seek some synergistic integration—by vertical or horizontal linkages, by adding to a product line, or by seeking or creating amalgams—as by grafting a firm with strong marketing capacities onto an organization with strong R&D resources.

This litany of objectives could be lengthened, even interminably, but *the* bottom lines leave no doubt: even if overdone, mergers often serve useful economic and managerial purposes, and there have been numerous easy fortunes made via the merger route (e.g., in the media, in hospitals, and in pharmaceuticals).

All these factors notwithstanding, the success rate for mergers does not appear to be high. "Dismally low" might be a better descriptor, in fact (e.g., Golembiewski, 1979, esp. pp. 185–212). Often incompatibilities in cultures explain this sorry record (e.g., Blumberg and Wiener, 1971), but whatever the cause, huge costs and dashed expectations can be expected in general. We have to learn how to do much better, in effect, because mergers and unbucklings always will be with us.

This chapter is devoted to the proposition that things can be made better by building on past experiences. To that end, nine recommendations for doing better with respect to mergers will be introduced below. This checklist comes from interviews with a group of executives who had recently experienced a merger, and were anticipating another one in the near future (Burke, 1997).

1. *Paramountly, a vision of what the merged entity is to become in the long run should be developed and broadly agreed to and very early in the game.* Directly, a clear sense of the ideal state will help guide the here there development. Put another way, if you don't know where you are going, taking any direction will get you there. See also Chapter 76, "Vision or Core Mission."

This will be especially the case when a "clash of cultures" can be expected, which implies that different social constructions existed premerger. Often this initial incongruence will require careful attention to developing and implementing "a new way." On occasion, a knowledge of the differences, and the toleration (if not cultivation) of those differences as part of a long-run strategy for intentional diversity (e.g., Blumberg and Wiener, 1971), can pay major dividends. More likely, the form of "due diligence" associated with premerger decision making will look at only financial or technical good fits, while often-neglected behavioral and cultural degrees of consequence will prove to be at least as significant in determining the outcomes of mergers.

2. *Members of the premerger units need to understand the rationale for the merger.* The underlying rationale is simple and direct: people who share the *why*—some superordinate goals—will be better able to supply the required *what and now*. Put another way, mergers are never rose gardens for all stakeholders, and a credible sense of the *why* will help those disaffected by various aspects of the merger to grow above and beyond narrow special interests. Somebody's ox is always being gored by one feature or another of specific mergers.
3. *Mergers should place a special premium on straight and timely talk.* There should be few surprises in merger dynamics, in sum, and especially those of the last-minute variety. For example, those who will be "let go" need to know at the earliest possible time. This contrasts sharply with the Friday afternoon massacres just before a long holiday, so common in large-scale adverse personnel actions.
4. *Establishing relationships with new colleagues has a great significance, even an urgency.* This can be done in many ways, and all of them can be direct. This author is especially fond of learning designs that, in effect, accelerate psychological time—as in various forms of team building (e.g., Golembiewski and Kiepper, 1988, esp. Chaps. 1–3), but other ways exist, as in staffing "due diligence" teams or start-up project teams with pairs of new colleagues from the units to be merged.
5. *One or more off-site get-togethers—for all major actors from all major units to be merged—has a high priority.* These get-togethers can help catalyze a new consciousness via shared experiences related to moving toward the vision of the merged organization of the future. See also the point above.
6. *Close contact of major actors seems a key, perhaps, the key, to successful mergers.* For example, holding on to the old geographical locations can be a symbol of fragmentation, and such symbolization needs to be nipped in the bud whenever possible. Absent such pruning, the symbol can take on growing aspects of an awkward reality. This author recalls a merger in legal status only, in which two successful organizations decided to go their own ways even after the merger. Chaos often resulted, as the two original units preserved their old cohesiveness in virtually all ways—western and eastern dress, two cultures, and even two headquarters' staffs and locations!
7. *"Paralysis by analysis" constitutes the antigoal, and spritely decision making constitutes the ideal, and especially so in the earliest days of the merger.* No one urges "ready, fire, aim," but many things will have to be worked out even if the early planning is exemplary so there is no gain in "waiting to get it all correct." Better to spend the time building trust in the context of early decisions that often will need fine-tuning, and perhaps even in extreme cases need revisiting. Progress in building trust may remain, even if specific decisions get unmade or remade.
8. *Relatedly, "walking the talk" has very high priority.* In this sense, day-to-day congruence with the expressed vision and ideals has more to recommend it. Typically, this means building solid interpersonal and group processes that can be shock absorbers when mistakes are made or when omissions occur. Both will happen, of course, and perhaps never more frequently or intensely as during early stages of mergers. See also several chapters in this volume, including "Competence via Regenerative Systems," and "Managing Transitions."
9. *Although focus on internal relationships and routines is both understandable and even necessary, external stakeholders cannot be held at a distance, let alone kept in doubt.* These externals can include customers, clients, suppliers, and regulatory authorities. They cannot be treated like the proverbial mushroom: kept in the dark, covered by decaying matter, and waiting to be processed, which often means "to be canned." See also Chapter 16, "Conceptual and Consulting Aspects of Stakeholder Theory Thinking, and Management."

This involvement of externals can take many forms, but it is not easy to have too much of it. Open communications are required, even if that involves openness about issues still in progress or even in dispute. As an ideal, these external stakeholders may be direct participants in the transition (e.g., Ashkenas et al., 1995).

Note a concluding caveat. These nine recommendations derive from past experience, and could well inform meeting future challenges. At the same time, the recommendations set challenges for

tomorrow's research so as to permit the continuous fine-tuning that alone can enhance the comprehensiveness of this set of recommendations for easing the rigors of mergers.

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45—

## Features of Energizing Data

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"Useful data" and "data" need to be distinguished as sharply as possible. In sum, useful data can make energy available for constructive purposes in a system, or perhaps even create new energy; but just plain old data might even be counterproductive, as in creating the informational analog of a hernia. Overall, see Chapter 71, "The Dominant Intervention Theory and Its Selected Shortfalls."

I—

### Major Generic Features

How to distinguish "useful data," then? It should have at least eight major generic features. No complete answer is possible, but a variety of sources, e.g., Golembiewski (1972, pp. 19–155), Golembiewski (1990, pp. 61–130), Mahler (1974), and Nadler (1977, pp. 147–148), reflect convergence toward agreements that also imply numerous painful trade-offs.

A—

### Relevant

Judgments of relative significance are always suspect, but "useful data" must be perceived as relevant to the worlds of those in the host organization. "Information about those aspects of organizational behavior or functioning that have little relation to the lives of the people who receive the data," Nadler observed (1977, p. 147), "usually will not create energy."

No doubt about that, but this apparent truism conceals a nasty dilemma, one inhering in the common distinction between recognized and unrecognized relevance. The dilemma grows more serious as knowledge of the behavioral sciences grows, and as technical knowledge accumulates about what issues really are relevant in accounting for satisfaction and productivity. Survey/feedback processes must walk a very narrow line. That the toilets do not work satisfactorily is clearly "relevant," for example, but so is the level of cohesiveness of a host organization's work units. The degree of recognition of these two issues will vary among clients, however. Consequently, a significant part of a survey process often will involve an educational effort by the consultant to diminish the client's zone of "unrecognized relevance." Careful consciousness raising is required.

Consultants, and especially those with research interests, often will have to trade off some allegiance to their more complex world view so as to accommodate clients with simpler models of reality. Clients may be willing to enhance their understanding, of course; but they also may have limited need for such learning, and less patience with it. Consultant insistence beyond a point may only jeopardize client involvement and buy-in.

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Adapted from R. T. Golembiewski and Richard J. Hilles, *Toward the Responsive Organization*, Brighton Publishing, Salt Lake City, Utah, 1979, pp. 59–62. See also the re-release in 1984 by Grid Publications, Columbus, OH.

Major costs for both clients and consultants may be involved, then. At the very least, the possibilities of dependence, copout, mistrust, or conflict are clearly substantial. These potentialities must be dealt with—openly and zestfully. How they are dealt with, indeed, may prove to be a very important—perhaps even the most important—feature of a consultation.

**B—**  
***Valid and Accurate***

Data will have an impact to the degree they are perceived as valid and accurate. These constitute magnum issues and must be dealt with first, last, and always. Hence the recommendation that initial uses of surveys involve 100% samples. Small, appropriately drawn samples would be technically adequate, but they might provide a basis for questions about the validity and accuracy of the resulting data. Better to nourish the early credibility of the survey by giving everyone a chance to respond.

**C—**  
***Descriptive Versus Evaluative or Punitive***

Data ideally should describe what exists, and yet avoid the charge that they are merely judgmental. This is a difficult combination, especially since "new data" seldom will be affectively neutral. Often, somebody's ox will be gored, or at least threatened, possibly creating fears and anxieties. The degree of trust and problem solving will be critical in determining the perceived descriptive/punitive balance in any data gathered by a consultant, or generated by consulting activities.

**D—**  
***Sufficient and Specific***

Survey data should be sufficient for making judgments and interpretations with some confidence, which, in practice, often implies a substantial specificity about who as well as what. For example, it is necessary to have sufficient detail about employee reactions to supervisory style to permit reasonable reliance on the data. In addition, and especially for remedial action, specificity is either very desirable or critical about whose reactions to which supervisor's style are involved.

All well and good, of course, except for the fact that sufficiency/specificity also may seriously heighten the degree to which organization members fear the survey as evaluative or punitive—as a head-hunting expedition rather than a truth-seeking effort. The trade-offs can be painful.

**E—**  
***Selective***

Substantial evidence implies that information overload, especially of unexpected and negative information, can be as dangerous as too little information (Yalom and Lieberman, 1971). Nadler (1977, p. 147) comes down unequivocally on the point:

When too much information is presented, people become overwhelmed. Confusion and distortion occur and energy may be dissipated. People have limits to the amount of information that they can receive or process at one time. The temptation when giving feedback is to present great amounts of data. In reality, limited data organized to prevent overload are more effective at creating and directing energy.

This motivator of selectivity obviously reinforces many others. Primary among them is the fact that any description implies some kind of selectivity, as reality is apprehended only through an observer's perceptual filters.

However, selectivity can be at serious cross-purposes with sufficiency and specificity. "Too little" can be as bad as, if not worse than, "too much."

**F—**  
***Comparable***

Useful data will somehow facilitate comparative processes involved in evaluation and interpretation. For example, the basic questions related to interpreting and understanding survey data are broadly comparative. For example:

What is a "good source" on item 2?

I can see that unit 1 scores higher on item Z than unit 2, but is the difference big enough to worry about?



Useful benchmarks for comparison can come from several sources. First, a longitudinal perspective provided by several administrations of the same survey items in the same organization at different points in time can provide a useful sense of things getting "better" or "worse." The best safeguard is to plan several administrations of the same items or scales. Three administrations constitute a minimum for relatively confident interpretations of trends.

Second, comparisons between in-house units or with other organizations can provide an important perspective for the interpretation/evaluation of data. In the easier cases, as quantitative evidence accumulates, sharper notions develop of what is a "high" score on such repeatedly used measures as the Job Description Index (Smith et al., 1969) or Michigan's Job-Related Tension Index, based on scores in other organizations and especially on knowledge of the covariation of differences in such scores with significant outcomes such as productivity and satisfaction.

### **G— Understandable**

Of course, if data and their presentation are not understandable, organization members cannot use them wisely except by dumb luck. But insistence that data be understandable can be at odds with several of the other attributes of energizing data mentioned above. For example, statistical techniques can facilitate comparisons of data while they may also complicate the user's understanding of what the data reveal, if anything, and why.

Some prescribe the easy way out—to make the survey process maximally available to even naive users. This might be called a populist view, and clearly seeks to safeguard broad involvement and participation.

This populist view has much to recommend it, but it also has the danger of jeopardizing the quality of survey data and their interpretation. For example, data do not always—or even often—permit safe interpretations at superficial levels of analysis. Indeed, the opposite can occur (e.g., Golembiewski, 1990, pp. 87–110), and firm commitment to errors or awkward interpretation has little to recommend it. In fact, the commitment exacerbates the problem in such cases.

### **H— Influenceable or Manageable**

Effective data will emphasize those things about which something can be done. This prescription has obvious roots, although much consultation does not respect the obvious. As Nadler (1977, p. 149) explains:

Providing data about problems and issues out of the control of the receiving group may only lead to frustration and ultimately a decrease in energy. Presenting information that relates to the areas of activity that can be influenced by the receivers can, on the other hand, create energy.

This eighth prescription cuts several ways. It reinforces several of the guides above, such as the requirements of sufficiency and specificity. Dealing with influenceability and manageability may also raise issues about authority in a host organization, the lack of delegation, chronic mistrust, and so on. The consequences may be fear and threat on the employee's side, and concern about a possible erosion of their prerogatives on the part of management.

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46—

## **Fine-Tuning Appreciative Inquiry: Two Ways of Circumscribing the Concept's Value-Added**

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I—

### **Introduction**

Appreciative inquiry (AI) is increasingly recognized and recommended as a vehicle for consultants. Here the basic question is: Given what we know, what seem the safest uses of that technology for learning or change? Specific research is rare, but some useful guides for application seem reasonable.

Elsewhere (Golembiewski, 1999), I have taken full opportunity to give appreciative attention to AI, and I do *not* here try to change my conclusions featuring caution and concern. The view there is top-down, as it were. Viewed from broad conceptual and empirical perspectives, that earlier piece seeks to evaluate AI as a comprehensive corpus of experience and research. Major shortfalls exist, stereophonically—for AI viewed as theory, research, diagnosis, and application.

On the general proposition that cemeteries are the only human artefacts not characterized by change, this article looks at AI from a particularistic perspective. Given its shortfalls as comprehensive theory/experience, that is to ask, are there uses that can safely be made of some AI approaches or perspectives?

The answer here is affirmative, and two major steps develop that answer. Immediate attention goes to a brief circumscription of AI, and extended consideration later goes to two major ways of indicating arenas in which AI applications can be expected to have high success rates.

II—

### **The Briefest of AI Primers**

In essence, AI intends to trigger the "deep understanding that permits real action taking," to get at the dynamic stuff of life that exists in every efficient human system.

How do we get at "it?" Details exist elsewhere, both those of AI originators (e.g., Cooperrider and Srivastva, 1987) as well as my own (Golembiewski, 1999). Let us simplify in order to get a working if incomplete sense of "it." At its heart, AI proposes to get organization members talking about—appreciating in dialog, as it were—"working" features in response to "positive questions" such as the following, put to a population of school principals include:

as you reflect on your career, can you tell me the story of a high-point, a time you felt most alive, most impactful, most successful in terms of the contribution to this school and community?

Basically, AI rejects a problem-solving orientation, which is regarded as inducing defensiveness, and goes on to seek to build a real-time organization out of the "life stuff" implied by answers to questions about high points and preferred dynamics. The ambitions are clear enough,

and available ways and means indicate how AI proposes to move beyond such essentials while building on them (e.g., Cooperrider et al. 1996). Among other loci in this handbook, Chapter 4, "Managers and Project Leaders Conducting Their Own Action Research Interventions" as well as Chapter 18, "Applying Action Research to Public Sector Problems," usefully contrast AI with problem-solving designs for change.

**III—  
Two Approaches to Extracting Value-Added from AI**

Earlier, my question about AI was mixed: What are its features, strengths, and weaknesses? Here let me be more narrowly appreciative of AI, if perhaps only in my own way—hence the focus here on two ways of extracting value added from AI, for want of a better label. The first approach provides a kind of a map for AI applications—where concerns and cautions seem most manageable, and where they seem grave. The second approach below isolates five categories of action taking in which AI provides useful value added to theoretical/normative stances common in organization development (OD) or other approaches to consultation.

**A—  
2 × 2, Again**

Visitors (or conquerors!) from outer space no doubt will be impressed by how often behavioral science is expressed in terms of 2 × 2 matrices. This preoccupation appears in the venerable Johari window (Luft, 1963, pp. 10–15) and its various elaborations (e.g., by scientific methods). Indeed, that model may be the basic source of our attraction to 2 × 2 space. This piece will not break new ground.

Figure 1 provides a useful if simplified space for AI applications, and especially in the sense that I am unclear as to the basic AI inductions—whether commitment, consensus, conformity, or coercion—and in what proportions. Let me briefly illustrate the four "windows" in Figure 1, as well as suggest their relation to AI. To simplify

Window I encourages little caution or concern, and may even permit useful leverage. For example, consider the induction of "groupiness" properties such as high cohesiveness in experimental situations. AI approaches might well quickly and economically serve such purposes—for example, in testing whether Sherif's (1935) autokinetic effects will be more

	<b>Challenges of Inducing Commitment/Consensus/Conformity/Coercion</b>	
	<b>Easy</b>	<b>Tough</b>
<b>Trivial, if perhaps interesting</b>	<b>I</b>	<b>II</b>
<b>Potential consequences</b>	<b>III</b>	<b>IV</b>
<b>Consequential</b>		

Figure 1  
An elemental matrix for AI applications.

marked for AI inductions than those induced by simply assembling subjects after each individual runs through the protocol. Subjects might be told, sometimes truthfully and sometimes falsely, "that you are going to be with people you really will like and will find it pleasant to work with." Real-AI and pseudo-AI inductions then could be compared with merely assembling clusters of individuals.

Window II need not detain very long, since its high cost/benefit ratio should deter most uses. Experiments might thus try to assess whether subjects high on internalization should prove more recalcitrant to AI induction than those high on externalization (e.g., Rotter, 1966). (Such effects would not surprise, but they imply modest theoretical and practical leverage, while having high costs.)

Window III encourages polarized reactions. Consider an executive team anticipating a rough review by an active board of directors. Executives might well favor an AI application on the general principle that this would heighten integrative vs. punitive impulses in board members—as in board responses to *the AI* question: Think of really good things that management has done. Combative board members might favor, in contrast, Barry Oshry's power lab as prework to heighten their taste for conflict and contention.

Window IV concerns most, even as it contains the most potential for impactful AI applications.

Questions dominate with respect to window IV, as in the case of the adoptions of westerners of (apparently) thousands of Romanian orphans—deprived of human comfort for extended periods, and more warehoused than cared for. Television dramatized their plight, and potential adopters grew numerous, non-governmental organizations (NGOs) were anxious to mediate, and Romanian authorities might well be willing, if not anxious, to place the children outside Romania. Would AI, with its focus on positive and peak experiences, simply heighten these several enthusiasms and perhaps so much so, whether by conformist "groupthink" or even coercion, as to neglect some possible/probable dark clouds behind the perhaps-hyped silver linings? Basically, what probability exists that the orphans/foundlings would be able to develop "normally" in their later lives and would AI encourage or discourage raising this unappreciative reality?

Substantial evidence encourages real caution in this connection, judging from cases of various degrees of isolation of youngsters from human contact. The evidence has a long heritage and covers a range—from "feral children" allegedly raised by animals or otherwise isolated from human warmth and contact (e.g., Davis, 1940; Singh and Zingg, 1943) to neglected or abused children (e.g., Levy, 1937), including those separated from their parents, as by economic privation or war (e.g., Freud and Burlingham, 1944). No doubt too simple, but nonetheless chilling, the prognosis is that some unknown but probably substantial proportion of such children will suffer severe developmental deficits or deficiencies, from which they will only partially recover—if ever.

**B—**

#### ***Five Possible AI Applications***

Without any attempt to diminish AI by faint praise, what proximate (if perhaps cautious) uses of AI seem to have high potential? Here, Gervase Busche (1998) provides useful guidance. As contrasted with a comprehensive view of "full-strength" AI, Busche suggests five "spot uses" of AI that seem broadly applicable in consultation.

**I—**

#### **The Power of the Narrative or "Story"**

Basically, AI prescribes that people tell stories about personal "high points," and these in turn can guide action taking and even reduce "resistance to change" in the sense that "candy helps even strong medicine go down." For example, the contributors of stories about a "peak experience" in work teams might be confronted with this challenge: "And what have you done recently to try to recreate such a peak experience in your present team?"

This suggested design loop probably does not qualify as pure AI, but two points seem clear enough. The approach might thus contribute a powerful impetus to learning, and perhaps especially among wary or even suspicious persons. Moreover, stories are powerful in many traditions of analysis and inquiry—a long list that includes OD and ethnomethodology. Stories constitute, as it were,

a kind of storage system for beliefs, fears, prescriptions, ideals, and generally for all that is human. Accessing this storage system can highlight expectations about the features of social systems that operate on both the wary and the insensitive; and the focus on "positive stories" may have a soothing effect, and even powerful effects.

Appreciative inquiry certainly has no monopoly here, however. Moreover, reliance on stories need not buy into AI's epistemology or world view, and the history of stories in social science suggests that the apparently simple technique can have some tricky wrinkles (e.g., Herzberg, Mausner, and Snyderman, 1959; Argyris, 1971). Perhaps most salient, AI seems nowhere very clear about what to do if sharp differences characterize the peak experiences or "positive stories" of the targeted individuals.

2—

### **The "Heliotropic Hypothesis"**

Many life forms gravitate toward light, of course, and by enthusiastic extrapolation, it may be proposed that social forms and norms gravitate toward the "positive." Appreciative inquiry might thus direct energies in just the direction that people prefer, and this might well generate a kind of boost to action. Cooperrider refers to such an effect as the "heliotropic hypothesis."

This author goes only part of the way with this hypothesis, despite its attractive and uncomplicated view of social norms and forms. To put it colloquially: "You can catch more flies with honey than vinegar."

Even if this is granted, however, the search for ideal social forms and norms faces other and far larger issues than whether or not somebody's (or something's) motivational systems can be engaged. *The* key issue always is: Motivation for what purposes? The human record seems compelling in this regard. To begin with, under some circumstances human systems can degenerate to bestial levels (e.g., Chang, 1997) as well as rise to the noble. Put another way, human systems can level "down" as well as "up" under the same impetus of substantial pressures toward uniform behavior. The issue is not so much a choice between "missiles" as only more or less powerful vehicles; rather, *the* choice involves "guidance systems" for more than power—that is, an unguided powerful missile often will be worse than a guided but less powerful one.

Consultants are well advised to cultivate a sense of the difference. A powerful learning design may attract, but well-targeted ones make more progress, more safely, more of the time.

Appreciative inquiry ideation elicits concern as a guidance system, and to the very degree that it induces powerful forces. Organization development-ers devote great energies to the normative character of their designs, but AI in its dominant form assumes the social constructionist view that there is nothing special about any social form or norm; that is, goes the social constructionist view, all social artifacts are mere "enactments" that have only arbitrary status, and then only until they are "unenacted" with (in AI) no concern about consequences. This is convenient, no doubt, but also vulnerable to the possibility that nothing special—or even worse—is what one will get from any technology that does not give detailed attention to the character of its guidance system.

In sum, even the spot use of AI must be guarded in this second sense. For example, AI's aversion to "negative" stories may encourage an incautious optimism about facts or beliefs. Oppositely, my sense of prudence suggests balancing the "positive" by the dark clouds associated with most silver linings. Moreover, at various times, some very strange things have appeared "attractive."

3—

### **Highlighting the "Organizational Unconscious"**

Variants of this approach have long been with us, even during the earliest days of OD (e.g., Bion, 1948, 1949, 1950, 1951), at least in principle; nor have contemporaries failed to reinforce the point (e.g., Kets de Vries and Miller, 1984). Exemplars of this approach urge that an "inner dialog" is going on in all organizations, and its dynamics hold the keys to sensitive diagnosis and hence to effective prescription. It is clearly a reasonable notion that both "stories" and "positive stories" can help gain insight about such internal dialogs, as well as about ways of managing or resolving those dynamics.

Here, basic AI may be put to spot use, but again only with caveats. Paramount, perhaps, other approaches using stories also seem useful in "organization unconscious" approaches, as in the contrast of espoused and action theories pioneered by Argyris (e.g., 1971). At best, AI can now

claim no clear advantage among such alternative uses of stories, although future research may yet justify such a claim.

Indeed, AI's sometimes remarkable aversion to diagnosis implies that only a gentle reliance on AI is justified in this third possible spot use; that is to say, for one thing, "organizational unconscious" approaches are into diagnosis in a very big way, and it remains unclear how AI can serve this dominant objective. Far more centrally, no specific organization unconscious has any special claim to truth value, and all must be evaluated normatively. If an "unconscious" exists, in short, should it be supported or resisted? Appreciative inquiry proposes no special capacity here, or even interest. Directly, organization unconscious can help consultants with "is" issues, but consultants also have to deal with "should" concerns (e.g., Gellermann, Frankel, and Ladenson, 1990).

4—

#### **Helping Resolve Paradoxical Dilemmas**

Busche (1998) also highlighted how a kind of AI spot use helped a "stuck" team become "unstuck" as its members became able to "discuss the undiscussable." After a period of going-nowhereness in a conventional team-building mode, Busche suggested an AI variant: members should describe a "great team." Members then were instructed to reflect on features of those groups that had not yet appeared in their present group, and perhaps especially why.

After some flailing about, one member put his mental finger on a transformative recognition in that other group that had galvanized members there but had not yet occurred in the present group. "We recognized that trust costs less than distrust," the member observed. That powerful generalization from another setting helped resolve an apparent paradox in the present group, where the "stuckness" resulted from a deep distrust that seemed to require such a quantum leap of trust to overcome that members saw it as out of reach—hence the undiscussable that resulted in the group's stuckness.

This is a nice example, and it usefully suggests a mini-use for AI; but at least three cautionary caveats seem appropriate. Other designs could have induced a similar effect—indeed, some conventional exemplars intend to trigger just such effects early in a design for a target group locked into an "avoiding" or "flight" mode (e.g., Golembiewski, 1979, vol. 1, pp. 308–314), and these alternatives owe nothing to AI, as well as vice versa.

Second, it might even help to pose the question of "what is the worst thing that could happen" to a group of individuals if talking about the undiscussable were to occur. This discussion might encourage unstuckness. In addition, uses of "gap analysis" (e.g., a difference between ideal and now scores on the Likert profile of organizational characteristics) can be used to generate just such a "booster shot" as that attributed to the AI variant described by Busche (e.g., Golembiewski, 1979, vol. 2, pp. 18–27).

Perhaps the most subtle issue involves "crisis of agreement" or "going to Abilene." There, all members actually agree, but group membership being highly valued, all are afraid to test for that agreement lest they be denied membership. All members thus act as if they were the only deviants. Here, AI might well compound the problem, and especially if the "positive stories" on how great it was to be a group member do not significantly agree, or are superficial or even feigned.

5—

#### **"Tracking" or "Benchmarking"**

Finally, for the present purposes, general AI processes can be engaged with profit, and for several basic reasons: that "you often find what you are looking for"; that "where you look determines what you see"; or that "you often will get what you ask for." "Expectation effects," in sum can play major roles in consultation, as in the often-remarked tendencies of authority figures to accord superior status to those about whom they receive bogus information concerning the latter's high achievement or potential (e.g., King, 1974); that is, look for the positives in people, and this may encourage people to provide them. Good enough. Great, even.

Care seems appropriate, however, in even this final illustrative sense of AI as a spot use. Such effects as those implied above can be mischievous, and even dangerous *if* there is also a reality "out there" as well as "in here" in the perceiving person. Much AI ideation assumes only the latter reality, but that seems oversimple (e.g., Sherif, 1935). If "truth" comes in two or more varieties, and their several combinations—"objective" as well as "subjective," or out there as well as in here—

some of the positive support for AI gets resolved into evidence about the ease with which people can come to accept simplisms, or even palpable falsities.

"Finding what you look for" then takes on aspects of easily induced and possibly unfortunate outcomes *to guard against*. In awkward contrast, AI prescribes pursuing just such superficially attractive ways of finessing choices between social forms and norms.

#### IV— Reprise

Appreciative inquiry is here viewed as a system of thought in need of circumscribing, and at a time when much remains unknown about its features and consequences. The concern is exacerbated by a major datum: the common if anecdotal attributions of powerful effects to AI applications, hence this approach to indicating safe areas of value added for AI, which can guide consultation until a more final resolution of AI capabilities becomes available.

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47—

## Flexi Time and Employee Control over Work

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Consultants, and especially those working in an organization development (OD) mode, often find it useful to consider interventions that are structural or procedural and also apply to most or all employees of large organizations. Flexi time (F-T) is one such intervention, useful in itself but especially as suggesting other related ways of enhancing the worksite at low cost.

I—

### The Flexi Time Approach

The F-T approach is simple in concept, but has a range of attractions that far outweigh the disadvantages likely to be encountered in applications. A single F-T application will be detailed below, for the purpose of illustrating how the concept was tailored to one work setting. Several themes dominate: the F-T application is described; anticipated advantages get attention; some potential disadvantages are detailed; and the particular usefulness of F-T applications in approaching central OD values receives emphasis.

A—

### One Flexi Time Application

In one setting, a moderately liberal program of flexible work hours evolved from discussions with research and development (R&D) officials, as Figure 1 implies. Illustratively an individual may start work any time between 7:00 and 9:15 A.M. and stop between 3:00 and 6:00 P.M. These comprise the flexible work hours, which the employee can change from day to day. An employee must be at work only during the five core hours.

There are significant constraints on this application, which probably operate to discount its attractiveness to employees. Assume an employee works a 35-hour week. Because of wage and hour laws, weekly roll or nonexempt employees may not work more than 8 hours in any one day without being paid overtime. Therefore, a weekly roll employee may work only one 5-hour day in a week while accumulating 35 hours without getting into an overtime situation. Semimonthly roll employees—who are salaried—have greater flexibility in this regard. When an employee works a 40-hour, 5-day week, obviously, constraints assume even greater proportions for wage earners. Excluding overtime, the time of beginning work determines the end of the work day.

Four other details of this initial F-T model deserve emphasis. First, the flexible work hour preferences of employees are *subject to work requirements of the immediate supervisor*. On occa-



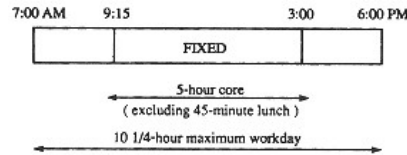


Figure 1  
Flexi time model.

sion, the demands of the job or the preferences of a supervisor may require that certain hours be kept. This will apply particularly when an employee's work must mesh with another individual or team. Second, the lunch period is not flexible. Third, hours worked in excess of 35 in a week may not be "banked" for a following week. This version of F-T thus involves a 1-week accounting period. Fourth, the pilot study F-T application involved the accurate recording of each person's accumulated time. Supervisors of the two experimental units in this case decided to continue use of a time clock, while the comparison unit continued to use time sheets.

**B—**  
***Some Common Advantages***

Experience in other firms suggests some very real advantages of flexible working hours. The following advantages seemed most likely in the organization studied.

The flexible work hour system may minimize lost work hours. For example, in organizations with fixed working hours, employees frequently take time off for personal business, formally or informally. Under flexible work hours, time off for personal business is legitimate, but employees tend to take care of personal business on their own time.

Overtime may be reduced. Some experience indicates that flexible hours allow easy adjustments to variable workloads. Therefore, overtime compensation may be reduced.

Sick leave may be reduced. For example, individuals who oversleep can legitimately come to work, as opposed to calling in sick to avoid being recorded as late.

Productivity may increase, qualitatively and quantitatively, although this often can only be measured in this case by changes in attitudes *about* productivity. Some evidence indicates that employees on flexible hours are more inclined to stop work only after a task has been completed, thereby reducing startup time on the following day and avoiding downtime at the end of the workday. Moreover, flexible work hours permit an employee to plan work hours to more closely coincide with the most productive hours.

Flexible work hours may provide a better work climate for employees, thereby resulting in improved morale.

Flexible work hours may reduce rush-hour traffic problems.

Flexible hours may provide quieter periods for more concentrated work and thought.

**C—**  
***Some Potential Disadvantages***

To provide some balance, the F-T intervention implies potential problems. The most significant disadvantages follow.

Because core hours cover only 5 hours a day, informal communication such as spontaneous meetings and phone calls might be impaired.

Overtime might increase if a weekly employee's presence is routinely required when salaried employees are working more than 8 hours.

The positive impact of flexible hours may be diminished by the negative effects of requiring use of a time clock or other recording devices.

The increased flexibility enjoyed by employees may be perceived by some managers as a threat to their control.

Once employees experience flexible hours, many may not want to return to a fixed-hour system.

The cost of support services may increase.

The flexible work schedule may require increased supervisory time and may divert supervisors from more important tasks.

**D—**

#### ***As Expressing Central OD Values***

The F-T installation sketched above attempted to provide one tangible avenue for expressing central OD values. The host organization had for several years sponsored OD efforts that sought to establish greater freedom and responsible self-determination at work, involving the top seven hierarchical levels of a substantial business enterprise. Flexi time provided one way of expressing those central values that was simple, direct, definite, and tangible. Specifically:

Flexi time is less likely to violate autocratic norms among management or employees, even though some managers may resent the loss of control over employees involved in flexible hours and may seek to limit employee use of flexible hours.

Flexi time effects can be felt very early and on a day-to-day basis, as in less fighting of traffic, whatever and whether long-run benefits accrue.

Flexi time requires changes only on a day-by-day basis, and only from those employees who desire change from normal work hours.

Flexi time does not require any major predisposition "to participate," or the learning of any skills.

Flexi time typically affects an entire workforce, or major segments of it.

Paramountly, the F-T application sketched in Figure 1 sought greater employee freedom and self-determination at work, in responsible ways that mirror central values in OD. For example, great care was taken to design and implement F-T in a "bottom-up" fashion. This required inputs from, and involvement by, supervisors and managers. For example, a group of R&D managers were asked early in the game to develop a list of potential advantages and disadvantages of the basic idea of F-T as it applied to their specific work site. This was intended to have multiple effects: to disseminate knowledge about the intervention, encourage discussion about its anticipated effects, signal real concern about the "fit" of F-T variants to specific work sites, encourage realistic tests of variants, and develop questionnaire items intended to test actual advantages or disadvantages of specific applications.

**II—**

#### **Flexi Time Effects**

The results of F-T applications seem broadly positive both when "soft" (e.g., Golembiewski and Proehl, 1978, 1980) as well as when "hard" indicators (e.g., Golembiewski, 1980) estimate effects. In addition, public and business applications generate similar consequences. In the case of the application based on Figure 1, for example, a broad range of indicators trended in a positive direction, and at times markedly so (Golembiewski, 1979, pp. 220–237). As one indicator of F-T appeal, 83% of both supervisory and nonsupervisory personnel in another application reported that they would respond "negatively" or "very negatively" if their application were terminated (Golembiewski, 1979, p. 241).

The evaluative literature often has methodological inelegancies, as all observers agree. But the weight of numerous studies, even if flawed, has motivated F-T applications involving many millions of employees. No evidence suggests either a substantial fadeout effect of F-T effects over time, or the general termination of F-T programs that would accompany a flash in the pan (e.g., Nollen, 1982; Golembiewski, 1982).

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48—

## Giving Effective Feedback

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The most important things often get taken for granted, and so it is with feedback. We do it to others all the time, and they do it to us—verbally and otherwise. Typically, the act is reflexive and we contemplate it mostly in those cases in which we get surprised, or when we clearly do not achieve our intent.

How to get better at doing what we always do, and need to do? That is the focus of this chapter. We will (and must) give feedback to others, and receive it from them. The only question is how effective we will be in doing what we will do, and must do. In sum, indeed, we can be no more effective than our feedback from others is appropriate, timely, and valid. We can be less effective than our feedback would warrant, however.

I—

### Cognitive Inputs and Learning Designs: Six Guidelines for Feedback

Fortunately, quite a bit is known about giving feedback. We focus here on six guidelines, or value-loaded prescriptions of how to go about sharing information and feelings with others. This section is straightforward. The guidelines for feedback will be listed below, and their application to a sample piece of feedback will be illustrated. Some interpretive comments conclude this chapter.

Let us begin with Table 1, which details three value-loaded guidelines for helpful feedback, for a starter.

A—

#### *Emphasis on the Here and Now*

First, helpful feedback is based on a scratch-it-when-it-itches principle. As much as possible, feedback should refer to ongoing situations, to the here and now. The rationale is both practical and profound. As the here and now is emphasized, practically, so is it easier to deal with more or less immediately verifiable data, unclouded by recollections that differ or are dim. More profoundly, as the here and now is emphasized, so is it easier to avoid several kinds of inappropriate behaviors. For example, this approach helps avoid the amateur psychiatry that seeks there-and-then roots for behavior.

B—

#### *Emphasis on the Individual Act*

Feedback also should emphasize individual acts, attitudes, or values, as opposed to the total person. The purpose is dual: to zero in on the specific phenomenon of concern, and to do so without unneces-

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This material closely follows Robert T. Golembiewski, *Approaches to Planned Change*, vol. 2, New York: Marcel Dekker, 1979, pp. 64–68. The concluding section was written expressly for present purposes.

**TABLE 1** Three Guidelines for Helpful Feedback

Guidelines for helpful feedback	Sample feedback
Emphasis on the here-and-now vs. the there-and-then	"George, you are a stereophonic SOB. And I know why. Your father rejected you as a child."
Emphasis on the individual behavior, attitude, or value vs. the total person	
Emphasis on feedback that is nonevaluative in at least three senses:	
a. It is nonjudgmental	
b. It is noninterpretive	
c. It reports the specific impact on self or other's behavior, attitude, or value	

sarily raising the target's defenses or without denigrating him or her as a person. The difference in wording of feedback can be profound. Compare "I hate you" with "You hurt me when you didn't recognize me at the party," when the common stimulus is a perceived social snub.

The rationale for this guideline is elemental. A denigration of the total person is most likely to induce a flight response, or perhaps even fight. Neither of these responses is likely to achieve what helpful feedback requires: hearing the full import of the message by the target, and keeping defenses low enough, or porous enough, so that both target and sender can expend maximum energy in problem solving, as opposed to maintaining facades.

### C— ***Emphasis on Nonevaluative Feedback***

The third guideline is far more complex and subtle. Helpful feedback should be nonevaluative and descriptive. This is meant in at least three more or less distinct senses. In the most elemental sense, feedback should be nonjudgmental. That is, it should be characterized by an absence of evaluations like "good" or "bad," especially as these evaluations refer to a total person.

Relatedly, effective feedback should be noninterpretive. Consider the husband who complains that the potatoes at dinner were hard. "Poor dear," his wife may respond by leaping to an interpretation, "had a hard day at the office, I see." Such interpretations imply serious problems. They often are a way of not hearing what the sender intends, or of devaluing it, for example. In addition, there is a good chance that the interpretation may be inaccurate. The husband above might retort: "I had a wonderful day at work, as a matter of fact. I repeat: the potatoes were hard." The subsequent dialogue might go several ways, none of them very promising.

Finally, feedback should be nonevaluative in the sense that it reports the feelings in self induced by the other's act, attitude, or value. As the sender of the feedback is in touch with his or her reactions—as is aware and accepting of self—so are such reports descriptive rather than evaluative.

Probably because the disclosure can be risky, this prescription is seldom followed in practice. But the approach can be powerful. Basically, the self is *the* expert about such reactions. Moreover, such reactions are vital to any other's intent on testing or improving interpersonal competence. The other basically needs to know whether his or her actions are having the intended effects, in short, and consequently has to touch base at least occasionally in order to appropriately adjust his or her sense of how well it is going. Of great importance, also, this guideline reinforces an emphasis on the here-and-now, which is central in feedback.

The sample piece of feedback in Table 1 helps illustrate these first three guidelines, if in a negative way. The reader can assume the basic responsibility for this effort. Note here only the skeleton of such an evaluation:

The emphasis is basically on the there-and-then, e.g., in the alleged childhood of George.

The emphasis is on George as a total person, who is an SOB from whatever angle one views him.

The sample feedback:

- a. Judges George as a total person (stereophonic SOB)
- b. Interprets why George is the way he is (childhood experiences)
- c. Fails to report the specific impact on the sender of George's unspecified acts, attitudes, or values, although the general tone clearly reflects George's negative impact on the sender

Three additional guidelines for helpful feedback described and illustrated as complements to the first three, as shown in Table 2.

**D—**

***Emphasis on Facilitating Change***

The fourth guideline takes into account the fact that feedback typically implies the possibility of change: doing something different; or doing more of something; or at least continuing to do something. As such, helpful feedback should have three attributes, following the basic Lewinian model of change. At the very least, a piece of feedback should encourage the target to look at some part of himself or his behavior. Two elements are involved: a specificity by the sender about what the sender is directing attention toward; and a receptivity by the target, which is often a function of the degree to which he or she perceives the immediate climate as helpful and supportive. The desired condition is described as "unfreezing," where the target feels secure enough to view some part of self and to evaluate its contribution to his or her interpersonal competence. The antigoal is typified by the tightly wound Don Knotts character. "Are you ner . . . ?" begins a question. "No!" the character replies before the question is finished. And we all laugh, with some compassion, knowing how hard it will be for that character to learn from his experience when he so quickly rejects even what is so obvious to all.

Moreover, feedback that facilitates choice or change will imply or suggest replacement behaviors, attitudes, or values. Consider the anticase. "You say I disgust you," says one person. "I'd like to change that. Perhaps you could help by telling me what there is about me that evokes such a strong reaction." The unhelpful response is: "I don't know. There's just something about you that rubs me the wrong way."

Finally, on the issue of choice and change, helpful feedback will provide reinforcement of any new behaviors, attitudes, or values with which the target of feedback might experiment. At a minimum, this implies a willingness of others to respond openly concerning reactions to the new or intensified acts. Further, reinforcement implies openness to point up any backsliding, as well as social support for the effort and for any progress.

**E—**

***Emphasis on Psychological Safety***

Helpful feedback will emphasize the psychological safety of the target of the feedback, a kind of contract about "trust in leveling" that binds both sender and target. For the sender, this fifth guideline implies feedback that is requested rather than forced and that meets the needs of the target as well as the sender. For the target, the guideline implies that he or she is in control of the feedback process and can indicate both when he or she wants more feedback that is requested rather than forced, and when it is enough. As Gerard Egan (1970, p. 247) notes of the ideal climate: "Each

**TABLE 2** Three Additional Guidelines for Helpful Feedback

Guidelines for helpful feedback	Sample feedback
Emphasis on facilitating change in three ways:	"George, you are a stereophonic SOB. And I
a. By helping to "unfreeze" the old behavior, attitude, or value	know why. Your father rejected you as a child."
b. By suggesting replacement that may be tried	
c. By reinforcing any new behavior, attitude, or value	

individual must feel it is safe to expose his feelings, drop his defenses, and try out new ways of interacting."

**F—**

### ***Emphasis on Creating a Community***

The sixth guideline is related to the fifth. Helpful feedback is more likely in the context of a community of learners or a society dedicated to mutual help. The use of group settings can be of great value. If nothing else, they can provide consensual validation. Moreover, group settings can contribute to the feelings of safety of the target of the feedback. Both features are implicit in such questions as: "That's how I see Fred. I wonder if others have a different perception of him?"

The sample feedback in Table 2 permits convenient illustration of these final three guidelines. Again, the reader can do much of the work. In outline, however, it may be helpful to note that in the sample piece of feedback:

The emphasis does not facilitate change because:

- a. The target is not clear on what old behaviors, attitudes, or values might be changed.
- b. The replacement behaviors are not clear, short of a return to the womb to start over again.
- c. There is consequently no clear promised reinforcement of any changes; in fact, quite the contrary seems implied.

The emphasis is clearly not on the psychological safety of the target, even though presumably some needs of the sender are being met.

The emphasis is on a one-to-one relationship, not obviously oriented toward helping and learning.

In summary, effective feedback encompasses four realms. They are:

Knowing *where* you are, in the psychological sense of being clear about your attitudes, values, and reactions—happy, frustrated, etc.

Knowing *why* you react as you do—what has triggered your reactions

*Communicating* about *where* and *why* to another

Doing the three things—*communicating* about *where* and *why* to another—in ways that encourage the other person to do the same three things in turn, without rancor and with minimal defensiveness

**II—**

### **Some Interpretive Comments**

Typically, these guidelines are used to analyze sample pieces of feedback from individuals asked to produce a short script targeted to a specific issue and person, with prior notice. Typically, also, pieces of feedback often compare poorly to this ideal list. Typically, finally, providers of feedback can improve their efforts on a reformulation after interpretive analysis, led by a facilitator, and such learning successes seem quite transferrable to group and large organization settings (e.g., Golembiewski, 1979).

Fashions have changed with regard to feedback training. Earlier, it was often the front-load of programs of organizational change, and so it remains for this writer and his colleagues. Nowadays skill in giving feedback is usually assumed, and even pointedly rejected—as in "work out" or in "future conferences," among other designs-in-favor (e.g., Ashkenas and Jick, 1992; Weisbord, 1992). The implied comparative research does not exist.

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49—

## Group Norms as Levers for Consultants

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Norms are the informal rules that all groups adopt to regulate and regularize their members' behavior. Although these norms seldom are written down or perhaps even openly discussed, they often have powerful and consistent influence on group members' behavior (e.g., see Feldman, 1993).

Understanding how group norms develop and why they are enforced is important to consultants for two reasons. First, group norms can play a large role in determining whether the group will be productive or not. If the work group feels that management is supportive, group norms can develop that enhance group productivity. In contrast, if the work group feels that management is antagonistic, blocking norms that inhibit and impair group performance are much more likely to develop. Second, managers can play a major role in setting and changing group norms. They can use their influence to set task-facilitative norms; they can monitor whether or not the group's norms are functional; and they can explicitly discuss counterproductive norms with subordinates. By understanding how norms develop and why norms are enforced, managers can better diagnose the underlying tensions and problems their groups are facing, and they can help group members develop more effective behavior patterns.

The present approach to understanding group norms has three features. First, certain developmental universals are introduced. Second, discussion then turns to a neglected theme—the conditions under which group norms will be enforced. Third, a model will help detail guides for the consultant interested in managing group norms.

I—

### Some Developmental Universals

Group norms are ubiquitous, and for very strong reasons. To illustrate, they can define what is taken to exist, and can define "social reality" even when "objective reality" contradicts that social construction. Indeed, group norms may be said to exist—valid or invalid—because they meet the human need to cope with the phenomena buzzing around them, to provide some meaning to events.

Consider the "autokinetic effect" (Sherif, 1936). In an experimental setting, people are shown a small light in an otherwise dark room and then asked to estimate its movement during the intervals in which the light glows. When group discussion of the movement is permitted, the power of group norms to fill the existential vacuum concerning one aspect of "subjective" or "social reality" are clear for all to see. Quite quickly, participants develop a range of estimates of the movement of the light, and successive estimates by individuals during the session become more tightly bunched. This growing consensus may develop around a high, medium, or low estimated movement, but the common outcome in all these cases is more agreement among individuals in the experimental setting.

This greater agreement is not ephemeral. When the experimental subjects are exposed alone to that light—perhaps months later—estimates continue to cluster in the zone established earlier. In short, a group norm developed quickly and is maintained long after the temporary group disbanded. This illustrates group power over member behavior.



Even more telling of the power of such social constructs, the light *does not move*. It seems to move, but that is illusory. The social or subjective reality in this case is not only different from the "objective reality," but the former is demonstrably false.

These features suggest a strong rationale for the development of group norms as well as for their persistence. Humans need meaning in their lives and often will settle for some or even a meaning. Norms infuse such activities of life with meaning.

How do we see the world around us?

How do we give texture and value to specific human relationships?

What do we accept or reject as desirable or undesirable?

How do we infuse ourselves and our human groupings with value?

How do we define ourselves and the things and people around us?

In short, group norms will touch many vital aspects of all of our lives much of the time. For consultants, who often seek leverage and levers for inducing choice or change, group norms often will be relevant—whether as barriers to choice or change, or as guides to it.

To illustrate, several selections in this volume deal with establishing fairly specific norms in organizations; regenerative vs. degenerative systems of interaction thus define two opposed normative frameworks for guiding human behavior and attitudes. See "Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact" (Chap. 68) as well as "Process and Structure as Central in Total Quality Management" (Chap. 60).

## II— Some Specifics about Norms

How will consultants know which specific norms will develop in specific groups? That is a key question for theoretic and practical reasons, and some perspective on that key question can be provided here, although space imposes sharp limits on the discussion. These perspectives derive from sources that can be consulted for details (e.g., Feldman, 1993; Golembiewski, 1993a).

Which specific norms will be enforced in specific social settings, then? Six features provide useful guidance here, anticipating sources of this social enforcement which will appear in groups in many forms (e.g., pressures for conformity, withholding status or affection, or rejection or exclusion from membership).

1. *Enforcement of norms will be likely when that meets individual needs.* Groups do not develop norms about all conceivable topics, but emphasize those having relevance for the group or its members (Shaw, 1981). For example, learning experiences in groups with norms appropriate for regenerative interaction tend to "work" because members see those norms as meeting their needs, and the group provides a useful setting for generalizing such reactions into codes of conduct that can be enforced by group pressures on members.

Curious readers can easily check this crucial point, as by consulting various models of human needs. The Argyrian (Argyris, 1957) dimensions for self-actualization constitute a convenient model of, in effect, the directions in which we humans are wired, if we have a realistic choice and chance. In this view, people tend to be like gyroscopes that will move in some specific directions but not in others, unless powerfully acted upon. See "Humans as Need-Fulfilling" (Chap. 50), a selection that is printed later in this volume.

The task for consultants intent on employing group norms is quite direct, then. Design system requirements so that people can energize high-preference behaviors and attitudes while meeting those requirements. "Humans as Need-Fulfilling" details one convenient approach of this kind.

2. *Enforcement of norms will be likely when that improves the chances of group survival.* This is a basic feature, and rests on much research dealing with conformity and deviance. For example, observation of what happens in response to specific behaviors or attitudes can provide useful cues about a kind of social geography: what is the turf or terrain of a specific group? Consider the commonly observed "straight-line productivity curves." As Feldman observes (1993, p. 226): "By observing a series of incidents (a person produces

50 widgets and is praised; a person produces 60 widgets and receives sharp teasing; a person produces 70 widgets and is ostracized), group members learn the limits of the group's patience: 'This far, and no further.' The group is less likely to be 'successful' [in continuing] to sustain the low productivity if such deviations alert management to revise standards or re-engineer the job."

3. *Enforcement of norms will be likely when that simplifies, or makes more predictable, what behaviors or attitudes are expected of group members.* In a sense, this repeats the sense of point 2 above, but that repetition is useful. To rely on Feldman's (1993, p. 226) direct summary: if each group member had to decide how to respond or feel in connection with each interaction, "much time would be lost performing routine activities. Moreover, individuals would have more trouble predicting the behaviors of others and responding correctly. Norms enable group members to anticipate each other's actions and to prepare the most appropriate response in the most timely manner."

4. *Enforcement of norms will be likely when that helps members avoid embarrassment or "glitches" in interpersonal relations or assessments.* Organized crime here provides perhaps the most striking example. Central in the development of organized crime, norms and decision-making authorities were developed to guide decisions about whether some deviant could be "whacked" (i.e., killed), when, and even how (e.g., Landesco, 1929). The purposes were dual: to create some greater certainty while still permitting actions that were seen as necessary or convenient.

5. *Enforcement of norms will be likely when that expresses the central values of the group and clarifies distinctiveness in a group's identity or culture, as far as both members and outsiders are concerned.* Just such a notion underlies the salience of "team building" (e.g., Dyer, 1988), especially in connection with the development of mission or culture statements. (For guidance on this central feature, see the selection below "Vision or Core Mission" (Chap. 76), by the editor.) In this sense, group norms often will be associated with major events in the past history of members; for example

- a. The attitudes or values of some elite or charter members
- b. An eventful team-building experience or some other shared experience, like a down-sizing
- c. Features or experiences of members, as in "young Turks" or the "third-floor clique"

6. *Enforcement of norms will be likely when that serves to support attitudes and role performances useful for effective group performance.* Typically, groups accord status and esteem for such central contributions because they are vital for group functioning. For example, groups require both "task" and "maintenance" or socioemotional roles, as well as some curbs on "self-oriented behaviors." (See the selection below by Underwood, "Roles in Group Development.") Group norms will be vital in the associated dynamics, and hence greater attention to enforcement can be expected.

### III—

#### A Model for Consultants

Somewhat more precise guidance for consultants in connection with group norms is possible. Figure 1 helps in this job by sketching two major tracks of associations between several managerially relevant variables. Several interesting subbranches also get distinguished by Figure 1.

The driving variable in Figure 1 is *cohesiveness*, defined as the result of two sets of forces: those encouraging the maintenance of membership in a group, *minus* those forces encouraging withdrawal. Conventionally, cohesiveness is increased by such forces within the control of consultants and management.

*Liking of members*, which can be influenced directly by self-choice of work team members (e.g., Golembiewski, 1962) or less directly by designs that reduce the barriers between members—e.g., three-dimensional confrontation designs (Golembiewski, 1993a), or by interpersonally oriented team development (e.g., Dyer, 1988).

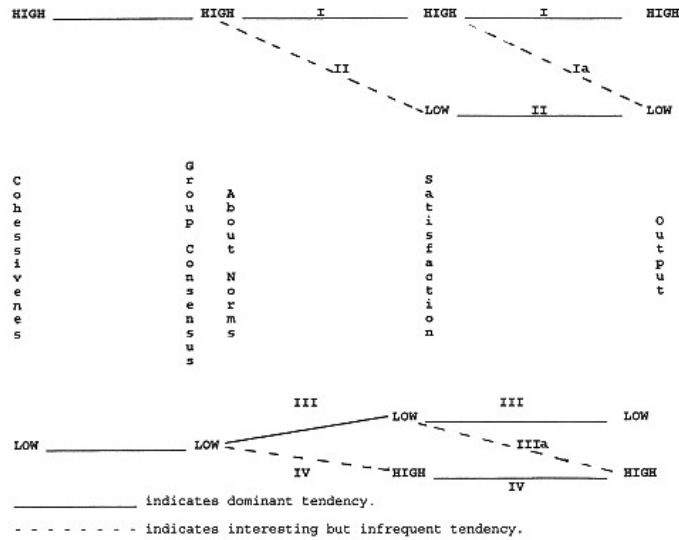


Figure 1  
Four pathways related to group norms.

*Prestige of membership*, which can be influenced directly by permitting members the high degree of involvement and participation in work site activities associated with "empowerment." (See Vogt, Chapter 126.)

*Prestige of task*, which can be influenced by designing work and work sites in order to increase involvement and mastery by employees, as through autonomous groups, job enrichment, and job rotation (Golembiewski, 1995).

In general, to simplify with essential validity a more complex analysis (Golembiewski, 1962, pp. 192–197), the consultant will find that high cohesiveness will be associated with high vs. low group consensus about norms. (See pathway I.) This implies a "tight" group, in contrast with a "loose" group.

Beyond this point, two patterns can be expected in general; thus pathway I—which associates high satisfaction and high output—is frequently observed in nature. In a minority of cases of high group consensus about norms (pathway II), low status usually can in general be expected on the two outcome variables. This two-branched case puzzles some observers, but the key is that consensus on norms implies strong control over member behavior, and such control is required for both pathways I and II, with the latter being an aggressive response against management.

Two other special minority cases on the top side of Figure 1 also are usefully distinguished. Some groups (pathway Ia) will thus report high satisfaction, but largely because they derive pleasure out of "sticking it to management," as in via low output.

A similar description applies to tracks III and IV. To explain, Track III seems most frequent on the low side of Figure 1, but occasionally a IIIa variant is observed. Typically such cases reflect individualized work by employees under difficult conditions, but output is high because individuals desperately need their jobs even though they despise their work (e.g., Goode and Fowler, 1949). Pathway IV is not frequently observed, but will be associated with a strong commitment to task,

as among a group of professionals with religious traditions that encourage great effort so as to expiate guilt or sin (e.g., Dalton, 1948).

*The* message in Figure 1 is a simple one, despite the details illustrated above to suggest the finer-grained applications of the model. That message is—if the consultant is a betting person—that the odds substantially favor following pathway I. These odds cannot be specified precisely, but the full sense of the labels "dominant" and "interesting but infrequent" used in Figure 1 are fully supported by observing organizational practice all around us.

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50—

## Humans as Need-Fulfilling: Implications for Consultants

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A dual point tends to be taken for granted, if not neglected, in much of today's discussion about organization change. Historically, change rests in critical senses on a pervasive sense of what *should be*; and it also implies a sense of the directions in which individuals *prefer to move*, if given a reasonable choice.

The strong sense here is that this taking for granted or neglect is awkward in multiple ways, and unnecessarily sacrifices consultant leverage. To be sure, there are no perfect vehicles for encompassing these normative and empirical foundations, but there is nonetheless no reason to either flush out the baby as well as the bathwater or to neglect both.

This selection helps this handbook deal with this dual point concerning the historic foundations of organization development (OD) and change. Conveniently, to explain, the excerpts below from Tannenbaum and Davis, "Values, People, and Organizations" (Chap. 121), detail the normative context in which the development of normative OD is rooted. The present contribution complements Tannenbaum and Davis by developing the outline of the empirical rooting of consultation in a model of how humans behave and develop, specifically focusing on Argyris's (1957) dimensions for self-actualization.

I—

### The Argyrian Dimensions

The work of Chris Argyris typifies the search for what might be called "growth psychologies," or models of human growth and development. In essence, the core issue is whether or not individuals act on some relatively universal set of needs or motives. Put otherwise, do individuals act as if they tended to be activated in their growth and development by a kind of normative gyroscope when conditions permit? This internal gyroscope advises, in effect: move this way, but not that way, in the generality of cases.

The Argyrian version of this genre of research and application has the form and specifics detailed in Table 1: thus individuals have definite here there preferences about their development or growth. In addition, the profile of individual progress on the several dimensions may be a kind of straight line—or more probably, that profile will have peaks and valleys. Moreover, the specific character of the profile notwithstanding, individuals generally will prefer to move rightward on the Table 1 dimensions, although the model does not specify whether the salience of such movement will vary by dimensions or by the degree of development on any single dimension. To be sure, the model does not specify the times during which an individual will prefer to rest at one developmental point or another, but the model does imply this will not be the case most of the time.

Finally, the model is definite that individuals will experience some dis-ease—frustration for certain, and perhaps worse if deprivation lasts over appreciable periods of time (e.g., Golembiewski,

**TABLE 1** Argyrian Dimensions of Self-Actualization

From:	To
Passivity	Increasing activity
Dependence	Growing independence, interdependence
Limited behaviors	Widening behaviors
Short-time perspective	Lengthening time perspective
Subordinate positions	Peer or superordinate positions
Lack of awareness and control	Growing awareness and control

Source: Based on Argyris (1957), esp. pp. 49–52.

1962, pp. 127–138)—under two general conditions. Such costly outcomes can thus be expected—when an individual is prohibited from rightward movement and especially when an individual has experienced a certain degree of rightward movement and then is forced to regress or to move leftward.

## II—

### Some Implications for Consultants

For certain the Argyrian model does not dot every *i* or cross every *t*, but that does not eliminate its usefulness even if that shortfall does require some discounting of the model. Specifically, then, let us see what there is of usefulness to the consultant in the Argyrian model.

Consider this key question: what implications exist in the Argyrian model for the consultant seeking to decide on a format for an ideal work site? Table 2 details one set of these implications, with specific reference to how work settings should be designed to permit, encourage, and even require that Argyrian self-actualization dimensions are approached in organizations.

Basically, Table 2 speaks for itself. Readers can get a specific sense of its implications for designing work by considering Table 2 in connection with other selections in this handbook. A useful place to start this comparison is this editor's contribution "Alternative Models for Structuring Work" (Chap. 34). Essentially, the traditional structure analyzed there inhibits the rightward movement of employees on the Argyrian dimensions. The flow-of-work structure, oppositely, well suits Argyris's model.

**TABLE 2** Operating Guides for Approaching Argyrian Self-Actualization Dimensions at Work

Organize work and the work site so that individuals can
Experience the totality of the organization
Increase self-responsibility, self-discipline, self-motivation
Decrease compulsive and defensive behaviors
Increase their control over the work environment
Utilize an increasing range of abilities, especially cognitive and interpersonal ones
Increase their time perspective

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51—  
**Lessons from Downsizing:  
 Some Things to Avoid, and Others to Emphasize**

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I—  
**Introduction**

Downsizing is sometimes necessary, but it always can be done better or worse. This essay reviews evidence about some of what to avoid, as well as what to approach, in such dour (if not tragic) exercises. Whatever that case, downsizing also always involves normative or value issues, both in the choice between alternative vehicles for adverse personnel actions as well as in *the* global question: Why downsize?

Downsizing often seems in the throes of love/hate reactions. Almost all organizations have been doing it, but the general consensus seems to be that the expected effects of this unsettling exercise usually are elusive (e.g., Bennett, 1991; Sutton, Bruce, and Harris, 1983). Indeed, opposite effects often occur, on balance (e.g., Cameron, Freeman, and Mishra, 1991). As one evidence of these forces-in-opposition, it often happens that a downsizing experience generates one or both of two associated experiences: downsizing #1 gets followed by downsizing #2; and/or downsizing #1 occurs along with a recruiting campaign, if only because too many of the wrong people leave as one unintended consequence of a poorly designed downsizing effort.

Moreover, although almost all organizations have attempted cutbacks—or downsizing, or rightsizing—significant normative questions have been raised about this kind of adverse personnel action (e.g., Estes, 1996). The point is not a quibble. Obviously, *the* key question is: Downsizing for what purposes? In addition, narrowly, at least for certain goals, downsizing is certainly not the sole approach available to management in taking adverse personnel actions (e.g., Golembiewski et al., 1972; Burke, 1997). See also "Demotion Design: An Option for Forward-Looking Organizations" (Chap. 42).

In short, normative issues cannot be finessed in downsizing for two basic reasons. First, a choice between alternatives often will be possible, if not necessary. Second and more generally, downsizing raises multiple issues of choice that often involve tangled value judgments as to who, what, when, where, how, and perhaps especially why.

This chapter cannot settle all issues in this love/hate association, but some progress can be made here. Assuming that broader normative issues have been resolved satisfactorily—that is, that downsizing or rightsizing efforts are desirable or unavoidable—there seems credible and growing

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evidence about how to perform the dour exercise better or worse. This paper provides a primer on what seems best avoided in downsizing, as well as on what can be usefully emphasized.

## **II— What Should Be Avoided?**

Substantial experience in both public and business enterprises suggests a substantial inventory of practices that can lead downsizing efforts to awkward outcomes (Sutton, Bruce, and Harris, 1983; Cameron, Freeman, and Mishra, 1991; Casio, 1993). Three exemplars are selected for emphasis here, but this brief catalog could be expanded easily.

### **A— Avoid Secretive Elite Huddling on the Top Floor**

Perhaps primarily, all possible efforts should be made to avoid putting employees in the role of veritable mushrooms: you know, kept in the dark, covered with organic matter, and perhaps waiting to be canned. Rather than secrecy, substantial information programs should be the prime vehicles supporting downsizing efforts.

The rationale for this first prescription is not obscure. In the present view, secrecy is seldom maintained, above all, and the rumor mills often make worse what are inherently unattractive situations (e.g., Sutton, Bruce, and Harris, 1983). Hence, lack of knowledge can encourage the "wrong people" to leave, which leads to the irony of a recruitment program being instituted to remedy the shortfalls created by a cutback made worse by painful silence and attempted secrecy.

Let the point be put positively. Perhaps the dominant motivation of the elite secretly huddling to determine the fates of others—comprehensively and finally, to spring the full panoply of downsizing actions in one short burst, as in operating a gallows—is the fear of partial disclosures, or early alternatives later dismissed. Why this fear? Many see people simply failing to work in any interim period—even to stop, dead, and before the target date. However, neither research (e.g., Sutton, Bruce, and Harris, 1983) nor my experience supports this fear. In one case, indeed, progressive production records were set and surpassed as a long-since announced termination date approached (Slote, 1997).

Despite the power of denial or misperceptions (e.g., Slote, 1977), and in some senses because of them, letting in the fullest light of day has much to recommend it during downsizing experiences. This translates into clear and credible goals, schedules, and milestones, announced as soon as possible and faithfully adhered to.

What is true for employees also holds for all stakeholders.

### **B— Avoid Cutbacks As an All-Purpose Tool**

In the absence of clear and credible goals, cutbacks or downsizing can be seriously counterproductive. To provide some perspective on "clear and credible goals," what Americans call "snow jobs" can be seriously counterproductive in downsizing.

Why downsize? That is the central question. Too often downsizing is presented by spin-meisters as a good in itself. That is *never* the case.

Why downsize, indeed? Financial exigencies may dictate such a course as when, even given reasonable prior diligence, markets suddenly dry up, products mature faster than expected, or legislatures do strange things. Given sufficient information, this type I downsizing is easiest to take for all concerned.

Very often, one suspects that downsizing has other motivations—to keep up with the organizational Joneses, to generate a brief uptick on the stock market, or to attempt to solve personnel problems accumulated over the long run by swashbuckling displays of bursts of machismo.

For example, downsizing might seem a convenient cover for systemic failures that could have been avoided—casual performance appraisal, featherbedding, various forms of empire building or corporate welfare, and so on. But this type II downsizing constitutes a very different challenge than type I. If nothing else, type II implies removal of "deadwood," to which status few would readily admit. No wonder about the resistance to such downsizing. Moreover, by itself, any executive exha-



lation about "thinning the thicket of deadwood" begs several major questions. To illustrate only: how was the deadwood allowed to accumulate in the first place; and how will its accumulation be avoided in the future?

In type II, the focus might well be on remedying systemic inadequacies, while also providing time and motivation enough for employees to take individual actions *if* a cutback remains necessary. Failure to attend to systemic shortfalls sends powerful messages in type II downsizing.

Much more troublesome is type III downsizing, where the real or perceived motivation is to gain a probably ephemeral uptick or two on the stockmarket or in legislators' opinions, or especially to seek an increase in one's executive bonus. Here, downsizing may appear to be an arbitrary "numbers game," with a high potential for polluting even once highly satisfying cultures at work. Executives should remember that they probably cannot fool most of the people much of the time.

At the very least, management often meets itself going different ways around the same corner. My most relevant personal memory here was a speech by a CEO. It boasted of a 10-cent per share increase in before-taxes earnings. That might have been convincing to stockholders, albeit those with narrow views. However, one presentation of the message was intended for a management meeting at which the "saving" was interpreted in terms of now-missing colleagues sacrificed because of an unconvincing rationale.

C—

#### ***Avoid Penalizing the Relatively Blameless***

This third feature to be avoided reflects common sense, but nonetheless often does not characterize downsizing. For example, across-the-board budgetary cuts are perhaps the most common approach, but they constitute a kind of unguided missile that can wreak havoc on all in a reign of inequitable equity. Or some projects and workforces may be cannibalized simply because they are at early stages, or are somehow politically vulnerable.

Practical pressures may be intractable, of course, but the collective memory often will remember, and perhaps get even when the situation permits. Or at least, many may develop a one-buttock attitude concerning work.

Alternatives do exist, even in extreme situations. In one countercase, several projects had to be cannibalized to get a product on-stream sooner, and this proved an absolutely great decision because the new product surpassed even optimistic projections. The cannibalized projects were merely in the wrong place at the wrong time, with their own completion dates being too far off to help in the relatively near future. Nonetheless, corporate actors later expressed their appreciation of the situation in a concrete way. Members of cannibalized projects later got "good citizen" bonuses for contributing to the common good, even if under duress, by delaying their own schedules in cooperative ways.

III—

#### **What Should Be Emphasized?**

The effects of downsizing can be moderated, fortunately, and by a list of straightforward things to emphasize. Specifically, five exemplars suggest reasonable ways and means that reduce the chances of creating outcomes more onerous than the downsizing itself.

A—

#### ***Build Buy-in, Late As Well As Early and All Stages in Between***

There probably is no such thing as too much buy-in when it comes to downsizing efforts, by both survivors as well as causalities, which encourages the reliance on participative approaches. These are rare, however, almost as if the downsizing activities are somehow too loathsome to see the light of day. Thus, secrecy is often attempted in downsizing, although leaks often occur.

The general assumption of common practice precludes people from having explicit and direct roles in their own destiny, perhaps mixed with a desire to minimize embarrassment or acting out. This may seem a harsh judgment, but how else to explain the tendency to announce cutbacks on the last workday of the week, or on the eve of a holiday? Relatedly, although the story may be

apocryphal, one firm ordered employees to call a specific number to learn whether or not they were subjects of adverse personnel actions (Adams, 1996, p. 262)!

The last word is far from having been written on participative downsizing, but the portfolio of experience and theory are growing. The most thoroughgoing example that I know of involved a "town meeting" format (Golembiewski, 1995), where virtually all cutback decisions were made in public sessions of a total workforce of about 400. The purpose was a 20% reduction in the personnel budget, while permitting maximum personal choice. Thus, some employees decided on early retirement, others opted for a shortened workweek, some decided to take full- or part-time educational leave, a few concerned about their running biological clocks planned a maternity leave, and so on. Management was able to honor most of these choices, but not all.

Soon enough, the dour target had been achieved, with substantial reference to diverse personal wants and needs. Work priorities precluded a small percentage of such proposals, but generally, management took the risk that normal attrition would permit sufficient later flexibility to fulfill any bargains. See also below in this volume entitled "Town Meeting as a Super-Optimum Solution in a Cutback Mode" (Chap. 75).

For those concerned about the real-time features of the "town meeting," some other interesting designs emphasizing unobtrusive personal choice in downsizing are available (Drucker and Robinson, 1992).

**B—**

### ***Enlarge the Range of Adverse Personnel Actions***

Fitting personnel actions to the situation has much to recommend it. Specifically, downsizing usually refers to reductions in total employment, but some downsizing goals may be achieved in terms of a lowering of an organization's job or skill profile.

Consider a marketing organization that decides to reduce its managerial cadre—given reduced sales, or a desire to upgrade salesperson's jobs. Demotion of such managers is seldom relied upon, but evidence suggests the shortsightedness of relying on only dismissal or early retirement in such cases. Thus, the chance to accept demotion may be viewed as a good faith opportunity in recognition of a job once done well enough, but no longer seen as useful. Moreover, demotion also retains a pool of possible promotables should the situation change. See also the selection above in this volume entitled "Demotion Design" (Chap. 42).

Management lore sharply inclines to the view of that demotion poses dangers, but on clear balance, evidence suggests the common viewpoint is misguided or at least overstated. Several iterations of a generic design reflect the real values of a choice to accept demotion or release (e.g., Golembiewski et al., 1972), and confirming evidence comes from other sources (e.g., Hall and Isabella, 1985).

The choice is no quibble. In recent years, no doubt millions of "middle managers" have been eliminated from both governments and businesses, under the simultaneous goads of sophisticated information systems as well as of the burgeoning desire to empower lower levels of the organization. In this double squeeze, middle managers become expendable, but some might function well in empowered jobs after demotion.

**C—**

### ***Solve Appropriate Problems***

There is no guarantee that cutbacks or downsizing will solve *the* relevant problems, of course, despite the common reliance on such approaches nowadays. Hence, the value of continuously challenging guiding assumptions—embodied both in "our way" of managing the enterprise, as well as in defense of such local mores as avoidance of that which is "not invented here," or NIH. Critical in such challenging will be the dominant pattern of interaction in an organization.

For one useful approach to illustrating this crucial linkage, consider the selection above entitled "Competence Through Regenerative Systems." To outline the point, most downsizing pollutes interaction—with "degenerative interaction" resulting from low openness, low owning of ideas and feelings, high risk, and low trust. Careful nurturing of "regenerative interaction" is perhaps nowhere more necessary than in downsizing. See the several emphases above encouraging (for

example) management openness and owning during downsizing, as in the metaphor of the mushroom. More broadly, see also Golembiewski (1979, esp. Chaps. 1–2). The bottom line is that, absent regenerative interaction, *the* problems are likely to be neither isolated nor solved.

**D—**

#### ***Create Useful Infrastructure***

A fourth way of constructively approaching downsizing or cutbacks relates to institutionalizing past experience. One commonly applicable approach is to reflect the relevance of both retrenchment as well as growth in managerial careers, as in a "crisis corps" assignment as part of a comprehensive career development profile.

This balance is seldom achieved, in part because it is rarely attempted, no doubt due in part to the negative connotations of "retrenchment." For example, at a professional level, few organization development (OD) specialists once wanted to have anything to do with retrenchment, despite early evidence of the value of traditional OD approaches to people and their employing organizations (e.g., Golembiewski, 1979, part 2, esp. pp. 185–214). Personally, some of my richest opportunities to influence personal and organizational development came during adverse personnel actions, although they present fewer opportunities for ebullience than does coping with growth. Even now, I recall the bittersweet experiences. For example, during my extensive participation in a program of adverse personnel actions in one organization, the grapevine typically announced my arrival as that of "Digger O'Dell." Radio listeners with some age on them will appreciate this allusion to "Digger"—the "friendly undertaker," who would be "the last to let you down."

This gallows humor is understandable, but it inadequately fills the need for a reasonable and reasoned balance between organizational growth and retrenchment. Like the sun and the rain, as it were, growth and retrenchment may both be seen as necessary "to make the flowers grow." Of course, lack of balance in downsizing or rightsizing can result in the organizational equivalents of mildew as well as sunburn, if not worse, and retrenchment too long delayed can imply the worst of conditions.

**E—**

#### ***Learn from the Past***

Fifth and last on this short list, organizational resources should be made available to facilitate coping with subsequent iterations of boom-and-bust cycles. In brief, success often breeds failure: in this sense, even the most efficient downsizing experience may contain the seeds of its own comeuppance absent reasonable stewardship. And downsizing failure clearly demands learning. Those who cannot learn from their experience may be forced to repeat it.

How can "learning organizations" be cultivated? We hear much of this prototype nowadays (e.g., Watkins and Golembiewski, 1995). To illustrate only, such organizations will develop a four-featured repertoire of responses.

*Seeking to prevent* what might happen

*Defending against* what seems to be happening

*Reacting to* what has happened

*Creating slack* in resources sufficient to generate a new vision keyed to the ever-unfolding future

Clearly, the fourth response above is particularly salient in making available proactive safeguards against success leading to failure, both before as well as after downsizing. The other three responses have their situational uses, but they poorly suit a strategy of learning from the past.

**IV—**

#### **Reprise**

In sum, downsizing always will present empirical and normative challenges, but experience is contributing to theory that can provide some guidance for doing better in an always-wrenching matter. Most people seem to have a kind of innate wisdom about how to make matters worse in downsizing,

but with some learning and a little luck, we can move beyond this sorry state. The discussion above details some of what to avoid and some of what to approach based on the growing experience with the somber rituals of downsizing or rightsizing.

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## Managerial Responses to Transitions in Adult Development

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Adult life is neither unpredictable nor of a single piece but, by and large, organizations have only slowly and incompletely responded to the issues of adult development. This chapter seeks both to demonstrate the truth of this summary statement, as well as to move beyond it in specific ways that are consistent with broadly humanist values.

The criticality of transitions and phases in adult life has become more generally appreciated in the last few years, to be sure. We need only to invoke a few names to support the point. Note such best-sellers as *Passages* (Sheehy, 1976), the empirical work of Gould (1978) and Levinson (1978), the attention-directing effort of Valliant (1977), and the self-help emphasis of Bridges (1980). See also "Models of Development and Issues They Raise for Consultants" (Chap. 11).

However, managerial and organizational responses have been spotty to the challenges that inhere in adult developmental transitions, with three points suggesting the fuller catalog of evidence. By and large, organizations have not been aggressive in dealing with issues of adult development, as by managerial coaching or career development. In part, this record reflects the fact that prominent approaches to adult development have only in the last decade or so begun to provide adequate models for organizational applications. Consider these "important stages of adult *male* development" (Ricks et al., 1974):

Leaving the family (roughly, ages 16–24).

Getting into the adult world, which often involves developing a dream or vision of the future (roughly, to the early 30s).

Settling down, which (if ever) occurs in the mid-30s and focuses on "making it" and ordering one's life.

Becoming one's own man (lasting until the 40s), which involves a search for autonomy but may result in a devaluation by relevant others.

Mid-life transition, which usually peaks in the early 40s and features the reality of aging as well as a growing sense of mortality. This stage may be smooth or turbulent, depending on the disparity between achievements and desires.

Middle adulthood (roughly, ages 40–60), which can be a period of great vitality if the mid-life transition preceding it went well.

Late adulthood (roughly, ages 60+).

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An earlier version of this chapter appeared in Alice Sargent and Roger Ritvo, eds., *NTL Managers' Handbook*, NTL Institute for Applied Behavioral Sciences, Arlington, Virginia, 1983, pp. 173–181.

These stages suggest the need for different organizational policies and practices, but much consciousness raising still seems necessary before any concerted problem solving in organizations will occur.

When will the time be ripe? This chapter proposes that even now a reasonable start can be made, both toward expansively indicating what needs doing and toward selectively illustrating what has been done. Basically, five challenges will get attention here.

- Greater awareness of and consciousness about transitions or adult phases
- A more precise cost/benefit analysis concerning a broad range of transitions
- More effective concern with matching career and individual needs
- Greater acuteness in recognizing human rhythms and responding to them
- More attention to developing humane systems and policies

The focus below often will be on the mid-life transition—roughly, the decade of life beginning in the mid-30s—but attention also will be given to other transitions.

### I— Greater Awareness of Transitions

We still lack firm conceptual foundations for recognizing and dealing with adult transitions in organizations. The literature especially stresses the impact of chronological stages such as the "mid-life crisis," but less attention goes to the far broader range of transitions—moving to a new location, the death of a parent, a birth, and so on.

The lack of awareness is reflected in the few organizational programs developed to be responsive to transitions, some definitely in the cards for all of us (e.g., aging and death) and others that have various degrees of probability (e.g., adapting to the "empty nest" when children have left home). For example, few organizations have manifested an awareness of mid-life transition in specific informational or experimental programs. Some useful attention has been given to career planning (e.g., Hanson and Allen, 1977), of course, but these newly won beachheads are lilliputian and require major expansion. Several other selections in this book reinforce this attention, e.g., Golembiewski's "Career-Planning Design" (Chap. 38) and Dugan's "Enlivening Developmental Relationships: The Next Best Thing to Mentoring" (Chap. 28).

Many organizations do reflect a concern for some specific transitions, but that concern underwhelms in several dimensions. Thus many large organizations provide some kind of retirement planning (Bradford, 1982), but these variants tend to be too late, too brief, and preoccupied with important but limited financial arrangements. Perhaps personnel programs are most explicit when it comes to tragic transitions. A prestigious eastern university, for example, waives term examination requirements for all surviving roommates should one of their number die or commit suicide. And a multinational firm in effect puts transition values on death in differential bereavement leaves:

Immediate family—spouse, children, or parents—up to 5 days of leave

In-laws—1 day of leave

This lack of organizational awareness of, and policy responses to, adult transitions is both costly and troublesome, for at least four reasons. First, many possible transitional episodes can affect the performance of adults in organizations—beginning a new job, reductions-in-force, becoming a parent, bringing a new product on-stream, and so on. So the neglect cannot be dismissed as unfortunate but practical.

Second, much is known about facilitating transitions for individuals, and thus about cushioning their impact on organizations. A few organizations have usefully sought to aid in such difficult transitions as plant closings (Taber et al., 1979), terminations (Connelly, 1980), and demotions (Golembiewski et al., 1972). The effects of such unguided transitions can be formidable, even frightening (Slote, 1977).

These efforts clearly underwhelm. For example, Bridges (1980) urges that adult phases such as mid-life transition are significant, but urges that they constitute only a subset of "a life-time of

transitions." Moreover, Bridges sees major commonalities in life changes, more broadly viewed. They all

Begin with an ending, which typically includes disengagement, disidentification, disenchantment, and disorientation

Include a fallow period, often characterized by confusion and distress

May terminate in a new beginning

Bridges provides ample chapter and verse as to how such commonalities can be engaged and brought to closure in a broad range of transitions: getting a promotion; taking on a new job; becoming a parent; experiencing a divorce; and so on.

Third, emerging personnel policies place a growing premium on the effective management of transitions. The upward adjustment of the mandatory retirement age—which all but certainly will be further increased as life expectancies grow and social security burdens become heavier—has such an effect, for example. And some American firms give major signs of adapting aspects of Japanese practice, which often includes employment security rather than pay and fringes. Any such tendencies will severely heighten the need for organizational attention to working through transitions quickly and effectively.

Fourth, individual transitions need not be random. Indeed, the opposite may be more nearly true. Thus the explosive birth rates following World War II sent segments of a large generation cascading through life together, impacting on social institutions in profound ways. In three decades or so, this baby boom will stress our retirement systems and policies. Now these babies are in their 40s and they represent major challenges. The point applies in many areas, and perhaps especially in postsecondary education, with significant effects on people and schools. Given hiring practices in colleges and universities in the late 1960s and 1970s that employed numerous young and highly trained teacher/scholars, large proportions of many faculties went through many life stages together. Now, that cohort approaches retirement, and promises radical changes in the composition of many faculties in the next 15 years or so. Organizationally sponsored attention to transition phenomena thus could be important not only to faculty, but also to their employing organizations, students, and families.

## **II— More Precise Cost/Benefits of Attending to Transitions**

Relatedly, organizations need to develop a more acute ethical and economic sense of the costs/benefits of aiding their members through transitions. For example, reliable data imply fearsome costs when a plant closed its doors without seeking psychological closure for its employees (e.g., Slote, 1977). More broadly, although the data do not exist, there seem enormous costs—both psychic and economic—in awkward mid-life transitions. Blue-collar workers seem especially prone to the "blahs" during this period, with both attitudes and productivity subject to substantial declines. The growing evidence suggests that flame-out or burnout has grown among all employees, and may have achieved epidemic proportions (e.g., Golembiewski and Munzenrider, 1988). (Note that several selections in this book draw attention to burnout, as in several chapters authored by Pines and Golembiewski.) Similarly, organizational folklore has long recounted the ravages common among salespeople who have been on the road 10–15 years. It seems no accident that mid-career crisis for professionals and managers—which "while hardly an epidemic, is no longer rare" (e.g., Cox, 1975)—tends to hit in the mid-30s. Transitions in personhood, that is, are reasonably linked to changes in career.

Looked at from another angle, career-long attention to aiding transitions seems justified. For example, longitudinal studies indicate that—although physical decline sets in and energy loss will occur—even the December of life can be a period of psychological growth (Britton and Britton, 1972). Moreover, the common notion of a massive deterioration in psychological functioning in those beyond, say, 70 years of age, has been seriously questioned if not rejected (Maas and Kuypers, 1974). In addition, many specific skills or attributes seem to have their own unique decay rates.

Some steadily decline, beginning with the teens! Others hold steady, or even increase, through the mid-40s or even much later (e.g., Geist, 1968).

Much new research thus directly contradicts a major theme of recent folk wisdom: that most outstanding creative work is done no later than the 30s, which many claim is a fact "as useless to bemoan . . . as to deny" (Neugarten, 1968, pp. 104–105). This understanding may rest on faulty methodology, however. In the case of contributions by philosophers, for example, one student concludes that the apparent peak of productivity by philosophers at around age 30 is "primarily due to the fact" that many more philosophers lived in their 30s than in their 70s. In fact, philosophers who survived until their 70s made 22% of their total contributions in that decade (e.g., Neugarten, 1968, p. 113). As a personal note, my own "best" publishing year came at 57, which was last year.

The need for help from employing organizations is no one-sided argument, of course, especially because responding to mid-life transition may mean radical career change. It may seem perverse that an organization should apply its resources to creating nonmembers, humanitarian motives aside. But consider the costs—personal and organizational—of keeping an individual in a job or profession that has lost its allure but which the individual cannot leave without help. Hence a few organizations have begun to subsidize career changes for some of their employees, for multiple motives. Thus early and insistent attention to matching individual needs with career development can signal the mutual concern about personal development which is the bedrock of solid personnel management. Moreover, unavoidable reductions-in-force or reorganizations can be facilitated by career switches—whether they are part of an out-placement effort or whether the goal is for internal reassignment or even demotions, options we will be seeing more frequently (e.g., Golembiewski et al., 1972). Finally, such subsidization acknowledges past employee contributions, while it slips between the horns of this dilemma: of tolerating relatively senior officials for whom the "go-go" has largely gone and who provide unfortunate role models for less senior personnel; and of risking the spiritual and legal complications of purges via overt dismissals or "early retirement."

Paramountly, perhaps subsidization of career changes—especially for those higher in the hierarchy—can contribute to the sense of a dynamic organization. That is, one high-level career change often requires a chain of promotions or reassignments. Dollars spent on a career change consequently can have a large multiplier as far as creating positive motivational effects for *several others*. This will be particularly the case when organizations are stabilizing or declining after a growth spurt, or during a recession, and especially when organizational seniors have lost their zest for creative and energetic management and have become objects of derision by the physiologic juniors.

### III—

#### **Matching Career and Individual Needs**

To provide a third perspective on what needs doing to enhance an organization's sense of human transitions, great emphasis should be placed on continuous checks of career progress against individual needs. The goal is to do something about growing mismatches, and especially early in the game. That is, perhaps the crucial ingredient in making a successful mid-life transition is active reflection—isolating what is important and attainable for the individual, assessing whether those important and attainable things are being worked toward, and doing something when things go otherwise. Such active reflection does not just occur when it is needed. It must be encouraged and nourished over the long run, until it becomes part of an individual's attitudes about self and about seeing self.

The emphasis on what should be done implies the deficiencies of what is being done. The prevailing bias in most organizations is more "go-go" than "look-see," of course, so this third challenge is no easy piece. The emphasis on career planning in some organizations provides a major ray of hope here. A full-cycle system of performance appraisal plus career planning is required, "full-scale" in the present sense referring to the fact that career development emphasizes feedback about *potential* while performance appraisal highlights data about *current effectiveness*. The two perspectives need to be linked, with feedback about work supported by a climate and by resources appropriate for making improvements and adjustments.



#### IV—

##### **Recognizing the Several Human Rhythms**

The three previous themes commonly imply that the several rhythms of the life cycle must be acknowledged and responded to, both in individual behavior as well as in organization policies and procedures. "By recognizing the patterns," Gould notes, "we may gain some control over the forces by smoothing the transitions and muting the peaks and valleys of adult life phases." Without knowledge of the cycle, people are obliged to be its unknowing pawns. There is hope for making the inevitable somewhat more attractive. "While children mark the passing years by their changing bodies," Gould observes (1975, p. 78), "adults change their minds."

How goes it in organizations when it comes to responding to human rhythms? Perhaps "uneven but hopeful" best describes the state of affairs. In small but still significant matters, the tuning of organizations to human rhythms has improved substantially in the last decade. Most prominent has been the rapid extension of flexible work hours programs, which allow individuals greater leeway in responding to the "little rhythms"—the bodily circadian rhythm, or the variable cadence of daily family need or personal whim—by freedom to choose hours of work, within limits. The consequences for individuals and organizations have been largely positive (Nollen, 1982, pp. 23–52), at least over the first several years of almost all applications (Golembiewski, 1982).

The record concerning organizational responses to "big rhythms" is less clear, but major opportunities in adult development seem obvious. All approaches to human development suggest that at different times individuals have different needs and expectations. Sensitivity to these life period differences should underlie career planning—differences over time moving from a need for mastery, thence to a stress on identity for self, and then to generativity in the sense of aiding others in their quests for mastery and identity. Illustratively, the search for a "mentor" seems quite appropriate in early adulthood. Later in life, a career pattern should emphasize humane and efficient ways for unbuckling from mentors, a delicate process that ideally should not meet development needs by a harsh rejection of the mentor's previous contributions and present needs. Still later, the safely unbuckled mentoree might well become a mentor for others, thus completing the cycle.

#### V—

##### **Toward Humane Systems and Policies**

To close the loop, employing organizations need to strive for a better fit between systems or policies and human cycles or needs. This tailoring could be both generic and specific, as it were. Organizations can generically permit earlier responses to human cycles and needs at all life stages in such ways:

By providing a cafeteria approach to benefits and fringes, from which assortment employees can pick and choose specific packages (up to some common dollar value) that suit their individual life situations (e.g., Tavernier, 1980)

By sponsoring activities—ranging from full-fledged sabbaticals to episodic "life-planning experiences"—that encourage individuals to get in more intimate touch with their own needs aspirations/abilities, and to do something with such clarifications to improve their work life and home life (e.g., Kirschenbaum, 1977)

By modest efforts such as those directed at seeing that individuals make use of vacations and any other compensatory time—for rest, reflection, and restoration

Organizations also can develop systems and policies for specific life stages. For example, human cycles and needs during the child-rearing years can be responded to

By hiring matched pairs of employees, as in the case of individuals with similar skills and young children who each work every second day and care for all of the children on alternative days.

By so-called job-sharing (e.g., Nollen, 1982, pp. 104–158), as in hiring husband-and-wife

teams—e.g., scientists or technicians with the same skills and training—who can share duties at work and at home, as when each work half-time.

By carefully monitoring transfers, relocations, and time on the road when children are adolescents and seem especially vulnerable to trauma and may be especially needful of the availability of parents. The traditional ideal seems to have been based on a quick-strike strategy. For example, "clean out your desk by 5 o'clock" seems to have been a favored tactic for dismissals on a Friday, with the weekend buffering the organization from adverse effects of its action. Many organizations also used rapid transfers to inhibit "going native" and to increase central control.

Finally, systems and policies also could be developed for those in the mid-life transition, or just coming out of it. Illustratively, the mid-life years often enlarge the individual's focus from acquisition to integration, from a narrow emphasis on "making it"—acquiring or achieving one's key goals—to an emphasis on fulfillment of broader social and psychological needs. These subtle dynamics might be facilitated in several ways.

By recognizing mid-life transitional phenomena and by providing resources to help employees cope and understand, as via training programs.

By subsidizing mid-career changes, the derivative benefits being most apparent in cases involving individuals at senior levels of responsibility whose departure requires a chain of promotions or reassignments.

By negotiating contracts with "permanent part timers" at all levels of organization who are seeking some better balance between "making it" and satisfying broader needs or interests (Nollen, 1982, pp. 126–151).

By helping employees cope with realities that can severely complicate mid-life transition, such as by subsidizing career changes for individuals who have been passed over for promotion (Cole, 1981, pp. 26–39).

By establishing procedures and traditions by which mid-life transitionists can devote greater attention to integrative and supportive activities that facilitate the development of others, as by serving as a mentor, in contrast to the emphasis on the competitiveness and the development of self characteristics of earlier life stages. Witness the city manager profession, which has developed a "circuit rider" role that legitimates the availability of help to junior professionals provided by a travelling senior, who gets to multiply his or her expertise and at the same time may get relief from the burdens of a specific constituency.

By establishing policies and traditions whereby full-time employees can accept lesser job responsibilities at reduced compensation, as opposed to "up-or-out" systems. In business organizations, seasoned managers can become "internal consultants" to younger persons occupying the kind of job they once held. Often, these roles involve reduced workloads.

These suggestions are easier made than accomplished, of course. Each would require appropriate policies and procedures, as well as the support of values and traditions. The issues are often subtle. Consider the subsidization of mid-career change. Should support go only to those seeking additional education (e.g., Thomas et al., 1976) to support their entry into a new career or public service? Or will entrepreneurial ventures also be subsidized? Relatedly, some argue that those passed over for promotion should get special priority in such subsidies, the advantages to both individual and organization being most obvious in this case (Connor and Fielden, 1973). But would that encourage failure on purpose?

Similarly, prescribing that mid-career transitionists begin to serve as mentors is easier said than done. The prescription is sensitive to the "stage of generativity" of the mid-life years, when there is a growing emphasis on the development of others as well as on the important role of mediating between the requirements of younger personnel and the demands of their organization (e.g., Levinson, 1978, pp. 97–98). Most likely, however, job requirements would have to be changed to aid transitionists in acting on such new urges. In addition, severe cross-pressures can be involved in developing one's own replacement, and especially so if organization norms and practices fixate on

personal achievement and advancement only. Moreover, the required expressions of emotional support and affection may be inhibited by organizational norms and work pressures, as well as by the earlier experiences and reputation of the mid-life transitionist. Finally, the transitionist's own unbuckling from mentors may have been incomplete or traumatic, with any residual guilt or anger a probable contaminant of future service as mentor.

## VI—

### Conclusion

This brief chapter is vulnerable on several fronts. Thus it may seem to point more with alarm than it provides viable solutions. Moreover, required adjustments will be difficult, even if we had a full inventory of ameliorative policies and programs in hand. For example, adjustments in the public sector will be tough, due to civil service practices and policies.

Guilty on both counts, of course.

But so be it, and full speed ahead. This is a first step, and hence it is both limited and tentative. But this constitutes no disclaimer about what needs doing, which must begin from where we are. Like other aspects of our world, this part will not stop moving because it would be convenient for us to get off.

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53—

## Managing Transitions

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Sparked by Bridges (1980) and numerous others charting the passages of individual development (e.g., Golembiewski, 1978) as well as by Beckhard (1969, 1975; Beckhard and Harris, 1987) for large systems, the management of transitions (MOT) occupies an increasingly prominent place in today's theory and practice of conscious change. Given the turbulent environment in which we now live, and given that matters probably will get more rather than less difficult, the challenges of effective transitioning will have a high priority.

Transitions have always been with us, of course, but managerial thought typically neglects their specific properties and tends to focus on the desired end state—the "policy" or "plan" as *the* way to avoid some present unpleasanties, or to exploit some new opportunities. So the recent attention to the transition state amounts to a useful mind-warp like that recommended by a famous violinist. He noted that one certainly had to play notes well, but he nonetheless believed his substantial success derived more from his attention to the "spaces" or silences between the notes. That violinist advised focusing on the quality of transitions between notes, in effect. That's a good lesson.

What does "managing transitions" imply? The focus here will be on a generic model, which is oriented toward large systems although the model's essentials also apply quite broadly to change. Specifically, two emphases will provide the content below. The first sketches a general model for MOT. The second section details some of the assumptions and preferences underlying MOT.

I—

### A Skeletal Model

Table 1 presents some essentials of the basic MOT model. In general, this model seeks to blend organization demands and individual needs, as well as to provide social and psychological supports for the numerous rational and technological aspects of any transition.

II—

### Underlying Preferences/Assumptions

Even though sketchy, Table 1 rests on a robust foundation of what may be called, alternatively, preferred assumptions or assumed preferentials. It is too much at this time to argue for the absolute primacy of these preferences/assumptions, but the presumptive case for their usefulness seems substantial. Five points support this conclusion here. Although a longer list could be marshaled for other purposes, the short list suffices for present illustrative purposes.

1. Unlike possible alternatives, the MOT directs explicit attention to the *full range* of multiple conditions or states: *past* as it influences the *present, ideal, transition, and future*.

In sharp contrast, consider the hoo-ha of attention directed at "excellence" over the past decade (e.g., Peters and Waterman, 1982). One could argue that it dealt in one fashion

**TABLE 1** Skeletal MOT Model

- Describe the present state via organizational and environmental scans that involve broad ranges of participants in developing the scan as well as in testing for its accuracy in reflecting both what exists and its roots in the past.
- Develop an unfolding and broadly shared sense of an ideal state, which takes into account realities/capabilities deriving from the present state which, in turn, rests on scans of the specific organization and its environment.
- Analyze the present condition for its congruence with an ideal state, which evolves in various ways such as
  - Recognizing a problem(s) beyond present organizational capabilities
  - Exploiting some opportunity for doing what an organization is not doing
  - Reducing some discrepancy between the present condition and ideal states
  - Expanding the consensual concept of the ideal, i.e., as consciousness expands about what should be done, as organizational growth or success generate resources for enriching the work experience, and so on
- Elaborate the desired and desirable features of an achievable future state in substantial detail, building on and contributing to the ideal state, as by
  - Developing a statement of the core organizational vision or mission, which emphasizes niche, standing within that niche, and style (Golembiewski, 1992)
  - Specifying the major desired outcomes, especially concerning levels of productivity and employee satisfaction
  - Identifying the specific values, attitudes, and behaviors necessary to support the desired outcomes related to the core vision/mission
- Focus on the details of getting from the present condition to the future condition, with the intervening gap representing the transition state. These details involve
  - Estimating the readiness of actors and agencies, and reassessing it as the transition proceeds
  - Creating an unfolding consciousness of the transition, and especially of any attitudes or behaviors that distinguish it from steady-state operations of the past, present, or future
  - Planning required activities
  - Generating involvement and maintaining it
  - Providing structures for managing and governing change
  - Permitting closure or debriefing about the consequences of the transition
- Emphasize ongoing evaluation and the fine-tuning of ideals, plans, and activities as the future becomes the present.

or another with three or four of these conditions or states, but had little to say about transition. Indeed, excellence was firmly and substantially associated with what organizational founders did in the past. Consequently, new or ongoing organizations got only limited guidance about how to move toward their ideal states from the experiences of these already excellent organizations.

2. Attention to the full range of conditions or states is useful because they tend to differ, and often profoundly, in terms of characteristic dynamics, governance structures, typical problems, and so on. Consider only that *defense* as a basic posture may be useful in the present state, but it has far less to recommend it as a basic mode in the transition. Similarly, governance and management structures may be intentionally temporary in transition states—as in so-called parallel structures (Bushe and Shani, 1991)—but the future condition will aim for greater rolling permanence.

3. MOT sees all of the states as relevant in a full-scale change, although their specific significances will wax and wane at different points.

In contrast, many intended changes have a fixation on the ideal or future. In such cases, the change becomes a kind of "sheep dip of the year," applied to a range of present conditions that probably do not provide either a similar or an optimum takeoff point. The

checked record of many faddish organizational applications—sensitivity training, management by objectives, or planning-programming-budgeting systems—can be explained in substantial degree by their focus on the ideal and future, but with insufficient attention to, or understanding of, the present (e.g., Golembiewski and Scott, 1989). The transition bridges the gap always involved in getting from the present to the future via the ideal, but is also usually neglected.

4. During all conditions or states, MOT places clear and major emphasis on the human and behavioral as well as on the rational and technical aspects of change. Hence one emphasis in Table 1 is on *the human* (e.g., in needs, aspirations, feelings and comfort levels, attitudes, commitment, and involvement).

In most traditional approaches to change, the rational/technical dominates. This was substantially the case of "scientific management" under its founder F. W. Taylor, for example, and it similarly characterizes most contemporary electronic data-processing applications. Usually, the focus is on the cognitive aspects. Intellectual understanding of the plan is assumed to be both necessary and sufficient to successful applications. The motto is: "read, understand, and then do."

For MOT, contrasting preferences and assumptions dominate. In this view, there is *almost*—but not quite entirely—no such thing as a rationally or technically bad transition plan. Most failures relate to inadequate involvement in and commitment to a plan rather than to simple failures to provide a "good plan" or to understand the plan. In MOT, understanding a plan is useful and even perhaps necessary, but it is far from sufficient. In MOT, indeed, a clear sense of the ideal and future states and commitment to them generally is considered more critical than the details of any plan.

5. MOT insists on continuous feedback and consequent fine-tuning of plans and approaches. More traditional approaches emphasize the charge of the light brigade, which seeks to suppress "negative thinking" once the marching orders have been given and assented to, even if with faint heart.

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54—

### **Model This, Model That: Consultants Can't Do without Them**

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Consultants—and researchers as well—have a love/hate affair with "models." Those representations of reality promise a map to complex territory, seek to provide a "handle on reality," and aspire to summarize what we know as well as generate thrust toward what is only dimly envisioned or even unknown.

Virtually all models provide easy targets for critical sharpshooters. Models thus must deliberately simplify complex realities, but they also must avoid simplicity as well as oversimplification. This poses difficult challenges. Moreover, models often have a short half-life. Enthusiasms wax and wane, as this year's required sheep dip becomes next year's curious extravagance or shortfall, or a model can catch some breezes already stirring in organizational worlds, and that model can suddenly become seen by popular opinion as universal just as those breezes are abating. Witness the alleged superiority of "Japanese management" even as it was beginning to gag on its own excesses, with resulting paroxysms which at this date—late 1998—threaten Asia-wide economic repercussions.

For these and other reasons, consultants often are justified in just hating models.

At the same time consultants just can't do without models. In order to function every one of us needs salient simplifications of complex realities, so we are necessarily needy while often at the same time being cynical about all models or overcommitted to some of them.

This handbook reflects consultants' viewpoints with regard to models. These pages are peppered with model this, and model that, and they are also full of emphases on the shortfalls of model this, and model that.

Consider only a few examples. In the second selection in this handbook, for example, Ackerman Anderson develops a comprehensive model of "change leadership," whose grasp eventually may prove capable of matching its reach. That time has not yet come, however; it will require much experience and testing to get a real sense of such leadership. Then Blake and Mouton seek to provide a taxonomy for consultant interventions in "The Consulcube." Their contribution has been with us awhile, and no one has yet generated a more satisfactory taxonomy in this editor's reckoning, but *the* issue of its hegemony remains far from settled, and it has major tactical and strategic shortfalls as well as significance.

At times, delightfully, models have a pleasing parsimony, along with an attractive range of applications and even extensions. Your editor can only sample this full list:

Several authors below refer, at one level or another, to Lewin's justly acknowledged unfreezing model. You know, for perhaps extended lengths of time, people will persist in quasi-stationary equilibrium; they are "frozen." Then some focal issue or stimulus can make people aware of some limitation, which raises consciousness and generates motivation to remedy the limitation.

In some cases such a stimulus may even leave the person seriously shaken; nonetheless, the resulting condition may induce a receptivity to choice or change: a person can become "unfrozen." Experimentation with behavioral or attitudinal alternatives then may lead to a "refreezing"—either because the alternative is more attractive, or because available alternatives prove to be a relative bummer, and so it may be advisable for the person to return to the status quo ante, to things as they were.

Also, here and there this volume contains evidence of such sequential models as Tuckman's simple but flexible one for the development of groups—storming, forming, norming, and performing. Many consultants have seen those stages in their practices, and Mary Ann Lahey shows how such notions can be put to constructive use in "How Consultants Can Anticipate and Trigger Group Development."

Some selections below, like that of Boudreau, provide us with a full inventory of models—of human development, in his case.

My favorite exemplar among these parsimonious models, not so strangely, is one of my own—that dealing with two systems of interaction, as developed in "Competence via Regenerative Systems." The distinction between degenerative and regenerative systems of interaction does multiple duty: it has a face validity to many observers of organization life; it has direct applications at the work site in learning designs that have high success rates; and the two systems permit extensions to other significant phenomenal realms, such as that of stress or burnout (e.g., Golembiewski et al., 1996).

More expansive models also exist—some represented in this handbook, others not. At times these guides to consultation come in jeroboam size (e.g., Levinson, Molinari, and Spohn, 1972); more commonly, models come in variants whose essentials can be expressed with economy, even as they can support substantial elaborations. Consider only two examples.

Not specifically represented below, many consultants know about Weisbord's (1982) six-box model, which he proposes as a useful first cut even for those who would like to profess only that they come to their consultation with a clean slate—without a governing theory or model. Moreover, the six-box model also will be useful for those who come with an explicit model or theory, Weisbord (1982) proposes, whatever that model or theory.

The six-box model literally builds around six "boxes," each containing a content theme for organizational diagnosis. These content themes can be described in brief terms: within a broad environment, six themes interact to encompass the basic dynamics of organization life:

*Purposes:* What are the organization's basic business(es) or issue arena(s)?

*Relationships:* How does an organization manage conflict between people, between specialty units, and between technological differences?

*Structure:* How does an organization differentiate work and assign responsibility for its several clusters of activities?

*Rewards:* Do reasonable incentives support the performance of all required activities?

*Helpful mechanisms:* Does an organization have adequate coordinating technologies and policies?

*Leadership:* Does some authoritative figure(s) keep the other boxes in a useful balance?

In addition, the six-box model focuses on two kinds of "fit" that constitute bottom-line estimates of an organization's effectiveness. These two kinds of fit relate to

The overall fit between individuals and organization needs; that is, the degrees to which individuals support or subvert the meeting of organization objectives, and vice versa.

The overall fit between an organization and its environment: the extent to which an organization's purposes and structures provide a moving balance with the surrounding environment.



This simultaneously permits some effective balance of activities in "stable state operations," and shifts in this balanced fit also permit more or less continuous adjustments to environmental variations.

Several selections in this handbook give attention to a simplification your editor finds useful for many purposes—in both consultation and research—when it comes to structural features and their consequences. Let me here highlight your editor's own variant—"Alternative Models for Structuring Work" (Chap. 34). That selection focuses on the central comparisons of two commonly encountered approaches to the structuring of work. These are the bureaucratic model and what is often known as the divisional model. Real-life organizations often embody complex mixes and matches of structural features, but overall, many organizations tend to fit one or the other of these two basic models—not in all cases, but the generalization holds in perhaps four of five cases, if with various qualifications and caveats. For those interested in accounting for more of the variance in organization types, plenty of help exists elsewhere. Golembiewski (1987) elaborates on a three-type model; Mintzberg (1979) relies on five; and Miller and Friesen (1984) require six "successful" and four "unsuccessful" organizational archetypes.

This simplified model about organizational properties and their consequences also permits many estimates of fit at both macro and micro levels, and selections in this handbook suggest several ways of estimating the relative usefulness of these two alternative structural models. These selections for assessing fit include the following:

Boudreau's "Models of Development and the Issues They Raise for Consultants" (Chap. 11) encourages testing the degree to which various stages of human development are affected by different strategies for structuring work.

Rossy, Glassman, and Dahl's "Tailored Management Development as a Vehicle for Strategy Implementation" (Chap. 114) relates upstream activities to a building toward strategic implementation and its associated structures and policies.

In "Creating the Learning Organization: Beyond Mechanisms" (Chap. 117), Shani and Mitki describe and prescribe how all structural forms can provide data for their own evaluation.

This handbook also helps estimate the fit of various structures via several selections by your editor. Among other possibilities are the following:

"Humans as Need-Fulfilling: Implications for Consultants" (Chap. 50) provides a basis for estimating the degree of fit between specific structural arrangements and one model of what people need to function at optimum levels.

"Burnout as a Focus for Consultants: Significance, Incidence, and Persistence of Phases" (Chap. 37) encourages estimating the degree to which various structural models contribute to increases and decreases in advanced stages of burnout.

"Organization Stages and Consultant Choice Making: A Critical Junction" (Chap. 58) focuses on the congruence of structural features with broad differences between technological environments within which people and organizations exist.

"Diversity as Shining Goal or Sham?: Equifinality Definitely Does Not Apply" (Chap. 43) proposes that the effectiveness of organizational responses to a key challenge are a direct function of the specific policies and procedures as well as of the structures that are in place in any organization.

So it is hard to live with models—there are many possibilities, all involve possibly crippling simplifications, and (among many other factors) incomplete agreement exists about more-preferred and less-preferred models.

At the same time, consultants and researchers cannot live without such models. We all need points of reference to understand and perhaps especially to intervene, hence we need models, despite the limitations and even dangers inherent in them.

So what to do?

The only alternative involves determining whether specific models are good or bad, better or worse. We need to rely on models, in short, and this in essence involves a multistage commitment.

Developing a broad range of models, and becoming familiar with them  
Assessing the strengths and limitations of each specific model  
Fine-tuning specific models to increase their reliability and validity  
Integrating specific models into broadening networks of theory

These commitments will at times require developing a model; and at other times require borrowing models from various disciplines or consultants.

At all times, however, these commitments imply attempts to test specific models and to integrate those aspects that survive, and then to further test this more comprehensive product.

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55—

### **Musings about Transformation: Is That Someone on a White Horse Coming around the Corner?**

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Consider this elemental wisdom. Just because some degree of *X* is good, and even if more of *X* may be better, it does not follow that a full dosage of *X* is best. The full dosage may not even be adequate; indeed, it might even be harmful, if not lethal.

That is to say, all of us might well suspect concepts that do not have a clear balance point. For example, more variety and intensity in stimuli may be attractive and motivating to almost all individuals. Beyond some points that will vary between individuals and even for specific persons at different points in their lives; however, increasing variety and intensity may generate decreasing marginal returns. Later, the stimulation may even become noxious.

I have a growing and already strong sense that "transformation" is on the way down this path paved with good intentions, and in large part because it discourages attention to balance points. Most prominently, of course, transformation is contrasted with "transaction" in providing guidance about leadership and change. Commentators typically cite the need for more of the former, and less of the latter. Transformation relates to frame breaking, the search for the "right things to do," developing a vision that enough of the appropriate folks can buy into, and marshalling the forces necessary to realize that vision. In contrast, transaction involves management rather than leadership. It involves "doing things right."

This argument constitutes little or no enthusiasm for transactional leaders, and it implies that the more transformational features in our leaders, the better.

Given that various forms of transformationalism are so much in the air these days, why does "your essayist" voice concerns? Let me tell you a bit about the nagging and even ominous sense that grows within me. In effect, the focus will be on some of the shadows in the glistening symbol of transformation. In general, transformation is just another example of the general proposition that even the brightest clouds can have dark linings.

I—

#### **A Thumbnail History**

We all know a bit about the genesis of "transformational" (TF) approaches, but some historical perspective may be useful in providing a context for the concerns felt by your essayist. It all started with political scientists and historians (e.g., Burns, 1978), who sought to classify political figures.

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Some politicians "made a real difference" in guiding changes in institutions and behaviors; others in effect managed competently what already existed, at times with some fine-tuning; and still others could neither transform to new systems nor efficiently transact within an ongoing system. The latter were typified at the presidential level by Calvin Coolidge. Franklin D. Roosevelt and Harry Truman exemplify the presidents generating great value added.

The two metaphors proved evocative. Many of our organizations and institutions seemed to be limping along, and hence a transactional approach would not do; transformation was required. In sum, the two metaphors seemed to explain what had gone wrong on the way to Camelot, why it had gone wrong, and how things might be set right. That's a powerful combination, no doubt about that.

What do transforming leaders do, more or less specifically? Many observers gave us useful chapter and verse (e.g., Bennis and Nanus, 1985), thus in its most common formulation, transforming leadership helps surface dissatisfaction with the present, offers a vision for the future, and provides the political skills necessary to get from here to there.

There is naught in this that offends, given a certain looseness of usage, and conceptual extensions have a simplicity and an easy face validity that attracts adherents. Careful scholars (e.g., Bass, 1990) have even also made a dent in the rigorous study of the distinction between types of leadership.

II—

### **So Whence Cometh Concern?**

If the basic sense of transformation is benign and perhaps even positive, why sweat it? Let the good conceptual times roll on!

Three features of the developmental path taken by TF variants generate great concerns, however, and let me get them off my editorial chest. These concerns are clearly personal, but they may become yours as you read on. The concerns may even be idiosyncratic, but I think not. While they do not intend to rain on anybody's TF parade, the comments below do encourage care about parade routes, and perhaps about what parts of the parade should be given special encouragement.

III—

### **Leaders and Leadership: Another Time Around**

A first point seems beyond doubt. The literature contains several historic reasons to preserve the salience of a hard-won conceptual distinction: that between "leaders" and "leadership." The former encourages an emphasis on *specific people*, which naturally enough raises questions about individual similarities and differences, if any. In contrast, "leadership" relates to a *major function* in all human collectivities, to which several specific individuals at the same time contribute in different degrees and in diverse ways under various circumstances. The distinction does not rest on some definitional niceties. For example, generations of commentators have warned about "leader" concepts, and especially when associated with "the great person" or the "person on a white horse."

Nonetheless, the attractions of leaders versus leadership have proved compelling, and the former keeps resurfacing as *the* subject/object of attention despite the periodic puttings-in-place of the leader-as-person. Perhaps paramountly, the leader concept is congenial to our several bureaucracies, which are in essential ways tied to elaborating ways and means for the care and feeding of the leader-as-singular. Since research tends to follow the stream of resources, the bureaucratic fixation on developing supportive rationales for itself virtually guarantees a continuing interest in leader concepts. The leader-as-person view also implies simpler research designs; for example, it emphasizes a single and sovereign unit or level of analysis.

The preceding is not simply idle conjecturing. There seems to be ample evidence that TF theorists, and especially those in recent years, have strongly trended toward the leader model and away from "leadership." This is a momentous shift, and deserves notice if only because the leader-as-person view has several times been put to what seems to have been conceptual rout.

This conceptual slurring of the leadership — leader distinction, if not worse, also accounts for certain features of the TF literature. For example, studies of purportedly TF leaders suggest certain poor fits of an attractive concept with stubborn realities. For example, alleged TF leaders show an

actual short duration that poorly suits the conceptual mold (e.g., Tichy and Devanna, 1990, 1994)—of problem surfacers and vision generators who also have great political skills. For example, only the risk-taking researcher will confidently undertake a longitudinal research design focusing on TF leaders. Especially as historiographic methods improve and information sources proliferate, the claims for "true TF leaders" grow harder to sustain.

If anything, *at best*, close looks at the TF leaders suggest the dominance of "situational" features. (Readers of the literature will recognize this oldie but goodie!) For example, the full TF cycle may include several phases or stages, each with unique demands with which leadership must deal successfully, or be gone. Possible phases of the full TF cycle include, among other things, examining and surfacing problems, promising to sate the "charismatic hunger" of members of an institution, articulating a vision, implementing the vision via progressively specific missions, energizing congruent efforts at institutional as well as face-to-face levels, and institutionalizing the new vision and missions.

Pretty clearly, as the "situation" differentiates and as specific individuals rise and fall in contributing to leadership concerning the several major situational facets, the leader-as-person approach has to huff and puff against the weight of recalcitrant realities in complex action sequences. Leadership is more easily amenable to shifting situational facets than is leader.

IV—

#### **Leaders and Levels: As Always**

The TF view of leader-as-person also implies certain conceptual shortcuts that ring false. Elementally, for example, leaders may develop consensus at one level that is paid for by heroic sacrifices at lower levels, if the latter have not had an impossible mission dumped on them as a consequence of higher-level conveniences or incompetencies. For example, compare the planning versus the actual World War II landings by Allied forces on the French coast. Can both sets of leadership be said to be "successful?"

Or is it more realistic to encompass different levels of influence from the outset, which presumes a leadership that has a major integrative component in which many share? In this case, leadership in the World War II landings can be said to have been "incompletely congruent," and at times at serious cross-purposes. This avoids procrustean judgments about success as failure, and acknowledges the pervasive multileveledness of all collective phenomena.

V—

#### **Leaders and White Horses: Still Another Time**

Worst of all, but related to the considerations above, the proverbial person on the white horse seems to be appearing with a growing frequency as the TF standard-bearer on both organizational and political scenes, and even in such establishmentarian sources as *Fortune*. Transformational ideology always had a touch of the messianic in it, but things have moved significantly in that direction in recent years. Intuition thus has always been an element in TF theory, and while undeniably a part of life, the growing emphasis on intuition in effect places influence over elite choice in the hands of the reigning intuiters. Also, a really strong emphasis on intuition encourages this kind of cul de sac: "Well, I really can't tell you why the decision got made. And if I could tell you, there's *no* reason to believe you'd get my full meaning. You really had to be there in my position."\* Some interpretations of Barnard clearly have such a bias, and Barnard himself encourages just such a view (e.g., Wolf, 1973, esp. pp. 20–24).

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\*For those who sense an exaggeration here, please consult Chester I. Barnard, a TF ideologue long before its modern time. For him, decisions are so imbedded in a particular flow of events that it is foolish to even try to isolate events and to explain them. Whatever else, this is a very convenient position for those in positions of influence, a leveraged condition that appears to be precisely what Barnard had in mind as he developed conceptual armor for the organizational guardians in shaky control during the Great Depression. (See Golembiewski and Kuhnert, 1994.)

Quite explicitly, recent TF usages emphasize the "charismatic urge" of the singular leader's followers, and this has strong overtones of "Father/Mother feed me." Similarly, TF commentary typically reflects a sense of its focus as special and uncommon, and elements of dogma and/or mystique are right on the surface of many TF usages. Perhaps most overtly, commentators nowadays do not shrink from referring to TF "magic" if not "mysticism" (e.g., Nadler and Tushman, 1989).

The TF metaphysical pathos, in sum, has its very unattractive features. Specifically, it is more than a bit much for me, folks. I am with many eastern Europeans on this one. Not so long ago, the typical visitor got taken to some World War II site—a battlefield, or a concentration camp, or some such. *The* topic of socializing conversation was leadership, or more specifically, the abdication by many citizens and the attendant forfeit of influence to some "great person"—a Hitler or a Stalin or assorted other "pseudo-gods." "Great persons have done awesome things," the visitor learned *the* lesson. "But many of those things are bad, and some are awful. We should never again let a 'great man' be constructed out of our collective weakness."

Maybe that lesson is no longer relevant, or even learnable; but I doubt it. In the TF view of leader-as-person, it seems obvious to me, candidates for leadership no doubt will receive the great benefit of a doubt in their socialization and training, for we can hardly risk (in that view) such a special loss. Practicing Great Persons will be able to command or demand a very special status indeed. To me, they already have enough of the trump cards.

This issue of the care and feeding of central persons is much with us nowadays, of course. For example, should a seated U.S. president be beyond the reach of the law during his or her period of office? I am not wise enough or brash enough to prescribe *the* balance point, but the view of leader-as-person clearly implies a powerful impetus to extending the protections already enjoyed by presidents, and grown to brobdignagian proportions—for reasons that are good and proper as well as those that are merely convenient if not self-serving.

The TF view of leadership as a collective function runs fewer risks in such crucial regards.

In any case, this author has no problem about which way to lean on the issue of leader vs. leadership. Personally, I do not shrink from elitist tendencies, but I also recognize their major limitations, hence I also acknowledge strong populist inclinations as a backup.

So who among TFers had it about right, given my concerns above? Bernie Bass (1990) presents as good a picture as any, and better than most. Notice this carefully selected title of one of his leading articles: "From Transactional to Transformational Leadership: Learning to Share the Vision."

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56—

## Organization Cultures via Distinguishing Assumptions

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Among the breathless questions asked by consultants in these global times, two stand out.

How does one estimate the character and quality of different "cultures" as one moves around the world trying to help others be effective?

How does one embody those estimates of similarities/differences into concrete actions that maximize the possibilities of the direct transmission of information, with minimal distortion or misunderstanding?

I—

### Hofstede to the Rescue?

By far, Hofstede's analysis dominates when it comes to doing something systemic about inducing a requisite cultural sensitivity. His approach rests on four steps, as is well known. First, using 100,000 respondents from a global business, Hofstede (1980a, 1980b) proposed, after analyzing simultaneously all responses from a large number of countries in which these employees worked, that only the following four dimensions were required to differentiate that large aggregate (Hofstede, 1980a, pp. 45–47):

*Power distance*, or "the extent to which a society accepts the fact that power in situations and organizations is distributed unequally." Hofstede posits a buy-in to the value by those high as well as low in power.

*Uncertainty avoidance*, or "the extent to which a society feels threatened by uncertain and ambiguous situations and tries to avoid situations by providing greater career stability, establishing more formal rules, not tolerating deviant ideas and behaviors, and believing in absolute truths and the attainment of expertise. [Such a society also] creates, among other things, a strong inner urge in people to work hard."

*Individualism-collectivism*, an obvious pair of opposites. "Individualism implies a loosely knit social framework in which people are supposed to take care of themselves and of their immediate families only, while collectivism is characterized by a tight framework in which people distinguish between in-groups and out-groups; they expect their in-group (relatives, clan, organizations) to look after them, and in exchange for that they feel they owe absolute loyalty to it."

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A version of this chapter will be published in *Organization Development Journal*. Reprinted with permission of the publisher.

*Masculinity*, part of a dimension encompassing its opposite—*femininity*. Masculinity implies that the dominant values in a society emphasize "assertiveness, the acquisition of money and things, and *not* caring for others, the quality of life, or people. These values are labeled 'masculine' because, *within* nearly all societies men score higher . . . (in terms of assertiveness, for example), even though their nation state as an aggregate may be scored 'feminine.'"

Second, Hofstede considered the aggregate scores on the four dimensions as reflecting "cultural" qualities, even though his units of analysis were the individual and their countries. Clearly, this involves several conceptual hops, steps, and jumps. Since "countries" are not homogeneous and no doubt contain several subcultures, it remains very far from obvious what you have when you average all individual scores on a dimension from employees of a firm in any country.

Many observers treat the issue only gently, but the methodological complications are huge. In Hofstede's case, the shortfall is especially acute, because his alleged dimensions derive from respondents from a large collection of nation states, which he assumes have commonalities suggested in such homey conventions as that each of us lives "in *a* society." This overstates the reality, without doubt. To get some sense of the magnitude of the simplification, some experts estimate that there may be as many as 30,000 honest-to-God "cultures" in the world.

In brief, Hofstede's approach provides no clear safeguards against adding apples and oranges—or pomegranates and ugli fruit, for that matter.

Third, Hofstede then distinguishes subclasses of countries or nations; thus America/Americans are seen as high on individualism, low on power distance, and so on.

Fourth, such information can be used to estimate the degree of fit between the profiles of individuals, or to say much the same thing in another way, information from Hofstede's questionnaire can be used to predict probable sources of abrasion between individuals, or individuals in aggregations of various levels of size and complexity.

Does Hofstede's approach wrap up the culture issue? That key question really has two parts. In outline

Part A: Does he give us sufficient conceptual distinctions to describe the realities that consultants will encounter?

Part B: Does Hofstede's approach provide a reasonably effective way of using these descriptions to deal with practical situations in organizations?

Elsewhere and at length (Golembiewski, 1991, pp. 220–224), I have urged that Hofstede does better on part A than part B. Nonetheless, overall, I discourage consultants from relying on Hofstede. The reasons basically relate to my judgment that he uses faulty science. Consequently, Hofstede's cultural differences do *not* relate in predictable ways to various associations about which we can be relatively confident (e.g., Johnson and Golembiewski, 1992). In addition, the consultant relying on Hofstede's questionnaire will have to be determined and disciplined in ways that few consultants are predisposed to be.

Let me try to put one key research issue in terms that simplify in the service of explanation. Most researchers, including Hofstede, seem to accept the metaphor for "culture" as a "melting pot" or at least as something generating relatively homogeneous human products, hence their focus on seeking some parsimonious set of descriptors and then adding individual scores to develop *a* picture of *a* society, if admittedly approximate. The usual technique for analysis here often is factor analysis, as it was for Hofstede. Canned statistical packages permit running this procedure, easily if too often mindlessly. In brief, if you have a bunch of measurements of some phenomenon, factor analysis can tell you what major dimensions characterize that something, with a little skill and luck. To illustrate, the classic demonstration of the power of factor analysis involves a set of measurements of some unknown object. The technique helps determine the object's basic dimensions, and from there a skilled analyst can identify the object being measured. An egg was a favorite object for such demonstrations.

Pretty good stuff, especially 40 or 50 years ago, but the technique generates the clearest results when there is *an* it; and social realities seldom are simply structured. From your author's point of



view, neglecting this reality is both understandable and convenient, but it just happens to be wrong (e.g., Bowers and Hausser, 1977).

Rather, the analyst needs to focus on a heterogeneous-type question: What is the appropriate number of dimensions needed to encompass the differences and similarities in some batch of measures? The underlying metaphor is a *stew* or a *salad*, each component of which may add to the perceived sense of the assemblage, but each component also retains its separate identity. The appropriate statistical technique is one such as hierarchical decomposition, which is not in common use.

The only radical thing about this alternate approach is that it asks investigators to test for what the usual approach assumes: how many units or entities are required to accommodate some collection of similarities or differences. Related techniques have been used in studies of individuals (Stokes, Mumford, and Owens, 1994) and small groups (Bowers and Hausser, 1977), as well as organizations (Miller and Friesen, 1984). The conceptual foundation arguing against acceptance of the view that *an* organization is *an* organization, for example, has long been convincingly available (e.g., Lawrence and Lorsch, 1967), and the sense of the failure of the homogeneous approach is thick enough to cut with the proverbial knife, both in small group analysis as well as organization studies (e.g., Miller and Friesen, 1984, esp. pp. 12–18).

Such a misplacement of attention is not unparalleled in science, of course, and it may even be modal. Consider the blind spot in early medicinal research; it focused on a "magic bullet," some agent capable of killing pathogens, hence the need for a "pure target" to estimate the impact of candidates for magic bullet-hood. Matters puddled along for half a century, with a major problem being that such targets typically showed signs of contamination, and this apparent problem preoccupied much research. Unless you had a reliable target, in sum, how could you judge the efficacy of some medicinal agent? So throw away the "contaminated" candidate and start again.

Suddenly, a substantial number of investigators realized that the apparent problem was a major part of the solution. Among other features, penicillinlike spores were generating the "defective targets." Study turned to the "contaminants," which in reality were very active agents!

Something like that dawning seems, to this editor, in the near future of organization development (OD), organization behavior (OB), and organization theory (OT). The alternate approach has not yet become popular, however.

II—

### **So, Is Dealing with Cultural Differences a Lost Cause?**

So should ODers sit back and wait patiently until the required shift in research preferences occurs? No.

This volume's editor does not prescribe a funk or malaise. The mixed status of available homogeneous research has led many observers to despair about the possibility of taking cultural differences into implicit account, but that is not my present persuasion.

As *one* approach to being proactive about cultural differences, I advise listening *and hard* to try to hear the words and the feelings as well as the context in which they are embodied. To this old-fashioned medicine is added a twist: pay attention to the assumptions involved in *all* exchanges, whether they are cross-cultural or not. Major clues about conflict, so-called resistance to change, and mixed research results often can be traced to different assumptions that are unarticulated but powerful motivators of behavior.

DiBella (1993) has given useful attention to the role of assumptions, and what follows leans substantially on his good work. The research site was a cross-cultural situation, in which several American consultants paid by the government were attempting to encourage strategic planning among the management of a Ugandan farmer's cooperative.

Things did not go well. In fact, they went from bad to worse.

What seem to have been the major causes of this getting-worseness? At least one issue was the disjointedness between the assumptions held by the two consultants and the clusters of officials.

Why did the assumptions go unrecognized? We cannot tell for certain, but one or both parties were not dialoging—not inquiring, sharing, probing, testing, and really listening. Perhaps one or

**TABLE 1** Two Social Systems Elude One Another: Unrecognized Assumptions Induce a Consulting Failure

Dimensions about which assumptions are made	American business planners, from U.S. Agency of International Development (N = 3)	Ugandan managers, national farmers' cooperative (N = 6)
1. Experience and reality	1a. Determined by individuals	1b. Determined by the environment
2. Why plan?	2a. To achieve	2b. To aspire
3. Character of planning process	3a. Linear	3b. Circular
4. Personal control over outcomes	4a. Yes	4b. No
5. Who implements?	5a. Individuals	5b. Groups

Source: Abstracted from DiBella (1993), p. 317.

both parties were deliberately withholding, but the stakes were high enough to make this probability a low one.

The assumptions just got made, and did not get surfaced early, and you know about what it means to assume: it makes an "ass of u and me."

And so it was. Table 1 contrasts the assumptions briefly, at the risk of simplifying the detailed ex post facto deliberations underlying that exhibit, but the basic point is clear enough. For many practical purposes, similar comparisons of assumptions are a useful way of getting at cross-cultural phenomena which, broadly speaking, use anthropological or sociological techniques to isolate the systems of operating assumptions.

This is a reasonable approach for small subsystems, but the ODer should recognize that homogeneity may be too simple an assumption here. Two units sufficed for present analytic purposes, although even here other purposes might have been better served by focusing on subsystems within one or both entities; that is to say, "a culture" often eludes precise circumscription, at least for very long. If nothing else, its boundaries keep changing, hence Table 1 speaks of "two cultures, more or less."

Given those two sets of assumptions, it is no wonder that the consultation was going nowhere worthwhile. The focus on assumptions provides one approach to moving on, thus a common set of assumptions might be developed, or consultants could tailor their interventions to the assumptions of the client. Either of these, and more besides, would involve taking into account real cultural differences.

When a large survey is involved, statistical techniques take on a great attraction. The typical *homogeneous approach* focuses on calculating means, and perhaps testing for differences in means between demographic categories. Action planning may then proceed, with the typical question being: Does a particular mean justify one intervention for the aggregate? Occasionally, extreme differences in means will imply easy answers. Typically, however, standard deviations are substantial, scores will be "all over the place," and no specific action is indicated for large aggregates.

We know how to do better, and the technology is now available (e.g., Stokes, Mumford, and Owens, 1994, pp. 171–196), even though we consultants seldom do what can be done via what was earlier labeled *heterogeneous approach*. This alternative asks a prior question: How many subunits seem required to account for differences/similarities in any data batch? After statistically identifying these several aggregates—and only then—an analyst may proceed with the comparisons of differences between means, looking for differences between the several subgroups in the dimensions of targeted interest. Later these subgroups can become the targets for sophisticated action research; with the substantial probability being that different subgroups will require different interventions, or even none at all.

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57—

## Organizational Development in the Family

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Balancing the demands of work and family, often at cross-purposes, depended in substantial measure on our insistent efforts to do organization development (OD) within the Golembiewski clan. This chapter elaborates on that theme.

To put the general point in necessary perspective, in part by native cunning but more substantially by incredibly good luck, things went our way. Some elements in that going-well include the following:

Item: My wife, Peg, decided to be full-time commander of our homesite, or as I religiously entered on our joint income tax return, Peg was the "domestic engineer."

That provided much more room for me, although Peg never finished her doctoral work and forfeited other possible personal and professional developments. Now, after 42 years of marriage, Peg still says she made the correct decision. I'm with her on that one, but I do regret that we didn't more aggressively pursue ways and means to get her through academic training. For the last 15 years or so, the point has been moot because of Peg's health.

Item: We always had a fiesta involving all of us when I returned from a consulting trip of a week or so. Hence, when I had some slack time, it wasn't long before our kids got antsy about the next fiesta. "When are you going consulting?" I'd hear, indicating they hoped for another fiesta on their radars.

Item: The kids always had access to a telephone credit card, and still do. Dad was only a quick dialing away—then, and even now when all our kids have sprouts of their own. "Quality time" together is well and good, but nothing beats having the channels of communication as open as possible, as frequently as possible. Technology can nicely reinforce goodwill in this central regard.

Item: I cut back my consulting about 50%, and kept it there, when our oldest child moved into adolescence.

Item: At least once each month, two or more of us went on a consulting-plus trip together.

I—

### Some OD Perspectives on Making One Family out of Several Sets of Wants and Needs

Reinforcing native cunning and good fortune, OD activities and perspectives gave our family a better than even chance of responding to a full schedule and demanding priorities. At first, Mom and Dad were the principal actors. Increasingly, however, the three children got involved in various

ways. Later, as the children evolved their several and often separate lines of activity, they became most central.

The goal was to help in making more of a reality the concept of "one family" as the scaffolding that gave structure to several evolving sets of differences. The underlying metaphor is taken seriously. "Scaffolding" implies supporting form and structure, but that leaves a lot of room within that supporting network for individualized and even idiosyncratic behavior.

How did OD help with building this scaffolding, and in modifying what variously had been a-building? Here, your writer has to simplify grievously. Initial attention goes to a kind of template for value-loaded interaction. Then, two separate sections turn to the kids, and then to their parents, to illustrate how OD perspectives and approaches were utilized to give form to the dynamics within that template. To conclude, closing attention goes to a useful integrative design for dealing with the cross-pressures of work travel and family life.

Basically, this selection conflates two other sources. Immediately below, reliance is put on text from a recent professional article (Golembiewski and Varney, 2000, especially pp. 78–86), while the concluding section on the integrative design rests substantially on a section from the first edition of this handbook (Golembiewski, 1993b, pp. 319–321).

**II—  
The General Template:  
Regenerative Interaction As Vital**

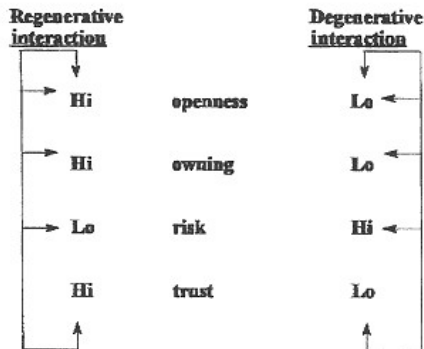
As with most of this writer's work in OD, the character of intended interaction constituted the scaffolding within which our individual personalities were given guided freedom for development. Then as well as now, the essential choice favors regenerative interaction over degenerative interaction, and by a very wide margin.

The basic distinctions have been made in several places, both in this book ("Competence via Regenerative Systems," Chap. 39) as well as elsewhere (e.g., Golembiewski, 1993a, esp. pp. 30–72), so summary treatment is possible here. In various ways, our family strived to create a special combination of the following four variables:

*Openness*, or telling it like it appears to the person

Psychological *owing* of ideas or feelings

*Risk*, which estimates the threat of interacting in the system



**Some Probable Consequences of Degenerative Interaction**

- o Communication and decision-making processes become increasingly burdened.
- o People become less effective in isolating and resolving substantive issues.
- o The amount of unfinished business sharply increases.
- o People feel diminished interpersonal competence and psychological failure as they fail to solve problems so that they stay solved without creating other problems.
- o People become dependent and over-cautious, and respond by "tattling" activities, by preoccupation with being "safe," or by "don't rock the boat" attitudes.
- o Organization norms restricting owing and openness reinforced or developed based on personal experiences.
- o Tendencies toward fragmentation of organization units are enhanced, particularly as the basic organizing model departmentalizes by functions or processes, as is usually the case.

Figure 1  
Two models of interaction.

*Trust*, which reflects the degree of confidence in the ability and intentions of all system actors to work things out

Specifically, the goal is to approach a Hi Hi Lo Hi profile, a combination labeled regenerative interaction.

In sharp contrast, life is often degenerative: low openness, low owning, high risk, and low trust.

In either case, the four variables constitute a basically recursive model. By hypothesis, changes in any one of the core variables will cycle through the full interaction system, inducing appropriate changes in all the other variables. That is why those in degenerative interaction cannot seem to win for losing: even benign intentions may be interpreted distrustfully, for example, and a degenerative system thus can reinforce itself as system members in effect fail to give one another the benefit of a doubt.

The two interaction patterns can have prominent consequences—some better to approach, and some to avoid. Degenerative interaction thus in effect discourages raising real issues, which means that even determined effort will fail because it solves the wrong problems. Obviously, those consequences are better avoided. Figure 1 presents a schema of the typically awkward consequences of degenerative interaction, with a focus on individuals but with some attention also going to organizations.

### III— Illustrations for Smaller People

There might seem limitations on approaching regenerative interaction with children, for obvious reasons, and that point certainly applies to their experiencing the fuller senses of ownership of the model. The regenerative model, however, has the prime characteristic of inducing appropriate behaviors even in the unaware, so things for the kids were not so demanding as long as Ma and Pa did their parts. Consequently, the problems were not absolutely daunting, as three illustrations suggest.

**1. Beat on Dad.** Both Bob G. and (to a lesser degree) Peg had concerns about his busy travel schedule; if nothing else, that could raise the amount of unfinished business. For example, consider the worst-case scenario. Assume Bob G. disciplines one of the children just before leaving on an extended trip, during which absence the target of this attitude readjustment grows seriously out of shape concerning that last experience with Dad. "I hope his plane crashes in flames," an angry child could say; and in the worst-case scenario, just that might happen. And then? The wishing child might come to believe in his personal complicity in such an event, and the offending Bob G. would have an eternity to be sorry about his irresponsibility in leaving a child in such a vulnerable state.

How to avoid such worst-case possibilities, even if remote? Our family, by happy consensus, at one time settled for "Beat on Dad."

Each trip was preceded by a debriefing experience, to explain. Dad would lie on the floor of the family room, and the kids were encouraged to respond as they would—by pushing, punching, hugging, or whatever. The mode and intensity of their getting with the simple design constituted an estimate of their unresolved issues with Dad. On occasion, the exuberance of one or more of the kids would provoke a "time out," when attention would shift to a discussion of the reasons for that exuberance. Peg typically served as facilitator.

Beat on Dad was ritual fun, and sometimes revealing. I recall one occasion, long after the ritual had not been practiced because the children were in their late teens. "It's time to beat on Dad," one sprout announced, and we got right to the time out (as one sprout brightly observed), "without having to 'go to jail.'"

Most of the time, the contact was desultory. "Oh, Dad, you just want a rubdown," I recall hearing during one of the less-intense experiences. "Why just not ask for it like an adult? No unfinished business this time."

Initially I wrote that the situation to be avoided was rare, but since the first draft of this chapter our kids have come forward with cases in point of which I had been unaware. Our son, now a nephrologist, tells of his own invention to counteract thinking ill of his Dad, then

off somewhere. It was raining hard, but the youngster went out to the basketball hoop, bargaining with God that he would make 100 jump shots in exchange for one boon: that Dad be allowed to return safely from a trip. Bob G.'s departure had left that young man steaming about some incivility and wishing Dad no bon voyage, but that soon turned into promising good works in exchange for the parent's return.

**2. Contracting.** By far the most useful OD technique was contracting—in the conventional sense. Any individual or combination of individuals could call for contracting at any time, which in practice often took place in our "family conference."

You know how this one goes, following Harrison's (1972) useful design. Each participant generates three lists: a status of good things in the family; a gripe list; and a wish list.

Then contracting would start. If one person wanted A, the question became, what would that person stop, start, or continue that would get others to do what was required in return for their supplying A? As soon as they could do so, the children prepared a block print or cursive document, and all capable ceremonially signed it. All of the kiddies got with the program at early ages: reading and writing were nice, but they were not required for remembering even the fine points of a contract.

Ballpark, various forms of contracting worked for a long time around our home. Kids could begin to play the game seriously at about age 3 or so, and we had sessions when our young adults were in their twenties. The teenage years were the halcyon days for the approach, which should come as no surprise.

The most extended reliance on contracting came when our guys were in eighth, ninth, and tenth grades, respectively. We parents were convinced about a relocation to Vanderbilt University, and sensed no great negative reactions from our offspring, so we all emplaned to Nashville, where we would pick a house, attend the Grand Ole Opry, and so on. The kids were exemplary: in a rational-technical mode, one child developed a list of criteria and points to guide the decision; all joined in rating the several residences we visited; and we all went to the Grand Ole Opry, despite the view of two of us that country-and-western music was "yucky."

Apparently, the kids had played it cool, but could not continue the pretense. On our way back to Georgia, all three wanted a contracting session. The depth of feelings varied, but all were interested in talking about contracts keyed to our staying in Georgia. Our oldest child put it on the line: if we withdrew her from her high school, she would run away home!

So we contracted the flight away, and for some time afterwards. The kids got what they wanted, in different ways and degrees, but the parents drove a hard bargain that lasted for years.

**3. Overarching goals and identifications.** OD has always emphasized the relevance of overarching goals and identifications on this general theme: a person who knows why and accepts that why can usually handle the what and the how (e.g., Golembiewski, 1993b, pp. 289–291).

We parents initially had a major advantage here, and we tried hard to emphasize the things that united us. A useful device was our philosophy of handling money. Directly, for example, when one kid got a \$5 bill for a present, the money went into three pots: \$1 for the child's operating fund for discretionary spending; \$2 into an education and development fund; and \$2 into general family revenues.

This drew what we saw as useful lines around "our" and "mine." The kids got the message in a hurry; that is, for example, they often would frame a want in terms that justified using general family funds. We parents might well encourage them to choose either discretionary money, or the education and development fund. It impressed parents how many wants diminished in intensity, on two general principles: don't use discretionary money if you can avoid it; and don't jeopardize the long-run development fund.

#### IV—

#### Illustrations for Larger People

This chapter has been fun to write, but its bulk already concerns, and greater self-discipline here gets reflected in two illustrative uses of OD approaches and perspectives. The first is a yes-yes, and the second a clear no-no, except under limited circumstances.

*A—*

***A Definite Yes–Yes:***

***3-D Image Sharing***

Several consulting teams of which I was a part had major roles in developing this intervention; indeed, we may even have innovated it in relative simultaneity with other ODers (e.g., Beckhard, 1967; Golembiewski and Blumberg, 1967; see also "Confrontation Design," Chap. 78, a selection in this volume that provides details about the sharing of three-dimensional images).

For the present purposes, a brief overview does the job. The design is a simple one, and can be adapted to pairs of individuals or even large numbers of small groups. Each participating person (e.g., the two bonded adults in a family) responds to three basic questions.

How do I see myself?

How do I see the other?

How does the other see me?

Conveniently arrayed on newsprint—independently by, for example, each of the two adult partners in a relationship—the two sets of responses can be put to multiple cross-checking purposes. For example, does A see him- or herself in terms that are largely compatible with how B sees A? What differences exist between the two sets of perceptions? And so on.

Conventional contracting can follow (e.g., what A can stop, start, and continue in exchange for what A wants B to stop, start, or continue). One caveat deserves notice. When a "crisis of agreement" exists, as contrasted with the far more common "crisis of disagreement," special cautions in intervening are appropriate. For many reasons, agreement as a crisis may be especially likely in a family setting, where belongingness may have such high salience as to encourage failure to disclose because that may threaten a valued membership. (See also the chapter below by Taras, "Defective Group Decisions," Chap. 122.)

This simple design permits useful and detailed analysis in pairs as well as in complex managerial situations (e.g., Golembiewski and Kiepper, 1988, pp. 33–55).

Especially when schedules are tight and absences are frequent, 3-D image sharing can be a powerful resource in both moving toward regenerative interaction and preserving that condition. In effect, 3-D image sharing emphasizes increased owning and openness, and promises more regenerative interaction by derivative improvements in risk and trust. The independent preparation of each 3-D image permits individuals to calibrate the precise version of reality they are willing to share with their partner, a possibility leavened by the knowledge that the partner is independently making similar choices.

*B—*

***A Pretty Clear No–No, Under Most Conditions***

Not just any old design will constitute a reasonable next step toward regenerative interaction. Consider a design that heard the music but got the words wrong. The setting was a "marriage encounter" at a church setting, and one "facilitator" decided to go for it. As one of the earliest design elements, the facilitator asked all attendees to write on a sheet of paper three true things about themselves that they couldn't even dream of telling their spouse.

Then the facilitator solicited volunteers to share items from their lists publicly. More revealingly, the facilitator challenged such sharing by asking: "Who is brave enough to get the ball rolling?"

Well, you can guess what happened, given the high probability that in a group of even small size someone can be encouraged to do or say almost anything by a persistent authority figure. That high probability constitutes one reason for the responsibility that facilitators must bear for questions they ask, and for areas of exploration they suggest.

Let me cut to the chase. That first item read aloud was pretty powerful, and more items followed quickly. Then, some attendees spooked. In sum, trust building was insufficient to support the openness and owning provoked by the exercise.

The facilitator asked for it, in effect, and got some products that some participants were not prepared to hear, let alone deal with. Perhaps later in the design would have been better, but the exercise does not qualify as a next step, or even several of them. It constitutes a very large leap. In contrast, a facilitator intent on such a next step might ask for examples from one spouse of ideas



or feelings *since the session began* of which they believe their partner is not aware. That sharply bounds the universe, of course, while encouraging more regenerative interaction.

In any case, the 3-D design got ample usage in our evolving family, as well as in many assemblages of larger people.

V—

### **An Integrating Design for Travel**

The design here\* is based on the work of Culbert and Renshaw (1971), and attempts to ease the problems of heavy travel schedules at work as they impact on marriages, certainly a common and probably a growing concern. The overall goal is to develop a more satisfying interface between two systems that impinge on one another, but that interface was intentionally constrained by two strong preferences. The basic value held that involvement of both partners in matters that influence them is desirable, but a strong bias maintained largely separate spheres for work and family. In any case, the plain fact is that organizational issues are not usually defined in ways that emphasize the relevance of family involvement.

The interface between work and family systems is bounded by a learning design with a strong privatizing bias. An appropriate design would

Restrict public attention to the stresses of travel and avoid emphasis on the entire marriage; broader family business would remain private

Involve organization members only by their own choice, based on full information about the design

Not force or pressure participants into discussing subjects they did not wish to discuss

Emphasize the strengthening OD current problem-solving capabilities associated with the stresses of travel, as opposed to criticizing deficiencies

As noted, the design has a strong privatizing bias. Basically, each husband–wife pair works on the several design elements in a separate motel room, with a change agent available if desired. The several pairs meet together to get instructions about design elements and for some minor sharing of reactions, but the design overwhelmingly involves only the private husband–wife pairs. The brevity of the design—two gently paced days—also no doubt contributes to limiting the experience to meetings of the individual married couples (Table 1).

A variety of considerations urges caution in evaluating this prototypical design, but several replications support the view that the design presents a useful map for reversing degenerative interaction as well as enhancing regenerative features. The considerations urging caution are commonplace ones: the small size (seven couples) of the trained population, which limits the confidence that can be placed in the results; and special conditions—such as the "fairly conservative morality" of the couples—which may account for important effects.

Given such caveats, the design seems to induce the desired outcomes in the cases of most couples. This following summary of major results of a research design suggests that desired and desirable outcomes do occur.

The problem-solving resources of husbands and wives seem to be augmented, as reflected in self-reports about changes in attitudes, changes in norms concerning problem solving in the marriage, and anecdotes about increased effectiveness in problem solving.

The abilities of couples to cope with the stress of travel seem to increase, as aided by both greater personal planning and by organizational changes inspired by the learning design. Changes seem to occur relative to other areas of work, perhaps because the easing of family pressures makes available more potential energy for dealing with issues at work.

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\*Reprinted with some modifications from Golembiewski (1993b), pp. 319–321.

**TABLE 1** "Limited Exchange Contract" OD Design for Functional Interfacing of Two Systems

Approximate time (minutes)	Purpose of design exercise	Design steps
15	1. To introduce design	
45	2. To establish individual differences	<p>2a. Each person draws on a sheet of paper his "lifeline" from birth to death and indicates his present location on that line and underlying reasons or experiences.</p> <p>2b. Separate pairs of spouses share and discuss their lifelines.</p> <p>2c. All couples share their reactions, in part to legitimate the range of differences.</p>
120	3. To develop awareness of and empathy for the different ways in which spouses view themselves as prelude to later formulating specific strategies for coping with the stresses of travel	<p>3a. Each person takes 10 minutes to reflect on his distinguishing characteristics—a role, idiosyncrasy, or whatever.</p> <p>3b. Each person writes one of these characteristics on each of 10 slips of paper.</p> <p>3c. Each person rank orders his own slips of paper from most essential to least essential.</p> <p>3d. Each pair of spouses returns to own motel room to share self-descriptions.</p> <p>3e. Each spouse takes a turn, with the listening spouse being instructed to ask questions to increase understanding of the self-descriptions but not to try to change them.</p> <p>3f. Couples reassemble to share reactions.</p>
60–90	4. Lunch	<p>4a. Same sex groups, so as to:</p> <p>(1) provide some relief from design.</p> <p>(2) gain perspective from others with a similar role.</p>
120	5. To recognize forces acting upon the marriage	<p>5a. A general session on the "forcefield analysis"<sup>a</sup> method for analyzing complex situations.</p> <p>5b. Couples return to own room, where each person independently develops a large graphic of those forces driving toward a more satisfying relationship with his wife or her husband, and those forces restraining such a relationship.</p> <p>5c. Couples share and discuss with each other their individual force fields.</p>
At least 60	6. To reflect on and integrate events of the day	6a. "Alone time."
	7. Dinner and evening	7a. Married couples.

(table continued on next page)

TABLE 1 Continued

Approximate time (minutes)	Purpose of design exercise	Design steps
90	8. To use feelings as data.	<p>8a. A fantasy exercise is used to provide an indirect way to express feelings that might be difficult in normal situations, the fantasy being that the husband had just left on a long business trip.</p> <p>8b. Couples reflect on the emotional experience induced by the fantasy and write each other a letter describing that experience.</p> <p>8c. Couples return to separate rooms and read aloud the letters they have just written to each other.</p>
90	9. To demonstrate empathy for their spouses.	<p>9a. Consultant describes and demonstrates "brainstorming."<sup>b</sup></p> <p>9b. Each person uses this technique to list all the stresses expected during an upcoming period of travel.</p> <p>9c. Each person rates intensity of each stressor on 1–10 scale.</p> <p>9d. Spouses exchange lists, with their focus for analysis being the specific behaviors in terms in which the other partner responds to each specific stress.</p> <p>9e. Couples return to separate rooms to discuss the accuracy of their perceptions of the other, as well as their feelings about being understood.</p>
	10. Lunch	
90–120	11. To build support, to legitimate the giving and receiving of support by each partner	<p>11a. Using lists of stressors due to travel, each partner develops a list of actions he or she would <i>like</i> to take themselves and of the kinds of support they would prefer to receive.</p> <p>11b. Discussion by couples of the supporting actions they prefer to give and receive.</p>
30–45	12. Closing	<p>12a. Reactions to learning design.</p> <p>12b. Recommended organizational changes that would aid coping with stress of travel.</p>

<sup>a</sup> Golembiewski RT, Blumberg A, eds. *Sensitivity Training and the Laboratory Approach*. Itasca, IL: Peacock, 1970, pp. 293–94.

<sup>b</sup> Parnes SJ, Harding HF, eds. *A Source Book for Creative Thinking*. New York: Scribner's, 1962, pp. 251–304.

Source: Based on Culbert and Renshaw, 1971.

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58—

**Organization Stages and Consultant Choice Making:  
A Critical Junction**

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The consultant's turf may be described as lumpy or bumpy rather than smooth. Things have a way of zigging and zagging at unexpected times. Multitudinous details—technological demands, ambitions, political ploys as well as collaboration in the face of opposed interests, personal misfortunes and disappointments, and surprises of all sorts—impact on the work site. Hence the organizational road from here to there may meander this way and that, as it were, and then zip along precipitous inclines on hairpin turns. As noted, the turf is seldom smooth.

At the same time, substantial and growing guidance exists for anticipating some of the more obvious lumps and bumps in the consultant's space. What will be called "stages" here can help the consultant chart his or her course—not absolutely, but enough to provide a reasonable sense of bearing, a base from which deviations can be made for consultation in large organizations.

Consultants can even bring off some big double plays in this regard. Let me be specific. Thus consultants will be ahead of the game when they diagnose a stage that presently exists: They can recommend interventions appropriate to that stage and, with a bit of luck and some insight into organizational dynamics, might help generate a sense of a prime strategy and some fall back positions.

Beyond this, a useful set of stages also can give the consultant a sense of progression, however rough. Thus a sense of an imminent phase B when an organization is in phase A can be powerfully helpful. Ideally, a consultant can help direct attention to interventions that meet needs at phase A while they also smooth the way for phase B, which is still a ways down the road. Or at least, and even this is quite a lot, what is done in phase A will not complicate responding to phase B.

This is a high roll, of course, but it has big payoffs. It attracts me far more than doing things at phase B—including those things accepted by a client, and perhaps even enthusiastically endorsed—with blissful disregard for what might be coming. This tunnel vision implies only a temporary convenience, but one that may well make life harder for all at a later time.

Other selections in this volume draw attention to various stages that can be useful to consultants. See, for example, Mary Anne Lahey's "How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications," Chapter 86, which will provide useful guidance for consultants. The management literature can also be multiply helpful—as in the case of group dynamics (e.g., Bennis and Shepard, 1956) as well as for larger systems (e.g., Blake and Mouton, 1976; Chandler, 1962; Dyer, 1987). See also the references below.

Here the focus will be deliberately limited. We begin with a brief illustration of how a sense of organizational stages could have been useful, even crucial; and this selection concludes with a focus on the phases of growth or development common in collective enterprises.

## I—

**Illustration of Stages**

Numerous observers have tried their hands at providing group stages, but none is more charming than this four-stage view of how groups develop their competencies and capacities. Groups, one close observer tells us, tend to move through the following general sequence of stages:

Forming  
Storming  
Norming  
Performing

Broadly, on the general issue, see Tuckman (1965).

Brief interpretations will suffice. After some initial and perhaps protracted scuffling as to roles and statuses—that is, forming—many groups tend to have a kind of peaking of conflicts or frustrations that can be called storming. This period can be protracted, or it can be gone before most observers know it's going on. Very often, after several ebbs and flows of storming, rounds of increasingly precise norming tend to follow; that is, who does what, and how, in this group? Again with several possible ebbs and flows, successful norming leads to successively better performing. Thus the group task gets done, *and* member needs are met with efficiency as well as effectiveness.

Let us make a narrow but important point. Depending on the stage operating at any point in time—or more likely, the combination of stages—the *same consultant behavior* can be helpful, neutral, or even resented and resisted.

Take a consultant's pat on the back of a new group's member, either actual or verbal. During forming, that may reassure a shaky member's dependence needs and hence be accepted, but others might see that consultant act as forward or even as prematurely raising the serious issue of the degree of intimacy permissible in the group, which group members are not yet ready to tackle, let alone settle. Later during storming—when many group members are insisting they'd rather do it themselves—the same consultant gesture might be responded to as condescending, if not demeaning. Power-oriented members in the storming phase might even be livid about the consultant playing favorites or currying the favor of powerful group members.

Still later, when the group is in the performing stage, the same act probably would be viewed in positive terms—a kind of "atta girl!" or "atta boy!" behavior characteristic of the high levels of support exchanged in effectively performing groups.

## II—

**Several Organizational Stages**

Now, look at the consultant in macrospace, as it were. It is useful, if admittedly simple, to keep in mind a sequence of stages that organizations often go through as they grow in size. Following Chandler (1962), growth often follows this sequencing of stages:

1. Increasing volume at central site
2. Adding field units
3. Elaborating the functions or specialties performed internally in the organization rather than contracted for
4. Diversifying the organization's product lines

Three examples suggest how consultants can put these stages of growth to use. These examples are drawn from life, and the alert consultant will no doubt identify similar cases.

## A—

**At Stage 1**

Many consultants specialize in interaction-centered designs—team building, third-party interventions, and so on—and there is a natural tendency to believe that what one likes or does best really needs doing. These designs seek in common to open up channels of communication, to create more

fluid relationships between people and groups. In the argot of the consultant, the goal involves "getting the garbage out of the organization pipelines."

Any such "natural tendency" should be resisted, firmly, as a general rule of consultant behavior. Oppositely, for example, a stage 1 organization may profit from—even desperately need—"buttoning-up" designs. These interventions include role analysis and role negotiation, for example, and may also include the several selections in this volume that have to do with structuring work. Stage 1 organizations may be "tightly linked," that is, but it remains at least even money that they will be "loosely linked." See also Chisholm, Chapter 19, "Using Large System Designs and Action Research to Develop Interorganizational Networks."

So "opening-up" designs may help feed *the* problem in some or many stage 1 organizations, as opposed to providing a solution. Consultants should beware.

**B—**

### ***At Stage 2***

At stage 2, with its emphasis on numerous field units, the alert consultant might well look forward to modifying the basic bureaucratic structure of work that tends to develop in stage 1 and, indeed, may be a useful or even necessary feature there. Elsewhere in this volume, that basic structure is referred to as "figure 1 structure," See Golembiewski's "Alternative Models for Structuring Work," Chapter 34.

Variouly relaxing the rigidities of a concerted commitment to figure 1 structures can have much to recommend it in stage 2. Thus field units encourage "multiple supervision" dynamics (e.g., Buckingham, 1961), while traditional structures emphasize unity of command as well as one-line authority and responsibility. For example, in stage 2 both headquarters and field officialdom often will lay competing claims about who directs field operatives. These dynamics can be blunted in part by encouraging greater flexibility and different reporting relationships than a stage 1 structure typically prescribes or even tolerates.

In addition, alert consultants will be mindful that stage 3 may be coming. This results in an in-house proliferation of functions and specialties that can severely exacerbate "dual supervision." Among the more mischievous things a consultant can do, in opposition to helping anticipate stage 3, is to respond to stresses and strains at stage 2 by misplaced emphases on the structure tolerable in stage 1, but a major source of the growing problems at stage 2, rather than their solution.

**C—**

### ***At Stage 3, and Counting***

A similar but more complicated argument also can be made for the usefulness of the stages for organizational growth. Consider a large organization—and some of them can be huge—which is in advanced stage 2 and is only beginning to energize early stage 3. The *key* issue is that many forces—honest-to-God market forces, or perhaps only the misguided empire building of executives, or whatever—may quickly propel such an organization into phase 4. So consultants better exercise caution in such cases, lest what they do in phase 3 be poorly suited to phase 4. For example, the traditional bureaucratic model generates growing problems in stage 2 and even more so in stage 3, but that model can become seriously counterproductive in an unfolding stage 4.

Alcan of the 1960s and early 1970s was such a stage 3 organization. It had grown to formidable size, worldwide, and had a large multinational workforce operating at numerous locations. Powerful forces encouraged efforts toward making "one big family"—creating linkages between the numerous ethnic groups which had swelled the Alcan ranks. There were some abrasions between Alcan employees deriving from this multiple ethnicity—including an inability to empathize with the other person, and also failures to know "where the other guy was coming from," as exacerbated by different native cultures, languages, and traditions.

The prescription—massive doses of sensitivity training or T grouping—are reasonable in stages 2 and 3, at least from one point of view, but they had powerful adverse effects in Alcan's case; that is, by definition, stage 3 Alcan had a simple product line. Basically, Alcan converted bauxite into alumina. This involved huge capital investments at numerous field locations close to bauxite and/or cheap electrical power. But the technology was simple, and all employees had uncomplicated

common objectives. Hence the attractions and reasonableness of an uncomplicated emphasis on "a family." Most participants took to T grouping with a relish: they shared numerous interests through their work, despite ethnic differences; and the chance to tell a fellow employee "how you come across to me" was not only inherently valuable but also was directed at an obvious source of abrasion in the organization.

Enormous positive energies got unleashed in the T grouping, which had organizational carry-over in the sense of a "big and increasingly less conflictful family." I well remember one T group's project representing what its members had learned. They assembled a polygon of mirrors, all facing inward, with several candles on the inside. When the candles were lit and the mirrors were touching at the sides, the effect was dazzling—not only on a light meter, but especially in the eyes of the builders. Once "together," the members had learned from each other by learning about each other. But they realized the point could be forgotten, and that power lost. To demonstrate the point, they only had to separate each mirror a little bit, and the dazzle drastically diminished.

Now, this was great fun and personally meaningful to most, but a few members of the training staff became increasingly concerned that the learning be seen more as a springboard and less as an end of the line. The number of T-group sessions grew, and the waiting list grew faster still. But little else seemed to be happening.

The waters got tested. Meeting with a planning group in Montreal, I introduced a next step—a change from the classical figure 1 structure that dominated Alcan at that time. Greater freedom in interaction could be complemented by greater leeway at work, while anticipating more stage 3 and even stage 4 features. That was the simple message, on the order of my selection in this volume "Alternative Models for Structuring Work," Chapter 34.

The messenger got shot, in effect. The planning group virtually applauded the presentation but someone in power saw too much coming, too fast. I was fired—comfortably and gently, but no less effectively.

Less than 2 years later, Alcan announced a major move into stage 4. Although large segments of the organization were luxuriating in their "happy family," major counterforces nonetheless were set in motion. Numerous product lines blossomed, ranks of many new specialties grew, complex and different compensation programs were developed to help boost the new product lines, and so on. These various differentiations and distancings were complicated in many ways by the powerful vision of "one big family."

Assuming the necessity of stage 4, what was done successfully at Alcan at stages 2 and 3 did not clearly help matters. My own view is that we unnecessarily complicated that change. Those were earlier days, of course, and the issue was open to real debate among reasonable people. However, there is no need now to go that way again.

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59—  
**Perspectives on My Consulting Practice:  
 Looking Backward While Moving On**

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Like many others, I periodically take stock of the past so as to guide the present and prepare for the future. So this opportunity pleases in ways beyond what I can express, let alone understand. Overall, this essay details a small handful of propositions that guided my praxis as an early ODer, outlines their rationales, and sketches some revisionism in a career that includes about 40 years of "being in OD," or some approximation thereto.

Four propositions get attention. As I write, this quartet is at the top of my memory bank, and I believe they are neither superficial nor ephemeral, even as they only sample the relevant scripts. For those who want more themes and greater detail, those exist elsewhere (e.g., Golembiewski, 1992).

I—  
**Proposition 1**

Organization development was, is, and should remain value-rooted (e.g., Tannenbaum and Davis, 1969; Gellermann, Frankel, and Ladenson, 1990). Approaches rooted in other values can and do "work," but they are something other than OD (e.g., Dunphy and Stace, 1993). This thought is not novel, of course, but bears repeating.

A—  
**Original Rationale**

Profoundly, *all* sets of interventions have to be responsive to a key interrogative: Intervention for what? Simply, responding to that question is a categoric imperative.

In practice, the basic point has proved a convenient one to neglect, then as well as now. For a long time many observers believed in a "value-free social science," for example, which would be very limited indeed (e.g., Golembiewski, 1986); it took much conceptual pounding to gain grudging recognition that all theories of management and organization structures are value-loaded, as by giving demonstrations about theory Y vs. X (McGregor, 1960) or by detailing alternatives to the bureaucratic model and comparing the sets of underlying values (Golembiewski, 1989b, 1995a, 1995b).

Nowadays the convenience of neglect looms larger, if anything. Thus, some urge that ODers could be more helpful if they were less stiff-necked about normative tethers. Greater helpfulness might occur, but there is no easy foretelling what various sets of relaxed constraints would mean

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for OD. At a minimum, many approaches and techniques common in OD could be put to use in very different normative contexts (e.g., Singer and Wooton, 1976), with effects that can differ profoundly.

One may sincerely believe that easy ridership about normative issues will suffice, but that can be costly. For openers, unless you specify the value constraints of an intervention, you are at least in the unguided dud business, or at worst are involved with unguided missiles. Clearly, also, no one can confidently assess the effects of even the same intervention, absent substantial clarity about the normative and ethical constraints that guided the applications. Both "success" and "failure" are value-loaded, in sum.

One need not be an alarmist to caution against the effects of an untethered technology, even in well-meaning hands. Homely reminders include the danger of providing hammers to the exuberant but untutored, given the probability that the recipients will try to bash everything in sight, at least for a while. Things can easily get far worse (e.g., Church and Carnes, 1972).

**B—**

### ***Some Modest Revisionism***

My views here have not basically changed over the years, but my practice is now leavened by a certain watchful expansiveness, in two regards. First, if anything, I am more insistent now about what used to be called "cultural preparedness" for OD—typically, a front-load of patterns of interactions capable of sustaining structural and policy interventions that I label regenerative (Golembiewski, 1993). Specific OD applications can begin elsewhere, but I see OD as a stool that is stable only when it includes three legs—interaction, structure, and policies/procedures—wherever an OD effort starts.

Practice has tended to neglect this trinitarian concept of OD. Early on, the focus tended to be on interaction—often featuring emotional fireworks, but inadequate follow-on. Nowadays, as in the "search conference" or in "workout," the focus is on policies/procedures. Structure can get some attention, but the character of interaction tends to be taken for granted or else its treatment is opaque—or both. For me, neither approach to bobtailing works, especially because both in effect seek to finesse values.

Second, normative clarity should always inform action, but action need not be inhibited by lack of agreement. Directly, this rejects some catchy advice: "Never smile at a crocodile." Chapter and verse exist about how stakeholders at substantially crossed normative purposes can make mutual progress consistent with OD values, given a vigilant openness about those differences as well as a modicum of innovativeness in dealing with the tensions of preserving a moving but tentative balance (e.g., Golembiewski and Kiepper, 1988; Golembiewski, 1990b).

**II—**

### **Proposition 2**

Organization development was, is, and should remain basically power-oriented or—dare I use the word—"political." With few exceptions (e.g., DeLuca, 1992; Golembiewski, 1985; Greiner and Schein, 1987), the topic has not been PC in OD.

**A—**

### ***Original Rationale***

Why does this aversion tend to exist, and why have I stood outside the mainstream in this particular, then as well as now? Basically, unrealism and impracticality are at issue. Let me try to put the point in one sentence. Avowals of being only "facilitative" seem attractive to powerful help-seekers, and especially to those unwilling to examine how their own practices and prerogatives are *the* issue.

For me, to be facilitative only risks coping out and cooling down. The commonplace injunction has difficult ramifications even when individual therapy or personal confidences are at issue (e.g., Golembiewski, 1989c, pp. 165–172), and the proscription can herniate in dynamic managerial situations (e.g., Golembiewski and Kiepper, 1988). For example, consider the wicked force field surrounding a client's demands for absolute confidentiality from part of an OD team with the effect of excluding other team members from some information (e.g., Golembiewski, 1990a).

In sum, even the narrowest OD designs have political components. Organization development inherently deals with the allocation of values in social systems (e.g., "tell me how you really feel about my management style" can generate power vectors even without the unspoken tag "so I can get enough on you to fire you"). No doubt my doctoral training in political science helps explain this sensitivity to power and the political. Native cunning should suffice, however.

**B—  
Some Modest Revisionism**

Although experience has more deeply etched proposition 2 in my consciousness, I am now much more relaxed about day-to-day ways of dealing with power and politics. A brief contrast suggests this enlarged zone for choice-making.

Early on, whenever I sensed a major value shortfall between client and OD, I spent much time and energy convincing potential clients that there were better ways than OD to use their resources. One obvious reason: such shortfalls engender often-divisive power dynamics. Although there are ways and means to moderate such effects (e.g., Golembiewski, 1985; Golembiewski and Kiepper, 1988), more accessible targets got definite priority in my practice. Illustrative here is an aging and authoritarian management team, determined to leave a "legacy of change," come hell or high water. Much evidence suggested it would be both. In response to some gentle feedback, for example, a primary power wielder warned in deadly earnest: "Maybe that was good for me, but only one time this month." A compromise evolved. Today's elite would help design and sanction various frontload activities for their subordinates, but moving beyond a seeding phase would wait on the flood of retirements due in the next few years.

In effect, my bias respected one of Shepard's (1975) guides for ODers while neglecting another. I attempted to load the dice in favor of success, while I jeopardized or forfeited potential relationships with clients.

Now this presort concerns me far less, in three major senses. Paramountly, success rates for OD interventions seem high in almost everyone's evaluative surveys—in relatively early reports (e.g., Morrison, 1978), in recent surveys (e.g., Golembiewski and Sun, 1990; Golembiewski, 1998; Robertson, Roberts, and Porras, 1992), and at dates in between (e.g., Golembiewski, Proehl, and Sink, 1981; Nicholas, 1982). Relatedly, situational differences do not seem to put an appreciable dent in success rates (e.g., Golembiewski and Sun, 1990)—small vs. large sites, nonunion vs. unionized, public vs. business settings, and so on.

For me, this evaluative record supports greater confidence in OD values and theories. Power and other situational differences do exist, and they can matter. However, the success rates encourage two major generalizations: OD values are attractive enough to most participants to moderate power phenomena; and ODers are prudently responsive to situational differences, on definite balance.

In addition, this old adage seems increasingly good advice to me: Begin from where the client is. Quite direct designs permit moving toward OD values, while those along the full power hierarchy test their willingness and capacities to accommodate incremental movements. Hence, the relevance of "limited social contracts," as contrasted with the "comprehensive social contracts" some nowadays associate exclusively with OD. These limited social contracts can emphasize structure, policies, or procedures, and have high success rates (e.g., Golembiewski, 1990b, 1993).

The dangers here seem modest to me. Limited approaches to OD values—by structural variants of job enrichment, flexi time or flexi place, conflict resolution, or demotion designs, among many possible variants—seem communicable and understandable. ODers must guard against overselling, "going native," or being a mere "servant to power." Conscious stakeholder choices dominate about how far and fast to go, as they should.

A final point about power dynamics may better frame my present sense of the matter. Power dynamics are an ineffable part of OD, especially as one moves toward implementation and evaluation. Hence, power dynamics often are a welcome sign that things "are moving," rather than a danger to be avoided. Specifically, I am comforted by a conscious tension about power in OD efforts, because that condition implies major stakeholders are active, articulate, and testing. What concerns me far more than such tension are the saccharine periods of "honeymoon," in which power issues are not being sufficiently engaged to permit real choice about change. Of course, this central notion

dates from the earliest days of the laboratory approach (Bennis and Shepard, 1956), but the attractions of all sorts of honeymoons remain compellingly attractive.

To be sure, power dynamics can be downers for the ODer, with "success" and "failure" blending into one another. I recall the formidable executive X, recently reincluded in a policymaking group that had developed a substantial sense of its collective power after X absented himself in response to insistent encouragement over a long period of time. The reinclusion resulted in large part because of my argument that group members could hardly consider themselves in assembly as "mature" unless they could deal with X while including him. Group members amply warned me about disregarding the political ramifications of what I basically considered a good test for the group, more convenient access to X and his resources, as well as "another chance" for X. A bit later, I was myself excluded from the group because of X's energetic insistence (e.g., Golembiewski, 1989a)!

Too bad for me and perhaps for the team, but even now I see no strategic alternative in that case to continuing to move toward OD values, even though political or power issues eventually shut the door on that effort to asymptotically approach those values.

Tactically, of course, better timing is always possible, and I grow more and more reconciled to the probability that—at one point or another, sooner or later—nothing lasts forever. And *the* criterion is how far you get, not how long it takes, before power/politics calls a halt to progress toward OD values.

**III—**

**Proposition 3**

Research-intervenor synergies are compelling, for technical as well as practical reasons; and this integration occurs most conveniently within a single person/mind.

**A—**

***Original Rationale***

In my earlier days, I made determined efforts to be both researcher and intervenor. Necessity played a role even when personal preference did not dominate. Thus, OD in earlier days had not yet gained the attention of large cadres of OB or OT researchers, where OB refers to the field of study labeled *organization behavior* and OT refers to *organization theory*. And in some quarters OD was considered ephemeral. And then, even more so than now, OD without evaluation missed a central opportunity.

**B—**

***Some Substantial Revisionism***

Nowadays, I luxuriate in the possibility of "action research teams" staffed with individuals having skills far beyond the few large research/intervenor teams in OD's early days. OBers are in some oversupply, for example, and often come superbly trained. From another perspective, researcher-intervenor integration in the same body raises issues of conflicts of interest, no matter how skilled or scrupulous the integrative person. Most decisively, burgeoning developments in OD art and science decrease the probability that any one person can read the literature, let alone be expert in all OD components—theories, methods of analysis, a skilled self-in-action, in search and marketing as well as in research and intervention, among the fuller panoply.

Nowadays I still work both sides of the street, but usually not on the same project. Sometimes I'm the researcher; sometimes the intervenor; and only infrequently am I both.

**IV—**

**Proposition 4**

Working with a few clients—over extended periods and in different arenas—will maximize the probabilities of mutually impactful client-intervenor relationships.

A—

**Original Rationale**

Let me sample the major attractors. Start-up times would be reduced for both consultant and client; both organizational and my own learning could be powerfully cumulative if consultancies were reasonably chosen from an increasingly familiar context; and paramountly, effects could be tracked more satisfactorily and over intervals long enough to distinguish lasting change from effects that faded out after a short time or whose onset was delayed or which faded out after a short time.

Proposition 4 also sits comfortably with the first three propositions: OD is value-based; OD is ineluctably power-oriented; and research intervention are conveniently integrated in a person. If so, then, it follows that both tactical and strategic considerations encourage nurturing a few clients over long intervals rather than many clients for shorter periods.

Of great relevance, also, I always considered my responsibilities as marriage partner and coparent as far superior to other demands and privileges, so I was always looking for ways to leverage time and effort in research, teaching, and intervening. My efforts in this connection were consequential. Thus, one client set lasted over 22 years. I had fulsome opportunities to see that organization—its many product divisions and functions, at the highest levels and virtually everywhere else, at headquarters as well as in numerous field locations, during periods of exuberant start-up and vaulting growth, as well as gut-wrenching retrenchment. Nonetheless, I missed a major brass ring. My 20-year service award was nice, but I am reliably informed the next and twenty-fifth milestone merited a Rolex. Another client set lasted over a decade from start-up through successful programmatic phases.

B—

**Some Revisionism**

Today some of the bloom is off this particular rose. Overall, if I had the choices to make again, I would deliberately seek an inventory of clients with a more varied profile.

Why? My experience has been quite comfortable, on balance, and I have not become a convert to hair shirts. But counterbalances do exist. Primarily, I have in effect accompanied a half-dozen clients through extended journeys ended by various exigencies—a flat-out firing, mergers, a more or less normal transition from innovator to "just another public agency," a straightforward changing of the guard due to the aging of an executive team, and a basic change of organizational culture due to new corporate and market conditions.

These imply real separation angst, compounded of long-standing personal relationships and shared ownerships in progress as well as problems.

Moreover, such "deaths" of extended consultancies imply a dose of rejection, both ways—no matter how assiduously parties seek to ease the transition, regardless of the pride in the products of past collaborations, and no matter how reasonable the desire of new guys and gals to do things in their own ways, absent a reminder of the ancien régime in the role. The sting surprised me even when I had the major role in the termination.

I guess I'm just not big on rejection, or perceptions thereof. Indeed, maybe that was *the* motivation of proposition 4!

Finally, for the present purposes, the consultant with long-lived relationships is variously colored by those associations—for good, ill, and all stations in between. Thus, one can be stereotyped as *the* consultant for an agency or firm, which can induce a kind of untouchable status among potential colleagues as well as potential employers, or the scope of one's practice can narrow, with the danger that well-traveled roads become limits on personal development. In one variant, a long-term client can make so much progress toward OD goals that the ODers become like the connoisseur of French wines asked to advise a provincial vintner. Hubris is the word for this condition, I believe. Far worse, at least for me, one can be tempted to wait out any periods of low saliency for OD in a client. "Now's the time to enjoy the fruits of our effort," I was told about my unease in the aftermath of one major product breakthrough that was over a decade in coming. Celebrations are important, but in-house collaborators had far greater appetites or tolerances than I. I tried to hang in there, in an OD mode, essentially doing presentations concerning how reasonable but limited (if not dangerous) it is to deal with victory in the cross-pressured mode of historic armies—you know,

sharing the spoils, feasting, and so on. Clearly, this poorly fit a fiesta phase, and soon paled for both them and me.

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60—

## Process and Structure as Central in Total Quality Management

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There is no doubt about it. "Total quality management," or TQM, is one of the current buzz titles, not only in business but perhaps especially in government. Indeed, TQM amounts to *the* favored management palliative of the last five years or so, for reasons that are painfully obvious. American production—and particularly its central products like autos—had been allowed, even forced into, shoddy usages of various sorts. These include manufacturing according to planned obsolescence, "selling the sizzle and not the steak," and marketing dreams rather than transportation.

Total quality management in concept seems to be of relevance to both public and business management, but students and practitioners should take care. Some early TQM successes have been reported, but once beyond the pioneering stages, enthusiasm can wane, and TQM may later face an array of conditions to which its early formulations are poorly suited.

This typical track record should give pause to all students and practitioners of management. Numerous hopeful contenders for *the* management solution have appeared over the years, and most of them (unfortunately) have been consigned to history's scrap heap, some after promising starts.

So what can help keep TQM from going the same way as so many of its faddish predecessors? This chapter elaborates only two points, but they constitute two *very important points*. Some observers may even wish to argue that the points here rise to the level of *the issue*, but let us be content with a lesser claim. This chapter provides one major way to go about inhibiting the growing probability that TQM will become the sheep dip of the late 1980s and early 1990s.

I—

### Two Preliminary Cautions

Prior to getting to *the* issues, consider briefly two factors that cause problems in practice. First, there is no standard "it" for TQM. Variants differ, and in cases profoundly so, as on the issue of who is to be responsible for quality. Some variants say everyone is responsible. Other variants favor assigning that responsibility to a specific office or a staff unit. Relatedly, some TQM variants have features that endear them to scientists and to the quantitatively oriented—statistical analyses and so on—while other variants are innocent of such trappings.

Second, there not being a specific it, even when a specific TQM program works, its effects can be wildly beside the point of what a business or government agency really needs. Thus one consultant advises (Sharman, 1992): "Shut down programs . . . where dramatic change in economic performance is needed. Quality management programs yield incremental, not dramatic, improve-

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Note: This essay contains materials that appeared in *Org Dev J* 11 (4):7–11, winter 1993.

ments. Sagging profits and depressed sales call for tougher measures, such as radical downsizing, restructuring, or purging of superfluous management layers."

## II— Where's the Beef?

Paramountly, TQM in its several forms brings to mind the TV ad campaign of several years ago, which asked worriedly: Where's the beef? It was all well and good to trumpet the various peripheral advantages of this or that fast-food hamburger emporium—beautiful buns; a huge array of condiments, spices, and garnishes; one or another goofy symbolic mascot; and so on—but *the* fundamental question remains when it comes to hamburgers: Where's the beef?

Somewhat the same issue beclouds TQM and threatens to tar and feather its credibility because of basic inadequacies of central features of TQM variants. To me, *the* central features of TQM involve detailed answers to such questions as these three:

What's the process necessary to support effective TQM?

How does one generate that process in organizations in ways that will raise the chances of a successful application?

Relatedly, do different structures at work encourage these desirable processes?

To me, again, TQM gives little or no attention to these key questions. Indeed, to deliberately add a metaphor to a chapter already loaded with them, TQM variants typically seem to propose a version of the jaunty recipe for Hungarian goulash. "Steal four chickens," the recipe begins with absolute fidelity to need but less than helpfulness in telling people how to meet that need without getting into trouble.

## A— Process in TQM

Let me provide some details, relying on a list of fourteen typical TQM features à la W. Edwards Deming from which I retain only those items that I see as fundamentally rooted in the quality of processes and relationships. What makes the TQM engine run? Nearly 60% of the fourteen items relate to the quality of interpersonal and intergroup processes and relationships. Deming's TQM should (1982, p. 18)

1. Create a culture that supports the quality of production
2. Adopt a philosophy about management's key role via acting on the system rather than targeting individuals
4. Build long-term relationships with single suppliers for specific components or items, as contrasted with awarding business on the basis of price
5. Create a culture that supports continuous improvement in the management system
8. Eliminate fear at the work site
9. Remove interdepartmental barriers
12. Develop pride in workmanship on quality products
14. Get all employees to buy in to the TQM program

For this author, these items are the key ones on Deming's longer list, and they all relate to the quality of interpersonal and intergroup processes or relationships. Indeed, I may be conservative in isolating only these eight, which implies that the other six features somehow stand above and beyond processes and relationships, which they arguably do not. Thus features 3, 7, 10, and 11 are not reproduced above, and they *all* relate to a proactive leadership. As such, these items might well be added to the pared-down list above.

But let matters stand as they are. The other TQM items are useful or even necessary but—in the terms of an ancient logical distinction—they are not sufficient for a robust program.



**B—**  
***A Model for Process in TQM***

The particular processes and relationships necessary for TQM, or veritable poison for it, are easy enough to illustrate. For openers only, consider my early distinction between two kinds of interpersonal and intergroup processes: regenerative and degenerative (Golembiewski, 1993). The two models are distinguished conceptually at several points in this handbook, so interested readers can seek such details elsewhere, as in the selection entitled "Sociopathology in Today's Organizations," Chapter 68.

The normal covariants of degenerative interaction give little promise of successful TQM, as Table 1 suggests in its sketch of typical consequences. For example, the wrong issues will tend to be raised by individuals or groups with degenerative styles. This generates little hope that the right decisions will be solved, even if the appropriate people with the necessary skills work very hard and very smart. Indeed, paradoxically, the harder people work under degenerative interaction, the worse things probably will get.

The range of awkward consequences of degenerative interaction can be broadened in revealing ways. For example, Table 1 suggests that organizations with degenerative interaction will tend to have reactionary norms. These norms provide a reasonable protection of members against the negative features of their style, but they also imply a substantial resistance to change that will complicate TQM if they do not herniate progress toward TQM. Rather than the zesty culture associated with energetic problem solving, indeed, degenerative interaction suggests one of two possible unattractive patterns.

High-energy systems, but with that energy largely being dissipated in win/lose conflict

Low-energy systems, which reduce conflict by either avoiding issues or by ponderous movement toward isolating problems and working on them.

Neither of these two patterns provides a useful foundation for TQM.

Put in positive terms, the qualities of process and interaction have a prime relevance throughout the full course of the normal life cycle of a TQM program, as well as throughout the lives of such cousinly innovations as quality circles. To suggest this compound point

At start-up, efforts might not attain take-off velocity if risk is too high and trust is too low.

In early start-up activities, the enthusiasm of participants is likely to be high, but this can wane as problems mount and require the kind of effective problem solving that regenerative interaction fosters.

At various stages, participants can expect tough going—e.g., if their recommendations are rejected by management or if team members get into conflict situations. Here, patently, regenerative interaction will be helpful, if not critical.

Turnover occurs over the long run, and a more or less continuous round of negotiated agreements will be necessary. Here, again, regenerative interaction is relevant, if not essential.

**Table 1** Typical Outcomes of Degenerative Interaction

Communication and decision-making processes become increasingly burdened.

Members become less effective in isolating and resolving substantive issues.

The amount of unfinished business sharply increases.

Members feel diminished interpersonal competence and increased psychological failure as they fail to solve problems that stay solved without creating other problems of equal or greater difficulty.

Members become more dependent and overcautious, responding with "tattling" activities, by preoccupation with being "safe," or by "don't rock the boat" attitudes.

Organization norms restricting owning and openness are developed or reinforced.

Tendencies toward fragmentation of organization units are enhanced.

Obviously, this brief demonstration of the centrality of "process" in TQM also, in effect, highlights the importance of organization development (OD) in TQM, for ODers have a trained capacity to engage and maintain regenerative interaction, and in this sense can provide vital inputs for TQM (e.g., Golembiewski, 1993).

Relevantly also, OD interventions targeting regenerative interactive have substantial success rates (e.g., Golembiewski, Proehl, and Sink, 1982). This is a nice combination.

Unfortunately, robust linkages of OD with TQM seem rare. TQMers and their literature place a low salience on process skills, as ODers define them, and ODers generally do not appear anxious to aggressively seek a place for their process skills in TQM, although a few exceptions do exist.

C—

#### ***Structure in TQM***

The general relevance of structure for TQM is easy enough to demonstrate. Consider Deming's wish list cited earlier in this chapter. Very prominently, for example, he emphasizes the "removal of departmental barriers," but Deming avoids basic structural change, thus at the same time Deming wishes to eliminate a condition that the basic structure he accepts in fact creates as a consequence of its functional approach to specialization. This is awkward.

D—

#### ***Structure As Determinant of Process***

Even less acknowledged in TQM is a fundamental point: structure is more likely to determine process than the other way around. Much evidence points in this direction, as in the fade-out of the effects of successful interaction-centered learning efforts (e.g., Golembiewski, 1995). Why do fadeouts often occur, *after* apparently successful interaction-centered learning, as in conventional team building?

In many cases, that learning simply is not compatible with historic structures as well as with associated policies and procedures. Simply, the values and behaviors consistent with this conventional structural "hardware" tend to dominate even over much-preferred "software," such as interaction at individual and group levels consistent with the regenerative model.

E—

#### ***A Model for Structure in TQM***

How can TQM in both theory as well as practice build on this basic notion? Two other selections in this handbook (i.e., your editor's "Alternative Models for Structuring Work," Chap. 34, and Miles et al., "Organizing in the Knowledge Age," Chap. 100) suggest a useful conceptual approach. Directly, the bureaucratic model sketched there tends to dominate in organizations, largely for historic reasons; but that structural model will tend to generate degenerative interaction, and hence successful TQM will require simultaneous structural change toward the alternative model discussed in that earlier chapter.

III—

#### **Conclusion**

In effect, TQM typically seeks a change in culture or norms, but without corresponding attention to interaction or structures. This may work, but not often, thus the modest-to-moderate success rates of conventional TQM imply that the approach is more hopeful than realistic. Moreover, as Parker and her associates conclude (1997, p. 900): "A key question raised by this manufacturing Zeitgeist is whether JIT, TQM, and other enabling initiatives are sufficient in themselves to realize the new competitive goals, or whether wider individual and organizational change is also necessary. Opinion strongly supports the latter conclusion."

For example, early on Turnbull proposed (1986, p. 203) a position consistent with this chapter: "the organization and management of employees, together with their attitudes, are perhaps the most important (and certainly the most idiosyncratic) resource on which productivity and competitive performance ultimately depend."

How much confidence is appropriate that changes in interaction and structure are within our reach? That confidence seems substantial, in principle. Specifically, success rates in inducing regenerative interaction seem substantial—hovering at or beyond 80% in most evaluative studies (e.g., Golembiewski, Proehl, and Sink, 1982; Golembiewski and Sun, 1990).

Conclusions about structural change seem more conditional. Specifically, the literature reveals both a shortfall of attention to structural change and substantial success when structure is addressed directly (e.g., Golembiewski, Proehl, and Sink, 1982). However, there seems little doubt that many (perhaps most) managements prefer the bureaucratic model for multiple reasons (Golembiewski, 1995).

Hence this chapter essentially does double duty. It reinforces concern about how and why TQM, after a good start buoyed by the enthusiasms characteristic of the start-up of novel programs, may be risking diminished status in subsequent rounds of applications. This chapter also suggests reasonable ways out of this possibility. It highlights the force of regenerative systems to support TQM efforts beyond the pioneer stage. This selection draws attention to the structural model consistent with regenerative interaction, as well as to the conventional model, which encourages degenerative interaction, and it implies the power of developing and maintaining both process and structural supports for TQM.

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61—  
**"Promise Not to Tell":  
 Confidentiality in Consultation**

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Of the things that I have written, no piece excites so many so deeply and consistently as a shortie on confidentiality published a decade ago (Golembiewski, 1989, pp. 162–172). Basically, it proposes that absolute confidentiality can be counterproductive in a range of situations in which consultants typically find themselves. To nail that point with an extreme case, the piece uses the counterexample of a child molester, who urges on his victim one form of absolute confidentiality: "Promise not to tell." That injunction became the title of an impactful book (Polese, 1985).

Whether because of the topic or the provocative title, few readers can let go of that one without a tussle. A broad point gets raised, and a range of opinions gets energized. In sum, consultation is associated with ethics, like it or not.

In the original source (Golembiewski, 1989, pp. 166–167), I distinguish unrestricted and restricted confidentiality, with my focus being on their relevance to complex consultation in large managerial settings. There, the premium is on quick reactions, and absolute confidentiality can be seriously counterproductive, especially when teams of consultants work on the same or related projects. What is restricted confidentiality? In essence, it takes this form in a dialog between the client and myself as consultant.

We will begin with a pledge of unrestricted confidentiality, if you like. Whatever is said or done between us stays between us.

Over time, however, I believe we'll both profit from moving toward a more bounded confidentiality as we gain confidence in one another, as I expect we will. Some issues always will remain absolutely confidential, but those issues need clear labeling; and generally I'll check with you beforehand when I have the least doubt about using any information with others and/or disguising sources.

But on a few occasions, unrestricted confidentiality will be neither possible nor prudent, and here I hope we can move toward restricted confidentiality.

If that makes you highly nervous now, or if the possibility of unrestricted confidentiality continues to concern you over time, it may be that our trust level is too low. Perhaps, indeed, a long-term consultative relationship is just not in our futures, given these two conditions.

These (to me) realistic adaptations really concern some observers. Some have concluded: "Bob G. will never work for me as a consultant," as they fearfully envision their most closely held secrets being bruited about by yours truly to audiences snickering at human failures and frailties. Other readers recognize the multiple pushes and pulls in confidentiality, and often struggle with mind experiments designed to shed light on how various forms of confidentiality would have played out in situations they had encountered in their practice.

Let us return to the original argument. What I did say as well as what I did not say will help inform this extreme stance taking engendered by the original piece.

I *never said* that absolute confidentiality was *never* appropriate. Obviously, there will be cases in which that appropriateness is undeniable. For example, national security often merits such care, or a particular client might insist on absolute confidentiality, whether the issue be great or small to an outsider's eyes. Numerous cases come to mind.

I *did say* that limits on absolute confidentiality should be developed in the context of building trust with specific clients. That condition should not be imposed on anyone, and certainly is not prescribed as *the* general rule.

With all that, the costs/benefits to me seem favorable enough to raise the issue, and in the face of a clear balance of opinion to the contrary.

I *did say* that in many cases absolute confidentiality is precluded by law. In fact, that zone is widening all the time. For example, a friend tells of a recent visit to a local emergency ward with an infant son who was behaving in counterintuitive ways: the infant was generally composed when lying alone, but he invariably cried, indeed wailed, when someone picked him up.

The police were soon there, surprising the parents. Given the diagnosis of an infant's broken arm, the police were alerted by medical staff to inquire about possible child abuse. So much for unrestricted confidentiality.

For the concerned reader, X rays showed that the boy's arm was torqued by a twisting motion, rather than shattered by an impact. This was inconsistent with abuse, and also suggested a hypothesis: the boy's behavior changed about the time of his *bris*, or ritual circumcision, when the infant's arms are normally restrained at his sides by clothes or wrappings. The infant may have twisted his arms during the ceremony, and pronated sufficiently to twist the bone into a fracture.

Such are our times that hospital personnel were required to immediately report *any* cases raising *any* suspicion of child abuse so law precluded doctor-patient confidentiality, even though the parents were unaware of that restriction, and were shocked when the police arrived at the emergency ward.

I have always believed that imminent threats to the general welfare also limit confidentiality. Fortunately, that contingency has been rare in my experience, but it has existed in concerns about product safety or wholesomeness.

Overall, the consultant or intervenor looking for certitude will not find much of it in this arena. At my university, a clinician recently had to test both law and practice. A client in therapy had revealed he was stalking a specific target. Was the clinician required to report that revelation? Several levels of courts were required to handle this one.

The general point can be approached from the other direction, as it were. As far as I know, confidentiality still remains absolute in connection only with the "bonds of the confessional," often or always in Catholic religious settings. Here, law seems to informally prescribe an absolute silence on the part of the priest.

I *did say* that in my observation of practice absolute confidentiality was a rarity. Professionals discuss their cases with varying degrees of openness, for example, and advice concerning ways to respond to specific presenting issues might be widely sought, and usefully so.

And what can be said of absolute confidentiality among the members of a team of consultants? The pushes and pulls here about one member sharing information with all others clearly can be consequential. Under what conditions would the reader keep any information from team colleagues? The consequences of such withholding can be so profound as to preclude any knee-jerk responses to this key question (e.g., Golembiewski, 1990).

I always *did say* that consultants are well advised to be careful about pledging absolute confidentiality. More than once, the request (or demand) for such a pledge in my experience has been intended to confine or coerce rather than protect, and the requestor (or demander)

at times felt no compunction about excluding his- or herself from that pledge. "You promise not to tell," goes this scenario, "and I'll be doing what I want, while you are burdened by a revelation whose credibility is difficult or impossible to assess, given the pledge of absolute confidentiality."

Elsewhere, (Golembiewski, 1990), I detail the troublesome dynamics of a client's insistence that part of an OD team know something consequential that the other part of the team did not know. I'll not easily get into a similar situation again.

Given this brief review of what I did and did not say, I can think of no better and economic way to end this op-ed piece than by essentially repeating a list of the benefits of at least attempting to move toward restricted confidentiality. In sum, (Golembiewski, 1989, p. 172)

Determining the area and degree of restricted confidentiality implies mutually working toward a sharper and more precise understanding by both client and consultant—a quality of careful and prudent awareness of the other, beginning with contracting and extending throughout the association. This is no unalloyed good, but for me approaches that condition.

Restricted confidentiality implies a goal of more precise sharing of goals, strategies, and views of the world between client and consultant. As one consequence, consultant interventions can reflect increasingly informed choices.

Each of the choice points for "making it happen" keeps the consultant alive, vital, and checking facts and interpretations. "Checking the map" can lead to modifying or even "redrawing the map," even if the potential never gets acted on.

In contrast, a consultant pledged to confidentiality is largely restricted to "letting it happen." Here the source of the revelation only can broaden knowledge about that revelation. This posture has its virtues, of course, but can be severely limiting—and especially so in a fast-paced and complex project.

Facing choices about disclosure helps induce for the consultant a degree of precisely those things the client is being helped with—the sense of control over what is happening, a share in the ownership of the process and its consequences, and a vitality associated with meaningful choice. No equality is implied or intended, but what's good for the goose also can serve the gander.

Facing choices about disclosure helps the consultant avoid frustration with aspects of the role, which could become manifest in an unconscious effort to influence or control. Here over-scrupulosity about trying not to influence or control could paradoxically contribute to producing what the consultant seeks to avoid.

The choice making can deepen trust. The client thus knows that the consultant could pull the trigger, whether the consultant does so or not, and a consenting client has obviously reflected a substantial trust in the consultant.

The choice making by the consultant can serve as an important indicator of existing openness, and might also help in selecting an appropriate level of openness.

Since the client knows that the consultant knows, the former could well be biased toward sharing the data with others in the presence of the consultant, unless serious reasons encourage nondisclosure. Knowing that, the consultant would have to have *grave* reasons to risk disclosure after observing the client's lack of response to the consultant's subtle overtures. That seems an important time to seek substantial specificity when the client and consultant next get together privately.

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62—

## Psychological Contracts at Work

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As has been long and widely emphasized, people at work typically infuse the associated relationships with value and meaning. This infusion often takes the form of a "psychological contract"—perhaps in part a written one, but far more a set of incompletely articulated beliefs and assumptions about the conditions of employment.

The concept has been commonly utilized. Indeed, better said, references to psychological contracts all but overwhelm some texts. Characteristically, a slim volume's index provides ample evidence of this effect (Levinson et al., 1962, pp. 20–21, 27, 30–31, 35–38, 65–67, 83–84, 89–95, 102–104, 125–129, 136–139, 154–160, 190).

This chapter adds historic perspective to the notion of a psychological contract. Essentially, several varieties of such contracts may be distinguished. Here, four exemplars get attention, and the implications for consultants will be emphasized.

I—

### Four Types of Psychological Contracts

Some observers may be able to isolate other variants, but four varieties will suffice for the present purposes. In general historical sequence, these major varieties seem reasonably clear.

Command   obey, or unbridled autocracy  
Loyalty   benevolent autocracy  
Continuous employment, given competence  
Continuous employability.

A—

### *Command→Obey Contract*

Table 1 presents one exemplar of this variant, and its unilateral quality is quite clear. Management is executive, police, judge, and jury, and employees can sign on and accept that profound asymmetry, or move on.

This first contract is entwined by an "iron chain of ideas," most forcefully expressed in the "dismal science" of nineteenth century economics, as well as located in the matrix of assumptions and beliefs associated with the "survival of the fittest" as expressed in various forms of social Darwinism. The underlying view sees man in economic terms, and limited ones. The supportive "laws" were alleged to keep wages low, automatically—for example, because employees were seen as procreating themselves into subsistence levels of existence; that is to say, any increase in wages would be directly translated into more mouths to feed and, with a suitable delay, into more workers competing for a similar number of jobs. The ideational matrix is dramatically described by such scholars as Goldman (1952, esp. pp. 55–160).

**TABLE 1** Command Obey, or Unbridled Autocracy: Excerpts from Work Rules Drafted by Zachary U. Geiger, Dated April, 1872

5. This office will open at 7 A.M. and close at 8:00 P.M. daily except on the Sabbath, on which day it will remain closed. Each employee is expected to spend the Sabbath by attending Church and contributing liberally to the cause of the Lord . . . .

9. Any employee who smokes Spanish cigars, uses liquor in any form, gets shaved at a barber shop, or frequents pool and public halls, will give me good reason to suspect his worth, intentions, integrity, and honesty.

10. The employee who has performed his labors faithfully and without fault for a period of five years . . . and who has been thrifty and attentive to his religious duties, and is looked upon by his fellowmen as a substantial and law-abiding citizen, will be given an increase of five cents per day in his pay, providing a just return in profits from the business permits it.

Source: From *J Acad Mgt* 1:50, Aug. 1958.

**B—**

***Benevolent Autocracy ↔ Loyalty Contract***

Table 2 begins to admit some degree of reciprocity, but retains the essential asymmetry. The conditions of exchange are somewhat sweetened by management, and "employee loyalty" becomes the basic expectation, even as "loyalty" can get defined in such expansive terms as to induce a kind of stultifying conformity. Many social critics have reacted to variants of this second type of contract, as Whyte (1956) did in connection with management and even executive levels.

In short, this second contract implies continuous employment, given sufficient dues paying via loyalty. More or less all employees at all levels are accorded the possibility of entering into a psychological contract of this second variety.

Certainly not the majority of American employees had access to such a contract, but there were prominent exemplars of what might be called the Generous Motors syndrome, and the diffusion of this kind of contract was sufficiently broad for management observers to assign it a high status in business and government history.

Model 2 was associated with various features that did not bode well for its persistence, however. Jobs often were thus in effect created by "planned obsolescence," whose invention a close observer like Blake (1997) traces back to GM's fabled chief executive Sloan. Moreover, aggressive marketing sought to expand demand, even as quality tended to decrease.

Such forces encouraged a third contract, beginning with such high-tech industries as pharmaceu-

**TABLE 2** Benevolent Autocracy Loyalty Contract

1. The view of humans defined in economic terms is essentially maintained, but wages/fringes get reformatted as drivers of motivation via raising "ceilings," as contrasted with control by suppression to subsistence levels characteristic of model 1.
2. An important role here was played by the Full Employment Act of 1946, which in substantial part reflected an era of good feelings following the broad participation in World War II of races, genders, and socioeconomic classes.
3. Relatedly, major efforts were made to expand both supply and demand, as by aggressive marketing and planned obsolescence.
4. Relatedly, employee rights also experience important early expansion, as via unions or protection by personnel policies and institutions.
5. Often, work demands on employees will emphasize being the reliable if narrowly skilled "part" of a "well-oiled machine."
6. Employee loyalty—defined in terms of reliability, minimal competence levels, compliance, or even docility—will constitute the basic quid pro quo for long-term retention in a system.



**TABLE 3** Continuous Employment Contract, Expanding Competence Variety

1. Competence becomes central here, in large part because war (1939–1945) and low birth rates (circa 1930) conspired to create shortages of managerial and executive replacements, with the greatest shortfall occurring in the late 1950s.
2. Hence, in joint contrast to model 2, organizations and selected individuals enter into contracts for long-term or even continuous employment.
3. Organizations will provide various institutional supports for planned training and development—manning charts, succession planning, management institutes, rotating assignments, and so on.
4. Selected members generate expanding competencies—as by cognitive and interpersonal learning, or selected assignments, often in multiple countries

tics and aerospace. No doubt the most painful manifestation of this loyalty–competence shift appears in "downsizing" or "rightsizing." For some perspective, see the author's contribution in this volume "Lessons from Downsizing," Chapter 51. See also the two sections below.

**C—**

***Continuous Employment Contract, Competence Variety***

Somewhere in the 1960s, a determined shift began: loyalty–competence, especially at the managerial and executive levels. Various changes in markets, technologies, and organization scale imposed requirements for new, more skilled, and more numerous jobs toward the top of organizations; and the supply provided by "normal development" not only fell short of these new demands, but also was exacerbated by losses during earlier warfare as well as by birth rates that recovered for awhile but soon fell below historic lows. (See Table 3.)

The shift was widely noted (e.g., Walton, 1985), and affected wide segments of both business and government. Impacts were especially severe in employers that had earlier emphasized loyalty in its fullest forms. Exemplars included many of the most prominent employers—AT&T, Smith Kline & French, General Motors, and so on.

**D—**

***Continuous Employability Contract***

This fourth variant is an emerging creation of recent days, and its incidence can only be guessed at, both in the present and in the future, but it does seem a major emerging variant in our organizational futures.

Three points can be made here, and with substantial confidence. First, other observers have accumulated much more associated chapter and verse than is reflected in the brief—even curt—overview in Table 4. Such details are available in convenient sources (e.g., Hall and Moss, 1998).

**TABLE 4** Continuous Employability Contract

1. Under the goads of the pace of change and global competition, more or less continuous adaptations are required at *all* levels of an organization.
2. In addition, organization survival is questionable, perhaps even unprecedentedly so; mergers, sellouts or buyouts, and shutdowns, and shortening product lifetimes, among other features, threaten the long-run existence of even once successful organizations in substantially the same form.
3. Hence there is a great and growing premium on continuous training and development at the same time that organizations are less able to credibly promise continuous employment to any individual or cohort.
4. Consequently, the best available option might be a strong effort to keep employees' attitudes/skills current enough that they can hope for "continuous employability"—somewhere, by some employer, but probably not the current employer.

Second, the fourth variant raises substantial issues of confidence and trust between employees and their employing organizations. One selection in this handbook—your editor's "Continued Employability" (Chap. 41)—seeks to pose some of these issues in a compact form.

Third, the possible anxiety felt by employees operating under this fourth variant will be exacerbated by common conditions of employ (i.e., large proportions in today's organizations of temporary employees or various "independent professionals" whom employers tend not to see as traditional employees). For example, they may be higher paid than traditional employees, but without various significant fringes and benefits. "Continued employability" probably will be least likely for nontraditional employees. (See Table 4.)

## **II— Implications for Consultants**

So what is the consultant to do with such a set of psychological contracts at work? We are only beginning to understand the full implications, and early indications do not promise an easy piece. For example, Hall and Moss (1998, pp. 31–35) provide ten suggestions for coping with Table 4 dynamics.

With this sense of the severe challenge in mind, a few suggestions will have to suffice here to shape the expectations of consultants. First, consultants should be mindful of the historical record whenever they get involved in dealing with psychological contracts. The sense of that history seems direct; nothing is forever. That implies much about the selling efforts in which consultants can safely engage, if nothing else. Forces larger than all of us have had powerful effects on even arrangements that once seemed set and stable. Permanent impermanence should be kept in mind—front and center.

Second, the ethical challenges of working with all of the psychological contracts, and perhaps especially with the fourth model, seem daunting. Consultants are well advised to avoid playing the "Judas goat," in general. Judas goats, readers may recall, lead other animals to their deaths and are rewarded by being spared that fate, at least for a while.

Movement from model 3 to 4 seems particularly challenging. How can expectations be reasonably set and maintained? That is no simple task, especially given the tendency of many employers to respond to budget shortfalls by first reducing spending on the very training and development activities that are central to variant 4.

Third, model 4 is not reinforced by mutual self-interest. For example, current employers are put in the position of carefully husbanding an apple tree whose fruits often will be picked by others. Staying the course, consequently, will involve a long-run and informed self-interest by employers, who experience strong pressures concerning the short run. Practically, then, major public support may be required to induce the required sense of self-interest.

Finally for present purposes, the fourth contract implies some organizational and broadly social issues that are finessed by (for example) models 2 and 3. To be specific: under model 4, what is to be done with employees who variously fall short? Perhaps better framed, what public and organizational policies help reduce the proportion of those who do fall short?

This caretaking will require a well-orchestrated set of programs at the national level, and perhaps beyond that. In short, consultants cannot do it all in this connection, but many consultants will be in useful positions to influence the debate, and later to help fine-tune the successive rounds of implementation.

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63—

**Resilience and Change at Three Levels**

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Daryl R. Conner and Linda I. Hoopes, the two experienced consultants who wrote the article from which Table 1 is taken, see "resilience" as one of the two critical factors in assessing the readiness and capability of change at three levels—for individuals, teams, and organizations. Table 1 summarizes indicators of five characteristics of resilience at each of the three levels of social aggregations relevant to the type of consultation they highlight. The descriptions in the following table are self-explanatory, or so it seems to your editor. If I am incorrect in one particular or another, the reader can with profit refer to the original source.

The second indicator of change capacity, Conner and Hoopes add, is a strong "foundation of change-related knowledge and skills." The bulk of this handbook seeks to provide a convenient storehouse of such knowledge and skills, of course, and hence Table 1 and this text are well-suited for the mating that readers can consummate between the selection below and the bulk of this handbook.

The two "critical factors," Conner and Hoopes urge, combine to create the kinds of collective enterprises that are of such central need nowadays. That enterprise is the "nimble organization," as Conner and Hoopes describe it in terms of five broadly applicable characteristics at three levels of analysis.

**TABLE 1** Resilience Characteristics at Individual, Team, and Organizational Levels

Characteristic	Individual	Team	Organizational
Positive	View situations as complex but filled with opportunities; view self as capable.	See the team's task as meaningful and capable of contributing to the organization; individuals see own contributions as valued and influential.	Frame the organization's environment in terms of the challenges it presents; see changing conditions as generating opportunities.
Focused	Keep in mind a clear vision of what is to be achieved.	Share a common perspective of the group's purpose.	Have a clear, shared picture of the organization's purpose, goals, and direction that is used as a guide for day-to-day action.
Flexible	Generate a number of possible approaches; draw on a wide range of external resources.	Ensure that maximum input is generated; seek resources from inside and outside the team.	Create systems that allow resources to be quickly shifted to new configurations; seek information and input from many sources inside and outside the organization.
Organized	Apply structured approaches to ambiguity.	Structure information and prioritize tasks effectively; integrate information into solutions.	Establish and support structured approaches to interpreting and using information; apply processes and methods in a disciplined way.
Proactive	Engage change instead of evading it; take action in the face of uncertainty.	Move into action quickly once a plan is developed; monitor and modify plans as new information is received.	Experiment with new approaches; reinforce innovation along with appropriate learning.

*Source:* Reprinted with permission from author and publisher from "Elements of Due Diligence Supporting the Nimble Organization," by Daryl R. Conner and Linda L. Hoopes, *Consulting Psychology Journal: Practice and Research*, vol. 49, no. 1 (winter, 1997), p. 22. Copyright 1997 by the Educational Publishing Foundation and the Division of Consulting Psychology.

64—

## Risking Consultative Relationships to Stay Really Alive

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The phone rang just as I was completing arrangements to attend a team-building session with an executive group. As fate had it, it was the chief operating officer (COO) who would host the meeting, one of a long series I had attended as the firm expanded sharply, and as the faces on that executive team spritely succeeded one another. "[The chief executive officer] made a written comment on my memo proposing your attendance next week," the COO noted. "He writes: 'Bob G. is inciteful.'"

I was prepared to graciously accept what I heard as a compliment, *but* the COO quickly added: "That's spelled '*inciteful*', not '*insightful*'. Not a vote of confidence, I'd say."

"I never heard of such a word," I responded not too brightly, but the meaning of the CEO word as spelled permitted no doubt. The COO observed:

It's too late to do anything about this. Most everybody is either on the road or sneaking a quick vacation before the retreat.

Let's trot out our "useful but safe" list of topics, and develop a different agenda.

We'll get to the [CEO's] opinion in detail at an early date.

Several positive and even proactive reasons encouraged acquiescence, especially since the COO promised an early return to the CEO's marginalia. Perhaps basically, the truth is that Bob *was* "inciteful" at the last off-site, seeking (with very modest success) to have executives discuss in detail observations and feelings they had volunteered in interviews or in writing and that had been summarized in a memo intended as a basis for discussion at the off-site.

For those looking for a self-interest at play, it was not the obvious one. I had *no* great stake in the memo. It was a fine job, but not mine. Organization staffers did the interviewing, and selected direct quotations to provide content for the memo's major points about the state of the management team. The decision to interview had been consensual, a way to surface data with some efficiency while getting human resources staffers into direct contact with executives.

For those suspecting a sandbag job, moreover, there was none. The CEO and COO authorized the interviews, each off-site participant had a copy of the memo substantially beforehand, and all knew the topic of CEO/COO relationships was on the agenda.

The memo revealed substantial agreement about a number of issues of substance, especially about perceived difficulties with CEO/COO relationships, but its initial review in an afternoon meeting was desultory. This did not daunt me. Several times I redirected attention to the memo, with similar results. Then I directed attention at the paltry results of the reconsiderations, and so on.

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Note: This selection is conflated from two other sources: Golembiewski RT. "Bob G. is inciteful:" On risking consultative relationships, I and II. *Org Dev J* 7(3):5-8; 7(4):10-12, 1989.

The COO was willing to let well enough alone, and at dinner noted that a similar strategy also might be useful for me. However, I felt I could not risk signalling that it was OK to neglect massive data, much of it relating to CEO COO problems. I was well accepted and valued my membership, but I also had a special role, and no one promises process observers a rose garden.

So I reraised the issue after dinner, this time getting an agreement about a set of one-on-one meetings between the CEO and COO's subordinates, and then between the CEO and COO, all to focus on the issues already in the memo. I was not satisfied, but saw no other way to go.

My efforts were not evaluated positively by CEO, as noted, but I sought lemonade from lemons. While acquiescing in the COO's decision, the CEO's impactful characterization did set me thinking. Short of a kind of consultant's death wish, what are the conditions under which one should risk a consulting relationship? Put otherwise, when can and should a consultant risk being seen as inciteful, or even deliberately take such a role?

In short, this chapter at once builds on and yet departs from the late Herb Shepard's good advice regarding consultation. Grant that above all the consultant, as Herb proposed, must stay alive. For our purposes, this may be translated as

Rule I: First and foremost, find a client.

The difficult territory explored here refers to a limiting corollary. It proposes

Rule IA: But it does not follow that retaining a client is appropriate, either always or even in general.

What are some of the conditions that provide substance for this limiting corollary? Let only one proposition—or perhaps better, a proposal—do the job for the present purposes.

Rule IA1: Risking a consulting relationship becomes more desirable to the degree that three conditions exit.

When the consultant finds that enhancing the chances of retaining the consultancy requires a growing suspension of basic values

When the interpretive frameworks of client and consultant differ fundamentally, and especially as differences increase

When the opportunities decrease to discuss differences in values and to develop shared interpretations of events

All three conditions existed in the present case, as even sparse illustration establishes. Consider only three points.

First, after an experience of nearly two years with the COO's first reports and after some urging by the consultant, the COO decided to invite the CEO to his periodic off-site team-building sessions. The decision was not eagerly made, and rested on a balance of forces. The COO saw real problems in the CEO's attendance for himself and for his subordinates. In short, the CEO was not seen as enthusiastic about OD, and his personal style was characterized by behaviors that distanced many employees—intimidating some and making most eager to avoid numerous hot buttons. The COO, however, also was mindful of my urging, and especially about the need to test OD's efficacy and to heighten its credibility by enlarging its reach—both up as well as down the hierarchy. Several mutual successes finally swayed the COO, if a bit reluctantly. He agreed to test this compound possibility: that the CEO desired to change behaviors, but that past history or stereotypes kept getting in the way, as they certainly did in the general concern about inviting the CEO to an off-site.

Second, early results supported the decision to invite the CEO. At his first offsite, for example, the CEO acknowledged being hurt and excluded from the COO's team, and hoped to be a good team member.

Different interpretations increasingly came to characterize the same events. At first the CEO's behavior was seen by most of the COO group as "just being nice for awhile, but that will soon change." My interpretation tended in an opposite direction: the CEO wanted to change and resented the initial exclusion; moreover, his chances of getting useful feedback were increased in this group

of executive near-peers; finally, there were increasingly sharp limits—even dangers—attending the spread of OD values and attitudes if the CEO were not more onboard.

When the CEO urged Bob G.'s nonattendance, the early interpretations again differed. In general, most team members telephonically basked in a confirmation of their prediction, made long ago. I rejoindered that they might be correct, but they had to acknowledge that their general unwillingness to discuss publicly the summary memo of their reactions did not give the process a fair shake. In any case, their unwillingness certainly fueled my "incitefulness."

Was my persistence—even if inciteful—justified? Opinions on that point may well differ, of course. "Letting it happen" is always a more conservative strategy for intervention, and "trying to make it happen" can encourage participants into unwanted experiences, and even harmful ones. Given the power of group dynamics, "letting it happen" has much to recommend it.

Hence, I have no general quarrel with a consultant who, after two or more tries to surface some topic, might decide: "Well, they don't want to, and that's their best judgment which, at this point, I should respect." This would be particularly reasonable early in a consulting relationship, I judge.

So late in the relationship at issue, however, my lack of persistence could only have inspired unattractive and wimpish interpretations. I checked with the COO during a dinner break about my discomfort. He advised waiting for a future opportunity, but understood if I decided to redirect my attention to the summarized feedback after dinner. Neither time nor opportunity to raise the same point with the CEO were available.

I chose to reraise the issue of the memo's neglect, and hence my incitefulness. The effort was a classic "plop"—people heard, but were not moved to do much problem solving in the general session. As noted, however, both the CEO and the COO agreed to several one-to-one sessions to discuss points in the memo—between themselves, and separately between the CEO and each of the COO's subordinates. The CEO did rightly note that I had a privileged position with respect to participation, but with an attenuated responsibility for the consequences of that participation. I heard, and agreed only that I had a different kind of responsibility than the CEO or COO. We went on to other things, but only after scheduling those one-on-one meetings to assess the memo and for the CEO and COO to construct a working response to the issues raised in the summary memo.

Third, the CEO had never been eager to meet one on one with this ODer in the year or so during which the CEO had been attending the COO off-sites, and even that middling willingness dissipated. This precluded discussion of a growing irony. My efforts and the COO's respect for them had got the CEO invited, in some part; but the CEO's efforts got me uninvited. That irony would have been delicious to share and savor with the CEO from my point of view, but my incitefulness not only indicated a serious communications gap, but past history suggested little motivation on the CEO's part to do something about it.

Let's review, then, in the service of learning. The conventional OD response to the CEO's comment is clear enough, following Shepard's advice. Request a private meeting to clarify the CEO's reaction, and otherwise sit tight. If a useful contract results, the consultant would remain alive.

In effect, we did not follow Herb Shepard's generally good advice to consultants—*Stay alive*; rather, attention went to the three conditions sketched earlier under which a consulting relationship might be risked, and perhaps should be.

In this case, in effect, the COO and I took a different track than Shepard's prescription. In fact, we proposed this amendment to his often useful advice.

Sometimes, really staying alive requires risking consultant death.

Let me speak only for myself as to why the amendment makes sense in the present case—not necessarily the best sense, but at least credible sense, given the specific dynamics.

A thumbnail history provides needed background. Recall that a briefing memo had been circulated among the COO's team. The memo was an internal product developed on other initiative but with the consultant's knowledge and (on learning of the contents) his delight. The memo emphasized major problems between the CEO and COO as the latter's subordinates saw the situation. The memo reported the actual words of respondents, and to the consultant they seemed right on, so the consul-

tant drew attention to the memo at an off-site several times with two obvious effects. The CEO did nothing to encourage discussion of the memo, and the COO and his subordinates proved only a little more willing on the first go-round, but could mobilize only minimal energy as the consultant periodically reraised the issues of the memo.

The next off-site was to be held about three months later, and the CEO expressed his clear opinion of the consultant's incitefulness in a note to the COO's responding to the off-site's design. This occurred a few weeks before the off-site was to be held. I quickly agreed to his position: "OK, Bob G. will miss the next off-site, now imminent, and then we'll see what can be done when we have some breathing room."

So why not request a clarifying telephone call with the CEO and on and on? Why not try to stay actively alive?

Remember, I am speaking only for myself here, but four elements in a rationale seem central to me. First, the COO's group was somewhat experienced with inducing "regenerative interaction"—high openness, owning, and trust, with low risk. See also the selection below, "Sociopathology in Today's Organizations," Chapter 68, which contains a discussion of regenerative interaction.

So the group's low-energy response to the memo expressing their own viewpoints had a clear meaning for me as well as them. They feared risking in the presence of the CEO and COO, even when "given" several opportunities by their process observer to focus on the memo. My presence perhaps would only exacerbate that reticence, or require a role-play that I was not willing to provide.

I did not like being uninvited but I was confident that regenerative interaction would work, later if not sooner. See also the third point below.

Second, the COO told me in the inciteful phone call that not much had happened in the several one-on-one conferences that had been agreed to at the last off-site. These were scheduled at my urging that *something* had to be done with the content of the memo, or so it appeared to me.

Third, I believed that my absence at the off-site probably would be as impactful as my presence, if not more so. Consider the symbolism. The person raising a concern is missing the next time around. This presents *the* issue in a form and intensity that may be negotiated, and hence probably tethered presence could not have done: What kind of a cultural setting does the COO's team want at work?

I did not believe then, nor do I believe now, that the COO's subordinates had become dumbstruck after they volunteered their observations that they knew would be shared. Nor do I believe they were surprised by the tone of the memo. Rather, politely, they waited for the CEO and COO to join enthusiastically in the analysis. The CEO wanted no part of a public analysis, perhaps because he felt that most would side with the COO and diminish the CEO's real advantages on other turf.

Why did the CEO not kill off the memo before the meeting? I do not know.

Fourth, I certainly realized that this OD consultant might "stay alive" *if* a balance of power among the involved executives would reestablish a supportive cultural environment for doing necessary things in relatively direct ways.

I have no inclinations toward consulting martyrdom, but this realization was substantially buffered. Paramountly, in my *own* mind, I *was* doing the appropriate things—more rather than less. You "win" most of those cases, I judge, and even when you "lose," it falls lightly on the conscience and consciousness, not to mention the savings in emotional energy required if you consciously waffle or become seriously inauthentic. Confrontingly, also, I had a trust in the COO's long-run goals, although he clearly was doing a bit of the old soft-shoe in this case.

Finally, I liked the politics of the situation. The COO had the strong support of his troops, for various reasons the CEO needed the COO a lot, and the COO held most of the trump cards over the long run, assuming no major gaffes by the COO.

So what happened? Well, that is a story for another time which, God willing, will come in due course. Readers might well ponder their own intellectual and visceral responses in similar situations. For those situations are not rare, in my experience, and although we can learn from the experiences of others, we all have to generate our own style for responding to such cases—either on the fly or in such reflective/anticipatory modes as reading this handbook. The latter can greatly aid the former.



65—

## Role Analysis Technique

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Quite often, apparently innocuous designs can help deal with apparently big problems. Consider the relevance of the role analysis technique as a general-purpose intervention, and as useful in initial approaches to even very conflictful situations; that is, conflict may derive from many sources—major personal incompatibilities, vicious backstabbing with a long history, disagreements about the responsibility for serious failures, and so on. Such conflict may be very hard to manage, let alone extinguish. Frequently enough, however, conflict may derive from a hum-drum lack of clarity about what needs doing, as well as about who is supposed to do one piece or another of that business.

The role analysis technique—sometimes whimsically called RAT for short—often can be useful in organization hang-ups, both minor and apparently great. RAT may do the job of creating more flexible relationships, or, at worst, it can provide a reasonable starter-intervention that also has a low probability of making things worse.

Two points will make the present case. Immediately, the focus gets directed at the skeletal RAT design. A second section sketches some common dynamics triggered by this simple design.

I—

### Essentials of Rat

RAT begins by asking two simple questions, and works them through in detail sufficient to satisfy a work group, its supervisor or manager, and very often an internal or external consultant. The two focal questions are:

What things must be done around here?

Who does them?

The derivative raw material can be arrayed on a simple matrix like that in Figure 1. The things to be done get listed in the rows as A, B, C, and so on. The work unit members are represented by columns, and individual contributions to work can be detailed by each person for each thing that needs doing.

Some work groups might profit from various degrees of specificity about their contributions for each task. There is no particular magic about the following list, but these codes for differentiating contributions might be utilized by many work groups to add detail about who does what in connection with which tasks or projects.

The matrix in Figure 1 will quickly get filled with relevant details, using this or other approaches to coding; thus Ed might be coded R-D for issue A, but I-D for issue B, and so on.

II—

### Some Common Dynamics

At first blush, this might appear to be a 15-minute exercise for most work groups, and especially at lower levels. And so it might be, but only in the exceptional case where people are crystal clear

	Ed	Mary	Pat	...
A				...
B				...
C				
.				
.				
.				

Figure 1

Matrix for role analysis technique of "what things must be done": R-D, responsibility for decision; I-D, input to decision;

A-D, approval of decision; R-Imp., responsibility for implementation; S-Imp., support for implementation; C-D, receive communications about decisions; C-Imp., receive communications about implementation; E-Imp., evaluate implementations.

about who does what. In such cases, it is no great waste of time to have RAT confirm and affirm that positive state of affairs.

In most cases, however, the dynamics induced by RAT are far richer. For example, the simple design often helps finger such situations:

All agree that A should be done, but no one sees that as part of his or her job, and some may believe that some colleague really has that assignment, hence "things fall between the cracks."

Two or more people believe they have the same responsibility, with resulting jurisdictional conflicts which often are complicated by a mutual aversion to raising the issue.

New things to be done might be isolated.

Questions might be raised as to whether some old activity might not be dispensed with as not worth doing by anyone.

Assignments that once were reasonable for Ed might now on reflection be given to one of his subordinates.

In the context of the RAT design, such issues often are easy enough to identify and resolve. This justifies a periodic investment in RAT in well-run organizations as well as those featuring numerous "surprises."

In the hurly-burly of everyday life in organizations, such issues might be neglected or, worse yet, buried under various levels of speculation, fantasy, or even fear. Thus a jurisdictional conflict could be interpreted as either an honest if real mistake by one or more parties or as an indication that Ed is "out to get" Mary. The outcomes of such multitudinous interpretations are consequential in organizations, and RAT seeks to provide a direct test of whether hangups can be isolated and resolved early enough in the game that they do not fester. This avoids being overwhelmed later by major consequences that might well have been avoided by timely, if simple, actions.

## Role Negotiation as a Controlling Design

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Many consultant interventions, especially those in organization development (or OD), are "releasing" designs; that is, they encourage individuals to share ideas and especially feelings that could not have been owned earlier with comfort. In major applications, such designs can help induce new patterns of interaction and relationships, new social orders or cultures at work.

Roger Harrison developed "role negotiation" as an intervention more oriented toward controlling than releasing. Briefly, these descriptive snippets serve to circumscribe the intervention; that is, role negotiation (Harrison, 1972, pp. 84–96):

Includes not only the formal job description, but also all other understandings, agreements, and expectations that determine how activities mesh or clash

Deals directly with the relationships of power, authority, and influence within the group

Fits the task-oriented norms of business or government

The expression of feelings is not necessary, and it is not legitimate for the consultant to press for their expression

The achievement of results is central, as contrasted with the likes or dislikes of group members for one another

The focus is on contracted agreements, building on while transcending the sharing of expectations and demands

Openness and owning are required, but only in connection with task-relevant behavior

Five more detailed features also characterize role negotiation. First, the design is applicable to a range of role-bound social units, including executive teams, project teams, or task forces, as well as husband-wife pairs or other dyads. The design is applicable to groupings of many sizes.

Second, although the design is appropriate for groups of a wide range of sizes, Harrison advises that multiple learning groups be formed when the number of those involved gets as large as eight or ten. Representatives from each of these several learning groups might then perform a second-order role negotiation exercise on any issues broader than the scope of the individual learning groups.

Third, role negotiation makes only one basic assumption; that is that most individuals will almost always opt for some acceptable bargain rather than for continuing a state of tension or conflict.

Fourth, role negotiation requires that participants be willing and able to specify, with substantial accuracy and detail, what they want and what they are willing to bargain away for what they want;

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Modified from Robert T. Golembiewski, *Approaches to Planned Change*, vol. 1. New York: Marcel Dekker, 1979, pp. 263–264 and 266–267.

that is, change here rests basically on negotiated bargains—giving up this to get that. Relatedly, all participants must be open to some degree of exchange, to know what they are willing to give up themselves in return for what they want from others.

Fifth, role negotiation makes real but limited demands for mutual trust between participants, including consultants of intervenors.

### I— Role Negotiation As Bargain Made Overt

Basically, role negotiation seeks to make as explicit as possible processes that are always ongoing, although usually subtly and in ways of which participants may be unconscious.

The participants' motivation for overtness is direct. Excepting only the manipulator who seeks to gain leverage from incomplete information and from covert or even duplicitous negotiation, most participants understand that such processes on balance are often more mischievous than useful. If nothing else, such processes probably increase the potential for awkward decisions, based on partial or misleading information, unclear perceptions of what participants need, what they want, and what they may settle for. Relatedly, role negotiation increases the average influence that group members can have on one another, although a few participants may find that their influence as individuals is reduced. Such factors constitute powerful motivators for participating in a role negotiation design for many people. Again, we except the skilled and resourceful manipulator.

The details of role negotiation clearly reflect the senses in which the design makes overt the usually secret game of bargaining. Perhaps the central feature is an issue diagnosis form, which each group member completes for him- or herself as well as all other members. The form solicits responses to three key questions, for each participant:

What should (Person X) do more of, or do better?

What should (Person X) do less of, or stop?

What should (Person X) keep doing just as now?

After completion, each group member gets all the lists on which his or her name appears in the parentheses (i.e. those lists relating to his or her own behavior).

The issue diagnosis form essentially provides each group member with a comprehensive survey of what may be expected of him, and of what he has going for him that he may use in exchange for what he would like from others.

The exchange of issue diagnosis forms is critical, and the design is here most vulnerable to failure. As Harrison explains:

If sufficient anger and defensiveness are generated by the problem sharing, the consultant may not be able to hold the negative processes in check long enough for the development of the positive problem-solving spiral on which the process depends for its effectiveness. It is true that such an uncontrollable breakthrough of hostility has not yet occurred in my experience with the method. Nevertheless, concern over the negative possibilities is in part responsible for my slow, deliberate and rather formal development of the confrontation of issues within the group.

Hence Harrison firmly monitors the sharing of the forms. Only clarification is to take place, initially; items on the lists, beyond understanding their referent, are all admitted to the exchange process that will follow. The goal is to absolutely restrict any rebuttal or defensiveness to the lists that each individual collects, to avoid dissipating the group's total energy and to save it for the mutual influencing and problem solving that is to come.

Beyond this point, the process of role negotiation is direct:

Issues for negotiation are chosen by group discussion, with the reality constraint being that unless all parties are at least willing to consider behavioral change there is no particular point even in discussion.

The overriding tone is that behavioral change usually requires exchange, some quid pro quo, although changes may sometimes occur because the parties are persons of good will, or because they are indifferent between several alternative behaviors.

Each individual indicates those issues on which he or she most wants to exercise influence, or is most willing to accept influence.

Consultant leads the development of a sample negotiation, with any agreements being written down and formalized with open discussion of sanctions for failure to respect the agreement.

Other group members then engage in other role negotiations, sometimes several simultaneously, in various combinations as the specific issues require, but with any results being made available to all group members.

Simply, then, design takes an elemental form: "If I do X, which you really want me to do, will you do Z, in which I have a strong interest? Also remember that I cannot do P, so don't ask me now. It's off-bounds. Maybe later." Participants keep at it until they believe they have struck tolerable bargains.

Typically, also, some follow-on meetings are scheduled to check adherence to the role negotiations. Sometimes, failure merely means a reversion to the status quo. At other times, specific incentives or discentives may be marshaled to reinforce the agreements.

Role negotiation makes fewer demands on the skills and insight of the intervenor than such designs as team building. Participants do not seem to require any pretraining.

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67—

## Sensing Groups in Consultation

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"Sensing groups" or "focus groups" are being used for a wide variety of purposes—for marketing research, in the management of elections as both a supplement and stimulus of normal polling procedures, and so on. In fact, quite a cottage industry has developed around the several variants of the technique (e.g., Krueger, 1988; Morgan, 1988). A sensing group is a small, unstructured collection of individuals brought together for a specific purpose (e.g., to discuss their reactions to a political speech). A facilitator typically helps the group explain and explore its reactions in a nonthreatening environment. As Krueger notes (1988, p. 18), "The discussion is relaxed, comfortable, and often enjoyable for participants as they share their ideas and perceptions."

Numerous uses of sensing groups in managerial consultation also are attractive, especially in quickly scanning organizational environments. For example, TRW employees in the tens of thousands have participated in sensing groups to generate thoughts and feelings about their jobs and employing organization, with the goal of providing raw data to which managerial responses might be tailored. Similarly, sensing groups were also used in SmithKline Corporation to help suggest items for inclusion on a major opinion survey of all employees. Their focus was on the question: What should we attempt to learn about our organization via the questions we put on the survey?

Each sensing group application has unique features, but some common elements characterize the genre. Brief attention, in turn, goes to generic and then to unique features of sensing groups.

I—

### Some Generic Features

All sensing groups seek to learn about the world around us—its objects and behaviors—via what may be called "first-degree constructs" (Calder, 1977, p. 354) that usually are labeled "common wisdom." These first-degree constructs rest on intuition as well as on various informal ways of testing the fidelity with which they provide useful simplifications of our complex worlds. The evidence is that small groups can at once stimulate the generation of these first-degree constructs, as well provide a consensual validation of them (e.g., Golembiewski, 1962).

This kind of knowledge can be very important in several ways. Thus, it reflects the power of experience and can provide a useful map to a complex territory. In addition, these first-degree constructs—given the application of appropriate rules—can lead to the development of scientific concepts, which might be labeled "second-degree constructs." In short, the common wisdom can lead to the generation of rigorously defined constructs, whose reliability and validity can be estimated by multiple comparative tests.

More or less, to switch to another generic level, all sensing groups employ modifications of the approach used at Detroit Edison for "concern groups" focusing on issues at work that bother members. These generic features can be economically illustrated by these instructions in Detroit Edison for the convenor or facilitator (Cash and Minter, 1978, pp. 44–45):

The sessions present employees with an opportunity to share ideas, frustrations, and feelings about aspects of their work which concern them.

The convenor records the concerns expressed, being careful to check continuously with participants concerning the appropriateness of his or her interpretations.

The meeting assumes that no perfect worksite exists, and concerns expressed will provide top management and the convenor with a problem census, which later can be used to direct searches for causes and solutions.

The concern group may or may not be involved in the later problem solving, but in either case that will be announced initially to participants.

Convenor announces to the concern group that feedback to its members about actions to be taken will occur by some specific date.

Convenor should insist on the following norms for the meeting:

1. Solutions should not be explored by participants in the concern group; that remains management's responsibility, for later.
2. Anonymity shall be scrupulously respected, both in the concern group and in later meetings with management.
3. Evaluation, criticism, or defense of contributions should be minimized.

The specific uses of sensing groups can be illustrated by the SmithKline experience. There, as noted, a substantial battery of sensing groups—each composed of employees of the same or similar rank but from different units—developed issues or questions for possible inclusion on a survey. This helped advertise the openness of the survey processes, used available resources, permitted some prior test of the intensity and pervasiveness of specific concerns, and helped inhibit the development of the notion that the survey is something an elite "they" were doing to the rest of "us."

The reliance on sensing groups also served an important political purpose. Members of sensing groups were announced publicly and well in advance of their meeting date, with the recommendation that colleagues use them as conduits for concerns to be considered for inclusion in the survey. This not only avoided some easy put-downs of typical survey processes (e.g., it got the process off to a clear public start, and a quick one). Moreover, the sensing groups helped build useful expectations about broad involvement and "management really meaning it this time." Evidence supports the view such expectation effects can be very powerful.

Several points add substance to the ways in which sensing groups were used at SmithKline. Sensing group membership approximated 2% of the organization's workforce, meeting for perhaps 90 minutes to 2 hours. A resource person was provided each group to encourage issue generation and to discourage efforts at closet problem solving, but that role was sharply limited. For example, facilitators could and did probe for meaning and clarity, but the content had to be owned by each sensing group. To reinforce this intent, one or more sensing group members themselves wrote each item/issue on a separate index card for forwarding to the task force designing the survey, being urged to be careful that each item/issue was phrased in terms acceptable to most or all sensing group members. "Minority reports" were possible, but each index card also contained an estimate of members concerned with the item/issue.

Moreover, sensing groups were deliberately cross-functional, and as such tested the generality of specific issues or concerns as well as inhibited the temptation to "solve" problems too narrowly in same-function groupings.

Finally, real use was made of sensing group products. "Real use" is meant in two senses. Whenever possible, first, the exact wording and metaphors of a sensing group item/issue were included on the questionnaire, for obvious reasons.

Second, some sensing group items/issues quickly became "action items." They got immediate attention, as when they referred to false information about company policies or to the lack of toilet facilities for handicapped persons. Action on such items was announced, with fanfare, while the survey process was in its early stages. This built great credibility for that process. Most centrally, real use was defined by the beliefs of sensing group members as well as all others in the organization. Many factors contributed to this judgment. For example, to maximize the probability that sensing

group inputs would show up in the final survey instrument—certainly one element in a judgment about "real use"—the survey team deliberately did no planning of the instrument before the sensing groups met. There would be nothing so deadly to the sensing group notion, in short, as an indiscrete employee's word that he or she had seen "the survey" before the sensing groups met.

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68—

## **Sociopathology in Today's Organizations: Major Contributing Features, and Ways of Blunting Their Impact**

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The topic of this essay may seem at first glance far removed from the concerns of consultation and change, but that relevance for readers should grow. Early sections sketch the impulses toward the sociopathological facing all people in all organizations, but especially the would-be prominents in organizations untethered by values that safeguard human needs and aspirations. If this early material is reasonably close to the mark, it provides motivation for the effort concluding this essay to illustrate some of what can be done to swim against sociopathological tendencies in today's organizations.

Most people—even most reflective people—seem to have come to a conclusion that is so subtly insidious that it frequently rises above common reflection. That rationale goes something like this:

Everyone knows that prominence is attained in almost all cases by people willing and able to act on the margins—right versus wrong, ethical versus unethical, the convenient versus the desirable, even the legal versus the illegal. Inevitably, this means that, at least on a few occasions, virtually all prominents "go over the line."

As you move up, this tendency only grows because the opportunities increase along with one's motivation to hold on to perks. And so also grows the capacity to insulate one's self from direct responsibility for the consequences of one's actions or ideas.

This worldview also has other self-reinforcing features. For example, the rationale goes, given what has to be experienced to achieve escalating prominence, "you deserve whatever you can get."

Whether you like this worldview or not, you are a fool to neglect it. Indeed, nowadays there may be a lot more than ever of that going around, and not only for would-be prominents. Here I refer to the various downsizings and rightsizings that have been so much with us over the past several years, to the probably unprecedented unbucklings of people in the middle or late years of their careers, and to various bobtailings of such securities to employment as tenure in educational settings.

In such a view of the world, there exist only the out-of-it and three active roles: spear throwers, spear deflectors, and probable spear targets due to their prominence. Typically the last role follows an apprenticeship as the thrower or as the deflector of spears, AKA flak catcher.

President Eisenhower illustrates all three roles. Several of the opposition's spear throwers were

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unfairly impaling a close confidante, and Ike noticed the uncivilities but did not deign to reduce the woes of the flak catcher. Declining the spear target role that was rightly his in this case, Ike merely noted: "Better you than me." Or so I have heard and, I believe, read, although I cannot now provide the source.

## I— Toward Circumscribing Contributors to Sociopathology

In moderation, Ike's orientation is both useful and even necessary, but it seems to me that nowadays a critical line often gets crossed, and with scarce reflection or even consciousness. Hence, this focus on "sociopathology," which Webster's defines broadly as an "emotionally and behaviorally ordered state characterized by clear perception of reality *except* for the individual's social and moral obligations [as one pursues] immediate personal gratification."

Clearly, this state would be a convenient one in our day and time, for prominents as well as those fearing unemployment.

For present purposes, let's expand this definition to include the "sociopathiclike," or the "presociopathic." What's a reasonable example? Consider those who have a clear enough *perception* of their social and moral obligations but who are also "quick debriefers"—who have a marked facility to transcend those perceptions associated with even highly impactful events. Hence, these quick debriefers can rupture the vital linkage between felt obligations and action. For example, one prominent politico was all but consumed for about a year with a threatening situation that inspired aggressive efforts to cope. As soon as the crisis suddenly abated, the cross-pressured record of coping had been left behind. One observer concludes that—BOOM!—"it was almost as if none of it has ever quite happened" (Morris, 1995, p. 36).

Let's label this noteworthy aptitude for debriefing as sociopathiclike, if only because it seems so rare as to require sharp distinguishing from "normal" responses.

Directly, sociopathiclike qualities seem useful for all three active roles above, and perhaps most of all for the spear target. Only the dropout seems safe, and event that doubtful safety requires neglect of the personal and social costs of dropping out, and perhaps especially for possible prominents who could succeed in one or more of the three roles while, on balance, remedying the dysfunctional features of the systems in which they could gain success.

Note also four boundaries on this circumscription of this essay's conceptual focus. First, sociopathic and sociopathiclike attitudes and behaviors may seem most obviously relevant in political life, as in the question of whether today's politicians should be evaluated in terms of the looser standards of earlier times. Today's dominant public opinion seems to favor substantial license because anything else would set an impossibly high standard. Success in politics inherently requires a range of associations, goes the typical argument, that will be seen as unsavory by later observers. Hence, the tendency to support minimal standards. "If we get too picky about such matters," goes a paraphrase of many legislative voices heard at congressional hearings in recent years, "there would be precious few of us left."

Precisely; but let us move on.

Second, however, the political realm hardly exhausts the arenas in which sociopathological tendencies are convenient, if not required. Indeed, coaches in big-time collegiate athletics may be today's clearest prototype. Winning—often winning big—encourages an orientation to life (e.g., Wolff and Keteyian, 1990) that can be labeled as hyper-crisy—that is, beyond hypocrisy. Young recruits have to pose as superclean in contexts that would excite the avarice of even seasoned hustlers. Meanwhile, some coaches and agents busy themselves as Pontius Pilate, marshalling defenses against the obvious facts that some recruits go around trying to "get their share" of what their elders can command, or even demand.

Readers may propose other arenas as fertile contexts for the sociopathic or sociopathiclike. Consider the downsizing executive who reaps great rewards for managing adverse personnel actions directed against others, with minimal concern about the cross-pressures of typical approaches to "reducing headcount" (e.g., Hornstein, 1996) and without a sense of alternatives (e.g., Golembiewski, 1995c).

Third, this essay does not focus on "sociopaths," which would limit the focus and perhaps only blame the victim. Rather than categorizing persons, this essay highlights behaviors and attitudes that can be labeled sociopathic or sociopathiclike.

Fourth, the orientation here neither points with scorn nor praises; rather, it seeks to describe real pressures seen as largely unavoidable correlates of prominence, and increasingly, of mere organizational membership. The essay proposes only that the contributors toward sociopathology are today more intense than yesterday. This contrasts with proposing that such forces are all new or even substantially novel. Later sections speculate on what can be done to mitigate such inducements toward sociopathology.

Unremarkably, this essay proposes only that all organizations mobilize biases, and often with great efficiency. For the direction and intensity with which organization members can be shaped, no better illustrations exist than those connected with the typically sad stories of "whistleblowers" or "ethical resisters" (e.g., Glazer and Glazer, 1989).

## II— As Our Twigs Get Bent

So what factors in today's collective life encourage sociopathologic tendencies in would-be prominents? Five exemplars will do for the present purposes, as a kind of starter kit.

### A— Substance or Signs

In matters both small and momentous, substance is giving way to signs, if not superficials. The general notion is everywhere; what "seems to exist" has come to dominate, and what "does exist" is often accorded a lesser salience, and may even be denied any status distinct from multiple subjectivities.

A few examples will have to do here. An opener comes from our sports pages (Vinella, 1996, p. 4), although exemplars from many arenas could be cited. The author is comparing two young athletes, and seeks to explain why one with a track record is receiving so little attention while the athlete with a slimmer resumé is everybody's darling. We learn about this age's mantra quite directly: "Credentials are nice. Smiles and stories are better." Generically, this is akin to those who emphasize "the sizzle, not the steak"; and it recalls the auto salespersons who insist they are "selling dreams, not transportation." "Spin" has become a dominant mode of our times, and it provides a valuable motivator of sociopathic behaviors as well as constitutes a major product of them.

Organization development provides exemplars of the substance/sign genre, as in its present fascination with versions of socially constructed reality. For example, "appreciative inquiry" (AI; e.g., Cooperrider and Srivastva, 1987) has attracted much positive attention in OD (e.g., Sorenson, 1996). For a general critique, see Golembiewski (1995b).

Basically, for the present purposes, *the* issue with social constructionism clearly relates to a sense of balance. Consider two classes of reasons supporting this view.

First and narrowly, much of the time socially constructed realities are all there is. Karl Weick (1979) caught the sense of that when he wrote of continuous "enactments" by all of us of our "realities." The prescription here is elemental—individuals need only to be empowered concerning enactment, and then they can enact some more desirable condition than had been previously enacted. To be sure, we often construct and maintain our own prisons as well as palaces.

Second, varieties of social constructionism like AI seem reasonable starters for collections of individuals with little or no prior contact (e.g., let's share our peak positive experiences in groups, and then let's commit to trying to recreate among ourselves the common positives in those experiences). This has clear attractions. Thus, defenses might be reduced early on. Also, members' sense of mastery would be focused on recreating the shared pleasantnesses, which would at least superficially blunt charges about cultural insensitivity or even imperialism more likely to be triggered by an emphasis on confrontations about problems or deficiencies.

This reasonableness soon will become strained, however, and all but inevitably. Fundamentally, as the late Goodwin Watson was fond of noting: "It takes both sun and rain to make the flowers

grow." In sum, AI requires basic counterbalance. The point is rooted in OD's earliest literature (e.g., Bennis and Shepard, 1956), and cannot be discounted.

Let us be specific, at an elemental level.

The basic limitations apply powerfully to a "conflict of agreement" as distinguished from a "conflict of disagreement." Some readers will be familiar with such expressions of the distinction as that in Jerry Harvey's (1988) Abilene paradox or in Janis's (1972) "groupthink." For the different diagnoses, different interventions seem appropriate (e.g., Golembiewski, 1991, pp. 135–141). This specificity is far beyond social constructionist models.

To explain, *the* basic issue in conflict of agreement concerns what might be called "overappreciation"—that is, group membership is so highly valued that members induce and support a bogus agreement on the spurious ground that some or all members believe they are each the only deviant from an all but unanimous group opinion. Critically, these individuals are simply wrong. In fact, many deviants exist; indeed, *all* group members may be deviants from the mistakenly attributed group norm. Commonly, these "real deviants" all withhold communicating their deviance for fear of being rejected from a group whose membership is highly valued by each.

This simplifies a bit, but clearly reflects a major inadequacy of social constructionist variants like AI. In short, AI prescribes more of what induces the basic problem of agreement. A fuller analysis is available (e.g., Golembiewski, 1991, pp. 131–153).

The same point applies broadly. For *any* groups with substantial real-time experience, I see no realistic alternative to utilizing balances of appreciative/unappreciative inquiry. In such balanced learning two designs, two questions dominate: What is there in our experiences that we like and what do we dislike?; and How can we go about maximizing the former and minimizing the latter? This orientation is central, of course, in much of OD—interaction-centered designs, confrontations, third-party interventions, and dilemma invention models.

Even further, social constructionism is *always* a chimera; that is, some things—often important things—have a substantial claim to a transsubjective reality. For openers, just try "enacting" a trip between the windows of two buildings separated by an open space. Far more to the point, if "they" enact X, X may have a profound effect on Y—even if Y struggles against X's enactment and generates counterenactments to the others' X.

In this transsubjective realm, "enactment" as a guiding concept is at once attractive and misleading. Enactments by us can be impactful; but enactments by others or by natural events can be controlling and even coercive over us. Indeed, our own enactments at time 1 also can limit if not preclude our enactments at later times. Witness the cross-pressured conditions earlier discussion isolates—groupthink, "going to Abilene," or a "crisis of agreement."

**B—**

### ***A Matter of Supply***

In the present connection as well as quite generally, demography often implies destiny. After bottoming out in the mid-1930s, birth rates for the next generations have been characterized by a couple of spikes or "baby booms."

How the twig gets bent by demography can be consequential, as with regard to experiences with narrowly competitive strategies. Consider Alice and me—about 25 years difference in age, daughter and father. Alice went to the same university as her dad, and lived in a comparable dorm. One difference: Alice was one of four who lived in three dorm rooms, and her father even as a freshman was part of a duo in three large rooms. Some of Alice's classmates felt such desperate needs for privacy—to be really alone or alone with a partner—that elaborate and even vicious stratagems got set in motion to convince regular roommates to flee so as to enlarge the survivor's space—temporarily or even permanently, voluntarily or kicking and screaming.

All her dad had to do was close a door, typically.

The picture in this country is much the same over a burgeoning range of arenas. Many more people are potential claimants for the good things in life, with spikes of raw birth rates being exacerbated by numerous extensions of the basic notion that more and more people now are taken seriously and humanely than was the case at earlier times—females, blacks, the differentially abled, and so on. Moreover, the good things in life may not be expanding fast enough to ensure stable shares,

given these new *and* justified claimants. Consequently, the total pot may provide only declining relative shares, if not an absolute drop in the total availability of some goods or services.

The situation becomes far gloomier when you take a worldwide view. For example, look at virtually all of western Africa, most of the time. One hardly needs reminding that its present and succeeding generations are on a course such that they will have lives that are nastier, more brutish, and probably shorter than those of the immediately preceding generation.

C—

### *A Matter of Demand*

The leverage implicit in such supply-side dynamics has not gone unnoticed over the last decade or so by those with the capacity to influence or dictate demand. Not so long ago, the focus was on building businesses and programs, and managers scratched to find or develop the players whose talents were scarce or could only be dimly envisioned. Then, much attention tilted toward the search for "positive motivators"—some even called them bribes—to get the needed people onboard and to keep them there. The Full Employment Act of 1946 was one product of this mind-set.

Now, many categories of potential employees exist in great numbers, at least temporarily; downsizing or "rightsizing" dominate; labor unions are seriously weakened; openings in many attractive job classes have plummeted, while fear of unemployment is great and growing even in what used to be substantially protected categories of employees; or some jobs may be in growing supply but are poorly compensated. Among the growing paradoxes is the employed person for whom two or even three jobs are necessary to net the same take-home pay that a single job provided not many years ago.

Such factors tend toward a rolling readjustment. Nowadays, how do you get employees to do what managers expect of them? Fear will often suffice. This bodes long-run poisoning of the employment system, but has its short-run attractions for some employers, perhaps many (e.g., Hornstein, 1996).

D—

### *"It's Not My Dog"*

No one can estimate its incidence, but an interactive influence seems to exist between sociopathic tendencies and a curious combination: the right-nowness characteristic of so much of our life as supplemented by a pervasive then-and-thereness. You know, do what you will when it pleases, but then seek to avoid responsibility for downstream consequences if things go awry. That avoidance can be active or passive, as in the relativism that "Everybody is doing it." Many even try to rationalize away *any* responsibility because of some real or alleged feature of one's there-and-then life. Readers looking for examples need only listen to Dr. Laura, almost any weekday, at numerous times during each hour of her daily radio talk show. Dr. Laura's callers often reflect what they seriously lack but find very useful (or even necessary) for getting on with life and living—a sense of responsibility low enough so it did not inhibit that which is later regretted, in depth and detail.

A hyperbolic example serves present purposes. You know the one about the person strolling on the beach who sees sand being furiously shovelled out of two rapidly enlarging holes; I believe Jerry Harvey may have introduced this shaggy-dog story. In any case, on closer inspection, the stroller sees a dog in one hole and a person in the other. The stroller is intrigued. "What's going on?," he asks—clearly of the person, not the dog. "I don't really know," comes the quick reply. "It's not my dog."

Let me again illustrate, this time by contrast. One of my heroes is the righteous airline pilot who flew an airliner into San Francisco Bay, on line with the runway but short of it. Let us call him Captain Fly-Lo for the present purposes. When asked what happened, the captain spoke with brief but attention-getting integrity. "I screwed up," he noted, and let it go at that.

Indeed.

Today, there are strong and growing inducements to be Captain Fly-Lo-Not, to obfuscate while indulging in creative social construction. Consider the case of the major league pitcher who zonked a batter with a zipping fastball. The game was widely telecast, and the announcers earlier speculated about whether the pitcher would retaliate against the very batter who later got zonked because of

a real or perceived disrespect of the pitcher by the hitter. Notice the pitcher's artistry in creating distance from the situation:

"I can understand how it looked to others like I was throwing at him." (This wisely does not dispute what most people believe they perceived, and which several observers had predicted, but it does admit the possibility that those observers were hugely wrong, and subtly encourages the tolerance of multiple realities, including especially that of the pitcher.)

"But I wasn't throwing at his head." (This is an almost absolutely believable statement, given the actual shot to the knee, or thereabouts, but it certainly does not relate to the possibility that there might have been another target.)

"I was throwing inside and sometimes guys get hit." (Both obviously true statements, but neither very much to the present point.)

Sad to say, even our grandchildren are developing some of the constructionist repertoire, weaned as they have been on televised hearings concerning Whitewater and the like. I recall two examples, both involving questions about who left the door open for the family cat to come inside, which is a definite no-no because of parental allergies: "I don't have a *totally* independent recollection of that; I can't remember, *exactly*." Girlish giggles followed. These are not flat-out lies, of course, but they do avoid the truth seen as something known to "the best of my knowledge"; rather, they require metaphysical certitude of transhuman dimensions, which is a powerful way not to "remember" anything, exactly. In a way, this avoids responsibility, for that which we say eludes our fullest recollection, which can be anything and everything.

The grandkids joke about it now, fortunately, but they're nonetheless getting skill practice. Their one-liners are far superior to this one that drew sardonic laughter from earlier audiences who had a sense of personal responsibility that they might have liked to avoid but could not deny: "The devil made me do it."

Sociopathological tendencies clearly aid and abet such avoiding of responsibility, and vice versa. Indeed, some urge that responsibility is a content-less concept because only highly subjective opinions exist about anything.

E—

### ***And That Marvelous Market***

Finally, the avoidance of responsibility and its associated sociopathologies get common voice in the babble about the unqualified salubriousness of "the market." Now, leaving many matters to the higgling and pigging of more or less equally powerful actors—to the market, classical style—makes much sense, and it certainly seems to make life simpler.

This enthusiasm runs counter to many realities, however (e.g., Golembiewski, 1995a, Chap. 1). Thus, the conditions associated with classical markets seldom exist even in highly diluted form; and the status quo ante that today encourages such fervent admiration rests on a monumental lack of memory concerning those many occasions on which the marketplace had sorry manifestations. Catalogs of "those many occasions" exist in both extended and capsule forms (e.g., Scott, 1992, pp. 170–173).

Worse still, some market ideologues reflect a kind of contemporary social Darwinism. They follow John D. Rockefeller, in effect, as when he was asked around the turn of the present century what could be done about near-starvation wages. "Nothing," was the short answer. He elaborated: "The law of the 'survival of the fittest' governs that" (quoted in Hofstadter, 1944, p. 31).

Such mind warps splendidly serve sociopathic tendencies, and vice versa. Markets do reflect collective behaviors, but they do not provide judgments about better or worse behaviors; garbage in, garbage out.

III—

### **Spitting into the Wind While Minimizing the Consequences**

These selective considerations imply a substantial sociopathological quotient in today's life, and especially relating to would-be prominents in organizations. Can anything be done to recognize the tendencies and to ameliorate them?

Four pallatives illustrate some possibilities, and broadening this effort seems eminently practical. If nothing else, all societies need would-be prominents, and cannot cavalierly encourage dropping out. Even today, we are told, many positions in business as well as government have depleted recruiting pools because individuals prefer not to expose themselves and their families to the common concomitants of prominence.

A—

### ***Early Moral/Ethical Training***

Perhaps primarily, and the earlier the better, moral and ethical training can powerfully serve to moderate the buildup of sociopathic tendencies in the ambitious and competent, or in anyone else. The underlying model is like that of Kohlberg (1981), who proposes a set of "stages of moral development." At the most elemental stage, a person performs or avoids behaviors on a pleasure or pain principle. In short, some external regulator has to be there, consistently, to induce responses desired by some authority, unless all judgments are left to the still developing organism. At the more developed stages, the person internalizes a code that tends to operate even when no one else is looking. In short, persons at the latter stages feature an internalized sense of right and wrong; in contrast, the former stages emphasize what one can get away with while responding to wants and urges, more or less unmediated.

*The* practical question for social institutions concerns how "to hold the fort" while individuals progress from here to there in developing internalized moral and ethical sensibilities. Obviously, great social and personal significance attaches to easing this developmental transition.

My model in this regard is Arthur Holland, now dead but for an extended period the mayor of a volatile and often-troubled city—Trenton, New Jersey. To me, Holland gave every evidence of scrupulous honesty, consistently applied, and he had firm operational definitions of where to draw frequently required lines. "If I can't eat it at one sitting," my mind's eye remembers Holland saying about the "political gifts" so pervasive in those days, "I don't accept anything from anybody outside my family." He meant it. In 1958 or 1959, I personally saw numerous cases of Canadian Club whiskey—then the standard Christmas gift to major local figures—being returned from Holland's office to puzzled givers of good cheer. More detailed examples of the man and of his manners and morals are available (Golembiewski, 1960), although this highly successful politician never received due attention. He died at a comparatively young age from a lingering disease, working almost until the very end.

How did Mayor Holland get to his level of moral and ethical development? The question intrigues, because we could do much worse than have a society full of Holland act-alikes. For openers, Holland had taken the advanced course in moral and ethical sensibilities, as it were. As a capstone, he had spent a number of years in religious training for the priesthood, where he was initially led by his need to be constructively helpful to others. He eventually found his life's calling in urban politics, taking his early training with him into local political roles via which he sought to help his brothers and sisters—of all colors, and all conditions.

Holland's service to himself and others seems to me to have high social as well as personal value, and if so, we seem headed toward deep trouble; that is to say, conventional sources for providing similar moral and ethical training are inadequate in today's contexts, as described by most social commentators, even if the criteria of success are loose. In short, Holland's kind of moral or ethical training seems to be falling in popularity, and has been doing so for decades. Thus, Riesman (1950) warned us about the growth in "other-directed personalities" nearly half a century ago, the burgeoning of which clearly aids and abets sociopathologic tendencies. Riesman also lamented the passing of the "inner-directed" tendencies that are more easily associated with substantial degrees of moral and ethical sensibilities. Whyte later (1957) reiterated a similar warning in an organizational context, as did Scott and Hart (1979) in more recent days. Penultimately, the escalating incidence of violent crimes by young people—increasingly *very* young people—suggests that our various social and familial supports are failing in the effort to permit reasonable passage into more developed phases of moral development. Related social indicators suggest a similar failure, quite generally, if hardly universally (e.g., Bennett, 1993).

This is not the place to detail the training, socialization, and education that can develop cadres of Arthur Hollands—social and political actives guided by sensitive moral gyroscopes. Here, perhaps it suffices to note that sociopathologic tendencies will play *no* constructive role in that fateful generation of resources. An evolving sense of the collective good and of the full range of motives for moving toward that good are required—compassion and a sense of the humanity we share, as reinforced by shame and outrage when existing conditions warrant. Sociopathiclike tendencies promise no help in what needs doing, then; and so it seems prudent, at the very least, to bully against the grain of contemporary forces toward sociopathologies.

A similar point applies to specialists in organization change both early and late. Early on, the value-loaded enterprise labeled OD was built by many with deep normative orientations and associations—the Lee Bradfords and so on through a very long list (e.g., Bradford, Gibb, and Benne, 1964, esp. pp. 1–14). These normative tethers only grow in salience as OD progresses. As any technology grows in power, so increases the need for value and ethical constraints on it; that is to say, an unguided missile is far more fearsome than a cap pistol in an uncertain hand.

This obvious point is inspiring useful action (e.g., Gellermann, Frankel, and Ladenson, 1990), although there remains a long way for ODers to go. Indeed, in many OD forums, prevailing prescriptions encourage practitioners to be less straight-laced concerning values (e.g., for the purpose of increasing OD's usefulness to management). Of course, those old-time values were intended to discourage precisely just such—ah—flexibility as OD, trying to be all things to all people. Values are meant to tether and to provide a sense of distinctiveness concerning what constitutes caring and competent practice. This sense fortunately still gets emphasis (e.g., Sashkin, 1986), but it stands in danger of being damned with faint praise as an awkward feature of "conventional OD."

**B—**

### ***Insulating against Sellouts, Especially Early Ones***

People do not start with a full-blown moral and ethical numbness. They typically move toward that condition—in fits and starts, backing and filling toward growing unawareness or unconcern for the moral and ethical consequences of their attitudes and behaviors.

The basic story is dramatically illustrated many times in a best-seller of our day—*Primary Colors* (Anonymous, 1996). That book is advertised as a novel, but to me seems firmly rooted in reasonable approximations of major realities of political and organizational lives I see too often for my own tastes. Basically, one tone dominates *Primary Colors*. Early mistakes and misjudgments live on to become future snakes in the grass, rising to bite the often-repentant perpetrators, who, as would-be-prominent, subsequently turn themselves inside out in trying to forget or rewrite history, while often creating more intractable problems than they are seeking to avoid. Given such mistakes and misjudgments, the would-be prominent faces unattractive alternatives:

To surrender the pursuit of those kinds of prominence that may direct public attention at the person

To develop quick debriefing capabilities

To evolve sociopathiclike skills and orientations

If this characterization applies, then it follows that a high priority should go to reducing the probability that individuals will sell out to conveniences or what seem unavoidable necessities, especially in the early stages of their movement toward more stable moral and ethical sensibilities.

Two questions arise—one about when, and the other about how.

When is the appropriate time for such inhibitors to be engaged? No doubt that will vary between individuals, but as a general rule, inhibitors should be available early in one's life, where compromises are perhaps most avoidable. For me, the first major choice point came at 17 or so, on a recruiting trip to a football powerhouse, when a college official said something like: "You had some out-of-pocket expenses, I'm sure. Here, help yourself." He tossed a substantial roll of bills on a table, just as he left the room to "take a leak."

Coach left me with significant questions. Was he testing me or had he failed *my* test? Or both?



Cowardice (or native cunning?) precluded my trying to get relevant data. I left, quickly; and I will never even know if coach returned to repocket the entire roll he left.

Specifically, how can we increase this potential for avoiding sellouts of the evolving self? Many examples could be cited, but here consider only three.

Various protections exist for "ethical resisters" at work, also pejoratively called "whistleblowers." Such people surface shortfalls in their employing organizations, but typically pay severe costs. *The* issue becomes one of encouraging their forthrightness while mitigating the all but inevitable backlashes (e.g., Fitzgerald, 1989), and to do both without timidity of organizational authorities.

Various approaches have been tried. Thus, foundations provide awards for ethical resisters (Glazer and Glazer, 1989), and U.S. law strengthens protections for those who report federal waste or fraud while also providing monetary awards under some conditions. A few professional associations also protect members, as when quality-control specialists are pressured to cook the books or lose their jobs.

Large McArthur awards are given to those in the arts and sciences to continue lines of effort that might otherwise be more difficult or impossible, given the normal range of pressures acting on people having socially useful but perhaps offbeat interests.

Hope grants are given in Georgia to high school graduates who have moderately successful academic records. This opens opportunities to many, while reducing the personal indebtedness that can inspire so many later uncomfortable compromises, if not painful sellouts.

This list could be extended, and easily. My favorite case is the Fund for Displaced Southern Pastors, which I have been told by reliable sources is not apocryphal. Whatever its truth value, the fund delights me when it comes to getting useful things done without forcing huge costs on the individual.

Briefly, the fund proposed to financially support pastors removed from their posts by congregations put off by the pastor's interest in racial justice. The only requirement: the displaced pastors had to remain active in their religious work, and in the same area they served before being removed by displeased parishioners.

Commonly, these illustrations seek personally and socially useful outcomes without requiring heroic costs of individuals. Others could find guidance in such examples.

Sad to say, counterexamples seem more common, or perhaps they only are more dramatic. For example, although few people are directly involved, big-time amateur athletics provides the most convenient example (e.g., Wolff and Keteyian, 1990). Thus, precocious basketballers in their early teens—once only males, but now increasingly female as well—already will be aware of the local "brokers" seeking lithe bodies, brokers who often carry shoeboxes of goodies on their visits to basketball camps or local leagues. The public prescription is for these young people to avoid temptation over long years while they remain aware of the big bucks that are being made by others on the basis of their skills—by neighborhood scouts, big-time coaches, prestigious athletic associations, and so on.

The counterforces to playing this game do not impress. On rare occasions, after leaving college, a tiny remnant of these athletic students can cash in big during pro careers.

But don't hold your breath.

Dynamically, not to say morally, this is a situation likely to lead to sorry consequences. At best, perhaps, both officials and athletes often will have to adopt soicopathological tendencies, or feign them. Ethical resisters exist, of course, but in my experience there are few of them. The few public heretics who have surfaced seem to have paid serious costs. One of these—an ethical resistor or a turncoat, as you will—had to attend his own college graduation in a bullet-proof vest, so inflamed were the sports supporters of the university athletic department he had testified against.

Alternatives exist, surely. For example, why not pay those on college athletic grants a modest stipend per hour spent on their sport? Let's say 25% of what average student employment pays per hour, as a rough discounting of the economic value of the athletic grant itself. This recognizes the young persons' contributions to institutional budgets and also acknowledges even if it does not fully

value the special nature of their contractual relationship with the educational institution. Or minor leagues might be developed by the National Football League or the National Basketball Association for athletes interested in developing their athletic skills as professionals. Of course, baseball has long done something of this sort.

C—  
**Mentors and Mentoring**

Mentoring is typically seen as win-win-win: for the mentored employee, for the mentor, and for the employing organization. In prevailing belief systems and to a growing degree in empirical research, the sense of this triple play grows more prominent. Mentees can gain a sense of what to approach and what to avoid without making avoidable mistakes; the mentor can gain an important sense of passing on hard-won knowledge and seeing the effects in a person invested with special value; and the employing organization can profit from both aspects. Elaborations of this ideational framework exist in many places (e.g., Hall, 1986).

One of the key elements in mentoring is that it can help reduce the early mistakes or selling out that can be such a burden in later career stages. In short, a healthy mentoring relationship can contribute signally to minimizing the contributors to sociopathological tendencies inherent in decision making under uncertainty in troubled arenas, and especially for possible prominents, early in their career.

Of course, mentoring is no one-way expressway. Thus, from the organization's point of view, some mentoring can be cross-pressured or even flatly destructive (e.g., Witherspoon, 1985, pp. 104–105). Much awkward mentoring seems to happen in jails, for example. In addition, and especially for cross-gender mentoring relationships, some observers have expressed concern that romantic alliances may complicate organization life (e.g., Cox, 1993, pp. 199–207), and especially for same-gender female pairs, some emphasize the real concern that potential mentors are still in short supply.

D—  
**Values for Interaction:  
First and Foremost**

Finally, for the present purposes, the possibility of the sociopathological highlights an important emphasis in early OD: the relevance of specific values to guide the interaction between individuals and within groups. My preferred sense of this emphasis is expressed in terms of regenerative vs. degenerative interaction (e.g., Golembiewski 1979, 1993). Briefly, Figure 1 sketches the major differences between the two patterns of interaction, as well as some of the awkward consequences of degenerative interaction.

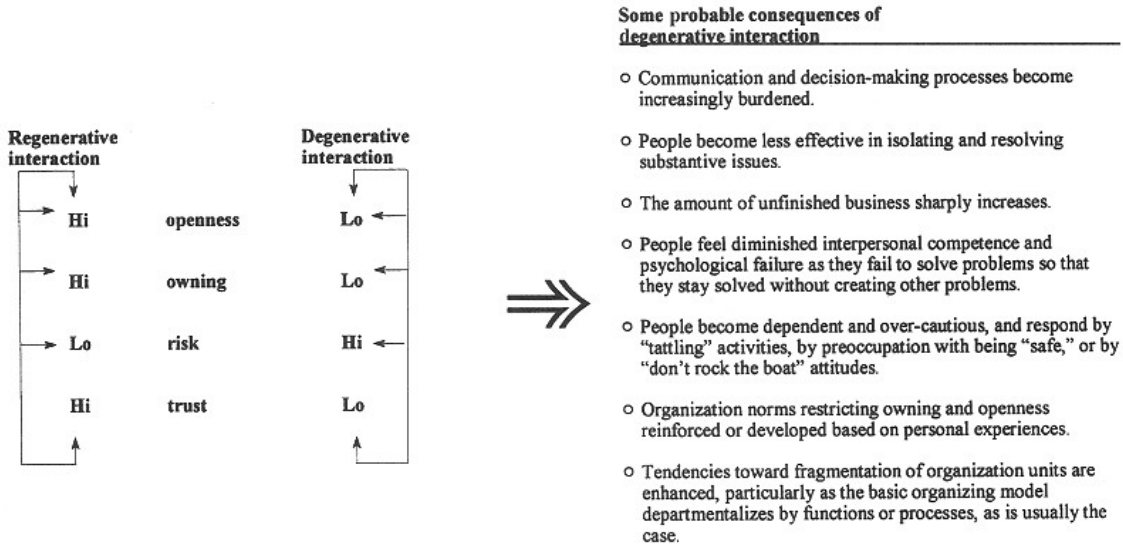


Figure 1  
Two models of interaction.

Figure 1 requires only a few conceptual touches to suggest its reach and grasp. Openness involves telling it like it is; and owning refers directly to the psychological acceptance by the individual of his or her ideas and feelings. To illustrate, a Valentine signed "Guess who?" suggests high openness and also low owning. Directly, also, risk refers to the objective threat in the environment, while trust relates to the degree of confidence that the self and colleagues can deal with whatever the environment puts on their plates.

A curious paradox closes consideration of this fourth and final way in which sociopathological tendencies can be minimized. Clearly, regenerative interaction seems better designed to moderate these effects. Indeed, more accurately said, degenerative interaction supports sociopathiclike behavior as well as gains reinforcement from them. No wonder, then, that in OD's early days, regenerative interaction (or something very much like it) was encouraged, or even insisted upon as prework for OD programs (e.g., Golembiewski and Carrigan, 1970). In addition, the success rates for gaining appropriate skills for regenerative interaction are very high, even formidable (e.g., Golembiewski, 1991, esp. pp. 15–28).

Where's the paradox, or perhaps the irony? Today, ODers tend to give low priority to inducing regenerative interaction, despite all the recent talk about organization cultures and their artifacts.

Indeed, the goal of inducing an appropriate system of interaction is often altogether neglected. For example, many popular emphases in OD—work it out, search conferences, and much of the work encompassed by quality of working life (QWL)—give little or no explicit attention to the up-front preparation of skills and attitudes appropriate for regenerative interaction. That seems awkward, if not curious.

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69—

## Stakeholders in Consultation

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The effective consultant will have a good map of all those with stakes in the outcomes and processes of each specific set of consultation activities. *Stakeholders* are those who have an interest in or an influence on a consultation, or *should have*. Especially in the second sense, stakeholders may be much broader than those encompassed by the term *client*. Indeed, clients may actively resist the involvement of some stakeholders, not to mention their often being uninterested in encouraging the involvement of stakeholders other than themselves.

The issue can be brought to a fine point. Clients pay the bill, but stakeholders often will influence the success, failure, or something in between of many consultation efforts.

How to develop a working sense of this critical assertion? The approach here is elemental. It involves making only the following three distinctions relevant to stakeholding:

Basic differences in types of stakeholders  
Differential power of stakeholders  
Differentiated strategies for dealing with different types of stakeholders with variable power.

Although simple, these distinctions should not be bad-mouthed. All three often are important for all consultants to keep in mind. Not infrequently, in fact, the distinctions can be essential.

I—

### Different Types of Stakeholders

One can develop numerous ways of distinguishing stakeholders. Some specific sites of application may require unique typologies of stakeholders, as in the case of community settings with their collections of stakeholders differentiated in terms of ethnicity or color, lifestyle, sexual preference, income, various special interests, and so on. Others have argued (e.g., Bartee and Cheyanski, 1977, pp. 56–57) that a few categories of stakeholders can encompass those whose "members have different cognitive structures that they use for understanding their positions or roles in the organization":

Resource providers  
Technology developers  
Direct-service providers  
Service acquirers

Here we focus on a generic and simple  $2 \times 2$  table to distinguish stakeholders. This approach has a general similarity to the approach of Savage and associates (1991), who also differentiate four

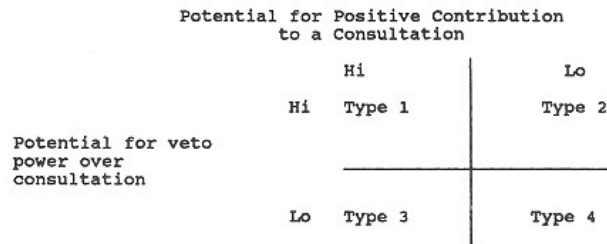


Figure 1  
Four kinds of stakeholders.

kinds of stakeholders by high vs. low status on two dimensions. However, the approach in Figure 1 differs in fundamental ways from Savage's work, as later details will establish.

**A—**  
**Type 1:**  
**Two-Way Powerhouses**

Such stakeholders are like the 800-pound gorilla. What do they get? Most of what they want, if not all. They can help a consultation or stop it dead. Consultants can attempt to encourage the attractive choice, but they can avoid such stakeholders only by happy accident or some preoccupation that fixates the attention of a two-way powerhouse.

**B—**  
**Type 2:**  
**Naysayers**

These stakeholders can inhibit a consultation, but if they behave in normal fashion they can add little or nothing to it.

Naysayers come in various styles. Typically, they have position power and a limited interest, but little or no motivation to develop a broader impact. In business, the heirs of the original owner-entrepreneur of a firm have position power in stock ownership, and may be interested only in seeing that dividends remain high. Otherwise, they may be preoccupied with preserving the status quo. More broadly, naysayers may be single-interest groups protecting what exists or pursuing their ideal, or they may be a collection of personal counterdependents who have become stereotyped into playing Dr. No, and have enough influence to make the results of that role play stick.

**C—**  
**Type 3:**  
**Supporting Powerhouses**

These can be a consultant's dream, but they also are rare. They have what it takes—skills, resources, attributes, or whatever—to move a consultation along. And they are supportive of the consultation, for whatever reasons.

Perhaps curiously, the local Communist officials in Polish plants in the late 1970s often fit this profile. Typically, they would support almost any proposed intervention to improve efficiency, even those with low probabilities of success. Obviously, they saw an unfavorable future taking dead aim on them and on Polish enterprises, absent finding new ways for new days. Recent events proved that they were right.

**D—**  
**Type 4:**  
**Fringe Players**

The rationale for the label is obvious. Fringe players neither have veto power, nor are they powerfully proactive players. Most of us are fringe players, most of the time. For example, mid-managers often are fringe players, as are many employee constituencies in nonunion settings or with weak union representation. Many single-interest groups also are fringe players in the present sense: They pursue

their narrow interest, perhaps with a passion, but they cannot initiate, veto, or contribute significantly to most consultations. This often is due to their single interest, which is so finely drawn and vigilantly protected that it inhibits the formation of coalitions often necessary to pursue broader goals.

## II— Orientations by Issue Arenas

This much having been said, some words of warning are appropriate. Many times, it is insufficient and even dangerous to make general judgments about specific stakeholders. Above all, consultants are well advised to remember the "fallacy of misplaced concreteness." Stakeholders are never solid and homogeneous through and through, although it may be convenient to speak of them as if they are. Stakeholders are better seen as central tendencies evolving in protean ways rather than "things," more quicksilver than granite. Typically, then, the consultant has available points of access into even the most determined naysayers. So the present observations apply as generalizations with exceptions, as more or less.

Different issue arenas also may see specific stakeholders shift between the four types. So a consultant is well advised to have a detailed map of stakeholders in issue arenas other than that involved in an ongoing consultancy. Stakeholders at apparent loggerheads as type 1's with different interests in issue arena A, for example, may both be type 4's in another arena. With a little consultant help, such stakeholders might get together in arena A in order to build a coalition in other arenas where their interests are more compatible and where each might independently lack sufficient influence.

Detailing stakeholder statuses by issue arenas has much to recommend it, then. Such information can add to a consultant's effectiveness, and it will certainly increase available options.

A whimsical example comes to mind. A team of researchers was studying power and influence on decision making among fraternity members. The researchers observed a curious but reasonable regularity in the behavior of a critical set of stakeholders—fraternity officers—a regularity dependent on the decision-making task at hand.

On some issues perhaps best labeled "marginal" to fraternity life (e.g., choices between various political candidates or policies) the officers tended to behave in power-sharing or even laissez-faire ways. They aggressively sought members with special interests or expertise, and deferred to them.

However, on issues more central to fraternity life—rating the relative pulchritude of *Playboy* covergirls, for example—the officers/stakeholders were energized into determined action. They tried hard to influence choices. The officers were not above exercising the muscle that came with their office to get the correct choices made, with "correct" referring to their perspectives about what choices a "good fraternity" should make.

The officers remained the "same," but acted very differently in the two issue arenas. The assessment of female pulchritude was central to the fraternity mission, in short, while the assessment of political candidates and policies was much less so. In the latter case, they tended to defer to others—perhaps because of lack of knowledge, lack of interest, or as a way of saving themselves for the "big issues" while perhaps gaining a few points from their less well situated fraternity brothers.

So it can be with other stakeholders in different issue arenas. Consultant failure to be aware of such contextual variations can be costly, or even deadly.

## III— Strategies for Dealing with Stakeholders

Assume that a consultant has a good sense of the stakeholder types in the issue arena(s) relevant to a particular consultation; and assume also a clear picture of the types in other arenas. What strategies might a consultant adopt?

### A— Type 1: Two-Way Powerhouses

Here the consultant obviously needs to be wary. Remember: 800-pound gorillas usually get what they want, even if things or people in between them and what they want get trampled in the process.

So it is tough to have a type 1 stakeholder who opposes a consultant's orientation or recommendations. One research team (Savage et al., 1991, p. 65) advises that one should "collaborate" with such stakeholders. Some would even advise finding out what type 1's want, and then seeing that they get all or most of it!

But both suggestions oversimplify. Not infrequently, a consultant may have to try to moderate the stance of a type 1 stakeholder, or even seek a conversion. The probabilities of success here usually are low, but the need may nonetheless exist. Witness a consultant facing a type 1 stakeholder adamantly stonewalling on an issue that threatens the public health or safety. The consultant cannot simply "collaborate" here. That option may be closed to the consultant—ethically, or perhaps even legally. (See Chapter 32 by Gellermann et al., "A Statement of Values and Ethics by Professionals in Organization and Human Systems Development.")

Moreover, it is not even a total piece of cake for a consultant to face a type 1 stakeholder who happens to support the consultant's position. If nothing else, other stakeholders may suspect a consultant who is "too close" to a type 1, and the need here may be for a suitable "distance" or "independence" for the consultant intent on remaining a credible third party.

**B—**

**Type 2:**

***Powerful Naysayers***

Such stakeholders may pose special kinds of problems, if only because a consultant may find it difficult to deal with them without uncomfortable pandering or without counterproductive defensiveness. One team of observers (Savage et al., 1991, pp. 65–67) advises this strategy against powerful naysaying stakeholders: "Defend." But that is easier said than done, and may be too restrictive in the bargain.

One mature approach involves gaining perspective on the naysayer. For example, the mode may be a reasonable response by a stakeholder who was an underdog for a long time, or even a punching bag for some stakeholders who were bullies.

Of course, such a consulting perspective does not necessarily provide the "frame breaking" to get the support of a naysaying stakeholder. I recall one union leadership that would have opposed management's announcement that the day after Sunday was Monday. Since there were longstanding reasons for the union attitudes, the effects remained strong and stable. Hence getting a start on even simple initiatives usually was very tough even after management, in pursuit of its self-interest, sought to bury the hatchet while remaining cautious or even suspicious about the union leaders.

My up-front consulting strategy was to get *some* agreement on *something*—even if minor—to slowly begin to build trust beyond bitter-end adversarial postures. It was at best one step forward, and seven-eighths of a step back. I vividly recall one very long afternoon spent on seeing whether management and union officials could get together on an initiative that was attractive to one stakeholder and had a very small cost to the other.

Manipulative consultants may try to provide type 2 stakeholders with something (or even someone) they can pummel, but which (or who) is not central to the issues of the consultation. This approach seeks to distract attention of type 2 stakeholders, to allow expression of their veto power on a pesky tar baby, which is beside the essential point.

**C—**

**Type 3:**

***Supporting Powerhouses***

Ah, the consultant's dream. Such stakeholders can help, and hugely. Cherish them, cultivate them, and (above all) make as sure as you can that they stay involved or at least plugged into the communication network relevant to the consultation and your later activities.

Why? One reason is obvious, beyond the simple courtesy and acknowledgment of relationships—perhaps past, present, and maybe in the future. Directly, today's supporting powerhouse may become tomorrow's naysayer.

**D—**

**Type 4:**

***Fringe Players***

The temptation may be to let sleeping dogs lie, as it were. As is, they can't help, but they can't hurt either. One research team advises that such stakeholders be "monitored" (Savage et al., 1991, p. 67).



This low-energy orientation may be seriously misguided, however. For example, a consultant might find it useful or even necessary to help empower type 4 stakeholders. Organization development interventions, for example, often involve mobilizing latent power in stakeholders who once were fringe players. They may well return to that status after a short time; or they might remain empowered for an indefinite period.

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70—

### Success Rates in Planned Change: Five Aspects of an Optimistic Diagnosis

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Mike Beer got the attention of many consultants with the opening line of a provocative essay: "In my view," he wrote, "OD is dying" (1989, p. 11). Basically, Mike proposed that the OD he saw suffered from multiple too-muchnesses—a preoccupation with a limited set of values, too much emphasis on the intervenor, too much attention to interventions like survey/feedback, and overexuberant identifications of ODers with "normal science" so as to gain, Beer proposed, the approval of the "academic establishment."

Beer proposes that the basic result is a fatal too-littleness; OD offers "little of substance and value to general managers" (Beer, 1989, p. 11).

This observer takes Beer's bait—here as well as elsewhere (Golembiewski, 1989), I propose that OD is vibrantly healthy, and hence is neither dying nor even sick, although always open to being made better.

So what signs supporting optimism get attention here? In turn, attention goes to five indicators: a review of seven approaches to success rates of OD applications as well as of that close relative quality of working life (QWL) in North America as well as globally; the continuing growth of graduate programs in OD; the related state of OD in academic membership groups; the demand for ODers outside academe; and the state of such professional membership groups as the Organization Development Network and the Organization Development Institute.

I—

### Seven Approaches to Success Rates

Both the analytic and popular literatures historically took a somber view of OD success rates, but the general orientation has in recent years changed toward a quite positive assessment. Pro or con, however, neither bias has been tested in a determined way.

Here, let us try to do better, in seven distinct senses. In turn, attention here goes to the following tests:

An overall test of OD success rates in a large population—indeed, the largest population ever assembled

Success rates of OD applications in business vs. public agencies

Success rates of OD applications in third-world settings

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The argument here conflates materials from three sources: new materials; *OD Practit.* 18–20, June 1990; and *Org Dev J* 15:22–28, spring 1997. The latter two sources are used with the permission of the publishers.

Success rates at high levels of organizations, and especially at the interface between "politics" and "administration" in the public service

Success rates of OD efforts in impoverished settings

Success rates at various organization levels, especially workaday levels and in QWL efforts

The positive findings bias in QWL applications

Details about methods for estimating success rates cannot be presented here; however, references at the end of this chapter will help satisfy the needs of inquiring readers. Note here only that each case of an application was read by at least three independent observers, and they agreed in over nine of every 10 judgments of success, on average. When a disagreement could not be resolved by discussion, the lower or lowest rating in contention is assigned. If anything, then, the present measuring conventions *understate effects*.

1. *Overall success rates.* One panel of OD applications includes 574 cases, and it estimates success in two basic ways that yield similar results (Golembiewski, Proehl, and Sink, 1981, 1982). For convenience, let me note here only that each application is placed in one of the following categories of outcomes:

a. *Category I—dominant intended effects*, which generally require "large" changes on all outcomes assessed by each study in pre- vs. posttests. In general, large means statistically significant or greater than 10%, and falling in the expected direction. Typically, an OD application assigned a I will have large and intended changes in at least half of the variables measured—that is, for example, productivity and satisfaction will increase, absenteeism will fall, and so on, at usually accepted levels of statistical significance in comparisons before and after an intervention.

b. *Category II—definite balance of intended effects*, which requires that large changes will fall in the intended direction. Many will be large, but a substantial proportion may be "small" changes.

c. *Category III—no appreciable effect.*

d. *Category IV—negative effects*, in which many small changes are in an unintended direction, or even a few outcomes are large and opposite the intended direction.

Common opinion for a long time almost uniformly urged that OD success rates are modest, at best, but opinions now are far more optimistic, and that is for the better, definitely. Opinion is now catching up to the best available data. As Table 1 shows, overall success rates are substantial. No hint of OD as dying or even ill inheres in those estimates, for sure.

2. *Public-sector success rates.* Well, what of public vs. business sectors, then? Here, historical opinion was even more dour than for overall success rates, but again the times are a-changin'.

Opinion has begun shifting toward the estimates in Table 2, which have been available for over a decade. Other estimates, especially in recent times, support this long-available pattern. For example, a recent compilation of over 20 surveys of evaluative studies supports a pattern like that in Table 2 (Golembiewski, 1998), or more favorable to public-sector applications.

**TABLE 1** Overall OD Success Rates (%; N = 574)

Success rate categories	Overall
I. Highly positive and intended effects	40
II. Definite balance of positive and intended effects	47
III. No appreciable effects	6
IV. Negative effects	7

**TABLE 2** OD Success Rates in Public and Business Sectors (%)

Success rate categories	Public settings	Business settings
I. Highly positive and intended effects	41	40
II. Definite balance of positive and intended effects	43	49
III. No appreciable effects	7	5
IV. Negative effects	9	6

In sum, Table 2 shows that public sector success rates are a bit lower than in business settings (Golembiewski, Proehl, and Sink, 1981), *but not very much*. Relevantly also, the proportion of public sector applications in the entire panel is no less than one would expect from the proportion of civilian government employees in the total workforce, so success is not somehow explained by selectivity.

3. *Success rates at the interface*. In both business but perhaps especially public organizations, many observers distinguish a politics vs. administration "interface." Especially in the public sector, change is seen as more difficult or impossible where "politics" dominates (e.g., political appointees have short tenures, do not emphasize managerial priorities, and have to respond to imprecise if not contradictory legislative mandates). All such factors, and more besides, are said to complicate planned change at the politics/administration interface, if they do not herniate it.

Relevant detailed cases are sparse, but the available data require major modifications in common opinion. In 23 OD change programs at the interface, to suggest the point, the distribution of success rates estimates took this form (Golembiewski and Miller, 1997), relying on the four classes of success introduced earlier:

Success rates estimates (%)			
I	II	III	IV
39.1	43.5	17.4	0.0

4. *Third-world success rates*. On the general and reasonable premise that the two sections above relate mostly to "North American OD" and hence may be biased, let us turn to applications in the third world. That context is defined for present purposes as any nation-state that had a 1980 per capita gross national product of \$5,000 U.S. or less. About a third of all cases come from India, whose 1980 per capita GNP is several hundred dollars, and a third or more of all applications deal with village or slum life. In addition, over 30 countries are represented. Details are available elsewhere (Golembiewski and Luo, 1994; Golembiewski and Bradbury, 1998).

Estimated outcomes of 100 third world cases are summarized in Table 3. The table suggests the broad applicability of OD designs. Cultural factors may depress success rates,

**TABLE 3** Third World OD Success Rates (%; N = 155)

Success rate categories	Third world settings
I. High positive and intended effects	18.7
II. Definite balance of positive and intended effects	58.1
III. No effects	18.1
IV. Negative effects	3.2
Not yet classifiable	1.9

TABLE 4 QWL Success Rates (%)

Success rate categories	A. All settings (N = 231)			B. Union status (N = 106)	
	Overall	Public sector	Business sector	Unionized	Nonunionized
I. Highly positive and intended effects	63	50	67	59	61
II. Definite balance of positive and intended effects	28	39	26	34	30
III. No appreciable effects	3	2	3	3	0
IV. Negative effects	5	9	4	4	9

as may low incomes, but the gross effect *is not very great* in either case, to judge from Table 3.

5. *OD in impoverished settings.* But perhaps gross income differences within a nation-state will reveal OD's provincialism. So we looked, but found only 37 cases in "impoverished" U.S. settings. Shame on us ODers.

Although some observers recall many more published efforts, they have not yet augmented our panel with specific cases, nor have we found them in our own determined search, so 37 cases will have to do.

Doing the best with what we have, OD success rates are lowest in impoverished settings—slums and ghettos and low-income housing developments—where the modal intervention is interaction-centered and deals with conflict resolution to cool down domestic violence. Only 8% of the cases achieve highly positive and intended effects, 16% have no appreciable effects, and 8% have negative effects. Nonetheless, over 7 in 10 cases are placed in success category II, as described above; that is, evaluative studies report at least a definite balance of positive and intended effects, or better, in about 75% of all applications.

6. *QWL and success rates.* Let us persevere in seeking evidence to support Beer's view. Perhaps the shop floor will highlight OD's provincialism and limited applicability. Here, reliance is placed in 231 QWL applications which focus on low levels of organization and often on unionized/unionizable settings. Details are available elsewhere (Golembiewski and Sun, 1990). Here note only that OD and QWL are seen as sharing common values even as the two have certain different central developmental tendencies (Skelley, 1989). Note also that all cases in this panel provide "hard" data about outcomes as the requirement for admission. Hard outcomes refer to objectively related productivity, dollars-and-cents waste, absenteeism, and on through a list of 15 indicators. Conveniently, all cases also estimate "soft" outcomes, such as effects on satisfaction or job involvement.

The QWL panel does little to discourage OD applications. First, success estimates in the column labeled "overall" in Table 4 are *very* high. As a ballpark figure, QWL applications generate success rates about 10 to 15% greater than the OD panel of 574 cases.

Second, hard vs. soft estimates of outcomes do vary some, but not grossly. Soft data are not reported here, but they provide the *less attractive* profile of outcomes of the two very favorable estimates considered here. This flatly contradicts the dour expectations of some.

Third, success rates do not vary much by classes of QWL applications—human-processual, sociotechnical, technostructural, and combined. The  $4 \times 4$  table of data is not reprinted here, especially because the average difference between all comparable cells is only a bit over 3%. This encourages rethinking by those concerned about the narrowness of planned change via OD or QWL. Moreover, the success rates give no comfort to those proposing the management bias of OD or QWL values.

Fourth, analysis indicates no great differences in the success rates of QWL applications

in union vs. nonunion settings. Table 4B provides summary data for the cases on which information about union status is available, which constitute over half the panel of 231 applications. As a comparison with the "overall" column in Table 4 implies, the cases on which data about union status is missing have success rates very much like those for unionized and nonunionized settings.

7. *QWL and positive findings bias.* Finally, not much of the "good" in QWL outcomes can be attributed to weak methodology or design. Four points tell it like it essentially is (Golembiewski and Sun, 1989).

First, in statistical terms, there *is* a nonrandom association between "bad" rigor and "good" outcomes in the total QWL batch. This confirms the common suspicion, in general.

Second, however, that association *is quite small*. Specifically, only 7% of the variance in estimates of success in the total QWL batch is explained by methodological differences. In sum, the support of the common suspicion is not very strong.

Third, and perhaps curiously, when the public sector cases are isolated they show *no* positive findings bias. Note also that their rigor scores are significantly *higher* than in applications in the business sector. Neither finding accords easily with the common wisdom.

Fourth, we measure outcomes in two ways and rigor in three ways—just to be sure. There are *only negligible differences* between the multiple analyses permitted by our several estimates of success and methodological rigor.

## II— Continuing Growth of Graduate Programs

Institution building is consistent with these numbers, and further undercuts Beer's position that OD is dying. The continuing—even accelerating—growth in graduate OD programs implies that there is "something there" of great theoretic as well as practical significance. Of special note, today's times see no proliferation of graduate programs, broadly viewed. Indeed, the trend line seems definitely in the other direction. Briefly, the current growth in OD and consultation programs has had to swim upstream against strong currents, as it were. Indeed, those currents are deep as well as swift. In effect, any start-ups have to convince numerous competitors for scarce resources that planned change is more worthy of support than the reviewers' own specialties, many of which are solidly entrenched in academic power structures.

Of special significance in connection with institution building, in only the last couple of years several major U.S. doctoral programs also have been launched. The Pepperdine program has a slightly longer history, and quickly recruited an initial class of over 20 highly qualified candidates. More recently, another doctoral program was authorized at Illinois Benedictine, and that program seems well situated to draw on a supply of students, including those from Benedictine's long list of graduates from their long-standing master's degree program in OD.

Such start-ups promise major additions to the legions of ODers who can ratchet upward the state of OD art and sciences, and they provide powerful reinforcement to other streams of ODers. At the doctoral level, Case-Western's program will first come to many minds, but useful doctoral programs for training ODers can be fashioned at numerous locations—such as Brigham Young, Georgia, Yale, and Harvard. They all have graduated prominent ODers in past years. In addition, numerous academic institutions field relevant programs at the master's level (e.g., one can get a "certificate in OD" at such institutions as West Florida as an enrichment of basic master's programs in business, public administration, and education).

Let me bring the central issue to a definite point. A long list of academic programs in OD is available for both U.S. and overseas locations. In fact, one source (Organization Development Institute, 1995, pp. 216–248) contains descriptions of 91 relevant programs. That list is long, but probably incomplete.

Moreover, various learning centers also have been active in training ODers, both in degree programs and especially on an in-service basis. Without doubt, the two best-known existing programs are those fielded by the NTL Institute for Applied Behavioral Science and by University Associates. Without doubt, by far the largest in-service effort was the school at Ford Ord, California,

once run by the U.S. Army with an organizational effectiveness (OE) thrust. It trained ODers in the thousands. The OE program no longer exists, but many of its human products today enrich OD practice, in the military as well as elsewhere.

### III—

#### State of Academic Membership Groups

Organization development's condition also seems burgeoning in "academic" membership groups, and preeminently in the Academy of Management's Division of Organization Development and Change (ODC). In 1995, the ODC division was essentially tied for fifth place in the number of members from among the Academy of Management's 22 divisions. Moreover, ODC has grown more rapidly than the academy. Since 1985, all academy membership grew by a bit more than 50%, which is obviously a healthy increment. In contrast, membership in the ODC division rose by almost exactly 70% during the same interval.

Not that impressive numbers mean that all is well. Let me be a bit contrarian, perhaps, from a personal perspective that is certainly debatable, if not plain wrong. In brief, OD has seen substantial migration toward it in practice although not always in principle. More or less typically, the new migrants are accepted by ODers, although the former may have an undeveloped sense of OD values, approaches, and skills; rather, the new migrants often remain rooted in their home turfs and frame their outreach in terms that relate to OD concerns, but only derivatively.

Many times that reach is a long one and the grasp is incomplete. For example, this is often true of extensions of "culture" to OD. Culture *is* a relevant issue in OD, even a central one, and has been so from the earliest days (e.g., Bradford, Gibb, and Benne, 1964, pp. 216–247), but that is not to say that there exists a happy confluence of the means and goals of OD with members of all of the major categories of workers in culture's vineyards—anthropologists, cultural geographers, social psychologists, sociologists, futurists, pop observers, and so on. Often, in fact, these several traditions contribute little to OD's central concerns and values, and sometimes are variously out of tune with respect to them. For example, some prominent views of "culture" are vague about interventions, if they are not opaque to it.

### IV—

#### Demand for ODers outside Academe

No firm numbers are available, as far as I know, but my impression is that the demand for ODers "in practice" continues strong, at least. Indeed, that demand seems to be growing, if the growth in OD-related academic and in-service programs is any indicator. "Better" is always in demand, of course, but "more" also seems respected.

Being "outside academe" or "in practice" here refers to several classes. They include: "internals" employed by a business or public agency largely or exclusively to "do OD"; "external" ODers who are freelancers for substantial proportions of their work weeks; and "externals" in full-time consulting shops who are for hire by businesses or agencies.

What is my evidence? It has real limits, but it is the best I have. Let me illustrate in four ways. First, my contacts with corporate headhunters lead me to conclude that demand typically is greater than the supply of relatively skilled OD candidates, although first-time job seekers can have spotty luck. Also, as noted, the supply side is perking along, so the shortfall is not an artificial one created by restraints on entry into OD.

Second, the situation seems to be that being an ODer is seldom forever. Of the 12 ODers with whom I spent much of the last two or three decades, one is president of a major urban transportation agency; another is an executive VP of human resources; two moved from internal to external roles, but have cut back their schedules; yet another is retired after leaving his internal role for 10 to 12 years of freelance work; only one is in the same OD role, more or less; and six others went in several directions after variably lengthy OD service.

Third, as the point above implies, organizations often prefer that their managers have "OD orientation and values," and a rotation in depth through OD activities is a good way to accomplish this end. But career development often continues beyond such enriching assignments. In the U.S.

Army, for example, OE candidates went to intervenor school, *after* attaining substantial rank in conventional roles. There followed one tour, occasionally two, in an active OD role, and after 4 years or so, it was back into the "go-go" of the Army "line." The idea has much to recommend it: coming in, you get ODers to be with credibility; and coming out, you get line commanders with a real sense of planned change, reentering roles with the muscle to do something directly about change.

Fourth, a substantial demand for ODers inheres in typical career pathways. Thus, those prepared in OD can soon find it is not their cup of tea, or burnout or flame-out can occur over time, which encourages resting or simply getting out. More frequently, ODers can sense their knowledge/skills have obsolesced, especially relative to the recent graduates of academic or rigorous in-service programs. Perhaps most frequently, promotions require different orientations from OD.

For such reasons, as well as others, the circulation of ODers seems substantial. For example, I am told that some 50% of the attendees at OD Network (ODN) annual conferences are first-timers, more or less, year after year.

V—

### State of Professional Membership Groups

The state of the core of any area of inquiry/application is reflected in its professional membership groups, with the rationale being transparent. Professional membership groups will provide much of the necessary sense of identification, the required socialization in ethics as well as practices, and the timely diffusion of innovations that will characterize a caring and competent OD.

From this fifth perspective, OD also seems in good shape. Two perspectives suffice for present purposes, and the "professional" focus here reinforces the state of "academic" membership groups considered above.

Over the years, some OD professional membership groups have waxed and waned. Thus, the lofty aspirations of the International Association of Applied Social Scientists—the awkwardly acronymed IAASS—were incompletely realized. Several rounds of certification were completed; the organization transitioned to Certified Consultants International, and then it dissolved as a central structure, although several of its regions perdured in rechristened form. At the same time, new forms of membership groups also appeared. In the southern region, the Southeastern Organization Development Interest Group (or SODIG) enlivened and enlightened my professional and personal life for 5 years or more. Then Atlanta's OCA (for Organization Change Alliance) appeared under the leadership of Joanne Preston, and goes about going on.

This history can be read in several ways, but one reasonable view proposes that OD has maintained an active periphery—with some initiatives persisting and others falling by the wayside. The overall picture suggests healthy dynamics—innovations at OD's peripheries that help guard against the historic core becoming inbred and, over the longer run, ossified.

Throughout the past several decades and beyond, two membership groups have remained robust. In other words, a solid OD core developed, and persists. Thus, ODN remains *the* paramount domestic association, with roots going back to Bethel and NTL of the late 1960s. The ODN gets lively reinforcement from the OD divisions of the American Society for Training and Development as well as the American Management Association.

Moreover, the Organization Development Institute (ODI) under Don Cole's inspiration has remained rooted in the Midwest, while its influence is now felt worldwide. In addition and as a bit of pleasant paradox, ODI not only has provided over a quarter-century of annual "information exchanges" at U.S. sites to enrich practice and research, but ODI also now generates critical international outreaches via annual congresses sited around the world, as well as via special projects such as that targeted at peaceful resolution of conflict. The ODI is no Johnny-come-lately. The 28th Information Exchange was held in 1998, and the 18th O.D. World Congress was held in Dublin, also in 1998.

Various bits of data give substance to these general observations of what membership groups imply about the state of OD. Conveniently, consider developments only after the initial Beer/Golembiewski difference of opinions—roughly, 1990. Although a long-standing organization, ODI clearly



has not "matured." Indeed, since 1991–1992, ODI membership has increased by over 28%. As for ODN, the total membership in March 1990 was 2,116 and in March 1995 stood at 2,526, which approximates a 20% increase. Interestingly also, the percentage of nonrenewals of ODN membership has fallen by a full third in recent years. Does this suggest more stability in those identifying with OD? That is a reasonable guess, but if so, that is not necessarily all good news.

The case for optimism also gains support from the rapidly accelerating growth of professional associations overseas. Much of this spurt—in Mexico, South Africa, and virtually all of Europe—can be traced directly to ODI, and the World Congresses initiated under the leadership of Don Cole. Indirectly, ODI dynamics also energized the International Organization Development Association via early competition with ODI. Some of the early overseas activity—especially in India and Poland—can be traced directly to early contacts with the NTL Institute of Applied Behavioral Sciences. On occasions, this early seeding also was reinforced by ODI.

VI—

#### **Five Aspects of an In-Process View**

From five limited (but revealing) perspectives, then, OD's lifeline seems robust enough. These five perspectives are not just chosen, willy-nilly, and they clearly are not all direct measures of quality, of course, which is what counts most. Nonetheless, in a cumulative way, those perspectives relate to central supply-demand issues. The overall picture encourages us not to shed any funeral tears over OD's bier. Notice of that death, or even serious illness, remains premature and exaggerated.

This does not argue that all is well in OD, of course. Here, concerns about OD's successes leading to a risk of failure get some emphasis. Elsewhere, other challenges facing OD get extended attention (Golembiewski, 1996).

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71—

## **The Dominant Intervention Theory and Its Selected Shortfalls**

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Without doubt, Argyris has contributed the most popular "theory of intervention" (1970), and consultants are well advised to know about its characteristics and perhaps particularly about its limitations. Attention turns to each in turn. Subsequently, a section will sketch some personally acceptable working resolutions of the shortfalls associated with Argyris's seminal model.

I—

### **Basic Characteristics of Argyris's Model**

In an age all too vulnerable to charges of trendy polysyllabilism, if not psychobabble, Argyris's model stands out boldly. It seems direct and simple, as Table 1 suggests on first reading. The "primary tasks" there thus refer to both clients and interventionists, for example. Also, the summary in Table 1 reads as if it should have the effect of simplifying the construction of a "theoretical framework" that "is internally consistent and empirically verifiable" (Argyris, 1970, p. 15).

Virtually all observers see the Argyrian model in a favorable light. To illustrate, this writer in earlier days had just such a reaction (Golembiewski, 1979, vol. 2, pp. 428–429). Perhaps the major exception to this generalization is Van de Vliert (1977), who also summarizes another critical text (Koopman and Werkman, 1972).

On the general principle that prominent concepts will generate motivation for critical review, this stark record of all but universal acceptance deserves respect. On the other hand, however, Argyris's intent to achieve "internal consistency" and "empirical verifiability" certainly does not make it so. Let us take a critical look, if only to confirm what almost all observers have concluded.

II—

### **Some Limitations of Argyris's Model**

On even a little reflection, numerous features can chill the enthusiasm associated with *Intervention Theory and Method*. Six points illustrate the fuller argument that might be made. The interrogative form is used, consistent with the notion that this chapter raises possible problems with Argyris's approach and does not even pretend to resolve them.

A—

#### ***Is Internal Consistency at Odds with Empirical Verifiability?***

In multiple senses, this question seems an apt one. Also in multiple but not all senses, a reasonable working answer is: Yes, *Intervention Theory and Method* gains internal consistency at the expense of empirical verifiability.

**TABLE 1** Major Characteristics of Argyris's *Intervention Theory and Method*

1. A system is effective to the degree that (Argyris, 1970, p. 36)
  - a. Objectives are achieved.
  - b. The "internal environment" is "maintained."
  - c. The "relevant external environment" is not only adapted to, but control over that environment is also maintained.
2. An interventionist can play an important role in this view of effectiveness by contributing to three "primary tasks," which are seen as ubiquitous if not generic as to (for example) the level or objectives of the intervention
  - a. Generating valid *and* reliable (and hence useful) information
  - b. Helping to generate free and informed choices by "all clients"
  - c. Achieving internal commitment "on the part of clients" to choices made in isolating and resolving problems as well as in implementing solutions
3. Sharp restraints exist for the interventionist's role. As Van de Vliert observes (1977, p. 558): A "unilateral controlling strategy" is permissible on occasion—that is, when the problem being discussed is unimportant—when the problem is clearly beyond the expected competence of the clients and when the client system is in extreme danger and feels helpless.
4. The primary tasks relate to the effectiveness of both where and when to intervene, how to judge the effectiveness of interventions and intervenors, and hence when to continue, heighten, or shut off an intervention.
5. Achieving primary tasks is facilitated by the interventionist helping the client generate a broad climate of openness and trust.
6. "Change is not a primary task" (Argyris 1970, p. 21).
7. The association with and support of "top management" is critical—I almost write "absolutely critical"—for both interventions and interventionist. This pairing has at least two major public purposes in Argyris's model.
  - a. That top management can provide critical resources for posing, solving, and implementing solutions to problems—money, time, influence.
  - b. That those in lower hierarchical ranks can be vulnerable and hence prudently resistant to generating valid and reliable information; hence, protecting them by public commitments of top management can be recommended on the grounds of both native cunning as well as "organizational humanism."

Consider only a single revealing contrast. At a minimum, many thousands of words have been devoted to the internal consistency of Argyris's model, for varied purposes which later emphases will help illustrate. Very little attention has gone to what may be called "empirical verifiability," however, even if conceived in the loosest terms. Indeed, as several aspects of the discussion below imply, verifiability did not have much of a chance: it was clearly sacrificed to internal consistency.

**B—**  
***Why Not "Change" As an Objective?***

In short, when push comes to even gentle shove, internal consistency gets all the better of it in major regards. Consider Argyris's insistence on the term *interventionist*, as contrasted with such a common usage as *change agent*. Clearly, a reasonable construction is that "change" simply does not fit comfortably with other verbal features of Argyris's model (e.g., "free and informed choice by all clients").

This concern with internal consistency has its costs, some of them very expensive ones. To illustrate only, unless one clearly specifies what is to be changed by specific interventions, that severely limits acting so as to determine empirical verifiability. As Lewin apparently noted, in paraphrase: "If you think you have a good theory, try changing something in the world in terms consistent with that theory." Given this Lewinian view, change agent seems as appropriate as interventionist, if not more so.

C—

***Intervention for What Purposes?***

Directly, as the model stands, the "primary tasks" can be put to the service of any values or ethical sets. This certainly simplifies, but it can never satisfy. *The key question is: Intervention for what, and perhaps why?*

Now, Argyris might argue: One intervenes to accomplish the primary tasks, so as to generate the system effects detailed in Table 1. If so, internal consistency triumphs again over empirical verifiability. Worse still, the odds seem to favor a pyrrhic victory, at best. To explain, this line of approach takes too much for granted. Basically, data valid for one goal or problem may be irrelevant to other goals or problems. Explicit values are needed to identify relevant targets, to put it directly. Far more expansively, it is very difficult to empirically verify such profoundly broad linkages as Argyris proposes, and especially so in the early or "adolescent" stages of development of any field of inquiry.

D—

***Is Problem Solving "Deficiency Oriented"?***

Merely as an illustration of the general point, some might argue that Argyris is internally consistent mostly in his insistence on inducing a "deficiency orientation" or a "deficiency motivation" via the focus on finding "something wrong." For example, those with an inclination toward appreciative inquiry (AI; e.g., Srivastva and Cooperrider, 1990) might urge Argyris to find "something right," and build on that in profoundly different ways and with different consequences than a "deficiency approach." Similarly, many reasonably counsel managers to "catch someone doing something right."

Although this writer has his own bones to pick with AI (Golembiewski, 1999), the general point has a major relevance for Argyris. He makes a major prior choice in developing his model, in effect; problem solving is *the* game. That limits the kind of choice making as well as the relevant information that an AI approach requires. These effects limit the internal consistency of Argyris's model, as he in effect makes a vital choice for clients. Moreover, his choice making also limits the realm targeted for empirical verification.

E—

***What Is "Top Management"?***

Far more pervasively, Argyris's position falls short in determining who will do the choice making, and when. Conceptually, *Intervention Theory and Method* typically sees "top management" as the executives (e.g., Argyris, 1970, pp. 119–120, 325–369), but this (often?) excludes a firm's board of directors. Far more expansively, Argyris implies a view of ownership and control that has two features: it fits most comfortably with simple forms of capitalism; and today's realities depart widely from such forms, what with "insider boards," tiny-minority ownership permitting control under prevailing legal conventions, large institutions aggregating various shareholder or stakeholder claims, and so on (e.g., Golembiewski, 1995).

More egregiously, Argyris's view of "the top" best qualifies as a "single-domain" model—the executive or management domain—and organizational realities today typically challenge us with multiple domains. Kouzes and Mico (1979) thus distinguish the following three domains in human service organizations:

Policy or governance  
Management  
Service, or client-specific

Similarly, Argyris's view applies poorly to the public sector, in which separation of powers and checks and balances create a myriad of multiple domains to which interventionists must relate (e.g., Golembiewski and Kiepper, 1988). Where unions exist, they also can constitute a supramanagement domain. See also Golembiewski, 1985.

Also of great and probably growing significance, Argyris provides imprecise guidance where "networks" predominate over simple hierarchies. Nowadays this dominance is growing, and may become powerfully consequential for those interested in intervention or change agency (e.g., Chisholm, 1998).

**F—**

***Why "Give the Store" to "Top Management"?***

Overall, and by far, Argyris grants too much to top management to justify confidence in a substantial degree of balance. For example, Argyris apparently permits top management, *after the data are gathered and interpreted*, to determine *whether or not* information collected by survey or interview will be fed back to some members of a client system, as well as to specify *which* members will be so favored (e.g., Argyris, 1970, pp. 228–325). Argyris thus permits only a narrow interventionist role.

This conceptual domination of top management is troublesome. *The* problem is perhaps not so much that interventionists will become "servants of power," although that is a real concern (e.g., Baritz, 1960) and although Argyris makes it easier for that to occur. Relevant to Argyris's concessions noted above, *before* commitment to a design, bargaining is appropriate for all members of a client system, broadly defined. Moreover, once committed to a specific design for gathering data, *for me* only *very grave* considerations allow any member of a client system such concessions, and certainly not without alerting all members of that system or their representatives.

Let me be selective in detailing the shortfalls of Argyris's easiness with top management, given that others have raised related concerns (e.g., Koopman and Werkman, 1972, pp. 37–43). For the interventionist, major ethical, technical, and practical issues can get triggered by Argyris's largesse to top management. For example, as interventionist I could not legitimate such a compromise of a design, once committed to by all relevant parties or their representatives. For me, the *only* ethical design specifies major details beforehand, and that cannot be undone simply because one party has second thoughts (e.g., after learning what the data say). Data feedback is no ephemeral detail of such designs. Technically, also, violating any details regarding milestones, date, and activities—all useful ways to "corral" participants, and especially top management—probably would gut any survey/feedback or interview/feedback design. Elementally, moreover, Argyris's concession to top management permits exercise of, for example, their "free and informed choice," but only at the expense of similar opportunities for choice by all stakeholders—other members of the client system, interventionists, or whoever.

**G—**

***So What If Top Management Is the Problem?***

Finally, on the present short list, Argyris's focus on top management can cut several ways, not all of them intended or even recognized by that major developer of ideas. Attention here will be limited to three points, although similar effects could be added. To begin with, even otherwise given the best of all worlds, top management might have a disproportionate influence on what problems might get raised, on shaping the frames of reference and so on (e.g., Young, 1975). Of course, normal conditions fall short of the ideal and exacerbate such effects.

Conceptually, as noted, the informed choice of top management might variously limit the informed choice of those at lower levels of the organization. Argyris's scheme provides no conceptual way out of this concern, which consequently becomes a conceptual *impasse*. Put in other terms, such a feature sharply limits the internal consistency of Argyris's model, and in effect finesses the large volume of materials that Argyris devotes to establishing how conflicts of interest can and do proliferate (1970, pp. 58–88).

To conclude this brief list of particulars, there is evidence that programs of change, if you will, can occur when top management is only a modest or even duplicitous supporter, and even when top management is the basic problem (e.g., Golembiewski, 1979, vol. 2, pp. 157–161). Argyris's model falls seriously short when the latter case exists, which (in my opinion) is typically the case in greater or lesser degree.

### III—

#### Some Personal Working Resolutions

So, where does this leave the consultant? Broadly, Argyris's approach need not be rejected, but it must be modified. Care is appropriate for those change agents who decide to be influenced by *Intervention Theory and Method*.

Some greater specificity may be helpful, although many issues will remain debatable, if not in deepest doubt. Four factors get attention.

First, consultants might consider thinking of themselves primarily as working toward the achievement of an effective and just system, using a powerful and value-guided technology. In this view, top management may pay the fees, but the piper only gets to mutually commit to the basic tune rather than to call it. Readers of this handbook can usefully consult the contribution below by Tannenbaum and Davis, "Values, People, and Organizations," which serves as a normative template for intervention in its broadest sweep. For interventions at micro levels, several contributions also provide guidance (e.g., see this author's "Sociopathology in Today's Organizations," Chap. 68, or "Giving Effective Feedback," Chap. 48).

In this view of the self, consultants are specialists in helping to infuse organizations with specific values—or if the reader prefers, for mobilizing biases that serve individuals and organizations. Here consultants not only help mobilize stakeholders in moving toward a normative agreement that will guide later choice making, but also contribute to enforcing that normative agreement by facilitating agreements that balance all interests in a rolling mutual adjustment.

Second, such an interventionist self-concept has a variety of other significant implications. Once a client buys into the value set, the interventionist plays a major role in how and why a particular technology can apply, and this induces a set of relationships with clients that go beyond facilitation. Here the interventionist may have to energize what is perhaps the most powerful intervention (e.g., "No, I don't believe that will work, given our basic values and knowledge of the technique"). Relatedly, interventionists might well concern the self with inducing a motivational set in clients that precludes shallow decision making, and with raising client awareness about those features. For example, many survey/feedback designs get aborted at various stages, which is not only wasteful but awkward tactically, hence in moving to a decision about whether to survey or not, I tell the client the design has features that constitute a kind of "corral" that encourages a narrow range of behaviors oriented toward persistence toward design milestones on the general principle that it is far better not to start than to abort. My version of survey/feedback thus emphasizes quick starts as well as clear milestones with dates—for early "action" items, survey implementation, feedback and action planning, evaluation, and so on (Golembiewski and Hilles, 1984). All these encourage progressive commitment and induce public pressures to see the survey process through to a conclusion by all stakeholders, and especially top management.

This all implies a more nuanced set of relationships between top management and interventionist than Argyris seems to have in mind, and which leave his position vulnerable to concerns of a too-close relationship between top management and the interventionist. These differences in relationships, broadly, seek to surface any conflicts of interest early in the game.

Some top managers might see the present approach as limiting their discretion which, after decision points are passed, is *precisely the intent*. This limiting of discretion might also focus efforts toward change or intervention, and that also would be welcome.

How to do better in this crucial matter of substantial balance between parties to a contract in a change program? The discussion above contains a few particulars, but details must be reserved for other times and places (e.g., Golembiewski, 1985, esp. pp. 234–365). Here emphasis gets directed at only five points. First, an elaborated view of the interventionist's role seems necessary, thus the usefulness of the "independent third party" seems a highly relevant and powerful theme when it comes to defining interventionist roles as one way among many of dealing with the sometimes conflicting realms of hierarchy and other domains of interest.

Second, the ethical boundaries of the interventionist deserve careful attention (Gellermann, Frankel, and Ladenson, 1990), and so does the creation of infrastructure to protect the intervenor from demands by hierarchy to violate those ethical boundaries (e.g., Golembiewski, 1989). Some such infrastructure is already in place but only in rudimentary form.

Third, consultants might well seek to isolate "wriggle room," as distinguished from identifying with "the top." Several selections below help in this regard, including one by this author: "Alternative Models for Structuring Work" (Chap. 34).

Fourth, consultants could start seeing themselves more often as resources for developing estimates of the health of organizations as well as of their members. "Burnout as a Focus for Consultants" (Chap. 37), by this author, serves such a purpose, and so does "Group Norms as Levers for Consultants" (Chap. 49). Such selections provide an alternative to top management hegemony, an alternative in which both executives and interventionists can place their trust.

Fifth, consultants should increasingly think of themselves as resources for generating information that at various levels can help clients avoid reinventing the wheel or, worse still, inventing square wheels, even if clients have a strong urge to do so. Such resource providing is intended to guide which classes of information should be searched and to provide at least rudimentary templates for decision making. In their own ways and at very different levels of analysis, a number of selections in this handbook illustrate what can be made available to clients. See Dunphy and Stace's "Strategies for Organizational Transition," as well as another of my selections, "Humans as Need-Fulfilling."

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72—

## **The Intervenor's World: Overall Features and Special Traps**

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Chris Argyris has given telling attention to describing the interventionist's world, and we rely on his work to paint with a broad brush some features of the role that are quite general and probably universal. Specifically, Argyris (1970, pp. 128–176) distinguishes four classes of generalizations relevant to intervening, which are briefly introduced below.

I—

### **Primary Tasks of the Interventionist**

Despite some deviations when more directive behavior is appropriate, the intervenor seeks to play a facilitative role in aiding the client or client system in coming to a better understanding of itself and its environment. Conveniently if somewhat simplistically, then, the intervenor seeks to

Help the client system generate valid information

Help the client use information for making more informed and responsible free choices

Help the client generate information and make free choices in ways that enhance the internal commitment of the client

Help the client to

Select goals with minimal defensiveness

Define approaches to achieve goals

Relate choices of goals and approaches to central needs

Build challenging but attainable levels of aspiration into choices

Patently, the overall goal is to generate valid information in ways that are ego enhancing or at least ego maintaining for the client, as well as in ways that reduce client resistance to or dependence on the consultant. That is a difficult combination, but well worth the effort.

II—

### **Qualities Needed by the Interventionist**

This basic reliance on the resources of the client or client system may be misleading, and it clearly will be if it encourages neglect of what the intervenor brings to the situation. Perhaps four intervenor qualities loom largest, and they can be detailed here briefly, again relying on Argyris.

Confidence in one's own philosophy of intervention and its derivative strategies

The ability to perceive reality accurately, especially under stress



The ability to perceive and accept the client's attacks and mistrust, and willingness to encourage the client's expression of them

The capacity to use stressful situations as learning opportunities for self and client

In these senses, the intervenor serves as an anchor for the client or client system. "I know this approach usually works," the intervenor should ideally project, "if we hang in there long enough and can build escalating confidence in one another. Essentially, this means concentrating on the problem, not letting things like mistrust build between us, relying on our ability to perceive what is going on, and being willing to deal with whatever comes up."

### III—

#### **Conditions Faced by the Interventionist**

These qualities of the intervenor—as an anchor for basic processes and an early modeler of them—are typically tested in rough seas; that is, the interventionist faces a set of conditions that encourage confusion or compromise about what is going on and why. Specifically, Argyris isolates four conditions that especially test interventionists' confidence in methodology and in self.

A high degree of discrepancy and ambiguity

Between their views and those of the client about the causes of problems

Between their views and those of the client about the design of effective systems

Between the consultant's own ideals and behavior

Marginal membership in the client system, which is at once a source of a consultant's value and a problem

Mistrust by clients, as reflected in their misperception of the consultant's motives or misunderstanding of his or her communication

Minimal feedback from the client about effectiveness

### A—

#### **Possible Awkward Adaptations by the Interventionist**

Such difficult conditions may encourage a wide variety of maladaptive responses by the interventionist, which must be guarded against. In brief summary, Argyris identifies four such maladaptive responses as most probable.

Increases in defensive behavior, and a decrease in the use of appropriate coping behaviors

Unrealistically high needs for inclusion in the client system or, alternatively, a decision to engage with the client system on a limited technical or specific basis only

An unrealistic level of expectation, a compulsion for immediate and major "impact" or "success"

High needs for confirmation or disconfirmation by client

Such responses clearly make the intervenor's needs dominant, and they can get in the way of the goal of helping the client apply resources to the problem situation. Illustratively, an interventionist with high needs for confirmation or disconfirmation by the client is less able to serve as an anchor for the very processes to which the client ideally will commit. Fine-tuning is needed, however. The intervenor who sees no need for confirmation or disconfirmation from the client, or neglects or misinterprets them when they are given, is in equally difficult shape.

### IV—

#### **Some Roles That Consultants Play: Distinguishing Ways of Coping**

The interventionist's world is particularly treacherous because his or her behavior will vary with the several roles that can, and often should, be played. The role demands on the interventionist are

not only severe, in short, but they can be at serious cross-purposes. A brief taxonomy helps make the point.

There probably never will be a single, satisfactory way of classifying what a consultant does, so this section is as quixotic as it is necessary. Unpretentiously, the approach here distinguishes five broad roles, including the following:

Facilitative  
Gatekeeping  
Diagnostic  
Architectural  
Mobilizing

Roughly, the roles are listed in order of increasing obtrusiveness, as the brief descriptions below clearly imply. Table 1 also lists some modes of expressing those several roles, as well as some specific activities associated in practice with those roles.

A—  
**Facilitative Role**

This constitutes the primal consulting role and is a quite direct transfer into the work site of the basic preoccupations of counselors or T-group trainers. The facilitator helps individuals and groups cope with the webs of processes and relationships within which they find themselves enmeshed, sometimes comfortably but often not. The premium is on use of client resources for diagnosis and solution, with the goal of maximum ownership via the client's self-acceptance of his or her own experience. The facilitator helps to clarify that experience and the choices available to the client.

**TABLE 1** Some Consultant Roles, with Related Modes for Expression and with Associated Activities

Typical roles	Modes of expressing role	Associated activities
1. Facilitative	Relationship improvement Process enhancement	Third-party consultation; role negotiation Team building; family T group
2. Gatekeeping	Espousing attractive values Modeling behaviors and values in action	In writing or behaving consistent with values
3. Diagnostic	Designing enhancers of feedback and disclosure Action research Elaborating theory  Rational analysis	3-D images; suggesting that a management team videotape and critique its interaction Survey research with feedback Comparing alternative structures for organizing work and their consequences  Analysis of systems and procedures; cost-benefit analysis; operations research
4. Architectural	Changing behavior Exchanging people Changing structure Changing policy  Changing technology	Behavior modification; contracting Participating in a reduction-in-force or a demotion Job enrichment; MBO; role negotiation Flexi time; quality-of-working-life projects; eliminating the hourly/salary distinction  Disseminating basic innovations, social (as in MBO) and technical (as in computer technology)
5. Mobilizing	Inside pressure Outside pressure	Vertical feedback designs; team building Union organizing; consumer suits; organizing rent strikes

**B—  
Gatekeeping Role**

This second role gets somewhat more obtrusive and on occasion even coercive. As a kind of moral conscience, the consultant seeks to control norms and values, to admit or exclude specific ways in which data or relationships are to be dealt with. This role is characteristic of the organization development (or OD) consultant in a "process consultation" mode (e.g., Schein, 1969, 1987, 1988).

Effectively, the gatekeeping consultant serves as a traffic controller—admitting this sheep and excluding that goat, as it were. Hopefully, there will be ample help from others, but sometimes the intervenor must stand lonely vigil, perhaps while under attack. How well the intervenor does at such times in modeling the attitudes and behaviors espoused in principle often will go a long way toward influencing the success or failure of interventions.

Consultants gatekeep in terms of both what they espouse and what they practice, that is, with the latter being far more impactful than the former. Indeed, central episodes in consultation often in effect test whether intervenors really mean for themselves what they prescribe for others. In my experience, these central episodes often involve the appropriate degree of "distance" between intervenor and organization members. If the intervenor cozies up to a supervisor, as by watering down negative feedback, the intervenor can come to be seen as serving those in power. On the other hand, if the intervenor identifies too exclusively with the subordinates, hierarchical superiors may reject the values the intervenor professes and encourages them to share.

Gatekeeping requires very delicate skills indeed. Often subordinates are cautious and wait to see what happens to the intervenors when (and if) they model with superiors the values and behaviors that the intervenors prescribe—for others!

**C—  
Diagnostic Role**

Still more obtrusive is the diagnostic role generally. Although the several components differ substantially, the consultant's qualities more likely will be up-front in this role because of skills, training, knowledge, or experience. Typically, that is to say, one cannot play the diagnostic role and the facilitative role without significant (even if sometimes subtle) shifts in the mode and character of behavior. Noteworthy dilemmas inhere in this fact; for example, how to be diagnostic in the present sense while enhancing or at least maintaining the sense of client ownership, both of which are easier to do in the facilitative role.

The four examples of diagnostic role variants in Table 1, for example, are roughly arrayed in order of how much intervenor skills and attributes stand front and center. Patently organization members are the experts in giving feedback to one another. In elaborating theory or in rational analysis, in contrast, the intervenor is far more likely to be on his or her own turf, with implicit or explicit claims about dominant expertise that will affect client involvement and ownership.

**D—  
Architectural Role**

Consider a curious duality. There has always been an architectural component in all interventionist activities, but the full realization of the scope and significance of this role has come slowly.

Stated in Bowers's terms, intervenors cannot long remain content with a "catalytic" or "facilitative" definition of their role. Bowers notes (1976, p. 55) that definition, expressed in the simplest terms, inclines "toward the opinion that the client unit—person or work group—contains all of the capacity necessary to cope with its own problems, provided that it is aware of both these things (capacity and problems). The consultant . . . therefore [helps] create an interpersonal situation in which awareness can occur. His role in other words is limited to freeing up or speeding up a 'natural' capacity for constructive change."

This catalytic role can be useful, but it has a restricted application. This will especially be the case for noninteraction-oriented designs such as structural change, and job redesign, and it will also be the case where theoretical understanding is required to comprehend "the problem" and to prescribe "remedies." In such cases, Bowers notes that a catalytic role often will be counterproductive. Here the consultant has to be bolder in helping the client in defining the problem, putting the client

in touch with the required literature or experience, and helping the client to design suitable learning vehicles. This boldness blends into an architectural role, ideally without running ahead of the client but nonetheless with insistence that some wheels do not need reinventing.

**E—**

### ***Mobilizing Role***

Perhaps least acknowledged is the interventionist's mobilizing role, and for substantial reasons. Let us approach the point in two ways.

First, the mobilization role has not been so subtle as to escape note. Thus, it has been recognized quite widely that interventions like team building have consequences for the distribution of power in organizations, and hence that these interventions can be profoundly political. These inherently-mobilizing characteristics of some interventions, however, do not (and should not) preclude their use; rather, in recommending such interventions, an interventionist should advise clients about what may happen.

More broadly, a few interventionists have argued for an even more overt mobilizing role, as in representing the underrepresented or in advocacy of causes from outside as well as inside a managerial system.

Second, however, there has been a tentativeness about squarely facing the fuller implications of what is generally appreciated and sometimes even advocated in more or less extreme forms: that consultants do, and should, play a mobilizing role. The reasons for this important paradox can only be sampled here. For example, most internal consultants are "staff" in the traditional concept—formally advisory, outside the chain of command, and so on. No wonder, then, about their reticence to emphasize a mobilizing role. For that emphasis in many cases would only complicate a delicate relationship. Staff officials seek, ideally, to be proactive without being seen as a competitor for the authority of the "line."

**F—**

### ***Blending Roles and Their Obtrusiveness***

As in all of life, a consultant cannot long avoid role difficulties except by forfeiting opportunities. To illustrate, the mobilizing role implies clear potential problems, whether in a T group or in an organizational consultation. But eschewing that role implies no long-run solution, for failure to mobilize might only limit the effectiveness of the interventionist, as well as narrow the areas in which he or she can be facilitative. On the other hand, too much emphasis on the mobilization role might have awkward side effects. These could include a diminished sense of ownership and involvement by clients. Worse still, excessive mobilization might encourage some unwary clients into learning situations for which they are not ready, or with which they cannot cope, or whose ratio of risk to benefit is too great. Consider the case of an interventionist who concludes that a boss "needs confronting," and zealously mobilizes subordinates to do the job. If the boss is punitive or vicious, this might be dangerous for subordinates. That danger may not be impressive enough to deter the interventionist, who normally is more insulated from hierarchical wrath than are immediate subordinates.

And so it goes. Consequently, intervenors must acknowledge the general necessity for a delicate balancing of roles, even when in a specific case they opt to play it safe. The implied fine-tuning is extremely delicate and complex, and requires that interventionists be in touch with personal motives and interests, as well as be aware of the probable consequences of the designs they recommend. In addition, interventionists should be able to disclose those motives, interests, and consequences to their clients, as well as to other involved parties.

**G—**

### ***Role Differentiation and Value Issues***

This diversity of intervenor roles at once requires value or ethical judgments, so the intervenor has only two choices: to seek synergistic integration of perspectives that are often at basic odds, or to dilute the comprehensiveness and impact of interventions.

This complex point can be brought into somewhat sharper focus by considering briefly the relevance of three broad systems of belief—rationalism, pragmatism, and existentialism—all of which underlie organization development, or OD. Friedlander (1976, pp. 12, 14) highlights some critical issues when he poses these value judgments for the OD intervenor.

Should the intervenor foster the client's self-acceptance by helping the client clarify his experiences and the choices available to him?

Should the intervenor suggest or design new experiences for the client so as to help him improve (for example) his problem solving?

Should the intervenor emphasize the development and sharing of more valid models of reality?

These types of questions reflect existential, pragmatic, and rationalist emphases, in order.

That the OD intervenor often cannot, and should not, restrict him- or herself to one philosophic orientation and thus to one class of these several questions, in effect, induces role differentiation and potential conflict, even as real gains in comprehensiveness also become available. "This dilemma," Friedlander observes, "presents three distinct roles for OD professionals—'the acceptor of experience,' 'the change agent,' or 'the conceptual teacher-learner.' The focus is [either] on subjective awareness, [on] designing for and development of others, or objective knowledge." And therein lie critical issues for blending and choice that can enrich an intervention or hamstring it.

This writer's resolution of these real pushes and pulls may be useful to others. I strive for teaching-learning whenever possible, and no doubt even when it is a bit of a reach or even an overreach. I am quite comfortable as a change agent, with that territory becoming larger and more variegated all the time. And at times the very best—even the only practical—mode is to function as acceptor of experience.

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73—

### Three Models of Learning: Choices and Consequences

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Although we may seldom give the matter much thought, we all have our learning theories. These help direct our efforts, as we seek to generate learning in ourselves or to motivate it in others. Sometimes our learning theories help, because they are good theories. At other times, they hinder. But they are always there behind what we do—explicitly, implicitly, or far below the surface.

Consultants are like anyone in this regard, except perhaps more so. Their reliance on a model of learning is often substantial, and the stakes may be high, hence the need to be explicit here about the crucial issue of learning theories.

The present approach to exploring this crucial issue directs attention below to three alternative models of learning, as they relate to the key question: What is the optimal level of discrepancy for learning? This may seem a strange question, but later analysis will establish its centrality. Take for now, if only on faith, one reason for focusing on this question. Depending on one's preferences in this crucial matter, very different choices will be made and very different interventions will result, probably with very different consequences.

Four points contribute to making the present point. In order, they relate to

The central role of discrepancy in consultation

Three alternative models of an optimum discrepancy

A sketch of relevant research

Some implications for consultants based on what we know, what we feel in our bones, and what still remains the subject of vigorous debate

I—

#### Discrepancy in Consultation

Discrepancy plays major roles in consultation as well as in life, even though it often is underappreciated or even unrecognized. In organization development, or OD, perhaps *the* classic learning design rests on discrepancy. For example, members of an organization might respond to the Likert (1967) Profile of Organizational Characteristics, which uses dozens of items to estimate how well (or how poorly) members see their organization doing in a number of important regards—leadership, communication, and so on. Each respondent responds to each item *twice*.

As the respondent now sees the organization, an "is"

As the respondent would like the organization to be, a "should"

Thus a respondent might rate the existing state of communication in the organization as so-so—perhaps a 12 on a 20-point scale of equal-appearing intervals, anchored by descriptive statements

at ratings 1, 5, 10, 15, and 20. For the present purposes, a 1 rating refers to a seriously inadequate situation, and a 15 to a much better one *in the profile's view of things*. This is an "is" rating. The same employee might desire—a "should be" rating—that communication be a very good 19. In this case, the should-vs.-is comparison constitutes a substantial *discrepancy*, which is 19 minus 12, or a deficit of 7 equal-appearing units. (For now, let us neglect an unusual case—when a person has more "is" than they want of some organizational "should." That happens on occasion, but does not deter us here.)

Serious methodological issues trouble interpretations of some differences or discrepancies, but we can disregard them here in the search for essentials. Basically, the discrepancy is seen as relevant because it provides a kind of scorekeeping function. For two equal "should be" ratings, that is, a discrepancy of 0 can be said to be "better" than a discrepancy of 5. (Clever readers will object that you can get low discrepancies in more than one way, e.g., by keeping their "should be" scores unambitiously low. Those readers are correct, of course, and there are statistical ways to deal with such phenomena. Here, remember, we focus on the essence rather than the detail!)

Generally, what do we mean by "better" or "worse" scores? Well, numerous meanings come to mind, but paramount among them is that discrepancies imply different motivational energies to change a present condition. Thus if discrepancy = 0, why change? It ain't broke, so why fix it? Here, the most available argument for change is that the "should be" rating is too low, and consciousness-raising constitutes *the* approach of choice. Much more powerful is the condition when the "is" falls far short of the "should."

In general, precisely these motivational energies explain the popularity of discrepancy designs. Such designs seek to identify the degree of need for change, and hence to engage motivational energies to meet that need. In the old days, ODers referred to "dilemma/invention designs"—the discrepancy indicated the dimensions of the dilemma, and any resulting motivational forces could inspire an invention to reduce the size of the discrepancy. In turn, a diminished discrepancy reduces the pain or the discomfort of the dilemma.

## II— Alternative Models of Optimum Discrepancy

These general considerations are all well and good as far as they go, but the problem is that they do not go far enough. Let us be specific. Granted that a discrepancy = 0 on the Likert Profile does not promise much if any motivational energy, but is a discrepancy of 2 a better (or worse) motivator of change energy than a discrepancy of 5 or a discrepancy of 10?

This is a very good question, despite the fact that several major (and conflicting) answers to it have been offered over the years. For the present purposes, consider three alternative models of optimum discrepancies (Golembiewski, 1990, pp. 63–65):

Model I: Accelerating. This version proposes that the greater the discrepancy, the greater the learning; that is, the individual reduces the dissonance between personal anchors—attitudes, values, perceptions, and so on—and some stimulus by making adjustments in the self, *in direct proportion* to the magnitude of the differences. As Festinger notes (1957, p. 18), "The strength of the pressures to reduce the dissonance is a [direct] function of the magnitude of the dissonance."

Model II: Decelerating. Here, higher degrees of discrepancy will restrict the degree of change away from personal anchors, or will negate it entirely. So easy does it in choosing a discrepancy, if success is one's goal.

Model III: Reversible. Here, change away from personal anchors increases for low to intermediate discrepancies. At some point, however, increasing discrepancies produce less and less change. In effect, too little discrepancy fails to motivate change, while too much discrepancy is seen as threatening or overwhelming, with the consequence that less or even no change occurs.

The three models can be illustrated, if only generally, by the possible reactions of a gift receiver who does not much care for a relevant other's choice of a birthday gift, about which the giver

announces: "I really like this, and I believe you will also." The three models above essentially recommend three different courses of action, beyond keeping quiet. Thus the recipient of the present has the following three major options:

Following model I, the receiver might observe that this is the worst choice anyone can possibly imagine, with the goal of influencing the behavior of the relevant other: to exchange the gift, posthaste; and/or never buy one like it again.

Following model II, the receiver might acknowledge having received better gifts before, with the same goals in mind.

Following model III, the gift receiver would try to ascertain the point *just before* the discrepancy between the recipient's reaction and the giver's original attitude about the gift became too big. Typically, that will be somewhere between the interventions recommended by the first two models.

To be clear, the discrepancy at question here is the difference between the giver's evaluation of the present (which was substantially positive) and the recipient's evaluation (which was not).

### III— Research about Optimum Discrepancies

These alternatives might add to one's sophistication, but they do not address *the* key issue for the consultant. Which model, if any, seems best in practice?

The research literature is very uneven, and does not come to a firm conclusion about organizational change. One of the few relevant studies concludes that in assessing systemic change in terms of 24 Likert Profile variables, model I seemed to describe what occurred in over 90% of the cases, with model III accounting for the other cases (Golembiewski, 1990, pp. 67–76). In short, the bigger the discrepancy between an individual's original "is" and a "should," the greater the individual's later learning during a design that highlighted regenerative interaction in an organizational setting, with regard both to its attractiveness to learners as well as in connection with skill practice about how to interact in these desired ways.

This seems convincing enough for this one study, but it badly needs replication, so no one can yet be definite about the optimum discrepancy in organizational change. The early evidence has a clear thrust, but technical issues complicate interpretation of these organizational results (Golembiewski, 1990, pp. 76–82).

In the case of experimental research largely with college students in contrived and short-term settings, there seems a clearly dominant model. Again, model I is the big winner. For a convenient summary of evidence to this effect, see Festinger (1957), who developed "dissonance theory," which is a clear representative of the "big bang" view of change, or model I.

Critics are not convinced, however. They point to the fact that the settings in most of this laboratory literature last for only minutes, and critics also argue that the experimental instructions typically do not engage representative behavior and involvement of the participants (e.g., Sherif and Sherif, 1967). So the findings in experimental research do point to a dominant model, the critics conclude, but the behavior underlying the conclusion is not broadly representative of behavior in nonexperimental settings.

### IV— Implications of Discrepancy for Consultation

Four implications for consultants and consultation bring this introduction to discrepancy to a halt, but only for the present purposes. First, research may highlight some of the issues, but it provides no real answers about the optimum discrepancy for organization change. Consultants must search elsewhere for guidance.

Second, the issue of an optimum discrepancy cannot be avoided. Choices often will have to be made, and they may be consequential—for good or ill.



Third, most consultants have a feeling or belief—even if only a general gut feeling—that the models are not all equally useful or ethical. Consultants can do worse than to follow their intuitions, especially if they seem to work in practice.

For the record, most consultants seem to favor model III, or the reversible model—too little discrepancy will not motivate change; too much discrepancy may discourage change; and some optimum middle range is seen where increases in discrepancy induce greater motivational energies to change.

Fourth, and relatedly, the reversible model—or model III—is also the most conservative. It may sacrifice some of the bigger boosts for change, but it also avoids the possibility of greater problems.

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74—

## Toward a Process Orientation

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Broadly, *process analysis* involves a commitment by a group of people to a shared description and evaluation of all aspects of their relationships. Consequently, the efficacy of a system's *process orientation* relates to its competence, whether that system is an individual, a small group, or a large organization. A large organization, for example, must be able to achieve its objectives, to maintain its internal environment while doing so, and also to adapt to its relevant external environment in order to exert necessary control over it. In the competent organization, Argyris proposes, its processes of carrying on these core activities tend to yield five outcomes (1970, pp. 36–37):

The information needed to cope with the diverse factors relevant to the core activities will be both available and understandable to organization members who need that information.

The information needed to cope is in such a form as to be usable.

The system can afford the cost of gathering, understanding, and using the information.

Problems are solved and relevant decisions are made and implemented in ways that neither create additional new and similarly grave problems nor induce the recurrence of the original problem.

The four consequences above are accomplished while increasing—or at least while not decreasing—the capacity of system members to solve problems, make decisions, or take implementing actions.

Patently, testing whether a system's processes have such effects should have a very high priority. Fortunately, that testing need not always be a big deal, as can be established by further description of process analysis. This requires describing its several major properties, and also sketches some guidelines that facilitate a process orientation.

I—

### Six Major Properties of a Process Orientation

Progress toward a better understanding of a process orientation can be made by introducing six major properties. First, process orientation is experiential. Its basic learning stimulus is not a case study or a theoretical presentation. The stimulus is, for example, that decision we have just made, and how we made it.

Second, the process orientation presumes a collaborative relationship in both diagnosis and prescription between participants in some social setting. In an organization, these participants may

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Modified from R. T. Golembiewski, *Approaches to Planned Change*, vol. 1, New York: Marcel Dekker, 1979, pp. 249–258.

include a consultant and the consultant's client. The consultant's purpose is not only to "get the patient well." The more significant purpose involves developing client interests and skills with diagnosis which will permit him to help judge his own interactional health, as well as that of his own organization. Even more, the purpose involves the client so intimately in joint problem solving and defensiveness is kept so low that, ideally, the client internalizes any findings as his own. Perhaps paramountly, the goal of process orientation encourages the client to seek similar helping relationships with others.

Third, the process orientation is a continuous one. Short of collaborative death, there is no alternative to it. One can only do it better or worse, do it often, or hardly at all.

Fourth, the process orientation ideally operates simultaneously at individual, interpersonal, and intergroup levels. Moreover, several complex processes can simultaneously operate at each level. Schein describes in detail six such processes, which are listed here to suggest the reach of the process orientation. These human processes are (Schein, 1969, pp. 15–75):

Communication, as in who talks to whom

Member roles and functions in groups, which can emphasize self-oriented behavior, performance of task, or maintenance activities associated with preserving viable relations between members

Group problem solving and decision making

Group norms and group growth

Leadership and authority, as in issues of who influences whom

Intergroup cooperation and competition

The awareness and analysis of the complex interaction of such human processes at multiple levels constitute a demanding task, but nature comes that way.

Fifth, the process orientation can be enriched by contrasting "process" with "content" and with "structure." In a rough sense, *process* deals with how a decision is made and implemented. *Content* refers to the "what" of a decision—its quality, its logical or technical basis; and *structure* deals with issues such as who will formally implement the decision and what the procedures will be. The three levels variously interact. Consider structure and process. As Schein (1969, p. 11) observed, "People's personalities, perceptions, and experiences also determine how they will behave in their roles and how they will relate to others." The richness of human interaction lies in the subtle blending of these three levels of meaning.

Sixth, process orientation provides an additional path to increased organizational effectiveness, not an exclusive one.

In conclusion, these six properties suggest a working definition. The process orientation is one approach to augmenting personal and system effectiveness. It has an experiential thrust that encourages attention to a broad range of events at all levels in interpersonal and intergroup situations. The purpose of process orientation is to help individuals understand events around them, and to develop skills of diagnosis and prescription for effectively coping with their environment. The data are primarily those of everyday life—human actions and their impact on others in the full gamut of formal and informal relationships. A process orientation draws from life, in sum, and can contribute to it.

The process orientation is no plea for general snooping or nosiness. Rather, a large family of techniques exists, with their use being guided by several "shoulds" or "oughts." Consider here only the set of operating guidelines that Fordyce and Weil (1971, p. 77) generalized from their own efforts at process analysis in large organizations.

We pay attention to individual as well as group needs.

We pool the widest possible range of opinions.

We systematically question established ways of doing things.

We emphasize feedback and ongoing critique.

We clarify interpersonal relationships by deliberately digging out garbage—that is to say, concealed feeling that blocks simple man-to-man understanding.

**TABLE 1** Some Interventions for Stimulating Process Analysis in Organizations

*Questionnaire and instruments soliciting written responses.* Various questionnaires and instruments can be used to generate data about processes, typically with the assurance that only aggregate data will be reported to superiors. This increases openness by reducing risk. Some of these devices can be improvised on the spot, while others may have to be painfully developed for ad hoc use. Fortunately, a great many questionnaires and instruments have been developed and are "on the shelf," as it were.

*Interviews.* These can provide great flexibility, especially for probing and exploratory purposes. Again, respondents typically are guaranteed anonymity.

*Upward feedback devices.* This set of designs uses groups of employees to generate information. The groups may be work teams, or they may be assembled de novo to get representation of specific interests or classes of workers. The group itself does the reporting, either in writing or via tape recording of a discussion. This method tends to raise the credibility of the product to the executive, coming as it does directly from the employees in whom the executive is interested. Obviously, however, the method makes greater demands on the time of the executive, especially in reading reports or in listening to tape recordings. Groups may be assured anonymity, or they might identify their products. One especially interesting version of this method is an edited tape recording of a real-time discussion, with the voices understandable but disguised.

*Questionnaire/instrument/interview followed by feedback to contributing parties.* This is a classic method. In the typical case, a consultant interviews a manager and the manager's immediate subordinates, or the consultant might use a questionnaire or some instrument to gather the needed data. Then the summary findings and observations of the consultant are reported to all those interviewed in a total session. The method is intended to be quite confronting. Clearly, the method also can be a risky one for the consultant.

*Pictorial representations.* Sometimes pictures or collages can provide revealing information, perhaps due to the greater legitimization of fantasy or perhaps because of the regression encouraged by working with paste, scissors, and glue.

*Representations in life.* This method of gathering data can be impactful. Members of one work group, for example, seemed to be having real problems concerning influence, involving issues of competition. Most members acknowledged the problem but found it difficult to deal with in any but veiled and abstract terms. They agreed to a micro design in which they were to occupy a vertical position in space corresponding to their influence in the group. Two stimuli were used. The first was an "is" stimuli: What level of influence does each individual exert? There was much mirthful relative arranging of selves in space after this first cue: some crouched, others stood tall, some lay on the floor, some stood on chairs, and so on. The ensuing discussion was animated, but not particularly revealing. "Are you really happy down there?" one member on a chair might ask a member on the floor. "Most times," might come the answer. "But you rubbed it in on that X contract."

The second stimulus was a "want": How much relative influence did individual members prefer? Again, vertical position in space was to indicate the degree of influence that each individual desired to exert. Considerable confusion followed, with one member seeking in some way to express his impressive desire for influence. Finally, he forcefully positioned one of his colleagues and proceeded to use her as an unwilling platform to reach a sturdy wagon-wheel lighting fixture. There he hung, head and shoulders above his colleagues in his need to exert influence. Literally, there was no way this man could satisfy his need for influence without stepping on someone, in this case an unwilling someone.

*Slices of life.* Modern recording equipment permits groups and individuals to confront self, as it were, by observing their own behavior. This might be done, for example, by

- Listening to an audiotape of a conversation or problem-solving effort
- Watching a videotape playback of a conversation or group interaction

Videotape feedback seems to have a broad range of especially attractive features. For example, videotape can preserve the many nonverbal cues that can be critical in communication. In addition, unlike interpersonal feedback, videotape allows the person direct access to his presentation of self, without the need to factor out of another person's reactions those induced by the presented self from those the observing person projects. Videotape feedback can also be processed without an outside consultant, thus avoiding such issues as confidentiality of data, the attempt to schedule a happening for the consultant's benefit, and the danger of the outside consultant being seen as judgmental, evaluative, or manipulative.

(table continued on next page)

**TABLE 1 Continued**

*Direct confrontations: groups.* The consultant can generate in vivo data by confrontations between groups having problems or merely intent on improving their relationships. The basic vehicle for generating data is a three-dimensional image, which each group develops in private. The three-dimensional image is a response to these three questions by (to make it simple) groups A and B:

- How do we see ourselves?
- How do we see the other group?
- How do we believe the other group sees us?

Description and analysis are at the group level only. Although the three-dimensional images are developed in private, the groups are told they will later be shared publicly.

*Direct confrontations: pairs.* Two individuals also can confront, using a simple design. Each party prepares:

- Positive feedback list: things the person values in the way the two people have worked together
- "Bug" list: things she has not liked or cannot tolerate in their relationships
- Empathy list: a prediction of what the other party has on his lists

The lists then become the focus for analysis by the pair, often aided by a third person. The procedure "is highly structured," Fordyce and Weil (1971, p. 114) note, "but it is also foolproof."

We stress responsibility for sharing management of the enterprise.

We encourage exploration of oneself and one's connection to others.

Many methods can be useful in a process orientation, and Table 1 sketches briefly some of the more prominent of these interventions. Note that they are listed in order of their probable threat or confronting qualities. An important generalization should be kept in mind. "As a rule of thumb," Fordyce and Weil (1971, p. 137) express the point, "the more confronting the method, the richer the response and the stronger the impulse to change. But groups [and individuals] vary considerably in their readiness to work with immediate methods."

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75—

### Town Meeting as a Super-Optimum Solution in a Cutback Mode

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This essay reviews an approach to a super-optimum solution under the duress of organizational downsizing. The focus is on macro-features, and describes a collective response of a field unit to a corporate demand for substantial emergency savings on an authorized budget.

Various forms of the alternative resolution of problems have appeared in recent years, and Nagel (1989) adds to them the fertile notion of "super-optimum solutions" (SOS). His focus is on public controversies, and he urges attention to that form of resolution whereby participants—who are potential combatants—all "come out ahead of their initial best expectations" (Nagel, 1989, p. 11). Generically, SOS can involve the following:

1. Achieving some goal objectively beyond that considered the best attainable by normal means
2. Resolving policy disputes involving apparently intractable positions in opposition (e.g., liberal and conservative goals and priorities, or Israeli and Arab perspectives)
3. Resolving adjudicative or rule-applying controversies
4. Enabling all sides in a controversy to share in value-added solutions.

Such terms as *super-optimum solutions* should be used sparingly, and always carefully. Here, the usage only denotes a solution that is arguably "better" than experience leads one to expect under difficult conditions. Hence, the mnemonic SOS for super-optimum solutions. Moreover, SOS adds the requirement that qualifying solutions must rest on a theoretic base of general applicability that helps solve relatively targeted problems without creating other and less-tractable problems.

This paper expands a bit on the SOS genre. Policy disputes will not be at issue. The focus will be on alternative patterns of interaction and their products, in contrast to Nagel's basic emphasis on public policy. One brief case provides the vehicle for this illustration of how one can usefully expand the sense of SOS. The case deals with the management of a cutback situation—adverse personnel actions required by obdurate economic conditions. Typically, cutback results in no-win or lose/lose resolutions, and the present purpose is to illustrate how an alternative model of interaction can help avoid such somber outcomes, or at least minimize them.

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## I—

**Dour Dynamics of Common Cutbacks**

Cutback management is much with us nowadays, in all arenas, and native cunning encourages caution, closedness, avoidance, and more than a little whistling in the dark. Few people can tolerate the experience, let alone grow from it, despite some brave talk about eliminating the deadwood or about becoming lean and mean. Bluntly, cutback sets a proverbial tiger loose in the streets, and neither theory nor experience suffice to manage those often-powerful forces.

Even "adequate" solutions are rare, let alone those that merit SOS status. Other selections in this volume provide support for this generalization. (See especially Chap. 51, "Lessons from Downsizing.")

Beta Plant illustrates the typical approach to "resolution." An old facility in the rust belt had seen its best days, and even the good ones. Management decided to close the plant, relocate as many personnel as possible, and deal with the other employees as gently and as generously as possible. Employees resisted, however, and especially that substantial proportion of them approaching retirement. Many present employees had opened the plant over two decades ago. Just a bit more time would suit them just fine.

A reluctant management agreed to stretch out the Beta closing, in real appreciation for past good works under trying circumstances. Management also realized a demonstration of reasonableness might defang possible union resistance.

This strategy had some surprising effects. For example, management expected a substantial attrition of personnel as well as a leisurely end-of-game play by those remaining. Both effects would exacerbate the several and growing inefficiencies of Beta as a work site for doing what a changing technology demanded. Management considered these as acceptable if unattractive costs of doing a "closing with a heart."

Management was surprised, at times pleasantly; the stretch out was put to good use for planning that paid dividends, and management even had the time to commission a study of the plant closing. Curiously to management, however, only a few employees left. More curious still, the remaining employees began setting an almost continuous succession of monthly production records. Indeed, the months of the closing generated the highest productivity Beta ever attained.

These surprises to management imply an unreliable model of the human effects of the plant closing, and events reinforce this conclusion. For example, despite constant and orchestrated announcements to the contrary, researchers found that a growing proportion of employees came to believe that "management can't close a going concern." In fact, the proportion of such true believers actually peaked in the last survey before the closing, in the month of the *highest production ever*. Employees paid little apparent attention to the schedule for closing, which was widely disseminated. Thus, many workshop sessions for outplacement had to be canceled because of insufficient attendance, despite the fact that the sessions were on "company time."

## II—

**Toward a Value-Guided Technology for Cutback**

A technology with values promises better in cutback situations. The line of "action research" labeled organization development (OD) has begun to accumulate theory and experience relevant to the cutback mode (Golembiewski, 1979, vol. 2; Sutton, 1983), and some derivative applications can reasonably claim super-optimum status. In general, adverse personnel actions have strong lose/lose components for both employees and the employing organization. In specific cases, in contrast, OD provides a normatively based technology for extracting some aspects of win/win gold from the lose/lose dross characteristic of cutback.

The text below illustrates one SOS in cutback situations—when individual needs were met to a greater degree than is usual under conditions of stringent organization demands. The context is not exotic, and reflects how OD values and approaches can be helpful in cutback.

The case is labeled "unfolding" in that it relies on rudimentary structure and basically trusts the processes and values of OD and thus in the OD vernacular "lets things happen" within the context of these processes and values.

A second kind of intervention for cutback may be labeled "articulated." It relies on a detailed design—applied in several different contexts by different teams of facilitators—that seeks to encourage relatively specific outcomes while also enlarging the normal range of choices for both individuals and organizations in cutback situations. In contrast to the first case, the second has an inclination to "make things happen." See Chapter 42, "Demotion Design," for a second case of an SOS application in cutback.

A—

### ***Town Meeting As Unfolding Design***

The case below derives from the "oil patch," from the petroleum/gas exploration business, an industry infamous for its boom-and-bust cycles. The specific locus is the Canadian headquarters of a multinational firm, which had grown to several hundred employees in a short period of time under the stimulus of high oil prices. The case involves gently guided participative responses to a budget crunch, and relevant descriptions can be summarized by three emphases. In turn, the following sections detail a start-up OD effort in the organization, describe a cutback response congruent with that OD effort, and review the super-optimum features of that response.

III—

### **Critical Prework toward Regenerative Systems**

From start-up, the management team sought to develop a model organization, and devoted considerable time and resources to building a high-involvement culture—responsive *and* lean (Golembiewski and Kiepper, 1988). The creation of "regenerative interaction" constitutes *the* key feature of this culture. As other selections in this handbook detail, combinations of four variables can generate contrasting models of interpersonal and group interaction. Two extreme combinations of those variables induce regenerative and degenerative interaction. Comparative details about these models are available at several points in this handbook (e.g., Chap. 39, "Competence via Regenerative Systems").

Here, let us simplify the essential differences between the systems of interaction, while realizing the text assumes 70/30% probabilities or so, rather than inevitabilities. To begin with, the four component variables of the two systems can be briefly described, with details available elsewhere (Golembiewski, 1979, vol. 1; 1993). One can be *open* without *owning*, as in this common statement: "They, but I can't tell you who, really dislike what you did on project X." *Risk* refers to the objective threat in some environment, and *trust* refers to the degree of confidence one has in colleagues that things will come out Okay.

Figure 1 presents one other crucial piece of information. It depicts some common consequences attributed to the degenerative condition that motivate avoiding it whenever possible. More or less, an opposite set of consequences explains why major resources can be justified for moving toward regenerative interaction and for maintaining it.

The last probable consequence of degenerative interaction in Figure 1 deserves special note. Degenerative interaction seems both product of as well as contributor to the "smokestack effect" so widely associated with bureaucratic or functional structures. For some focused discussions in this handbook, the reader may consult Chapter 34, "Alternative Models for Structuring Work." The ubiquity of bureaucratic structures at work implies major impetus toward degenerative interaction, as well as the common need for structural change to change interaction.

IV—

### **An Unhappy and Unexpected Learning Opportunity**

The developing regenerative system in the host of the town meeting got an early challenge—if you will, an unexpected and unwelcome learning opportunity to test the strength and reaction time of the organization. Progress toward the culture building was advanced but still ongoing when the price of oil experienced a double whammy—both Canadian policies and those of the oil-rich Arabian states depressed world prices suddenly and sharply. The prime consequence? An organization in a



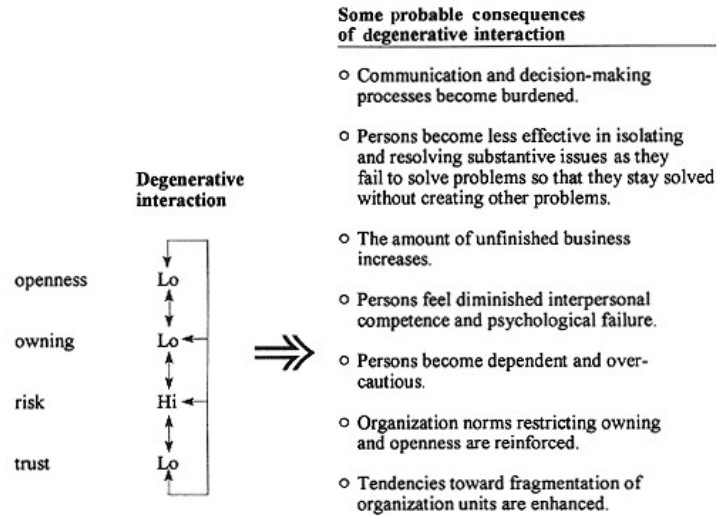


Figure 1

Two models for interaction and selected consequences.

sharply growing mode was tasked by corporate to cut payroll by 20%. (This simplifies a bit. Expenses also had to be cut, but the present description serves well enough.)

The general manager (GM) put it directly. "We are on our way to Camelot, and the world intrudes on our trip."

During the very morning the GM learned of the bad news, a strategy emerged from collaboration with his management team and an OD consultant: "We kind of reflexed into the decision," in the GM's words. After contacting corporate officials to assess degrees of local wriggle room, a rationale and design came to dominate the team's discussion, expressed in more or less the same terms as this soliloquy:

Well, we could go into the common mode—meet behind closed doors, try to keep the lid on things, and draw up the master plan for the fates of others.

But what the hell? That gets us tied in knots, encourages inevitable rumors, and risks losing precisely those people we want most to keep.

Above all, that's out of sync with the culture we've been building.

So, let's have a kind of organizational town meeting—bring everybody together, beginning tomorrow morning, first thing. We'll lay out what we know, and decide our common fate.

The "town meeting" began the next morning, with the GM leading a series of guided discussions that relied heavily on many small "buzz groups" to permit simultaneous expressions of opinion or brainstorming concerning individual issues. The town meeting spent the first 90 minutes or so in the following five basic kinds of activities:

*Ventilation:* how individuals felt about the "tasking" and its associated adverse personnel actions

*Corporate boundaries:* 20% payroll savings, any way, within certain time constraints

*Needs assessment:* a discussion of work plan priorities

*General strategies:* a half-dozen evaluated—across-the-board cuts, etc.—but participative strategy was consensus choice

*Options available to individuals:* early retirement, educational leave, unpaid leave, and so on

In each activity, a brief input was followed by discussion or evaluation in buzz groups with shifting memberships, and then reports were made to the total assembly, where discussion continued until repetition set in. Then the process moved on.

An "aha!" experience came early. The motto became: "Let's do it our way, in our diverse ways." A voice rang out: "All those interested in working 4 days a week meet over in the northwest corner." Pretty soon, 8 or 10 gaggles were clustered here and there in the large auditorium—for early retirement, educational leave, a few persons considering voluntary separations, and so on.

To make a longer story very short, the firm soon had its 20% savings, basically before the day was over. Paramountly, the early work toward regenerative interaction fueled the effort, which required unusual openness and trust. Moreover, early on a steering committee was established to coordinate the personnel actions to assure that priorities could be met. In addition, a sophisticated human resources information system permitted quick turnaround on many details. Typically, the issue was: Could the choices of individuals be accommodated to the programmed high-priority elements in the work plan? Further, some decisions were left until the following week (e.g., as persons checked with a relevant other about planning to have a child and as part-time teaching opportunities at the local business schools were canvassed). Finally, some decisions applied for only 6 months, although most were for a year.

Put in general terms, the decision making had an extended time line; that is, some associated details and risks would remain until much time had passed. Normal attrition was expected to provide sufficient flexibility for returning to the status quo ante after the contracted periods.

V—

### **Aspects of Super-Optimum Solution**

No real-time data gathering was attempted in this case, but follow-up interviews permit substantial confidence that the organizational town meeting generated major aspects of an SOS.

Four points illustrate the support for this conclusion. First, an unwelcome task was accomplished with a preponderance of win/win for both management and employees. In both cases the design sought to empower, with a direct motivation. As Slaby notes (1989) succinctly: "A feeling of powerlessness goes hand in hand with a sense of unfairness."

Such empowering covered a substantial range, and choices appeared in many forms. Some employees had only this limited choice—whether or not to reduce their work week, usually with some costs either way. Other employees did do things that might ordinarily have been delayed, or even forfeited: begin a degree program, develop a business on a full- or part-time basis, or even have a baby.

Second, on very definite balance, awkward consequences were avoided. Thus management avoided playing God, in general. This mode is energy-depleting at best, and at worst often comes to be seen as arbitrary and procrustean. Relatedly, no "survivor's mentality" developed, and this avoids variable but tricky potential for later mischief. Perhaps most of all, the town meeting largely avoided the several debilitations of a top-down effort: an intended secrecy, but often compromised by rumors if not serious leaks; a dribbling away of morale; the best people leaving in disgust; the often-observed but sad posturing for favored treatment; and so on.

Win/win was not universal, of course. In a few cases, some employees badgered others about "not doing what they could," and active efforts were made to surface such episodes. An external consultant encouraged and facilitated several such confrontations, with major multiple going-in presumptions: that individuals would differ in what they "could do"; that consequently any tendencies for a norm of "equal shares" should be resisted; but that in any case colleagues were better off if suspicions of slacking were raised, even if all could not be resolved.

Third, and perhaps paramountly, the town meeting design both legitimated and drew strength from the culture of regenerative interaction. The style was applied in a tough case, and risking its loss was affirming. Degenerative interaction is more common in organizational cutback, where avoiding lawsuits may seem the most desirable goal.

Fourth, some may propose that this approach "wasted time," and hence cannot be "adequate" let alone super-optimum. However, the town meeting contrasts favorably with the typical cutback scenario, which is seldom a thing of precision or attractiveness. There, ideally after top-secret discussions, those to be let go are informed close to a normal time-out boundary—for example, noon on a Friday, or the afternoon before a holiday. People are given the afternoon to clear out their desks, with the apparent expectation that the succeeding weekend or vacation provides sufficient emotional distance for both those remaining and the unbuckled. See also the editor's Chapter 51, "Lessons from Downsizing" in this handbook.

The more likely short-run reality has very unattractive features. Management's decision making is likely to be extended, and even tumultuous; rumors will overstate the dimensions of the cutback, if anything; and an exodus is likely, with the most mobile people being the first to leave. Indeed, the departures have been known to be so numerous or so strategic that an organization has at one and the same time been conducting numerous personnel searches as well as a cutback.

In the long run, moreover, the typical scenario does not promise benign effects. For example, attempting to distance oneself and others from the immediate pain by quick shuffles very often will increase the long-run pain for all, as in later concerns about the justice of it all. Absent the information on which the original cutback was based, in addition, survivors may fear the other shoe will soon drop. Moreover, the fantasies underlying the typical cutback scenario probably will be worse than the realities, in important particulars, as Sutton (1983) and others have shown. For example, people's productivity does not necessarily deteriorate sharply if they are given substantial notice of an adverse personnel action.

Readers at this point may do well to read or reacquaint themselves with several selections in this handbook, perhaps especially "Lessons from Downsizing." There, some guidelines are hazarded about what cutback should approach/avoid. These guides provide another way of analyzing the town meeting.

## VI— Discussion

Thus candidates for SOS do double-duty. They illustrate a technology cum values, usually called organization development or OD; and they support the usefulness of Nagel's seminal metaphor. Three points add useful detail supporting these broad conclusions.

First, the micro-case rests on a broadly applicable approach to SOS—via inducing aspects of regenerative interaction between people and groups. This augments Nagel's original list of "procedures" (1989, pp. 12–15), which include generating new or novel policy alternatives, proposing new goals, and bringing in a third party. The OD approach often involves a third party—a change agent or intervenor—and adds to Nagel's list a focus on useful interpersonal processes and interaction.

The present focus on models of interaction is ubiquitous in application. Thus, regenerative interaction might well facilitate policy development, whenever. Thus, I hear—but do not know for certain—that the Camp David accords rested on the conscious effort to induce regenerative interaction by a skilled facilitator, and Nagel rightly highlights Camp David as illustrating an SOS.

Second, the cameo also adds a useful sense of reproducibility. The case involves the induction of aspects of regenerative interaction via techniques that typically "work" (Golembiewski, 1979; 1993). This sense of reproducibility adds to the appeal of SOS.

Third, the case serves to highlight the organic challenge inherent in the concept of SOS. Their *basic* definition—as referring to situations from which participants "come out ahead of their initial *best* expectations"—constitutes a challenging target. Today's SOS, in short, can become tomorrow's initial best expectation, or even a commonplace expectation, and so the continual search for SOS will be motivated by their own successes.

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76—

## Vision or Core Mission

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Much has been written recently about "visioning" or "purposing" in connection with effective organizations, and this chapter seeks to provide useful perspective about what may be called an organization's central vision or core mission. Two sections below focus on the major organizational features of a vision or mission, while the third section sketches some issues for consultants.

I—

### Major Features

The "central vision" or the "core mission"—henceforth CV/CM—is not labeled casually. "Central" and "core" really mean what they plainly say. The CV/CM ideally will

- Reflect an organization's *raison d'être*, its very reason for being

- Deeply penetrate into an organization's culture, strategy, and characteristic behaviors

- Imply the essential values with which the organization is infused, and which distinguish and differentiate the organization

- Guide decision making about basics in the present as well as the future

- Typically get consensual acceptance, or close to it, although it may reflect the direct preferences and experiences of some founding elite or even an individual

- Often constitute the organization essentials worth fighting over and protecting

There is no ideal CV/CM. By definition, they are all ad hoc and idiosyncratic. But Table 1 reflects my favorite. Later analysis will provide other illustrations.

II—

### Three Dimensions

Although there is no ideal central vision or central mission, much of substance can be said about the contents of a "good" CV/CM. Specifically, an organization consultant is well advised to look for three basic dimensions—niche, standing, and style—as well as for internal consistencies between the three dimensions.

Brief introductions to these dimensions will suffice here. *Niche* straightforwardly refers to an organization's desired place in a market or service environment. It inquires: In essence, what do we do? *Standing* refers to the level of aspiration within that niche. In short, how do we wish to compare with others in our niche in doing what we do? *Style* relates to how an organization goes about achieving its standing within its niche.

Consider the CV/CM in Table 1. Its niche is "comprehensive eye care," its intended standing is to be the leader in that niche, and the exhibit gives a good sense of the major style elements that

**TABLE 1** A Sample Central Vision or Core Mission

"We're number 1 in comprehensive eye care, and we intend to stay there."

"If you're *not* in the business to

- deliver quality products that consumers will accept
- make money doing useful things that have attractive profit margins
- have fun

... WHY STAY?"

will characterize this organization's pursuit of that paramount standing in its niche—high energy, substantial profit, and quality that is attractive to consumers.

Table 1 does not tell it all, of course, but it provides clear guides to those who know something about the business. Thus "comprehensive eye care" pretty clearly includes ethical pharmaceuticals as well as over-the-counter products for contact lens care, but other products might be marginal. For example, designer frames for glasses may constitute too much of a stretch, given the CV/CM in Table 1 and especially its focus on substantial profit margins (which, I am told, do not characterize designer frames).

Although the three basic dimensions of a CV/CM seem straightforward, in practice many visions or missions have major liabilities. It is no easy task to develop a CV/CM that says enough while remaining internally consistent. Consider only three senses in which the point holds.

First, many CV/CM exemplars are partial in that they do not reasonably embody all three of the basic dimensions. Thus the motto of the Strategic Air Command—"peace is our profession"—often provokes a chuckle, if not a sardonic laugh. That CV/CM variant does not provide much clarity about standing or style, and some might also note that its implied niche is also incomplete. Or consider the CV/CM of Hagggar Clothiers: "What we wanted was the middle 60%, not the upper 20% of the market, not the bottom 20%." In jauntier terms, the unofficial Hagggar CV/CM became: "We cover the asses of the masses." This Hagggar variant, as supplemented, directs attention to niche and implies a bit about their light style, but is not specific about standing. Presumably, other pants makers also could target the "asses of the masses."

Second, some CV/CM variants may be clear and comprehensive, yet imply major liabilities. Thus one fast-food franchise advised, "We sell the sizzle, not the steak." Or similarly, one of the Big Three automakers emphasized, "We do not sell cars, we fulfill dreams and fantasies."

Such vision or mission variants can get out of hand, as in the case of customers dominantly interested in tasty and nutritious steaks or efficient personal transportation. For such customers, organizations focusing on "the sizzle" or "dreams and fantasies" might give too much attention to advertising, hyping of products, potted plants, and spurious changes in design if not planned obsolescence. Concurrently, too little attention might go to the quality of the steak or of the car.

Relatedly, some CV/CM variants might attract even as they flaunt their vulnerability. A sign at the gate of Newport News Shipbuilding plant, I am told, once proudly proclaimed: "We build good ships. At a profit if we can. At a loss if we must. But always good ships."

Third, a specific CV/CM can be very useful at one time and yet impede needed change at a later time. Consider McDonald's, which grew quickly to large size by variously elaborating on the theme: "beauty in a bun." But then market needs encouraged diversification of their food lines, in part so that existing outlets could be utilized early in the day as well as late and all the hours in-between. Trouble resulted. The introductions of breakfasts and salads encountered major difficulties, basically because they were not consistent with the "way that McDonald's does business." Great efforts, I am told, went to putting breakfasts in a beautiful bun. A huge range of organizational adjustments—in training, in attitudes, in balancing hamburgers with other food lines concerning their priorities, and so on—had to be made to provide sufficient room for doing business in somewhat different ways than the old McDonald's CV/CM allowed.

### III— Some Issues for Consultants

For the consultant, a CV/CM is both boon and bane, in several significant senses. For present purposes, consider only three generic issues for consultants implied by any central vision or a core mission.

1. Since a CV/CM is "deep" and stable, by definition, it can on one hand be very useful in organizations. So consultants often will maintain a CV/CM where one exists, or seek to induce one where it is lacking. On the other hand, as both deep and stable, a CV/CM is not only difficult to induce but it may also inhibit necessary change. So consultants have to be of two minds concerning a CV/CM.
2. To put the same point in somewhat different terms, people in organizations often *solve problems* in terms of a CV/CM, which provides a kind of template or frame for acceptable decisions/solutions. This has major virtues. At the same time, a CV/CM *may be the problem*. Typically, this point is far clearer to a consultant than it is to organization members. Or, perhaps, organization members are less free to articulate what is the problem. This implies clear challenges for a consultant, and especially so since critical analysis of a CV/CM variant may be viewed as dangerous carping about the organization founders to whom a variant is often directly traceable. Such carping may be dangerous to the health of consultants.
3. An umbilical metaphor often applies to a CV/CM; that is, every organization has one, of some shape and form. It may be displayed publicly on occasion, but it often is deliberately covered in various ways; present organization members often inherited their variant from valued ancestors, and hence may not be comfortable in looking critically at this part of their inheritance; and some people believe you only get one in your lifetime, whether "you" are a person or an organization.

Such features, and others, imply both significant and difficult tasks for consultants as they seek to maintain or change a CV/CM.

77—

### **Voluntary Organizations: Some Worthwhile Lessons**

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Well, there is not much doubt that David Coghlan (1996) has helped make an important point, from multiple perspectives. The special issue he edits illustrates, with the usual caveats, that OD has been applied in a range of "voluntary organizations" or the "third sector," and that OD and planned change tend to "work" there. Notably, also, Coghlan's illustrations come from a variety of substantive arenas in several national settings.

In sum, opportunities for planned change are where you find them, and that encompasses more setting than some like to acknowledge. For convenience, let us restrict attention to organization development, or OD.

The general point requires making, again and again, because OD's history is studded with assertions that restrict the loci within which OD "can work." Early on, *the* issue was whether OD was as applicable in public as in business settings, with overall opinion among literati tilting toward the negative. Even within business, some proposed that OD applied only toward the tops of organizations and had less—even little—to offer at workaday levels and especially for unionized employees.

Much the same issue also got emphasized concerning OD applications in different national settings. Thus, a number of observers proposed a "poor fit" between OD and the characteristics of some national populations—for example, as determined by Hofstede's four cultural dimensions and their several combinations.

The basic issues seemed impressive to me, so impressive that I helped form several research teams to generate badly needed data to test the common opinion. Why? At least through the early 1980s, speculation dominated concerning the workability of OD in cross-national or cross-cultural applications.

This observer is now pretty easy about the basic issue. The available research is not methodologically above all criticism, but independent studies point to several conclusions.

OD success rates are "high," on balance.

Substantial numbers of OD applications exist in business and government, as well as in cross-national or cross-cultural settings.

Success rates are comparable in public vs. business sectors in U.S. work settings, although they are a bit higher in the latter sector.

Success rates in cross-national or cross-cultural settings are substantial, but less so than in U.S. business and government. Interested readers can refer to original sources for supporting

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An earlier version on this theme appeared in *Org Dev J* 14(3): 42–47. Reprinted with permission of the publisher.



detail (e.g., Roberts and Porras, 1992; Golembiewski, 1998). Useful summary appears in another chapter in this handbook, your editor's "Success in Planned Change."

The success rates do not seem mere artifacts of poor methodology.

These findings do not constitute a final test of where and how well OD works, and everyone has personal favorites of improbable or unlikely hosts for OD. My personal favorite: prisons.

Even in this unlikely arena, several OD exemplars exist, but admittedly they are scarce (e.g., Gluckstern and Packard, 1977), so I reserve judgment about OD "working" in "closed societies," but the record is encouraging, within limits.

The generalizations above impress me, but also note what they do *not* propose. The point is *not* that U.S. public and business arenas and work settings are similar or identical, and the point is certainly *not* that U.S. work sites are similar or identical to overseas work settings; rather, my sense of the generalizations is that the range of OD designs is sufficiently broad that some variant can be applied in all or most work settings to help guide useful movement toward OD values. In sum, OD has a clear prescriptive thrust, but it is possible to move toward its core values in different ways, and from very different starting points. Consistently, this also implies that all OD should start from where the client system is initially.

Details about design variants and OD ubiquity are available (Golembiewski, 1991). In general, all else being more or less equal, autocratic systems seem more hospitable to survey feedback and to technostructural designs than to interpersonal confrontations, but all these classes of designs can be put in the service of OD values.

I—

### **Worthwhile Lessons from Doing It Again**

So, what value added inheres in Coghlan's special issue that illustrates how OD can be applied usefully in voluntary organizations or third-sector settings? Plenty, this observer believes, and he will seek to illustrate. For convenience, let us use the term *voluntary organization*, or VO, and tolerate the imprecision in language.

Four themes get attention. The novelty quotient may strike some as low, but so be it. Some things are so significant that there is no such thing as redundancy in connection with them. Most things deserve repeating now and again to minimize the chance that they will be forgotten.

A—

### **Values—Again, and Always**

Raising normative issues in OD has preoccupied some—yours truly included—and that has perturbed others. Here that preoccupation comes again, in two distinct modes—one obvious, and the other a bit less so.

More obviously, a VO is characterized by a strong normative stance concerning its mission, which typically deals with some form of human uplift. Patently, this makes contracting simpler for those concerned about good fits between client ideals and the ethical standards of OD and of specific ODers. The type issue is not simply, or even mostly, Napalm vs. the various forms of human betterment often sought by a VO. The product line of clients can be an issue, of course, but my primary reference is to the mental or cultural orientation of the client. Given a clear VO commitment to human growth and development, often tricky consultant choices pose few difficulties for OD.

But ODers should not assume too much with regard to the professed values of any organization VO or no. My personal experience with consultation in the third sector leads me to two generalizations. First, the typical VO management system is often out of kilter with its own professed mission, which disjoint becomes *the* target for change. Many VOs are great on espousal, but only average when it comes to practice.

Second, again in my experience, the professed mission/culture stance may be *the* presenting problem even when it is practiced fervently—as when a VO is failing because environmental or technical changes have made obsolete what once was a serviceable normative position, and even one that remains solidly internalized by organization members as well as by their clients. I was not involved in the case, but the demise of the March of Dimes after the development of the polio

vaccine constitutes a case in point. The YMCA experienced a similar challenge, but its officials responded more efficiently. The Y had prospered under one set of demographic conditions, then experienced a crisis as conditions changed. The Y successfully reoriented its mission and roles (e.g., Wamsley and Zald, 1973).

**B—**  
***Enlightened Self-Interest***

Aggressively seeking VO outlets also should be motivated by OD self-interest, reasonably viewed. The opportunity here relates to a central issue in today's OD, about which this writer has commented in several places (e.g., Golembiewski, 1994). Directly, there seems a dangerous disjoint in the OD market: a large and growing pool of clients for OD services exists, with interesting and complex challenges as well as attractive fees. At the same time, few opportunities exist to develop workaday experience at the entry and journeyman's levels, except within costly academic or training environments (e.g., the master's in OD at Pepperdine or Benedictine, or the certificate programs hosted by NTL or by University Associates).

Voluntary organizations' consultation can help fill in much of this gap; thus there have been a few well-funded OD programs in the voluntary sector, but the needs for OD services are often greater than VO budgets. So one can easily envision this mutual meeting of needs: the pool of experienced ODers can be enlarged, with the long-run goal of improving the level of OD consultation, while improving the performance of a specific VO in the short run.

Some innovations are required, to be sure. Consider one example of useful institutionalization at a southeastern state university. Advanced graduate students take pairs of courses: one on the theory (let us say) of team building, and the other a workshop headed by an experienced team builder who collectively participates in, and clinics about, the pro bono application of a standard team-building design in some local agency, often a voluntary. Later, individual graduate students may head similar projects, under general supervision at a nominal fee that is used to finance student training and experience in consultation.

Similarly, a local association in the Atlanta area, the Organization Change Alliance (OCA) was formed (among other major purposes) to provide developmental experiences for its members. Local VOs were solicited, and successfully so. Joanne Preston was the point person before her departure for Pepperdine. The OCA continues to prosper, suggesting that it helps fill real needs.

**C—**  
***Increasing OD's Reach and Grasp***

Any robust area of human praxis must combine a central core of values/techniques, as well as an expanding periphery. Without the periphery, the core may atrophy and eventually collapse on itself due to lack of innovation. Without the core, adherents can—as the vernacular puts it—run off to the four corners of the earth, and lose critical mass in the process.

Here, VO consultation can do double duty, thus providing a significant market—and a growth market, in the bargain (e.g., Brudney, 1989)—for extending OD's reach. This constitutes no slam dunk. The voluntary sector clearly has some features—such as the blending of paid staff with freely given contributors—that differ at least in degree from other sectors, and they may be unique. Experience with this attempted extension of OD's reach also can serve to assess its grasp.

Incidentally, I know of no survey of success rates in the voluntary sector. A while back, we found too few exemplars to justify analysis (Golembiewski, Proehl, and Sink, 1981). It may be time to look again.

In the absence of such estimates and given my limited experience with voluntary agencies, I am of two minds. No great differences in the efficacy of OD values and techniques seem apparent to me, whatever the arena. At the same time, mixing and matching OD designs with quite different features seems likely in VO consultations. This is demanding, and it clearly discourages one-design-fits-all proponents.

**D—**  
***Loosely Coupled Systems***

To build on the last observation, a VO almost by definition contains major elements of "loosely coupled systems" (Brown, 1983). Here, policy and structure-oriented designs such as strategic plan-

ning may be of special relevance—not only to develop ways of dealing effectively with individuals and groups who may be modestly responsive to authority or hierarchical cues, but also to articulate consensus about goals and missions and rules that provide some of the "tight" in "loose-tight systems."

One should not overdo the present point, however. Typically, the VO also includes a cadre of paid employees and among them tightly coupled subsystems may exist. Indeed, overdetermination there may be *the* key problem. Here, various interpersonally oriented designs to encourage release and fuller expression may be helpful as starters, especially in the many significant interfaces between paid staff and volunteers. Later, appropriate policies, procedures, and structures may be built on the "era of good feelings" often associated with the release of negative emotionality via human-processual interventions.

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78—

### **Confrontation Design: Training and Relational Learning**

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Training patently will be most useful and most supported when it is "rational"; that is, when it can be directly applied on the job. This has posed no great problem for manual training, and only a little more for cognitive learning such as that in mathematics or engineering. Relatively clear opportunities for the unambiguous transfer of such learning to work are abundant.

Making training relational when behavior or attitudes are involved is a much greater problem, however. This conclusion holds for that gamut of training activities ranging from "human relations" programs to team building. "Back-home applications" are a constant challenge to that full range of training activities.

The "confrontation design" is one attractive way to focus on behavior and attitudes while doing so relationally. This chapter details such a design and illustrates some of its consequences in one application. A full report is available (Golembiewski and Blumberg, 1967). Significantly, many other applications of the basic design also have yielded positive results (e.g., Blake et al., 1965; Beckhard, 1967; Boss, 1979; Golembiewski and Kiepper, 1988, pp. 30–60; Greiner, 1967).

I—

### **The Confrontation Design: Some Universal Elements**

Confrontation designs vary widely in their details, but they share several core features. Seven of these core features are particularly relevant for establishing how the confrontation design requires and permits relational learning.

1. Confrontation designs involve as participants individuals who are hierarchically and/or functionally involved in some common flow of work. The results at issue here concern four levels of the same organization and some nine of its component activities.
2. Confrontations involve two or more organizational entities whose members have real and unresolved issues with one another, e.g., "labor" and "management." The focus in the

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\*Retired.

present case was on a complex web of relations between various headquarters activities and supervisors of a field sales force.

3. Confrontation designs involve the mutual development of "images" as a basis for attempting to work through unresolved issues. In this case, participants were grouped in five basic learning aggregates which generally corresponded to organizationally distinct entities. The basic learning aggregates were instructed to decide on several "relevant others," i.e., any position or unit with whom more effective relations were necessary to do a more effective job. For each of these relevant others, participants were to develop "3-dimensional images" based on these questions:

- a. How do we see ourselves in relation to the relevant other?
- b. How does the relevant other see us?
- c. How do we see the relevant other?

4. Relevant designs involve sharing such images. This confronting via images is the first step toward mutually working through any relational problems. In this case, consultants scheduled blocks of time during which willing relevant others could confront one another. A consultant was present at each confrontation.

5. Confrontation designs assume that significant organizational problems often rest on blockages in communication. Confrontations "free up" people "to level" in communicating, and thus set the stage for authentic interaction and problem solving.

6. Confrontations are short-cycle affairs. The confrontation design about which data will be reported here, for example, took some 12 scheduled hours. Laboratory training, in contrast, tends to run considerably longer.

7. Confrontation designs typically are seen as springboards for organizational action. In this case, "core groups" were set up following the confrontation to work on specific organizational issues. These core groups were formed as a terminal training activity, some work was begun, and plans were made for future meetings.

The learning in confrontation designs does not have to be transferred or made relational, in sum. *It is relational.* The relational nature of the subject matter is starkly illustrated by the sample 3-D image reproduced in Table 1, taken from the confrontation whose results are summarized in the following discussion.

The particular confrontation in question modified the seven design components in diverse ways, basically in response to complexity. Thus basic learning aggregates could select a wide variety of relevant others, and confrontations between all those selected were not possible. Specifically, participants represented both field sales supervision and various headquarters activities. The design involved three organization levels in the sales force immediately below the marketing vice president and included all field supervisors. Three, and sometimes four, levels of headquarters personnel were represented. The possible relevant others are numerous.

Necessity is a demanding master, and the confrontation illustrated here reflects that fact. Basically, time was too short to exploit the full potential of the design for all participants. Specifically, data about 21 attitudes and feelings toward each of the nine positions and organization units were gathered in before/after administrations of a questionnaire. These nine units or positions may be placed in three categories, in terms of their direct and deep involvement in the confrontation design:

1. *Units 1, 2, and 5.* These units and positions represented some three-quarters of the participants. They were deeply involved as relevant others in the confrontations.
2. *Units 4 and 7.* These units were represented by some one-sixth of the participants. For diverse reasons, their participation in the confrontation design was not complete. One of the units, for example, was willing to "let others have shots at us" on the theory that this "would be good for them." But the unit's members clearly were not willing to participate mutually to try to change the conditions that generated concern in others about that unit's activities. For details, see Golembiewski and Blumberg (1967).

**Table 1** A Sample 3-D Image by One Basic Learning Aggregate with a Promotion Department as the Relevant Other

A. How members of basic learning aggregate 1 see themselves in relation to the promotion department

- |  |   |
|--|---|
| 1. Circumvented                        | 7. Productive   |
| 2. Manipulated                         | 8. Instrument of their success  |
| 3. Receiving benefits of their efforts | 9. Have never taken us into their confidence in admitting that a promotion "bombed" |
| 4. Nonparticipating (relatively)       | 10. The field would like to help but it must be a two-way street                    |
| 5. Defensive                           |   |
| 6. Used                                |   |

B. How members of regional aggregate 1 feel the promotion department sees them

- |   |   |
|---|---|
| 1. Insensitive to corporate needs                                 | 6. As lacking in understanding about their sales objectives |
| 2. Noncommunicative upward, as holding back ideas and suggestions | 7. Belligerent  |
| 3. Productive in field saleswork                                  | 8. Overly independent operators                             |
| 4. Naive about the promotion side of business                     | 9. Not qualified to evaluate the promotions sent to us      |
| 5. Unappreciative of promotion efforts                            | 10. Honest in opinions                                      |

C. How members of regional aggregate 1 characterize the promotion department

- |  |  |
|--|--|
| 1. Autocratic                                    | 7. Unrealistic   |
| 2. Productive                                    | 8. Naive   |
| 3. Unappreciative of field efforts               | 9. Progressive in promotion philosophy and programs                |
| 4. Competent with "things" but not with "people" | 10. Overly competitive within own department                       |
| 5. Industrious                                   | 11. Plagiarists who take filed ideas but do not always give credit |
| 6. Inflexible                                    |  |

3. *Units 3, 6, 8, and 9.* These units were represented by few or no participants at the confrontation. Data about attitudes toward these units or positions were gathered, however. For crude purposes, they may be considered a "control group."

For obvious reasons, consultants did not feel that all nine units or positions about which data were gathered would show the same pattern of positive changes in before/after comparisons in attitudes and feelings toward them. Consultants' expectations were that the nine positions or units would be affected by the design in three ways:

1. The most positive before/after changes were expected in feelings and attitudes toward units 1, 2, and 5.
2. No particular changes were expected in attitudes or feelings toward units 3, 6, 8, and 9.
3. No positive before/after changes in feelings or attitudes toward units 4 and 7 were expected, and an actual worsening of those feelings or attitudes might occur.

## II—

### One Confrontation: Some Results

Twenty-one attitudinal and opinion items measured change in the present confrontation, and before/after administrations of a questionnaire yielded data that strongly supported the three expectations of the consultants. Table 2 summarizes some relevant data.

Interpretively, as expected, positive changes in attitudes and opinions toward units 1, 2, and 5 were most common. Thus nearly four statistically significant positive changes occurred for every significant negative change in attitudes toward these units. In contrast, also as expected, units 4 and

**Table 2** Summary Data on Changes on 21 Additional Items, Questionnaires Administered Before and After a Confrontation

	A Units 1, 2, 5	B Units 3, 6, 8, 9	C Units 4, 7
Ratio $\frac{\text{positive}}{\text{negative}}$ changes	1.87	0.95	0.83
Ratio $\frac{\text{positive}}{\text{negative}}$ statistically significant changes	3.75	0.82	0.58

7 had nearly two negative statistically significant changes for every such positive change. The "control" units broke even, approximately.

Given the prime goal of the confrontation—inducing more favorable attitudes or opinions so as to provide a basis for more favorable relations at work—the summary of results in Table 2 supports the usefulness of the training design in this case. Roughly, a major drift of more favorable attitudes occurred toward units 1, 2, and 5. These units were represented by some two-thirds of the participants at the confrontation. Roughly, also, the other organizational units or positions were attitudinally not much worse off after the confrontation.

In point of fact, Table 2 presents the most conservative case for the efficacy of the design. The 21 attitudinal items, that is, constitute a mixed bag. Thus some of the items required "objective" judgments such as: What is the level of productivity of unit X? Other of the items required "volitional" judgments, e.g., How much do you look forward to collaborating with unit X?

Consultants distinguished two batches of items before the data were processed "blind" by others, then, the working assumption being that changes on the two kinds of items were not equally probable. Positive changes in attitudes on volitional items could be expected following a successful confrontational experience.

Scores on objective items should prove more resistant. Indeed, if anything, to the degree that a confrontation experience frees participants to be more open, a negative drift in before/after changes on objective items seems more probable.

### III—

#### "Volitional" Items

As Table 3 shows, the confrontation experience clearly had a profoundly positive impact on changes in the volitional items on before/after administrations. Toward units 1, 2, and 5—that is, for some two-thirds of the participants—positive changes in attitudes outnumbered the negative by 5:1 and 14:1. On balance, in addition, attitudes toward the other six units or positions about which data

**Table 3** Summary Data on Additional Changes on 12 "Volitional" Items, Questionnaires Administered Before and After a Confrontation

	A Units 1, 2, 5	B Units 3, 6, 8, 9	C Units 4, 7
Ratio $\frac{\text{positive}}{\text{negative}}$ changes	5.0	1.7	1.4
Ratio $\frac{\text{positive}}{\text{negative}}$ statistically significant changes	14.0	1.8	0.83

were gathered also tended to be positive. This spillover effect of the design had not been anticipated, but it reinforces the efficacy of the design.

Interestingly, the heightened desire to improve working relations coexisted with an apparently greater freedom to make more negative judgments on objective criteria. Objective items yielded opinion changes that were sharply negative, on balance. Negative changes outnumbered the positive by 2:1 or 3:1 for all three categories of organization units or positions. This narrow range of attitudinal change suggests a general freeing up of participants to be more open about their negative attitudes toward all units and positions about which data were gathered.

#### IV—

#### Conclusion

In sum, convincing evidence supports the efficacy of confrontation as a training design for relational learning. Patently, the present confrontation induced positive attitudes and opinions on which constructive problem solving could be based. Less clearly, the confrontation seems to have freed participants to be more open in acknowledging negative attitudes toward one another while they also reflected heightened motivation to improve matters.

There seem a number of important safeguards built into the confrontation design, finally, and no particular skills need be developed in participants to make it go. Rather than reducing the need for competent trainer resources, however, these characteristics place a premium on them. Trainer involvement may be minimal in such a design. The typical confrontation is fluid and complex, however, so there may be no recapturing later of the "magic moment" sometimes possible in other training designs. For example, in a sensitivity training group, a trainer may thus console himself about his failure to make an effective intervention: If it's really important, the matter will be brought up again. In a confrontation design, the trainer must intervene effectively "right now."

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79—

### **Third-Party Consultation: Basic Features and One Misapplication**

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Four features provide the essential conceptual content of third-party consultation, as largely developed by Walton (e.g., 1969, 1987). First, the technique is a confronting one for exploring and clarifying issues in conflict, assessing the nature and magnitude of the needs or forces involved, highlighting the feelings generated in the two parties, getting a sense of triggers to conflict, and discovering possible ways to manage or resolve conflict.

Second, the third party serves two basic functions in the role of helping the pair to confront their conflict in constructive ways. Thus, he or she serves as a process consultant in observing the interacting pair; attempts to reflect a process orientation in his or her own interventions; and also seeks to encourage the pair to increasingly respect the same values in their interactions in the learning situation as a prelude to later self-maintenance of their interaction at work. In sum, this means (to use Edgar Schein's definition) that the consultant attempts to generate "a set of activities . . . which help the client to perceive, understand, and act upon process events which occur in the client's environment" (Schein, 1969, p. 9). In this role, the consultant may (Walton, 1969, pp. 122–129):

Regulate interaction between pairs, as by terminating a discussion that is repetitive or counter-productive

Suggest items for discussion between the pair

Constantly summarize what is understood to have been said or projected nonverbally by the principals, to clarify and perhaps even redefine issues, with the goal of increasing the consensus about what all three participants understand as the sense of ongoing communication and, hence, of increasing the credibility and reliability attributed to the communicative signs being exchanged

Encourage feedback between the principals, and between the principals and self

Make observations about the processes that exist between the pairs in conflict, and perhaps between self and them

Diagnose the sources of conflict

Prescribe techniques that may facilitate discussion

Suggest ways to resolve or manage the conflict

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Modified from R. T. Golembiewski, *Approaches to Planned Change*, vol. 1, New York: Marcel Dekker, 1979, pp. 249–258.

Perhaps the most crucial role of the consultant is encouraging adherence to values and goals—openness, willingness to risk interpersonally and to experiment, owning the conflict as well as the emotions associated with it, and acceptance of the responsibility for the consequences of the confrontation. See also in this volume Golembiewski's Chapter 39, "Competence via Regenerative Systems."

Encouraging this value boundedness is often not as difficult as it appears, because the principals usually value those norms, or at least have confidence in the consultant. In any case, respecting such values is central to the success of third-party consultation. As one source explains, "Because of the nature of the third party's professional identity and the clients' prior experience with persons in the profession, his presence by itself tended to provide emotional support and reinvoke some of the behavioral norms, which were instrumental to the conflict confrontation and resolution process" (Walton, 1969, p. 327).

Third, since such interpersonal conflicts tend to be cyclical, a major task of the third-party consultation is to isolate those factors that trigger the conflict as well as those that dampen it. Such information can serve one of two purposes. An elemental strategy for managing conflict straightforwardly seeks to minimize the occurrence of trigger events and to maximize the dampeners. Beyond that, knowledge of the specific targets and dampeners may spotlight the causal issues must be dealt with by any real resolution of the conflict.

Fourth, a variety of conditions seem to be necessary for a productive third-party consultation. These conditions may be sampled here briefly, since a fuller treatment with illustrations is conveniently available. Such conditions often can be influenced markedly by the consultant (Walton, 1969, pp. 94–115):

Mutual and synchronized positive motivation by both principals seems a prerequisite, apparently in that it is a measure of willingness to invest in the confrontation and to own its consequences. These are powerful factors encouraging a successful experience.

Some balance in the power of principals in the learning situation seems important, which the consultant can help supply by interventions that help both parties get air time or that draw attention to attempted domination by one of the pair. For example, the subordinate in a manager-employee pair might feel that he "will lose every time" in the learning situation as well as outside of it, in the absence of efforts by the consultant to achieve some relative balance of power or influence.

Of critical importance is the appropriate pacing of the two basic phases characteristic of third-party consultation—differentiation and integration. These emphases may occur several times, especially when a complex string of issues is involved. *Differentiation* often is time consuming, as each party develops his or her own sense of the conflict, elaborates other differences between the two parties, and ventilates feelings and reactions toward the other. The level of tension is likely to be high. *Integration* often can occur in brief if important episodes, as in stressing the commonalities between the pair, expressing a new respect or even a mutual warmth, and moving toward commonly accepted solutions that manage or resolve the interpersonal conflict.

An intermediate tension level seems useful for learning in third-party confrontations. Low levels of tension imply low motivation, and very high levels of tension apparently bind and blind principals in ways that confound and complicate the learning situation.

## I— Perspectives on a Failure

Despite the lack of explicit research, much experience implies the validity of Walton's prescriptions for effective third-party consultation. An application in a five-member work group that obviously failed, for example, provides patent support for Walton's approach. For many purposes, please note the case below basically involves two overlapping pair relationships:

A mollifying subordinate and the manager  
 An emotional subordinate and the manager

The same intervenor is the third party in both cases.

**A—**

***A Troubled Minihistory***

As part of a larger organization, the work unit was recently established to analyze policy for potential legislation. The unit's four staff members held degrees, some advanced, in the areas of political science and public administration; all had practical work experience. The unit's supervisor held a law degree and had spent 2 years with a law firm. The unit promised to be a compatible one that would produce quality reports.

Within 3 months, however, the unit was crippled by interpersonal conflict. Initially, the disagreements centered on different concepts of a satisfactory management style. The unit director took an authoritarian approach to running the division, expecting formal, written progress reports. Staff members had anticipated a looser approach to structure—more brainstorming and free discussion. Problems also arose regarding each member's autonomy over projects assigned to his or her supervision. The unit director made it plain that he felt he had ultimate say-so over a project, but all staff members felt their suggestions should be given equal weight in the final project.

**B—**

***The Third-Party Intervention***

The director of the parent organization made the decision to employ a third-party consultant, at the 5-month point in the unit's life. The intervenor was a member of the parent organization, although unknown to any of the staff involved.

Since the unit clearly had polarized into four (the staff) "vs." one (the supervisor), the intervenor held separate introductory meetings to determine what each "side" saw as the greatest problems facing the group. In both meetings, the intervenor acted as a sounding board, sometimes clarifying or restating an idea, but primarily playing the listener.

The first meeting was with the staff. Discussion emphasized problems of miscommunication as well as lack of communication; each member's thwarted expectations of duties and responsibilities; and perceptions of real (compared to ideal) unit organization. The four also discussed some of the degrading and critical personal remarks that were being exchanged between the director and some staff members. Silences, sometimes of several days, resulted. The problems were especially critical for one staff member, Flo. The other three had other projects, which provided them respite and shelter. Flo was on unit work full time, and her complaints were strongest. The other three staff sympathized with her vulnerable position, and encouraged her to confront the supervisor while noting they had less need to do so themselves. The four staff members worked well together, shared similar goals for the unit, and all felt isolated from the supervisor.

There is no record of the meeting of the intervenor and the supervisor but later recollections indicate that discussion centered on the supervisor's frustration at being isolated and screened from *his* superiors.

The third meeting, held a few days later, was the first opportunity for the unit to meet in toto. The atmosphere was strained. One of the staff members—more experienced, and with greatest informal status—opened the meeting with a rambling discourse about the job the unit was trying to accomplish, and how well it was being done. He referred to recurring problems, but avoided their personality aspects. This member later revealed his intent was to relieve obvious tension; other staff members believed it only aggravated the situation. About 45 minutes were taken up in this way, with only minor interventions by either participants or the third party.

Eventually, the supervisor says to the intervenor: "I am interested in knowing how Flo feels about all this." Everyone turns and looks at her.

Flo shifts uneasily in her chair. Her headache suddenly becomes a full-blown migraine, it seems.

Her thoughts are racing as she weighs alternatives: Should she say it or not? She looks to the intervenor for encouragement, but he is studying his cigarette with fascination.

"I must say *something*," she thinks, "or I'll regret it the rest of my life." When she opens her mouth, she is appalled to hear a squeaky little voice emerge. She thinks: "Can it be mine? I sound like I am going to cry! I know I'm not, but everyone else looks nervous."

The words pour out. "I'll be honest: I've felt cheated in this job. You promised some pretty great things—you said you needed someone who could do more research than secretarial work, but I haven't seen much research yet. Some days the only thing I come in for is to clip articles out of three newspapers and maybe file a little. I know the menial things have to be done, too, but it seems like that's all there is."

"I've tried to be honest about what I thought fell within the demands of my job. Like not getting coffee for you in the morning—I think you know a lot more about how you like your coffee than I do. And also about screening your phone calls—no one else in the entire department has it done. I know you were used to some of this where you worked before, but things here aren't so formal. I think you should try to fit in more with what's accepted here."

Flo is pretty elated that she's said some of these things. But by now she's hyperventilating, so she tries a new tack. She starts to feel a little sorry for the supervisor. "He hasn't said a word in self-defense. I'll take a little of the blame too. It seems only fair!" She thinks.

"I know I'm stubborn and hard to get along with. I've refused to do things I probably should have done," she continues. "I'm feeling like a real rat."

This prompts a flurry of activity by the other staff members, the first real participation in perhaps 15 minutes. They note Flo is too hard on herself; that she has done a good job.

But the conversation soon becomes desultory. The heated invitation to confrontation seems embarrassing to all, including the intervenor. The supervisor pays virtually no attention to the emotional outburst which centered on specific personal problems that Flo has with her supervisor. Did he ask the question only for appearance?

The "discussion" soon returns to its earlier orientation, centering mostly on what kinds of information were not being shared between the supervisor and the rest of the staff. The supervisor did not reveal to the staff the problems that he encountered with significant people outside the immediate unit, about which he had complained to the third party.

The session ends after about 2 hours, with all members feeling there had been some initial sharing within the group. But the basic problems—vast differences in personal style and work expectations—had been ignored.

The intervenor thanks the members for their participation and indicates his availability to the group in the future, but makes no suggestion of a next meeting date. There are no additional meetings.

C—

### ***A Retrospective Look***

This intervention seems a failure, however viewed. According to the unit's members, the "we" and "him" polarized even further after the intervention. One staff member said: "We simply gave up." The director made no further efforts at rapprochement; and the intervenor scheduled no follow-up meetings. The work unit was abolished 6 months later.

Why the outcome? What follows is a personal explanation of the failure based on neglect of four basic elements identified by Walton as necessary for an effective third-party consultation.

1—

### **The Technique Is Confrontation, Not Exhortation.**

The intervenor was perceived as more boundary setting, or even as more hierarchy serving, than Walton recommends. The meeting's dominant mode from the start was to do better, period. Specifically, the intervenor "helped" the supervisor more than the other four staff members by:

Restating the supervisor's views and feelings, but not those of the staff

Indicating the supervisor's interest in certain issues rather than others, yet failing to bring up the issues that had been mentioned by the four staff members in their group session

Not encouraging or even legitimating the open discussion of the emotions and feelings that were involved

Not dealing with behavior, such as the various mechanisms that triggered conflict

Not directing attention to systemic contributors, such as the supervisor's issues with his superiors

Staff members sensed that confrontation would only be "allowed" to take place on certain levels. The single time a member attempted to move toward more personal issues, the effort was not reinforced. Thereafter, discussion centered on safe topics, such as ways to revise the unit's structure and to improve patterns of communication.

2—

### **Intervenor Should Adopt a Process Orientation.**

Walton prescribes that the third parties adopt the same values in their personal style of confrontation that they seek to engender in the conflicted pair. Eiseman (1977, p. 303) focuses attention on a critical related point in the third party's role. "Although being neutral implies being impartial," he observes, "it does not imply being value-free." In fact, Eiseman advises, "The third-party must be prepared to champion the values underlying collaboration." The intervenor's behavior in this case did not foster a process orientation or a confronting mode. Specifically, the intervenor

Did not regulate the group's interaction. He should have actively involved all members of the group instead of allowing two members of the group to dominate discussion, one of them for a 45-minute stretch.

Did not suggest topics and issues for discussion based on the fact finding of the two introductory meetings, even though it was obvious that two very different perspectives of the unit's problems existed.

Did not attempt to deal with the sources of conflict, as perceived and described by staff members.

Did not "process" the "emotional outburst."

Did not reveal, or get the supervisor to reveal, that part of the supervisor's authoritarian behavior derived from the controls exercised over the supervisor by his hierarchical superiors.

This catalog implies both missed opportunities and awkward modeling by the third party. The consultant should have reflected openness as well as willingness to risk and experiment, and should have encouraged owning behavior and emotions. He played an inactive, listening role. Some of the staff members showed a desire and readiness to share on a personal level, at some anticipated personal risk, but they felt rebuffed by the lack of acceptance by the third party and the supervisor.

3—

### **Isolate Factors That Trigger or Dampen Conflict.**

Walton suggests that interpersonal conflict be viewed as a cyclical process. Triggering events may not actually escalate the conflict, but may cause conflictful recycling. Minimizing the events that trigger, and maximizing the issues that have a dampening effect on conflict, can break the cycle.

The intervenor made little effort to deal forthrightly with the basic causes of conflict or to discover the actions that would lead to conflict reduction. More attention was paid to preaching that the unit had to run more smoothly than to seeking elimination of problems that hindered that smoothness.

4—

### **Create Conditions for Productive Confrontation.**

Walton also prescribes that at least four elements characterize an effective third-party intervention. They are (Walton, 1969, pp. 96–114):

Equal motivation

Balance of power

Pacing that provides due attention to both differentiation and integration of the parties in conflict, basically in that order

An appropriate level of tension

The third-party consultant did not respect such elements, on balance.

First, there was no real test of participant motivation, because no choice was given. Two mem-

bers probably would not have participated if an option had been available. Some members felt they had too much to lose, especially if they were honest. There were also differences in staff status that accounted for some apprehension.

Second, "balance of power" does not refer to equal status or influence among members, but to the situational balance of participation in the confrontation. The intervenor failed to ensure or even encourage each member's opportunity to participate. Therefore, most members hung back, waiting to be addressed directly. The result was domination by the director and one staff member, whose approach was to defuse the conflict from the first moments of the combined meeting. The other three participants grew more defensive and withdrawn as the meeting wore on, and they received no help in situationally counterbalancing the director's formal power.

Third, pacing of the confrontation requires a delicate shifting between differentiation and integration phases. Differentiation emphasizes the differences in the group. Integration should then follow, emphasizing the common goals and similarities. Often, there will be several cycles of differentiation integration in a third-party consultation.

Basically, the combined meeting never got very far into the sources of differentiation, probably because of the very long attempt by one staff member to emphasize integration from the start. The "emotional outburst" about the 45-minute mark probably was heightened by the delay in getting on with it. Moreover, and perhaps because of the unexpected intensity of the outburst, the consultant did not seem to know quite what to do with the emotional aspects of differentiation. In fact, he seemed to ignore and avoid attempts to deal with them. He did not seem at ease dealing with the emotional aspects of differentiation, even seemed to ignore and avoid attempts to deal with them. He did not seem at ease dealing with the personal problems and frustrations that four members had voiced to him privately as the main causes for concern. The four staff members did attempt to balance their "attacks" with integrative interchange. These latter efforts were virtually ignored by the supervisor. The intervenor did not draw attention to the lack of response from the supervisor, nor did he encourage feedback.

Fourth, the tension level in the combined meeting escalated to a point at which it was difficult for any learning to occur. One member recalled getting a migraine headache during the meeting, yet the intervenor seemed unaware of any unusual tension and made no efforts to discuss it.

The intervenor in this case was interviewed, and his views and feelings are interesting. At his request, he was given only nominal briefing from the parent organization regarding the unit's problems. He stated his preference to observe and listen to each faction as impartially as possible. He then determined the underlying issues and formulated a strategy. He indicated that his confrontation strategy varied with each situation, the primary goal being to remain totally unbiased. He viewed the role of intervenor as a sounding board, and he comments only when he seeks clarification or sees a need to sum up what has been said. He studiously avoids the role of moderator, preferring to be inactive in structuring the discussion.

Consistent with this preferred role, the third party did not actively encourage the transfer of confrontation values back to the work site. Also, future dialog was made more difficult because no follow-up meeting was set. The third party merely mentioned his future availability.

This posture about follow-up meetings seems counterproductive. One meeting on a problem of this scope scarcely scratches the surface. In this case, it only heightened the tension that the members were experiencing. Three staff members felt the single meeting actually had destructive effects. One member initially thought it was constructive, but altered that opinion after learning there would be no follow-up.

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80—

## **High-Performing Teams: A Definition**

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Teams are part of everyone's life experience. Nearly every one of us grows up either participating on teams, or observing teams. While work teams are not as visible as school teams, or professional athletic teams, they are more numerous. When most people think about a team, their thoughts usually turn first to teams where they were members, and then to professional teams, usually athletic. It is from one of these two sources of experience which people then draw when they form or participate on work teams.

This chapter is a discussion of teams in general and of high-performing teams in particular. The first section sets some guidelines for identifying teams. The second section presents some guidelines for identifying high-performing teams. Most teams have the potential to become high-performing and this chapter is a first step in that process.

I—

## **Teams: A Description**

Any time a group of individuals apply their collective effort toward the same goal they have the basis for a team. However, other factors also have to be present. There needs to be an acknowledged leader with at least a special role, and in most cases special authority. The leader may be a member who fills the role for only the task at hand. There also must be occasions when all the members are physically present.

For example, a baseball team is only a team when the manager, or other acknowledged leader is included and when the players are all in the same place. A crew at a McDonalds is a team only while they are on duty. Two police officers in a patrol car might be a team, but due to the absence of a stated leadership, are more truly partners. A group of specialists who have separate goals, even though they might report to the same supervisor, are not a team.

In organizations, teams take numerous forms regardless of the label. A task force is a team with a single purpose. A committee can be a team. A work group is a team. A matrix team is a team when the individuals come together to function on a single project. It is almost impossible to escape being on at least one team in any organization.

While individuals can fall into numerous other categories, engineer, accountant, new employee, manager, etc., these designations do not constitute the individuals as team members. Some of the frustration of managers who have wanted to do teambuilding with all the engineers or all the clerical

staff can be understood by realizing that individuals with common labels are not always teams, or likely to be.

## **II—**

### **High-Performing Teams**

With the increased need for human resources to be more productive has come increased attention on team performance. Most organizations have at least experimented with teambuilding exercises and many organizations use teambuilding as a regular organization development activity. Many senior management groups hold annual teambuilding sessions to review their work relationships and work processes. While there has been a continuing focus in the behavioral sciences on team performance, in the past few years there has been an increased focus on attempting to analyze the facets of a high-performing team.

Most of the research and theory has focused on the internal processes of the team itself, for example, the team's communication process, the level of trust, or the ability to handle conflict. The research findings have been relatively congruent even though the language used to describe the findings has varied. Some of the key findings are included below. Two other factors are important in distinguishing high-performing teams. They are the way leadership is performed and clarity and consistency of purpose.

In addition to internal factors, however, are the factors in the team's environment which also influence the success of the team, for example, competition, resources, and judgments of important others. A good team in a poorly performing organization will look high performing until the rest of the organization improves its performance. Or, a potentially high-performing team will be less successful if a competitor brings out a new product before them. Finally, many potentially high-performing teams lose their impact because of their failure to influence the environment in their own organization. Both internal and external factors are discussed below.

## **A—**

### **Leadership**

The importance of leadership in a team has been widely discussed in other literature and won't be commented on here.

In addition the appropriate characteristics for a leader of a high-performing team are beyond the scope of this chapter. However, there is one critical characteristic which is at once obvious and at the same time missing in many team leaders. The leader of a high-performing team must have a strong belief in teams.

Although many managers or team leaders will quickly acknowledge the importance of teamwork, many of them do not believe that teams are the best way to accomplish their task. Some of the behaviors which reveal a leader who believes in teams are constant delegation, use of pairs and trios to solve problems, praising the entire team rather than individuals, and being an active member of other teams. Without a leader who believes that teams are more successful than a collection of individuals a high-performing team will not develop.

## **B—**

### **Purpose**

A high-performing team develops a clear purpose for itself. Even when the team's environment is shifting the team will establish a purpose and shorter-term objectives. In addition to having clarity of purpose, each member of the team will be committed to achieving the purpose. With less high-performing teams the purpose is often clear to team members, but their individual focus is elsewhere, so the team purpose suffers. In other cases team members' personal goals are similar to the team's but they do not have the level of commitment required to achieve the purpose. Finally, the purpose of a high-performing team will almost always be loftier or grander than the purpose of a less well-performing team. A high-performing team's purpose is to create environments as opposed to building houses, or to set records as opposed to meeting schedules.



### III—

#### **Internal Factors**

The internal factors which contribute to a team's performance are individual performance, trust, problem solving/conflict resolving ability, and belief in the team. The external factors are identifying critical outsiders, relationships with those outsiders, team performance, and being seen as winners. The first two internal factors, leadership and purpose, are different from the other internal factors in that they provide a context in which the team can perform.

#### A—

##### ***Trust***

Published research regarding trust in teams is sparse but convincing. Trust is one of the most important ingredients of a high-performing team. Many teams with less than ideal conditions perform very well because of a high level of trust between the members. Often, the focus of teambuilding will be to increase trust, yet the activities have to do with communication, conflict resolution, etc. The implicit hope is that trust will result from better processes.

The opposite approach is much more likely; focusing directly on improving trust will result in improved communication and conflict resolution. In its simplest form, trust is being willing to take slight risks with another person. On a team it means feeling free to disagree, to admit not knowing, and to believe that other team members will not let you or the team down. With trust the lack of good communication skills or conflict resolution skills can be overcome.

Many teams work well with low trust among members, until the pressure to perform increase. In these teams lack of trust will be manifested by blaming, loss of cooperation, and lower levels of communication and interaction. Trust becomes most important when the stakes are highest for the team.

#### B—

##### ***Individual Performance***

It helps if a team is composed initially of individuals who are all high performers relative to the team's task. However, in most organizations team member's abilities vary, both in level and area of expertise. Usually an organization attempts to recruit and select the highest level of individual talent. However, this is not always possible. Even those organizations which are able to select from the top ranks of potential employees recognize that more than individual talent is required to have an excellent performer.

Assuming that most teams' members are not all superstars, how does a high-performing team differ from a less well-performing one? A high-performing team works to increase the medium performer's level of performance and has a different perspective on the role of the individual performer. In a less well-performing team, the less skilled member is often isolated, sometimes ridiculed, usually subjected to pressure to carry his/her share of the work, and often has limited contact with the higher performers. The most frequent result is that the individual reacts by trying harder, develops a higher level of anxiety, and performs less well.

In a high-performing team all the team members see the task as shared and the success, or failure, belongs to the team, not an individual. The most striking result is that all team members become invested in "the less well-performing members'" success. Instead of ridicule the team member will receive coaching, teaching, and, most importantly, a sense of belonging. At the same time the division between individual members' work is more blurred, so that team members cross over job lines to assist each other to complete tasks. In this environment, an individual's performance improves. As a result, the team's performance improves.

#### C—

##### ***Problem Solving/Conflict Resolving***

All teams face problems which must be solved and frequently the problem-solving process develops conflicts among members. The team's performance will be affected by its ability to resolve the conflicts in a constructive manner and to solve the problem. In less well-performing teams conflicts

are not managed in healthy ways and as a result the problems are usually solved in a less than optimal way. A more destructive result is that team members are often driven further apart as a result of the unresolved conflict. Thus, the team's ability to handle the next conflict is less rather than greater. As noted above, if the trust level is high enough then conflicts will be resolved and problems solved.

High-performing teams handle conflict openly and are willing to continue working for a resolution until all the members are satisfied. There may be a recognition that they need better skills for resolving conflict and steps will be taken to improve those skills. For a team to even admit the need to learn skills is a mark of a team with high performance potential.

Another characteristic of the high-performing team is the ability to learn from the conflict. The learning may focus on how the conflict can be prevented but will usually focus on what can be learned about the function of the team. In a similar fashion a high-performing team may learn that their problem-solving ability is lower than desirable. They will seek training to improve their skills rather than making excuses for their behavior. As noted above, even with high-performing individuals, teams need team skills which are frequently different than the talents of most individuals.

#### **D— Winners**

High-performing teams believe they are winners, and won't hesitate to tell you if asked. However, if you ask who the stars are there will be hesitation and confusion, since everyone is a star. Just as a high-performing team has a purpose which sets higher goals than they can be reasonably expected to achieve, they also have a team image which is greater than they can reasonably expect to fulfill. It is common to explain great achievements by pointing out that the outstanding performers just didn't realize the odds they faced, or because of lack of experience they kept going. However, when those performers are interviewed they all say something like, "We believed we could do it."

The belief carries the high-performing team further than their collective talent would predict. When a less well-performing team is faced with adversity, it will falter sooner than the high-performing team because they believe they are going to fail rather than that they are going to succeed. With some teams the belief in themselves takes on a spiritual quality where each member experiences a loss of individual identity coupled with extraordinary communication and coordination with other team members. In short they experience themselves as a part of a larger entity, the team.

#### **IV— External Factors**

While the four internal factors discussed above provide the raw material for developing a high-performing team, the performance will eventually be judged by the team's interaction with its relevant environment. There are numerous examples of teams which have spent time and energy improving their internal functioning only to be discounted by others in the organization.

In some cases teams who spend energy focused on their internal functioning may in fact be avoiding facing up to the work described in their purpose statement. In addition to excellent internal processes teams must also interact in a productive manner with the critical others in their environment. Critical others are typically internal to the organization, but can include customers, users, and clients. The four external factors which high-performing teams work to influence are: identifying critical others in the team's environment; building and maintaining relationships with critical others (trust building); actual performance; and being seen as winners. Of the four external factors actual performance may be the least critical. However, by definition a high-performing team must perform well.

#### **A— Identifying Critical Others**

High-performing teams consciously discuss who the critical others are for the team. Once a list of critical others is known the team will review its relationship with each individual/group on the list. When there is a problem, or even a question, with the relationship some member of the team will

be charged with initiating contact with the other party for the purpose of improving the relationship. The list of critical others changes and a high-performing team will review the list at least monthly as routine business.

**B—**

### ***Relationships with Critical Others***

High-performing teams actively seek out the critical others in their environment in order to build productive work relationships. Major focus of this boundary-spanning activity is to clarify expectations. Clarifying expectations provides the high-performing team with important information about the critical others' expectations of their performance. At the same time it demonstrates their desire to perform well for the critical other.

A less well-performing team will typically strategize within the confines of the team about how to prevent further deterioration in the relationship, or worse, how to counter the anticipated attacks from the critical other. This almost always results in a loss for the team and usually for the organization.

**C—**

### ***Team Performance***

While it seems obvious, high-performing teams perform. Often, less high-performing teams spend their time and energy on activities which are not focused on performance. High-performing teams focus on internal processes in order to perform. They identify and maintain relationships with critical others in order to assure that they meet expectations about performance. Almost without exception the purpose of a high-performing team has at its core performance objectives which are higher than any which now exist. All of these factors create conditions for high performance. However, performance in most cases is judged by critical others in the team's environment; customers, management, and users. To be seen as high-performing the team must be aware of the specific expectations of these groups and work toward them.

**D—**

### ***Seen As Winners***

Finally, while a team's internal and external image does not substitute for performance, it will often allow a team more freedom in meeting goals. A team that is expected to perform well doesn't get the critical attention to which a less high-performing team is subjected. In addition, if we expect high performance, then we are more likely to see high performance even when it doesn't totally exist. High-performing teams work to let the environment know that they are winners. In all their interactions with outsiders they present a positive and upbeat image, or, if it is more appropriate, a professional image. Members of high-performing teams never say negative things about other members in public. They do, however, present a team image. They assure the environment that they are in charge and can perform in an excellent manner if given the chance. While high-performing teams aren't always popular they are always respected for their ability to perform.

**V—**

### ***Summary***

High-performing teams start with leadership that believes in teams as a means for accomplishing work. The leader and the team are totally committed to a lofty purpose, which has as its core increased performance. The high-performing team works to develop and maintain trust. With a high level of trust they can overcome other shortcomings. Without trust, however, individual talent and skills won't result in high performance. High-performing teams help members to become higher performing individuals, rather than isolating and punishing low performers. High-performing teams develop the skills to manage conflict and solve problems. Finally, they believe they are winners.

In addition to these internal factors, high-performing teams focus intensively on their external environment. They identify critical others, clarify expectations of performance, and maintain positive

relationships with critical others. High-performing teams work pointedly to meet expectations and when they fall short of meeting those expectations they get by because they are seen as winners. The characteristics of high-performing teams are within the reach of most teams. To begin, the team leader, or a member, needs only to initiate a discussion about the characteristics described in this chapter and how her/his team can become high performing.

81—

## Quality of Work Life for Consultants

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*What is quality?* Repeat the title of this chapter to yourself five times, changing the inflection and cadence each time. Which one sounds appropriate for you? If the answer is, "Quality of work *life*!?! For *Consultants!*!" you are in the majority.

What would quality of work look like for you? Let's fantasize for a minute:

Two people sitting in an office. One is leaning forward, speaking with emotion and force. The other is leaning back, listening and making notes. After an hour the conversation ends. Most of the energy and talk came from one of the parties. S/he seems relieved at the end. The other person smiles, tiredly, shakes hands and leaves the room.

Or, we are in a room with most of the shades partly drawn. Outside, the sun is shining on a wide green lawn, a pool and wooded hillside. There are several people in the room. A mix of ages, race and gender. They are attempting to solve an important organizational problem. One of the members is charged with aiding the problem solvers. The meeting is at times tense, at times boring, and at others exhilarating. Finally, as the sun disappears, the meeting comes to an end. The members begin leaving in small groups for drinks or an evening run. One member remains behind to remove newsprint sheets from the wall.

Or, traffic is a mess. The cab will take at least another fifteen minutes to get you to the airport. You glance at your watch for the tenth time. What percent of your time do you travel?

Have you seen your spouse or children or close friends enough to meet your needs in the last month? Enough to meet their needs? This chapter is about the quality of work life or lack of it for consultants. We have been involved in the consulting business for more than twenty years and have experienced all of the examples above. We have also seen our colleagues experience them. In addition we have seen colleagues rise to important positions in government and industry, seen them take on exciting jobs in the U.S. and other countries. ("It must be nice to travel to all those exciting places!")

We have seen some of them receive the highest honors that are bestowed by academic and professional organizations. We have also seen them get divorces, have heart attacks, become alcoholics, and not be able to remember when they relaxed last.

How does your list look? Maybe quality of work and quality of life are compatible. They *could* be, but for many consultants they are *not*. Consultants espouse values about quality of work and of life, but in many instances do not live those values in their own work or lives.

There are two areas of concern we want to address in the rest of this chapter. The first is the way in which a consultant's work consumes her/his personal life. The second is particular environmental and material aspects of the work which lead to quality or to its absence.

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An earlier version of this chapter appeared in *OD Practitioner*, vol. 12 (Oct. 1980), pp. 1–8.

Check off as many of the following as apply:

Work is	Life is	Work is	Life is
fun	fun	dead end	dead end
play	play	meaningful	meaningful
stuffy	stuffy	relaxed	relaxed
tired	tired	chosen	chosen
energy	energy	disjointed	disjointed
hotels	hotels	draining	draining
friends	friends	material	material
colleagues	colleagues	spiritual	spiritual
peace	peace	healthy	healthy
boring	boring		

I—

### **Developing a Practice: Personal Costs**

We have seen many consultants begin a practice with little or no assurance that they would be able to pay their bills. This is a reasonable place to start, since most new consultants, even those who are leaving an organization which will retain them on a partial consulting basis, have to make contacts and develop a set of marketable skills. Typically, this means that the person's energy is aimed at getting work. Any work will do. In this process the new consultant may take work which is ill conceived, underpaid, and nonstimulating. In later years the same type of work will be referred to other consultants or will be developed into something more meaningful.

During this period (the startup) other, more serious, problems begin. The consultant is developing a set of norms which will guide his/her practice for years to come. One of the norms is the inability to say "no" to work: all work should be accepted since there might never be more. Another norm is placing personal desires and needs second to client needs and desires: recreation, relaxation, and personal health can wait until the work is finished. In general, a set of norms is developed, which has to do with getting more work at the cost of personal life.

It's nearly five P.M. The phone rings and a voice says, "I'm Joan from XYZ Corp. and you were recommended to me by our personnel department. We have a skills workshop set up for next week and need a trainer. Are you available?" You consult the calendar. Two of the days are blocked out for skiing. You say, "Yes, I can do it."

At the early stages giving up personal time isn't so obvious because for many new consultants there are times when there is no work. These times can be spent relaxing, playing, etc. After a while the marketing begins to pay off and the consultant attains a reasonable level of work. Reasonable in that the work will pay the bills and at the same time leave time in which to tend to personal life. However, without exception the consultants we know never recognized this balance. They were still feeling insecure about income and were busily generating new business. The result is that the old business was continuing and in some cases turning into additional work; the consultant was saying "yes" to all of the new opportunities while promoting even more work. At this point the practice begins to run the consultant.

*Help!!!* Many consultants in this situation get relief by being sick. It is the one acceptable way not to be available to clients. Others find more time by leaving marriage or other significant relationships. Still others take second apartments in faraway cities to have a sense of home away from home. Some consultants develop special relationships with airlines and hotel chains to get a sense of belonging. Most, however, just carry on!

The discouraging thing is that the necessary technology exists (to be "sold" to others) in each of those consultant's bag of tricks to extricate her/himself from the situation (time management, life planning, value clarification, goal setting, etc.). However, like the barefoot cobbler, most do not apply the treatment to themselves until there is a major upheaval in their personal lives.

There is, however, one particular element necessary to get free of the work chains which is

not in the repertoire of most consultants: financial analysis and planning. If you think back, a major force which gets the self-employed person into the work trap is a concern about income. Having attained an adequate income, most consultants forget about money. They have enough cash, some work is booked, they feel confident that they will not starve; thus money becomes less important.

Answer the following questions for yourself:

1. How much money do you currently have in your bank accounts?
2. What is the current value of your estate?
3. How much money/work do you have booked in the coming six months?
4. How much in the following six months?
5. How much income do you need to meet basic monthly expenses?
6. What saving and retirement goals do you have?
7. How are you contributing to those goals each month?
8. Are your past year's income taxes paid?
9. What percentage of your income is earned from low-paying clients?
10. How much money do you fail to collect each year because you didn't bill for preparation, telephone, or report writing time?
11. Which clients are bad for your health?

We suspect that you were only able to answer a small number of these questions. But without clear answers to all of the questions you have no practical way to decide to seek or reject work. Our experience suggests that regardless of the clarity of the consultant's values, the pressures of personal life, and the type of lifestyle desired, consultants cannot make "self-responsible" choices until they are clear about their current financial status and their future financial plans.

*Regaining Control:* We suggest that the overworked consultant do the following: first, begin to gather the financial data requested above. (A set of forms follows to aid in the data collection process.) Look at the degree of adequacy of your insurance policies. Purchase income protection insurance as well as life and health. While this information is being gathered, review your earnings history for the last three years. This, in conjunction with the current bookings, will provide a base to project future income.

Second, spend at least one half day analyzing your current clients and the work you are doing. Look for exciting vs. boring work. Look for high income vs. low income work. Look for work which is totally congruent with your personal values vs. work which creates some value conflicts. *Use* this analysis to drop some current clients and to decide which new ones are appropriate for you.

Third, spend at least a day thinking about your future in terms of goals, accomplishments, quality of life, dreams, etc. Follow this day by going away for a weekend to discuss the goals with your spouse, lover, family, etc.

Fourth, assess your current level of health and health practices. You may need to have a stress test taken as well as assessing your current amount of exercise, alcohol intake, smoking, weight, etc. How long has it been since you saw your personal physician, dentist, therapist, etc.?

Fifth, use all of the above to begin a series of meetings with the relevant others in your environment to reshape your work/life in a way which is more consistent with your goals and values. One way in which the financial analysis will help is that you can prepare quarterly income needs and budgets to work toward. When this level is reached you should not book more work that quarter but instead push the work into the next quarter. (We suspect that most of you currently have enough work booked for the next twelve months.)

## II— The Consulting Environment: Its Impact on Quality of Work

The preceding section discussed some concerns and suggestions for managing a more satisfying consulting practice. What follows is a look at some of the elements which make the daily work of the consultant more satisfying. Once again let's begin with some scenarios:

It's a beautiful clear blue and white Colorado winter day. The skiers are basking in new powder and bright sun. Two skiers slip into the lifeline and are whisked upward for another run.

Night falls on the wave-battered northern California coast. A man and a woman walk out to a rock outcropping overlooking the ocean as the sun sinks below the horizon.

Some university students hurry between classes while others whiz by on roller skates and skateboards. A number of people are gathered around a fountain in the central plaza. They are engaged in earnest conversation.

Two volleyball teams spike, dive, and sweat on a sand court. Spectators siding with neither team applaud the effort as well as the results. The players are female/male, young/old, black/white, excited, competitive.

What images come to mind for you—vacation, lovers, university days? Or work, consulting, problem solving? The scenarios all describe paid consulting experiences. What is more important, they describe the *consultation*, not the recreation at the end of the consultation.\* Where was the work? The flip chart pages, the telephone, the desk, etc.? They were irrelevant to these consultations and we suspect they are irrelevant to many others. The client and consultant observations were that the consultations were not only successful but fun. *Fun!* How many times have you heard or said the words, "I want this (workshop, consultation, project) to be fun,"—and it wasn't!

Stop now and fantasize your most boring consultation. Is it really that different from the rest of your work? I hope so. Most of us have learned about work from watching others perform theirs. We watched parents go to work and teachers spend the day in the classroom. We have sat in offices and watched ourselves and others spend time at typewriters and on the phone. We have seen the meeting in the media, in reality and in our dreams. At the same time, we have learned about "not-work" from watching others and from our experiences.

Regardless of the degree to which we enjoy our work we all have a set of experiences ("not-work") which we distinguish both in activity and quality from work. For most of us there are not enough of these experiences and, in fact, we work more so that someday we will be able to spend time on the not-work experiences. It seems a little mixed up, doesn't it? Work more to be able to work less. One of the possibilities is that we can make our work more like the not-work experiences we strive for. We can redesign some of our work so that it is fun.

"But wait, work should be fun." "If you don't enjoy your work, find other work." I'm sure you've heard these words, even said them yourself. However, for many consultants, while there isn't other work we would rather be doing, what we are doing isn't as much fun as it could be.

This brings us back to some of the images used earlier. Take a minute to categorize them for yourself in terms of fun or not-fun.

1. Walking in the park
2. Sitting at a desk
3. Skiing
4. Standing at a flip chart
5. Being by the ocean
6. Listening to others argue
7. Playing volleyball
8. Hurrying to catch an airplane

Well? Some things are fun but others are more fun. Look at the list above and see which images more accurately describe your work. If you are like most of us, the even-numbered items are more like your work than the odd-numbered ones. There is, however, no text in the field which says that consulting and training need to be more like the even-numbered items and less like the odd. One

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\*In addition to these examples, we have done personal growth work on a tennis court, career counseling in a museum, and team building on a raft.



of the things we have done as consultants is to mimic the work style of our clients without looking at both the needs and possibilities which are uniquely ours.

*Building in Fun:* How can you make your practice more fun? There are some easy ways to begin. First, the next time you are asked to go somewhere to work with one member of a client system, ask him or her to come see you. The costs are the same but you will be less tired and away from home less. Often the client will enjoy the opportunity to get away from the office. Or, suggest that you not meet in the client's office, or your hotel, but at a museum, the theater, on the racquetball court or . . . you name it. We think you will be pleasantly surprised at the amount of work which is accomplished as well as the increased quality of the consultation.

What about that teambuilding session next week? As we all know, the notion of team has its strongest roots in either the military combat team or in an athletic team. So why do we lock human beings in a poorly lit and poorly ventilated room for three days to build a team? We could have them in the outdoors on a raft, in the woods, on a volleyball court, in the kitchen, or any of a dozen other places where the team is engaged in an activity which is real, has a product, requires actual interaction, etc. How many times have you done a teambuilding session without ever seeing the team function as a whole around a real task?

Some other ways we have found useful in shifting our work more toward not-work are to suggest going for a walk rather than sitting in the office; meeting for food or for tennis or for a play; meeting outdoors when a participant suggests it; including recreation as part of training sessions; and selecting locations for their non-work environment rather than their "practical" aspects.

There are some personal criteria we use which have helped to make our consulting more fun and healthier. We attempt to focus more exclusively on our own needs. How do we get pleasure? How do we feel in some environments? What do we like to do? At a very basic level we don't work with people we don't like. In a similar way we need to like the organizations we associate with. This seems pretty obvious, but many consultants find themselves associated with organizations which irritate, frustrate and drain them of energy. We have come to favor clean air over pollution and easy access areas over difficult travel arrangements. Thus, there are several cities where we choose not to work. We might work with clients in those cities but they either come to us or we meet in a "neutral" place. We like to play tennis, so we look for places with tennis courts. We design workshops with tennis time and look for participants and clients who are tennis players. We like fresh fruit so when we do a workshop we ask that we have fruit and juice with the coffee and rolls.

In short, we pay attention to those elements in our lives which are fun for us and we attempt to build them into our work. We assert our needs. Without exception we have experienced a positive response from clients. By acting on the items which make work more fun for us, we suggest ways in which others can make their own work more fun for them. Most importantly, in so doing we improve the quality of our own working life while working with clients to improve the quality of theirs.

What follows is a set of forms to help you add quality and control to your life.

I—  
**Practice Management:**  
**Values and Goals Worksheet**

Think about the most important personal and professional goals you are now attempting to achieve. (They may be relatively short-term or they may be long-term goals.)

List three or four goals below. Add enough detail that someone reading them would know what you have in mind.

- 1.
- 2.
- 3.
- 4.

Now think about your *values*, the personal beliefs which you hold strongly and which guide you in your actions. List three or four values below which are very important to you. Add enough detail that someone reading them would know what you have in mind.

- 1.
- 2.
- 3.
- 4.

Now take a minute to see if the goals you are attempting to accomplish are congruent with the values you hold strongly. Often people get focused on short-term goals and lose sight of their values. We will focus more specifically on any conflicts between goals and values when we come back to look at some of the specifics.

**II—  
Practice Management:  
Current Practice Worksheet**

This worksheet is to help you examine some of the financial aspects of your current practice. Start by looking at the last calendar year.

1. In 1990 I earned \$ \_\_\_\_\_ from consulting. The daily fees break down as follows:

- \_\_\_\_\_ days at \$ 900 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1000 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1100 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1200 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1300 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1400 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1500 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1600 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1700 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$
- \_\_\_\_\_ days at \$1800 per day = \$ \_\_\_\_\_ = \_\_\_\_\_ % of the total \$

\_\_\_\_\_ Total days      \$ \_\_\_\_\_ Total      Average fee per day = \$ \_\_\_\_\_

\_\_\_\_\_ Professional Development days

\_\_\_\_\_ Vacation days

\_\_\_\_\_ Nonbilled workdays = \_\_\_\_\_ % of total workdays (above).

\_\_\_\_\_ Days in the two lowest pay categories above = \_\_\_\_\_ % of total days worked and \_\_\_\_\_ % of income earned.

\_\_\_\_\_ Days in the two highest pay categories above = \_\_\_\_\_ % of total days worked and \_\_\_\_\_ % of income earned.

2. List of clients: (Lowest paying to highest paying)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

3. When you have finished listing your clients, go back to the VALUES AND GOALS WORKSHEET. Indicate the goal and the value which is being pursued in your work with each client. (In some cases several goals or values may be being met. In other cases leaving the space blank will be the most appropriate.)

4. Identify those clients where you see your personal goals and values being most fulfilled by your work. Use the space below to make some notes.

5. Identify those clients where you see your personal goals and values being least fulfilled by your work. Use the space below to make some notes.

Most fulfilling work clients:

Least fulfilling work clients:

Based on the preceding data and analysis, you should have some ideas at this time about those areas of your work life where you could profitably make changes. There may be clients who reward you too little given your goals, values, and the monetary return. There may be some clients where you could profitably seek additional work. There may be others where the pay is low but the contribution to your goals or the congruence with your values makes the work valuable. We will turn to those concerns in the next section.

**III—  
Practice Management:  
Expenses Worksheet**

This sheet is to be used to review your expenses for one of the past three years. It is unlikely that you have all of the records you need to complete this sheet with complete accuracy. However, you should be able to arrive at some reasonable figures which will allow you to plan. You should complete this activity for the immediate past year when you are able to assemble all of your records.

YEAR 19 \_\_\_\_

TOTAL INCOME \$ \_\_\_\_\_

EXPENSES:

PERSONAL

BUSINESS

House:

Office:

- Payment/Rent
- Utilities
- Insurance/Security
- Repair/Improvement

- Payment/Rent
- Utilities
- Insurance/Security
- Repair/Improvement

Clothes

Clothes

Automobile:

Automobile:

- Payment/Lease
- Repairs
- Insurance
- Gas

- Payment/Lease
- Repairs
- Insurance
- Gas

Food/Restaurant

Food/Restaurant

Equipment:

Equipment:

- Furniture
- Tools
- Sports

- Furniture
- Computer, etc.
- Supports

Insurance:

Insurance:

- Life
- Health/Accident

- Life
- Income Protection

Fees:

Fees:

- Legal
- Accounting
- Medical
- Memberships

- Legal
- Accounting
- Memberships

Travel/Vacation

Travel/Unreimbursed

Professional Development

Professional Development

Saving

Pension Contribution

Investments

Profit Sharing

Services:

Services:

- Childcare
- Household
- Yard

- Secretarial
- Copying
- Courier

**IV—  
Practice Management:  
Income and Expense Profiles**

The next step in good practice management requires that you be able to assess your income history, your income projections, your expense history, and your expense projections.

Income History:

<u>Year</u>	<u>Income</u>	<u>Change</u>	<u>%Change</u>
1986			
1987			
1988			
1989			
1990			

Expense History (from expense worksheets):

<u>Year</u>	<u>Expenses</u>	<u>Change</u>	<u>%Change</u>
1988			
1989			
1990			

Projected Income (from current bookings and percent change above):

<u>Year</u>	<u>Income</u>	<u>Change</u>	<u>% Change</u>
1991			
1992			
1993			
1994			
1995			

Projected Expenses (from expense worksheets and percent change above):

<u>Year</u>	<u>Income</u>	<u>Change</u>	<u>% Change</u>
1991			
1992			
1993			
1994			
1995			

The information in the preceding segment (IV) should allow you now to look seriously at your practice for 1992–1993. You may need to engage in a major marketing campaign, and at the same time you may see a need to radically prune your current client list. After all, if 40% of your work generates only 10% of your income and those particular clients are not helping you to obtain your goals or to live out your values, then you need to drop them in order to have the time to do marketing.

Use this sheet to make notes about changes in your current work. This may include marketing, dropping clients, or looking for different work activities. You might also review your current professional development and vacation plans. Finally, you may need to review your current expense projections. Some cuts may be necessary or, on the other hand, you may need to seek immediate advice on investing and tax shelters.

Work changes:

Personal development:

Vacation:

Expenses:

82—

**The Interview as a Consulting Tool:  
Lessons from the Hiring Interview**

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I—

**Introduction**

Interviewing skills are vital to the consultant. We define interviewing as a conversation with a purpose. Most consultants we know spend a lot of time interviewing. Their purposes vary from 1) determining client needs/hot buttons, to 2) scoping out the boundaries and objectives for a specific assignment, through 3) gathering the client's reactions to proposed courses of action recommended by the consultant.

Perhaps it's helpful to define what interviewing is not. An interview is not a monologue or a presentation. It is not simply "shooting the breeze" or informal chatting; rather, it is a mutual, interaction containing focused and sustained statement–confirmation cycles and question–answer cycles. Sometimes when consultants have problems getting good information from client interviews, they may not be interviewing, as we define it, at all.

Helping consultants consistently gather valuable information from client interviews forms the goal of this chapter. To do that, we draw on our expertise with the hiring interview for two reasons. First, we know something about the hiring interview (Janz, 1982, 1987, 1989; Janz et al., 1986; Orpen, 1985). Second, since we can check out the effectiveness of the hiring interview against its ability to predict subsequent measures of job performance, we know quite a bit about what works and what doesn't. Webster (1982) pointed out that people conduct hiring interviews for many different reasons. Some managers conduct interviews because the personnel manual dictates it. Then they hire the person they had picked out long ago—a loyal friend or someone referred to them by a friend. Some managers seek to find new hires that won't threaten their status or position in the organization. This review focuses on what we know about interviews measured against just one objective—to identify the candidate(s) who will deliver the maximum value to the organization.

Over 150 studies reporting the accuracy of different types of hiring interviews can be found (Weisner, 1988). While interviewing for the purpose of hiring differs from interviewing clients in some important ways, we hope to pass on some valuable lessons that transfer from the hiring arena to the world of the consultant.

After these introductory remarks, we intend to highlight key findings from the hiring interview research in the "What We Know" section. Then we discuss some hints and tips that we have picked up over the years in the "What Experience Teaches" section.

## II—

**What We Know about Hiring Interviews**

Asserting that hiring interviews don't work and should be abandoned in favor of ability tests is quite wrong, yet a survey of personnel management texts finds that the "interviews are bad" message persists (Janz, 1987). Since hiring interviews are by far the most popular form of selection decision making, it makes sense to figure out what works and what doesn't.

A recent meta-analytical review of the literature (Weisner 1988) found that traditional interviews contribute little to predicting future job performance—about 0.19 on the correlation scale, which ranges from 0 (no prediction) to 1.0 (perfect prediction). That's not good. However, patterned interviews based on a job analysis achieved among the highest hiring accuracies of any technique—over 0.8 on the correlation scale. For our purposes in considering what works and what doesn't in hiring interviews, let's consider interview preparation, the type of questions asked, and the structure of the interview.

## A—

***Preparation Pays Off***

Should interviewers approach the candidate without a preconceived structure or outline, or should they plan in advance what they want to discuss and draft a set of specific questions to ask? Then, should hiring interviews take each candidate over exactly the same questions, roughly the same territory, or be more free-flowing and extemporaneous?

The popularly held and romantic notion that somehow a savvy manager can pick winners by asking a few piercing questions that emerge from a casual conversation with the candidate turns out to be myth, not fact. Over 60 studies of the unstructured, one-on-one interview yield a "population-corrected" accuracy of only 0.19. (All literature-based accuracies cited here were corrected for research artifacts such as restriction of range and criterion unreliability.) The average accuracy obtained by over 80 studies where the interview proceeded from some form of outline or structure jumped to 0.62. Thinking over what to ask and writing out some questions in advance pays off.

Will any kind of structure do? If merely having a set (any set) of prepared questions makes interviews work better, perhaps one could refine a list of questions that would work for all jobs and settings. Unfortunately, it doesn't appear to be that simple. Having a structured set of questions helps, but having those questions based on a systematic review of the target job helps even more. A systematic job analysis moved the 0.62 accuracy to over 0.80. In the consulting context, systematically defining the client interview objectives and preparing questions in advance will likely produce better information in the end.

## B—

***Question Type Is Critical***

We have learned that preparing questions in advance to guide the interview, and basing that preparation on a systematic review of the background to or objectives of the upcoming interview, raises interview accuracy. What about the content of the question themselves? Do certain types of questions elicit better information or are all questions related to performance on the target job equally powerful?

Hellervik, in Janz et al. (1986), identifies four types of interview questions. The first he called "credentials." Credentials questions get at objective, verifiable facts from the candidate's past. Credentials include diplomas or certificates obtained, courses taken, and grades achieved. Credentials take up about 16% of typical interviews. He called a second type "experience descriptions" or generalities. Generalities include what a "typical day" is like, what they normally do, and how they usually handle tough customers. "Tell me about your duties and responsibilities on your last job" is a common generality asked in interviews. Generalities take up another 38% of traditional interviews. Janz et al. called the third question type "self-evaluations" or, more broadly, opinions. Opinions include what candidates "think" about their goal and plans, strengths and weaknesses, likes and dislikes. "What are your strengths and weaknesses?" illustrates the prototypical and popular opinion question. Opinion questions take up a good 42% of traditional interviews, on average.



They also include hypothetical questions that ask the candidate what they "would do" in a given situation.

Hellervik kept the best for last. "Behavior descriptions" formed the fourth and last category. Behavior description (BD) means just what it says—descriptions of actual behavior. When applied to selection, behavior description questions ask the candidate to describe actual situations or events that have occurred. For example, instead of asking, "What would you do if you were faced with an angry customer?" thereby soliciting an opinion response, the BD interviewer would ask: "Tell me about the last time you were faced with an angry customer." Behavior descriptions of events from the candidate's past specifically related to the challenges faced on a given job give us the clearest possible picture of what the candidate will actually do on that job. In other words, the research proves that the best predictor of what a person will do in the future is what that person chose to do in the past when faced with a similar situation.

While several studies show patterned, behavior description interviews to accurately predict future job performance, only two studies (Janz, 1989; Weisner, 1989) directly compare structured interviews composed of BD vs. traditional (opinion or generality) questions. The Weisner 1989 study compared two structured interviews—one made up of 14 opinion questions compared to one made up of 14 BD questions. The 14 opinion questions included some of the most popular questions asked in interviews today, like (1) What are your goals and plans? (2) Can you tell me about your strengths and weaknesses? (3) Why should we hire you? (4) What kinds of people do you work best with? (5) What did you like most and least about your last job? Social welfare counselors were asked all 28 questions, as though they were applying for their current jobs. Videotapes of the interviews were edited into one tape of just the 14 opinion questions; a second tape contained just the 14 BD questions. Then their immediate supervisors completed behavior-based ratings of the counselor's performance. Finally, groups of senior social welfare students rated the answers shown on either the BD or the opinion tape.

The results of the study found that the 14 opinion questions, when rated on a simple numerical scale (based on notes taken), produced an accuracy of -0.26. The -0.26 means that asking those questions actually detracted from hiring accuracy. Companies whose interviewers exclusively ask opinion questions would be better off taking candidates at random than using opinion-based interviews. If interviewers seldom asked opinion-type questions, this result would not be so damaging, but opinion- and generality-type questions make up about 80% of unstructured interviews. By comparison, the 14 BD questions, when rated after each question on a behavioral scale, produced a validity of +0.75.

Thus the type of question, BD vs. opinion, made a critical difference in terms of the accuracy of performance prediction. How this difference in the effectiveness of interview content relates to conversations between a client and consultant may not immediately leap to the reader's mind. Hang tight. Section III of this chapter deals directly with that issue, taking a much more applied tone than we do here.

C—

### ***"Gut Feel" Sidetracks Good Judgment***

Armed with a set of behaviorally focused questions geared toward getting at specific objectives of the interview, are we completely outfitted to face the candidate or client? Well, sort of, unless we allow the phenomenon of "gut feel" to interfere with our recording or assessment of the answers given.

Webster (1964) summarized a program of research aimed at understanding the interview process. He and his students uncovered the "four-minute phenomenon;" that is, many interviewers have made up their minds in the first 4 minutes, spending the balance of the interview of justify this initial impression. Such interviewers set as their prime objective decision making (deciding which candidate to hire) as opposed to information gathering (recording as much detail as possible about the candidate's past accomplishments and disappointments). Information-gathering interviewers will question, probe, and record, letting the decision emerge from the data later. Intuition, interpersonal awareness, or gut feel does have a role in the hiring interview. It should raise question

marks in the interviewer's mind, directing the interview toward specific topics in the pattern. The role of intuition should be to direct the questioning, not the decision making.

So far this chapter leans toward summarizing what we know about interviewing, specifically the hiring interview. Now let's look at how this knowledge applies to the practical world of consultant interviewing.

III—

### **What Experience Teaches Us about Consultant Interviewing: Seven Quick Tips**

Consultants generally find themselves in three different interviewing situations:

1. *The opening interview.* This is an interview where the primary purposes are to build rapport and to establish the consultant's value and expertise in the eye of the client.
2. *The fact-finding interview.* This is an interview where the consultant is determining the needs, hot buttons, and options available to the client, digging out relevant details or facts.
3. *The feedback interview.* Here the consultant is advocating a course of action or solution and attempting to determine the client's reaction to it.

The first thing we notice is that all three types can theoretically take place during one encounter with the client. While it would be unusual, in one interview the consultant could be introduced, build rapport, conduct an initial fact finder, and present and gain acceptance of a recommended plan of action. Consultants in the telecommunication and financial services industries, for example, do this quite frequently. For our purposes, however, we will look at each function separately.

A—

#### ***The Opening Interview***

The first objective of an interview should be for the consultant to establish rapport with the other person. We understand that this will sometimes involve more than one person, perhaps even a room full of people. This leads us nicely to the first tip.

*Tip number one: When in doubt, let the client do the talking.* Most would agree that people tend to like others—as opposed to dislike others—who are similar to themselves. We gravitate to those who share similar interests and are likely to be most comfortable with those who have values similar to our own. A consultant who can identify with a wide range of personalities and character types will greatly enhance his or her ability to transact business.

It follows therefore that our chances of "getting along" with a particular person will increase if we seek to understand that person's perspectives and values, especially as they relate to our field of consulting expertise. Skillful use of behavior description interviewing can help us do this.

Take the case of Bob C., a human resource consultant of average credentials and expertise relating to his professional field but who has impressive interpersonal skills. Bob makes a nice living, thank you very much, largely because of his ability to identify with his clients. Let's follow Bob as he wins the heart of a new prospective client, Geoff.

Bob: *Thanks for seeing me, Geoff. How much time do we have together?*

Bob *always* asks this. He uses it as his first statement in every opening interview he conducts. Just as in the golf swing or the tennis serve, a preset and rehearsed motion gets everything going as rehearsed. Also, this particular question provides useful information. Bob does not want to run out of time at a critical point in the interview. Bob can now schedule the interview so that his client will not be able to slip away when the tough decisions come up.

Before Bob learned this basic skill he had several experiences where the client, when asked to make a tough call or answer a tough question, would say something like, "Oh gosh, look at the time, I have a meeting to go to. Let's pick this up next time we meet." So with this one opening line, Bob has learned to set the parameters early, which gives him the scheduling information he needs to ensure that any tough questions he may have are asked early enough in the interview. It

also gets the interview off on a predetermined and familiar start, which reduces the number of surprises he has to deal with from interview to interview.

Geoff: *I have a meeting at 11 o'clock.*

Bob: *O.K. that gives us about 40 minutes. Did you have any preconceptions about what you wanted to accomplish during this meeting?*

Again, Bob *always* asks this. With this question, he communicates his willingness to accommodate the client and at the same time begins his quest for the client's needs and hot buttons. He understands that the next 40 minutes and especially the next few minutes had better be interesting and absorbing for the client or chances are Bob will have missed an opportunity. Notice again how Bob, who at this point is unsure of the best way to proceed, is giving the client the opportunity to talk.

Geoff: *Not really. Your letter said something about strategic planning and I guess that caught my eye.*

Bob: *I see, well perhaps it would be more appropriate if we began with that then. Can you tell me about the biggest strategic planning concern you have faced recently?* (behavior description)

As soon as is reasonably appropriate Bob makes his first attempt at encouraging a BD response. He knows that nothing will predict better how Geoff will behave in the future than how he has behaved in the past. Bob is keenly interested in how Geoff will behave in the future, because Bob's future is hopefully intertwined with that future.

Geoff: (Tilts his chair back and looks up toward the ceiling, big exhale) *Well, actually I'm not sure I know what my concern is really. I just know I'm not satisfied with the way our executive team is pulling together.*

Bob: (Says nothing but leans back in his chair, nods, and exhales)

Here Bob recognizes that the client has slipped away from giving an actual example of his concern and instead has shared his *opinion* of what the problem is. Bob understands that while the client's opinion may be a clue it is not, in itself, something that he should act on. He knows he will need some behavioral evidence to support Geoff's opinion before he accepts it as accurate and useful data.

Something else is happening as well. Although Bob wants the client to feel as comfortable as possible, he understands that the current silence is likely to be stress inducing. However, Bob still wants the client to tell him the story about the biggest strategic planning issue he and his organization have faced recently. So Bob says nothing. This sends a message to Geoff that it remains his turn to talk.

Of all the skills necessary to be an effective interviewer, this is perhaps the most important and most difficult to master. Silence between people who do not know each other very well, but who are supposed to be communicating, is very difficult to endure. Less effective interviewers will feel that these periods of silence obligate them to say something, anything just to break the silence. Remaining silent at the appropriate time is tactically crucial. However, as a partial counterbalance to the stress Geoff may be feeling, Bob has begun to subtly mirror the client's behavior.

*Tip number two: When in Rome . . .* This sends at least a subliminal message that Bob is in sync with the client's world and current predicament. Bob understands that the client's body language and his big exhale of breath are important data and provide a key opportunity for him to begin identifying with the client. He knows that his own body language should not be in direct confrontation to his client's. If, for example, Bob leaned forward aggressively or began rummaging for a paper and pencil, the client would probably be more uncomfortable than he already is.

Geoff: (After about 10 seconds of silence, he shifts his gaze back to Bob and says) *What is it exactly that you do for a company when you provide help strategically?*

Bob: *Well, essentially we help our clients identify where they want to go and help them to clarify how they want to get there.*

Geoff: (fixes his stare a little more aggressively at Bob) *I already know where I want to go and how to get there.*

Bob: (Returns the fixed stare and smiles slightly) *So, what's the problem?*

Geoff: (Looks away) *Nobody else seems to give a damn about what I want.*

Bob: (Allows about 5 seconds to pass) *Can you give me an example of what you, mean? Perhaps you could begin by telling me about a difficult strategic planning issue you have faced recently.* (question restatement)

Geoff: *Well, actually it was this morning just before you got here. I've been trying to get my managers to identify a backup to our overseas suppliers. During the gulf crises we had our shipping interrupted and it cost us a lot. Strategically, it makes little sense to continue this exposure unless we have to, but so far we haven't put much effort into finding an alternative and it's beginning to bug the hell out of me. Sometimes I think I'm surrounded by idiots.*

Bob: (laughs to release a little of the tension and to acknowledge the wryness of Geoff's comment) *Tell me a little bit about the meeting itself. Who attended?*

Geoff: *Carl Herget, our VP Marketing and his west coast manager Helen Shaeffer.*

Bob: *Was the meeting called specifically to deal with the supplier issue?*

Geoff: *Yes.*

Bob: *What happened?*

Geoff: *Well we met for an hour and basically discussed the various problems and alternatives . . .*

We can see that Bob is well under way to collecting his first BD of the client's situation. Bob went on to probe for the presence of all the strategic planning behaviors normally found in high-performing organizations. He found that the client was not as bad at strategic planning as Geoff had initially led him to believe but in fact Geoff and his managers were just not making time to do it.

Using his BD skills and the first two quick tips of interviewing he was able to establish a good rapport and speak to the issues in a helpful and informed way. The client developed a good sense of Bob's abilities to facilitate a discussion group and Bob was able to arrange a second meeting to collect data from the client management group.

### **B— The Fact-Finding Interview**

In many cases, fact finding begins in the opening interview. We just saw how Bob C. was able to collect some initial data during his opening 40 minutes with Geoff even though his primary purpose was to establish rapport. It is more common, though, for the consultant to schedule a separate interview specifically for the purposes of gathering information.

*Tip number three: Know the purpose of the interview, plan for it, and stick to it.* The purpose of the opening interview is to build rapport and to convince the client of your value and expertise. The purpose of the fact-finding interview, on the other hand, is to gather data and specifically not to teach or sell anything, although in some cases it may be wise to provide a little instruction or information in order to return value for value. The key is to not be seen as constantly advocating something, providing advice, or chatting during a fact-finding interview.

We should know in advance what data we need and how we are going to get it. Generally this means that the interview should be structured and systematic in nature. And so we come to *Tip number four: Try not to say anything in the interview that you haven't said before.*

We are sometimes asked if this means the consultant has to have a "canned" interviewing style. Our answer is no, but it should be rehearsed. To distinguish the difference, we can see a canned version of a Shakespearean play at the local high school but if we want to see a rehearsed version we would go to Stratford-on-Avon. A very accomplished stage actor once said, "Ad libs are for amateurs." When a consultant has rehearsed his or her interviewing techniques sufficiently, the client will never suspect it was anything but spontaneous.

Consider Ralph G., a highly successful financial consultant. Ralph knows in advance what information he will require of the client and has prepared in advance with a structured process for

obtaining that information, which includes a rather involved preinterview client information form as well as an actual interview guide for use during the interview. It contains the questions he intends to ask and space to jot notes. Ralph understands what types of information he can gather most efficiently outside of the interview and can therefore free up valuable interview time to gather the type of information he cannot get any other way.

Although Ralph has a lot of area to cover we will observe only a small portion of one of his fact-finding interviews here. The first thing Ralph did was have the client's accounting department complete the preinterview information form. Once Ralph has reviewed this information he completes as much of the interviewing guide as he can and schedules the interview to collect the balance of the information. We join Ralph as he reaches the point in the interview where he is collecting information about the client's investment activities and plans.

From his preinterview survey form, Ralph knows that the client firm has a residual earnings account of \$4 million and that the money is currently in bonds and real estate. He also suspects that it is contrary to the best interests of his client to have this type of investment. Ralph has a specific investment opportunity he believes will fit well into the client's situation and is anxious to tell the client about it. It is an idea that Ralph himself has developed and successfully applied with other clients, but at this point he understands *Tip number five: Don't prescribe until you have completed the diagnosis.*

We are reminded of the industrial engineering consultant who after many hours of detailed analysis and a lengthy written proposal containing several recommendations on how the client's factory could be improved discovered that the client didn't own the building. It pays to investigate before we postulate.

Ralph: *Bill, can you tell me about the real estate acquisition you made in 1985? I'm referring specifically to the building in Scranton.* (behavior description)

Bill: *What do you want to know?*

Ralph: *Tell me a little bit about how you came to purchase it and why that specific building.*

Bill: *Well at that time we were considering moving our administration headquarters to Scranton and the building was a good buy so we decided to hedge our bets a little by tying it up.*

Ralph: *What other alternatives did you consider at that time?*

Here Ralph is mindful of *Tip number six: Let the client do the work.* Rather than asking, "Did you consider the west coast?" or "Did you consider the depreciation opportunities?" Ralph allows the client to provide the data. It is far more economical to ask the client what they have tried rather than the consultant suggesting various alternatives.

Psychotherapists and counselors learn this early in their careers. It is very tiring and time consuming to suggest alternatives for the client to try (e.g., "Have you tried exercising regularly to help with your insomnia" or "Have you tried listening to relaxing music?"). Instead the accomplished therapist simply asks, "What have you tried?" and "How did it work for you?" We can learn a lot more in an interview by letting the client do the work.

Bill: *Well, my father was our president at that time and he was very insistent that we move as much of our residual assets as possible into real estate. His father, my grandfather, established the family business using money he made buying and selling real estate and my father has always been resolute that our company should own its own facilities.*

Ralph: *How did this factor into your decision to buy the building?*

Bill: *Well, it was tough. I wanted to expand our technology base. Reinvesting in the business to keep up with the competition was an axiom that I had picked up from my university days as a result of a few case studies we had covered. My concern was that our extrusion plant was badly in need of new furnaces and the truck fleet was pretty well depreciated.*

Ralph: *So how did you go about making the decision?*

Bill: *Well, basically we went to the financial resource people we had at the time and had them calculate the cost/benefits of buying the building or retooling.*

Ralph: *What sorts of things did they consider?*

Bill: *Mainly the available sources of funding for each project. We learned that the government*

would help us retool but they wouldn't help us buy real estate. Interest deductibility and depreciation were also big factors.

Ralph: *What resulted?*

Bill: *The bean counters suggested we borrow and apply for a grant to retool and put our cash in the bond market.*

Ralph: *But you bought real estate?*

Bill: (smiles) *You've never met my father, have you?*

Ralph: (returning the smile) *No I haven't; it sounds like he is a persuasive man.*

Bill: *Yes, he is; why don't I schedule a lunch so we can all chat about this?*

Fortunately, Ralph is an accomplished BD interviewer. He has resisted his inclination to tell the client about the investment opportunity he had in mind. Now with this additional information regarding the father's predisposition toward real estate, he will adjust his strategy accordingly.

C—

### ***The Presentation Feedback Interview***

We understand and support the notion that a presentation is often not an interview but a presentation. So why do we include presentation skills in this chapter on interviewing?

It is because we wish to influence you toward the soft interviewing/presentation skills that we observe in persons with good sales skills. The ability to instruct and motivate via questioning is a very strong teaching and leadership skill. Consider the conversion power of personal discovery. No life experience is more compelling and action promoting than when persons discover something for themselves. It supersedes all other epistemological alternatives for efficacy. People can tell us, we can read about it, hear about it, even see it happen to others, but not until we experience it ourselves is the full impact usually felt. A good BD interviewer allows this powerful teaching principle to convert the client to the recommended course of actions.

*Tip number seven: Let the client provide the motivation; do not try to assign it.* Rather than selling, simply help the client visit the consequences of his alternatives. This is best done by helping him or her recall experiences from his or her own "scrapbook" of BD.

Consider Nancy J., a management consultant specializing in conflict mediation and team building. Nancy has been involved with a couple of her client's managers for the past few days, assessing and debriefing in an effort to better understand a dispute that has arisen between them. Her challenge is to come up with an action plan that will get George, the manager of marketing, to work more cooperatively with Joyce, the manager of accounting. Both managers are highly stressed and have threatened to quit unless things improve. Nancy's BD questions have revealed that George is being unreasonable and in fact is the cause of the difficulty although he is unaware of it, and that Joyce is not likely to accept anything less than his removal.

The client has indicated that it would be very expensive if either of the managers left, but especially if George did. Nancy's challenge is to recommend a course of action and possible solution while at the same time clarifying the issues of contention and surfacing who and what is causing them.

She is convinced, based on her prior interviews with both of them as well as a few of their coworkers, that George is overly aggressive and obnoxious when dealing with Joyce. Nancy has several incidents she has gathered and cross-referenced with others to support this perspective. This is a tough task and she begins her mediation efforts with a private presentation interview with George.

Nancy: *George, do you recall that incident you told me about when you challenged Joyce in the managers meeting last month?*

George: *Yes, I do.*

Nancy: *I wonder if we could spend a few minutes discussing that incident. It will help me to focus a few recommendations that I will be making to you and Joyce later.*

George: *Sure.*

Nancy: *Can you recall what you said to open the issue?*

George: *Yeah, I told her I was upset about the number of accounting reports that my salespeople had to complete.*

Nancy: *Joyce suggests that your language was considerably stronger than that and that your comments came as a complete surprise to her.*

George: *Well, that may be so but I had tried to tell her that we were fed up with her department many times in the past and she couldn't have been more disinterested.*

Nancy: *You feel pretty strong about doing the job right and keeping things as simple and uncomplicated as possible, don't you?*

George: *You've got that right. Our salespeople need to be out seeing the customer, not filling out forms and reports.*

Nancy: *So you decided to challenge Joyce and her accounting system. I'm wondering if you can give me another example of a time when you criticized someone else's department.*

George: *I really can't recall a specific example, but I'm sure I have.*

Nancy: *Perhaps you could tell me about a time when someone complained about the way you do your work.*

George: (Silence. George is uncomfortable and it shows. He shifts from one side to the other and back again, he looks at his watch and then at Nancy)

Nancy: (Returning George's look and smiles) *That's OK, George, I know that it can be difficult to remember specific situations. Perhaps I can help. I understand that the manager of the mail room, Harry Coulters, and yourself had a disagreement over the way you directed his staff when they delivered the mail to your department last week.*

Nancy had discovered this from one of her interviews with Joyce. Joyce had asserted that George was a bully. When she asked Joyce to give her an example (a behavior description) of George's bullying, this was one of the incidents that came to light. Nancy then checked the incident with Harry and consequently has a pretty fair idea of what transpired between George and Harry.

George: *Well it wasn't much of a disagreement really, I just put the run on them and Harry called me to see what the problem was.*

Nancy: *When you say you "put the run on them," you mean you told them to get out of your department and quit goofing off, right?*

George: *That's right, they were spending too much time chatting with our administrative people and nobody was getting any work done.*

Nancy: *Can you recall what Harry said to you.*

George: *Yeah, he said I screwed up his training. Apparently he had just spent the previous two training meetings trying to get his people to be more hospitable when they delivered the mail. I guess he was getting complaints about how his people were just throwing the mail at people as they rushed from desk to desk.*

Nancy: *What resulted?*

George: *Well, I felt pretty bad about it. I like Harry and he has always been a great help to me. He is always willing to stay late to help me make a courier when I need to. I didn't realize what he was trying to do with his training, and I felt like a bit of a dope when I realized how I messed him up.*

Nancy: *What did you do?*

George: *I sent him a bottle of scotch and a note of apology. Apparently he shared the note with his group, but not the scotch. (George laughs)*

Nancy: (Laughs) *George, can you think of other times when you were accused of being too aggressive or hard on others?*

George: *Yes, I can and I think I know where you are going with this, but you're all wrong. Joyce can't complain about my being too tough on her. I haven't been tough enough in my estimation.*

Nancy: *Do you remember what Harry said to you about how he felt when you scolded his people?*

George: *What do you mean?*

Nancy: *He told you that it made him look bad in the eyes of his coworkers. He felt that for him to be telling them to be more hospitable and then to have you complain about it when they try was embarrassing for him. He said he thought you should have called him rather than yell at his people. Do you think he was right?*

George: *Absolutely, no question. I was wrong and I admitted it. No one should be publicly humiliated.*

Nancy: *When you surfaced your accounting problem at the managers meeting instead of talking to Joyce privately, you humiliated Joyce.*

George: (Silence)

Nancy: (Silence and a warm accepting smile) . . .

So we see that a BD can help us in many ways in an interview. It can help us identify with the other person, understand their world, instruct us, help us communicate, and lend support and evidence to our proposals and recommendations. Good BD interviewing skills have greatly increased the value contributed by hiring interviewers—three times on average. Combining what we know from the hiring interview together with the seven tips will help you be a more powerful interviewer and a more effective consultant.

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83—

## The Perils of Intensive Management Training and How to Avoid Them

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Along with its great potential to help managers learn and develop, intensive management training can, under certain conditions, lead to harm. Intensive training creates a powerful situation that enables managers to take a fresh look at themselves but may also expose them to attack and rejection. The potential for harm resides primarily in the power relationship between trainer and participants, in the make-up of the trainer, and in the injury-prone characteristics of some participants. Done competently and responsibly, intensive management training need not hurt anyone. This chapter itemizes possible causes of harm and recommends practices for keeping risks to a minimum.

Managers can benefit from intensive training, but they can also be hurt by it. Although negative outcomes seem to be far more the exception than the rule in intensive management training, it is important to recognize what potential for harm there is and to do what we can to minimize it.

Most of the examples of harm from intensive training programs come from the literature on encounter groups (Lieberman et al., 1973; Kaplan et al. 1980). This is not because other kinds of management development do not hurt people but because the ill effects of other forms have not been studied. Because of its potency, intensive management training is a prime candidate for research on stresses and hazards. Recently Goldstein (1980, p. 258) stated that "investigations of the psychological stress that may be induced by instructional programs should be extended beyond the examination of sensitivity (encounter group) training programs."

Intensive management training has a potential for harm because the goal of the training is to foster self-insight and self-improvement in individual managers. Subject matter includes anything from conflict management to time management to interpersonal competence, but the training mounts in intensity as it focuses on the individual. The individual gets in-depth attention via a data-and-feedback sequence in which participants generate data on themselves, either in live exercises or with paper-and-pencil tests, and then receive feedback from staff and/or fellow participants. The data-and-feedback sequence is accomplished in different ways in different types of programs. Some programs use the unstructured T group as the core, with lectures and other exercises helping to make the connection from exotic training group to managers' work lives. Other programs generate data on participants with methods having greater face validity than the T group. Management simulations, some lasting several hours and realistic down to the last detail, provide rich lodes of data for giving feedback to individuals. Feedback usually comes from both trainers and fellow participants. Yet another type of program employs psychological tests and assessment center exercises to build

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a data base to support individual learning. In such programs, the format tends to be structured, and the feedback is provided mainly through individual conferences with a trainer.

Thus, data-and-feedback sequences vary in intensive management training programs along several dimensions including, for example, how realistic the data-generating methods are, how structured the data-getting and feedback-giving mechanisms are, whether feedback comes from the staff or also from fellow participants, and whether feedback is given privately or in a group setting.

The data-and-feedback sequence coupled with a low participant-trainer ratio creates the conditions for personal learning but can also put the individual in jeopardy. Participants are spared the passive and impersonal experience of the seminar participant but they also give up the comparative safety and anonymity. The beneficial elements of intensive training are also risk factors.

The risk factors in intensive management training can be controlled successfully by taking the proper precautions, just as the risk of flying in airplanes is minimized with appropriate safety measures. This chapter details the major risk factors in intensive training and suggests a number of corresponding safety measures.

For the purposes of this chapter, intensive training refers only to groups of people who do not work together. Intensive training can also be given to coworkers and work groups and poses additional risks, namely, possible repercussions from having one's limitations revealed, or from confronting one's associates with their limitations. This application of intensive training is beyond the scope of the chapter.

In this chapter, harm is defined from the standpoint of the participant. It is also possible to take the point of view of the participant's organization, which could evaluate an outcome as negative that the participant considered positive. An example would be a high-performing manager who realizes in the training program how much he or she dislikes the job and quits as a result.

## I— Some Causes of Harm in Intensive Training

### A— *The Trainer*

Whether participants gain from intensive training or are diminished by it depends more than any other factor on the trainer. The trainer's potential to act destructively resides in a number of factors, including (a) the trainer's superior position, (b) abuse of power, (c) failure to be accepting, (d) abdication of authority, and (e) unrealistically high expectations.

### I— The Trainer's Superior Position

Trainers occupy a superior position because they are formally in charge of the program and because they are presumed competent to hold their position. This may seem like an obvious point but some trainers dispute it. One prominent encounter group leader maintained that "group members are responsible for themselves," and denied that the leader had greater power or responsibility than group members. Similarly, Gibb (1972) argued that the encounter group leader is on a par with group members and the leader's chief task is to foster, in his words, a sense of "withness"—being with instead of in charge of, the group.

The rationale for playing down the power of the leader and playing up the power of the participants is to encourage participation and self-responsibility in participants. This is defensible as long as the leader does not lose sight of the difference between pedagogical overstatement and the realities of the relationship between leader and participants. The dean of a workshop in group dynamics, for example, scheduled an extracurricular hike along a waterfall. Because the area was dangerous and had been declared off limits by the training organization, the dean made the hike optional, and therefore supposedly unofficial. Nevertheless, of the 50 people enrolled in the program, 45 showed up, and one woman who frolicked carelessly along the path fell and injured herself. The dean disclaimed responsibility, but it seems clear that he had influence that he wished to deny.

The leader holds a distinct power advantage because of his or her superior position, in the training situation. Critiques of leader destructiveness focus on the leader's personal traits—sadistic and exploitive tendencies (Lieberman et al., 1973; Hadley and Strupp, 1976)—and overlook the *structural fact* of the leader's ascendant position.

2—

**Abuse of Power**

When one thinks of destructive trainers, what comes to mind first is trainers who are abusive. They attack participants for not participating enough. They push participants into activities that they are not ready for. They are blatantly aggressive, wantonly destructive. The "aggressive stimulator" is one type of trainer found to hurt people (Lieberman et al., 1973).

Destructiveness is a product of the personality of the leader and the leader's position of power in the training setting. The power advantage allows leaders to show their sadistic side and get away with it. Trainers act destructively not just because they are inclined that way but because they can do so *with impunity*. A power advantage can bring out the coerciveness and sadism in the powerholder, especially when the lower-power party resists (Kipnis, 1976).

Leaders also get away with being destructive by justifying it to themselves and the group. They cloak their destructive behavior in a mantle of righteousness. They act as if the training and their role require them to be demanding and harsh. This righteous attitude is the "sanction for evil" that Sanford and Comstock (1971) see as the root of all forms of social destructiveness.

3—

**Abdication of Authority**

Less obvious than the abuse of power, but potentially as destructive, is the failure to take power. While Lieberman et al. (1973) found that overtly destructive leaders were responsible for a 12% casualty rate, the laissez-faire leader incurred an 8% rate. Thus, harm may come as a result of sins of commission or omission. The abdicating leader may sit idly while one participant attacks another, and in this way fail to make the group a safe place for all participants.

Just as the overtly destructive leader may tell you that it was for the good of the group or the individual, leaders may abdicate not out of negligence but out of a misguided sense of what it means to be a nondirective leader. Neophyte trainers, for example, have a difficult time understanding the nondirective role in unstructured groups, and often interpret the reactive approach (let the group make the first move and then lead by shaping the response) to mean inaction. This distorted notion of nondirective leadership can also be driven by an excess of empathy with participants. Some trainers are so concerned with developing rapport that they effectively fuse their identity with participants. Rather than set themselves apart, they draw no distinctions. Rather than set themselves above, they take no prerogatives. The danger here is that leaders of this type surrender not only their separate identities but, more important, they abdicate their leadership.

4—

**Failure to Be Accepting**

For a manager to overcome deficiencies, he or she must first recognize the fact that the deficiency exists. When the trainer accepts the manager for what he or she is—faults and all—it is easier for the manager to accept his or her limitations. Conversely, the trainer who rejects a participant not only chokes off learning but opens the door to destructiveness. Some trainers have a limited capacity to connect up emotionally with participants or certain types of participants, and this emotional disconnection becomes a breeding ground for aggression, whether overt or passive. Melanie Klein (1946) calls this disconnection "splitting." She describes it as a circuitous and emotionally dishonest route by which the trainer comes to reject a participant. The process begins within the trainer, who disowns parts of himself he finds unacceptable. The second step occurs in the relationship between trainer and participant—the trainer is quick to recognize in others the very qualities he has disowned within himself. The cycle is complete when the trainer responds to those qualities in the participant in the same way he responds to them internally—by rejecting them. The trainer's inability to accept himself becomes an inability to accept others. In this way, a trainer who has trouble asserting himself may reject this handicap in himself and consequently feel intolerant of unassertive trainees.

Splitting occurs not only in relation to individuals but also in relation to the group as a whole. It is relatively easy for the group to fall into a pattern that emphasizes the assets of the trainer and the liabilities of the trainees. It is easy for group members to adopt the attitude that the trainer is the paragon of whatever virtue the program is offering, while the trainees are ignorant heathens. The difference in knowledge or skill is exaggerated; the trainer is put on a pedestal while the participants sit reverently at the trainer's feet. Although participants may be susceptible to this fantasy, the trainer cannot afford to participate in it. Another occasion for splitting on the group level is when leaders

conveniently dismiss from their minds the personal struggles they have gone through, the doubts they have had about self-worth, and at the same time look down on group members for struggling and for having self-doubts as they come to terms with their limitations and try to change.

5—

### **Unrealistic Expectations**

Another way in which trainers create the potential for harm is by bringing unrealistically high expectations to the training endeavor. When trainers expect too much, some participants are bound to fall short of expectations and the trainer is likely to reject them.

The unrealistic trainer expects the training program to make a world of difference, expects to get through to everybody, and expects all this to happen in the short space of a few days. These expectations are unrealistic because they fly in the face of the way people learn and develop. As potent as intensive training may be, at best it transforms the lives of only a minority of the people who attend. Trainers must count on resistance; they cannot assume a friction-free training universe. Even highly motivated individuals are ambivalent about their weaknesses and are driven simultaneously by "the need to know and the fear of knowing" (Maslow, 1968). Moreover, every group of participants probably contains individuals whose interest is outweighed by their reluctance or outright resistance. Perhaps the time is not right for them. Perhaps they have attended against their will.

High expectations are dangerous if many participants can't conform to them. When participants prove unable to meet these expectations or actually fight them, the trainer may feel thwarted. Unrealistic trainers are apt to misinterpret resistance, to want to sweep it away. If the trainer becomes an irresistible force and the manager an immovable object, the trainer may resort to pressure tactics. Unrealistic trainers put their own need—to have an impact or to run a successful program—ahead of the participants' needs. Trainers of this type have been described as having an "excessive need to make people change" (Hadley and Strupp, 1976). More in tune with what they want than what participants are going through, these trainers in effect have no empathy.

6—

### **Summary**

From the foregoing five characteristics of trainers that incline them to be destructive, two themes emerge: power and the trainer's stance toward participants. First, the trainer's power advantage gives the trainer some free rein for any destructive tendencies. Destructive trainers abuse their power as well as fail to use their power to prevent people from being mistreated. Second, the trainer's inner stance toward participants makes a world of difference. The trainer who has trouble accepting people is more likely to be destructive. Trainers are more likely to aggress against, or allow others to aggress against, those individuals they are unable to accept.

Although we talk about destructive trainer behavior as though it is obvious, the fact is that it can be difficult to spot in vivo. For one thing, destructiveness hardly ever occurs in isolation but happens in combination with other behavior. Most actions are multifaceted. Trainers who lean too hard on a participant are probably also pursuing the purposes of the training. Second, people who aggress against others can be depended on to rationalize their behavior (Kipnis, 1976). They may justify it or they may deny it altogether. The latter course is what Laing (1967) called "mystification"—exercising power and denying it. Evidence for these rationalizing tendencies is that the trainers in one study were the worst of several predictors of injury in their groups (Lieberman et al., 1973).

B—

### ***The Participant***

Not all managers who attend intensive training are equally likely to be hurt. Individuals prone to injury in training programs may exhibit one or more of these characteristics: (a) fragility, (b) unattractiveness, (c) opposition to the norms of the training program, (d) characteristics different from the leader and/or the other participants, and (e) self-destructiveness. These individuals get hurt because they bruise more easily, or because others in the training setting find it harder to identify with them, or because they are more likely to be picked on.

1—

**Personal Fragility**

Lieberman et al. (1973) found that the individual who was injured in encounter groups tended to be someone with a history of psychological disturbance, or who was in crisis at the time, or whose self-esteem was low, or who came to the experience very needy. People who are weak psychologically are more likely to be hurt by the normal rigors of intensive training, not to mention the harm that can be caused by harsh treatment. Any group of participants may contain a person or two with a history of personal problems or with life crises on their hands; and in a weakened condition and needy, they may entertain unrealistically high hopes for the training, and thus make an unwholesome combination with a trainer who encourages unrealistic expectations.

2—

**Unattractiveness**

People who are not especially attractive personally and interpersonally are at greater risk in intensive training programs. No sooner does a program begin than an informal and unspoken status hierarchy emerges, with position assigned on the basis of looks, brains, verbal agility, self-confidence, and interpersonal ease. Individuals who have less going for them—including the fragile and needy—fall to the bottom of the status hierarchy. This arrangement may change as the group matures. Early "winners" sometimes prove to be flashes in the pan, and early "losers" may eventually reveal impressive managerial abilities and valuable personal resources—if given a chance to show them (Mann, 1975). But "losers," those who slip to the bottom of the heap and stay there or the early winners who are knocked off their lofty perches, are more vulnerable. Because they have less to offer in the eyes of the others, they get less, or what they get is negative. Because trainers enjoy high status in the training situation, they may gravitate toward high-status participants and away from those with low status. They might easily shun an overweight and homely elementary school principal with a mild speech impediment; a loud and overbearing sales manager who insists on telling bad jokes; or a recent M.B.A. who tries too hard to impress everyone.

3—

**Opposition to the Program**

If the program is good and most of the participants see it that way, then someone who carps at the program or drags his feet will try the patience of the others. To participate in an intensive training program is to submit to a demanding experience. People are expected to take part in exercises and to join in group discussions; someone who is shy or immobilized in groups will find such participation difficult. People are expected in due time to talk about themselves and to articulate their impressions of other participants; individuals who regard this kind of conversation as an invasion of privacy, or for some other reason feel nervous, are poorly suited for such interaction. People who don't fit in participate less or complain more and, in one way or another, single themselves out for negative attention. One participant wandered the halls during much of a management simulation. The staff noticed this unusual behavior and fretted about it. It turned out that the individual, whose back-home job involved little paper work, was thrown by the thick sheaf of memos in his in-basket at the start of the simulation. Fortunately for him, he was lucid about his problem and articulated it clearly and with emotion immediately after the simulation. Still, lack of facility with written material made for a bad fit with this particular program and could have ruined the program for him.

Research on encounter groups has also found that participants who don't take to their roles are less likely to benefit and more likely to have a negative experience. Lieberman et al. (1973) measured a variable called VCIA, which is the composite of three variables—value congruence, influence, and activity. Individuals who received a low VCIA score held training-related values that were incongruent with those of the group, and these individuals were relatively inactive and uninfluential in the group. In other words, they were marginal members.

Like the unattractive individual, the individual who makes a poor adjustment to the participant's role is pushed to the margin of the group. And being marginal exposes the individual to the danger of being split off from everyone else.

4—

**Dissimilarity**

"Different" individuals are also at risk in training programs. They can differ from the leader or the group in age, sex, race, ethnic background, education, and other ways, but they do not neces-

sarily have to belong to the segments of our society that we commonly think of as minorities. An older white male is in jeopardy when no one else in the group or staff falls in that category. What creates the risk is being underrepresented in the group and unrepresented on the staff.

A woman from Denmark said little during the course of a week-long training program. She was seen as aloof and as a result was largely ignored by the staff and participants alike. It wasn't until late in the week that someone questioned her about her attitude and found out that, because English was her second language, she had been having trouble following what was said. She spoke English fluently so no one suspected that she had trouble understanding. Her low participation and impassive expression were misinterpreted as standoffishness. No one realized it was because she was a Dane in a program made up of U.S. citizens.

Thus, dissimilar participants are more likely to be at risk because they are more likely to be cut off from the rest of the group. It may be harder for staff and participants to understand and identify with them, and they are more likely to be coerced if they resist (Kipnis, 1976).

5—

### **Self-Destructiveness**

In addition to becoming passive targets for mistreatment, individuals may actually invite attack and exclusion. They set up a complementary relationship in which their part is to be mistreated or rejected (Laing, 1967). They enter relationships anticipating a negative outcome because they have learned to expect the worst from relationships. Expecting hostility or rejection, the individual incites it in others, and thereby fulfills the prophecy.

In addition to being dangerous to themselves, these scapegoats are seductive for the rest of a training group. For a trainer or participants prone to splitting, the self-destructive individual is a perfect complement. For individuals frustrated with the tough business of personal learning and development, the provocative individual is a convenient target for pent-up frustration. And once an antagonist is drawn into the web of a self-destructive participant, it can be difficult to get out. Because this type of individual is difficult to evade and tempting to attack, they have earned the nickname among trainers of "tar baby."

6—

### **Summary**

Injury-prone individuals are those who come to a program in a weakened condition and are therefore more vulnerable. Injury-prone individuals are also those who slip to the periphery of a group. People may avoid them because they are unattractive, different from the rest of the group, or out of place in intensive training. Injury-prone individuals are more likely to be rejected or attacked because they are weak and unable to protect themselves, because they differ in ways that the others see as undesirable, because they resist the training, or because they actively provoke attack and rejection.

II—

### **The Destructive Episode: Mismanaging Conflict**

As we have seen, certain factors predispose trainers to hurt participants, and certain factors predispose individual participants to get hurt. But the picture is not complete without looking closely at how potential victims and potential victimizers *interact* to produce a negative outcome.

A destructive episode is a conflict mismanaged. Conflict occurs when the focal individual opposes what the staff or other participants want. The individual might openly criticize the program or staff, or show displeasure nonverbally. Such a person might interfere with the program or other people's learning by being silent when participation is wanted or by monopolizing discussion when others want to speak.

Next, the staff or other participants respond to the individual's presenting behavior. They would have the person criticize less, cooperate more, talk less, talk more, perform better, offend less, or whatever. They approach the person about his or her behavior; they want the person to change it or at least acknowledge it. If the focal individual says, "Yes, I know what you mean, my friends have said the same thing, and I'd like to do something about it, that's why I am here," then confronters will no doubt be satisfied. Often, however, the conflict takes a different, more destructive course. Here are three scenarios.

A—

**Scenario 1:****"They Attack and the Individual Fights Back"**

Every experienced trainer has run across the participant whose incompetence is obvious to everyone but himself. The "problem person" is one whose social handicaps are matched by his unwillingness to acknowledge them. At some point in a program the intrepid trainer takes on the problem person. In the following example, the group is discussing each participant's role in, let's say, an elaborate decision-making exercise, and the conversation has come around to this individual.

Trainer: *Phil, it's your turn. Why don't you begin by saying how you saw yourself in the decision-making exercise?*

Phil: *What, is there some problem?!*

Trainer: *I didn't say there was a problem. I want you to tell us what role you took in the exercise.*

Phil: *Look, you're the teacher. You tell me.*

Trainer: *It would be better if you went first because . . .*

Phil: *Would you stop playing games with me! If you have something to say, say it!*

Trainer: (getting agitated) *Alright, I will! Having a conversation with you is a little like being run over by a bulldozer. Frankly, I don't like it, and I know other people don't like it either.*

Phil: *What the hell do you mean, I'm like a bulldozer!*

A participant: (leaping in) *I'll give you an example! When we did that exercise on decision making, I couldn't get you to listen to me. Every time I opened my mouth . . .*

Trainer: (breaking in) *Take this conversation, for example. You're impossible to deal with. I'm angry enough to spit.*

Phil: *What are you so worked up about?! I'm not.*

Trainer: *That's a laugh. When it comes to being self-aware, you're as blind as a bat.*

At this point the trainer and his allies among the participants jump in with both feet. They try to get through to him, and he resists all the more.

A conflict breaks out and quickly escalates. A difference in perceptions is transformed into a fight to decide who is right. The focal person's assailants try to force him to yield, and he stubbornly denies them the satisfaction. He stands to lose the fight, because the sides are drawn unevenly. He is on the wrong side of a serious power differential.

In the hypothetical dialogue, the trainer started the conflict but it could just as well have been one of the participants. Who starts the conflict doesn't matter. What matters is that the focal person is attacked and that no one intercedes effectively in his behalf. If it is the participants who lead the charge, then the individual is in trouble unless the trainer intervenes. The trainer is the leading candidate to oppose an attack, and if the trainer attacks, there is probably no effective counterforce.

In the case above, Phil touched off the conflict with his obnoxious behavior, but he might just as well have been conspicuously absent from discussions. The presenting behavior is less important than what happens once attention is called to it. When the confronters don't get the response they want, they get hooked by the target's active or passive aggression. The fight soon takes on a life of its own and rushes headlong to an unfortunate end. The trainer fails to protect the individual. The target doesn't have the interpersonal skills to free himself from a destructive situation. People who had no intention of hurting anyone end up doing so.

B—

**Scenario 2:****"They Push and the Individual Gives In"**

In scenario 1 the focal persons don't take their medicine lying down, but harm can also come to individuals when they are pushed and they don't push back. Let's take the case of a female manager (it could easily be a male) who excels at the "soft" influence skills like listening, persuading, and collaborating, but is ineffective at the "hard" influence skills like arguing, bargaining, and coercing. When the time comes for her to receive feedback, everyone agrees that this is her problem. She doesn't quite see it, but being self-effacing, she gives the others the benefit of the doubt. Then the trainer, who is not content with insight, pushes her to "experiment with new behavior." The trainer

tells her to say loudly and clearly: "I am strong, and I'll fight if I have to." Although she doesn't like the idea, she complies but only manages a half-hearted rendition. The trainer has her try again but this time she laughs apologetically. The trainer exhorts, and some participants cheer her on, but she can't satisfy them and gives up. The exercise proves to be a defeat which she has trouble getting over.

In this destructive cycle the target individual is no more receptive than in the first cycle, but the conflict between the individual and the rest of the group never materializes because she suppresses her side of it. Wanting to please, she gives lip service to perceptions that she privately questions. At the least, she pays a price in self-alienation. But the damage can be much more serious when a self-effacing individual is paired with a trainer harboring delusions of grandeur. Target individuals can get pushed in over their heads.

C—  
**Scenario 3:**  
**"They Disregard the Individual, and the Individual Acts Resigned"**

Harm can also come to a participant by not-so-benign neglect. The participant is likely to be a marginal one, someone to whom others in the group are not attracted. Suppose the individual is an older male first-line supervisor in a group dominated by younger up-and-coming managers. He makes one or two attempts to participate but no one responds. He disappears into the woodwork, and no one, including the trainer, seems to notice. Neither the staff nor the rest of the participants understand or care to invest in the individual. They do not attack him actively; their aggression is passive. Lieberman et al. (1973) reported the case of a woman whose self-esteem dropped after training because she was "convinced that the group leader neither liked nor accepted her." She sent frequent "distress signals" which he ignored (p. 180). Thus, a person need not be attacked or coerced to get hurt in a training program. It can be enough to be systematically ignored. Note that the injury is not inflicted in a single incident, as in the first two scenarios, but grows over the course of the program. Rather than a destructive episode, it is a destructive relationship that causes the injury.

D—  
**Summary**

The trainer's potential to do harm and the participant's potential to be harmed are realized in mismanaged conflict. The trainer or fellow participants have a bone to pick with a focal person, but the conflict becomes destructive. In the first two scenarios the confrontation goes awry. In the first scenario the confronters meet resistance and try their best to break through it. In the second scenario the focal person surrenders without a fight and the others push him into things he can't handle. In the third scenario, the confrontation never materializes because the others tacitly decide the individ-

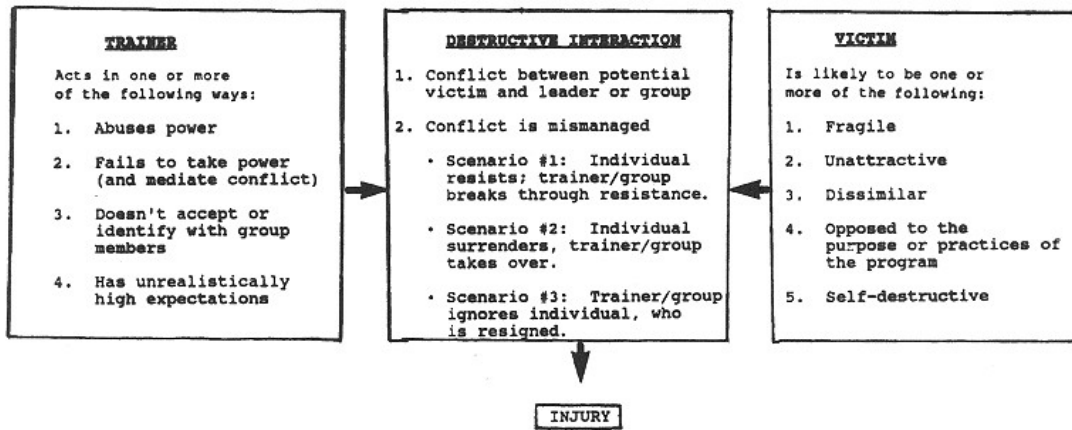


Figure 1  
How managers can get hurt in intensive training.



ual isn't worth the trouble. Not only blatant direct aggression, but also passive aggression can be damaging. For a list of three destructive scenarios and the factors leading to injury, see Figure 1.

### III— Minimizing the Risk

Intensive management training is a two-edged sword. To maximize benefit and minimize harm, precautions must be taken. This section itemizes prevention measures after first giving an example of the safe use of intensive training.

The Southern New England Telephone Company (SNETCO) in New Haven, Connecticut, put 494 managers through an intensive training program from 1972 to 1980 without one manager becoming a casualty. This in spite of the fact that SNETCO's program is a powerful experience that teaches the dynamics of groups and organizations, and reveals a manager's impact on others. The program includes a T group (called a personal development group) as well as lectures, discussions, and simulation exercises. The company's management development staff gathers information on program outcomes from a structured evaluation form sent to participants about a week after returning to SNETCO and from follow-up conversations with each individual within a month of their return.

How has SNETCO achieved its unblemished record? While it is impossible to know which precautions make the difference, the following set overdetermines safe handling of participants.

1. *A prerequisite* experience consisting of a one-week nonresidential in-house training program that introduces participants to behavioral science and to experiential learning. The program is moderately intensive and mildly stressful and as such makes for a good preview of the intensive programs.
2. *Briefings* that convey clearly the nature of the intensive program. Briefings consist of (a) discussions of the intensive program at the end of the prerequisite program, (b) a meeting of all those individuals enrolled in the intensive program, (c) readings on intensive training given out ahead of time, and (d) the option to talk to other managers who have attended the program.
3. *Voluntary attendance*. The SNETCO staff recommends that managers attend the program voluntarily.
4. *An application* form that among other things spells out several guidelines to help participants decide whether to attend. The guidelines state that (a) individuals should have a genuine desire to learn about themselves, about small group behavior, and about other organizational dynamics; (b) individuals should attend voluntarily; (c) individuals going through a personal crisis or currently in a very stressful situation might wait until a later time to attend; and (d) persons currently undergoing psychotherapy should discuss the advisability of attending with their therapists or counselors.
5. *Competent trainers*. Trainers are drawn from SNETCO's own training staff and a pool of outside consultants. The SNETCO management development staff knows the trainers and knows them to be competent and conscientious.
6. *Composition*. SNETCO tries to match the composition of a program staff to the race, gender, and (if possible) age of the participant population. Furthermore, when only two or three persons of a demographic category, like blacks, attend a program, they are placed in the same group to build in mutual support. In addition, participants can influence which staff members or participants they do *not* work with. Everyone is notified ahead of time who will attend the program and they can request not to be in the same group as a certain trainer or manager.
7. *Debriefing*. Each participant is approached after the program by the staff member who did the preprogram briefing. The staff member discusses the individual's experience and provides support as the individual reenters the organization.

In addition to these steps a general factor minimizes risk at SNETCO. Managers attend the residential programs in the context of SNETCO's ongoing involvement with intensive training. To

date, about 500 of SNETCO's 4,000 management employees have participated in a residential program. As a result, the training has become known around the organization, and a positive aura surrounds it. SNETCO also has a history of involvement with organization development, which is a close cousin of intensive training. Thus, the individual manager attends a program not in a vacuum but in a supportive organizational culture.

There are three elements to the precautions taken by SNETCO. First, the organization prepares participants carefully through introductory training and briefings on the advanced programs. The preparation enables the manager to make an informed choice. Second, SNETCO uses trainers that it can count on to take good care of participants. Third, the management development staff follows up on every participant after the program and helps the individual reenter the organization.

#### IV—

#### Prevention

In general, responsibility for minimizing the chances of injury during intensive training rests in the hands of four parties—the trainers, training management, the organization, and the participants (see Figure 2).

#### A—

#### Trainers

Trainers must not act destructively and must keep other participants from doing so. Of all the influences on a training program, the trainer is in the best position to keep participants from getting hurt. The trainer's responsibility reduces to four rules for preventing harm. (Naturally if the concern were to maximize benefit, the list could be extended.)

1. *Do not aggress against participants.* The trainer must not attack, coerce, or forcibly reject participants. The trainer must not meet resistance by trying to break through it. In practice, there is a fine line between the constructive and destructive use of power by the trainer. But it is a line that the trainer must toe.

2. *Do not permit other participants to aggress against a participant.* Just as trainers must not commit harm, they must not allow the group to do it. Groups are notorious for mounting enormous pressure against deviant members, and the trainer must blow the whistle on any ganging up on individuals. Nondirective leadership is not the same as laissez-faire leadership, and the trainer must head off any violence by group members.

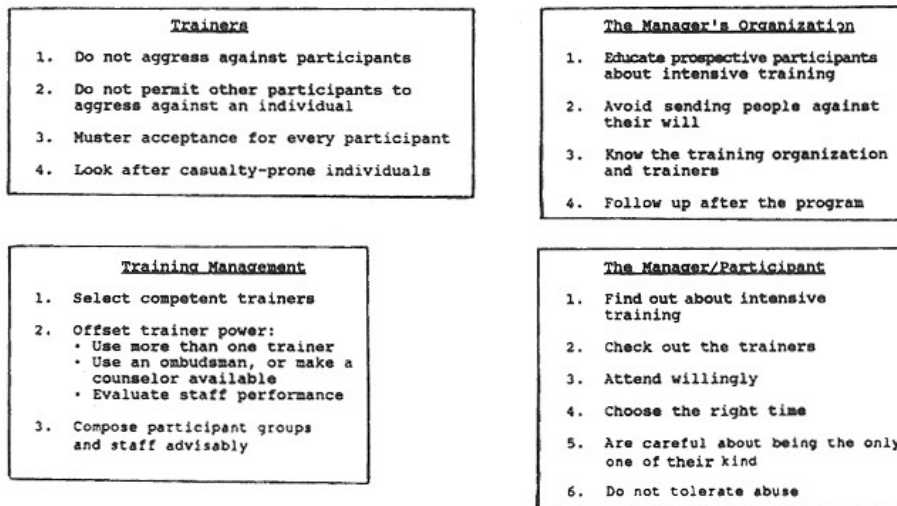


Figure 2  
Preventive measures.

3. *Muster acceptance for every participant.* Although the trainer will be drawn to some individuals more than others, it is incumbent on the trainer to accept each member of the group. Every group of participants will contain individuals who have less going for them, or who resist the training program, or who are different from the trainer. The trainer should identify these individuals early on in the program and work hard to understand and look after them. If there is more than one trainer, then the trainer who reacts coolly or badly to a given participant should let the other trainers know. Chances are another trainer will respond better to the individual.

4. *Look after casualty-prone individuals.* The staff should know what types of individuals are at risk, and they should compare notes regularly on the individuals whom they are worried about. The staff should make sure that these individuals are kept out of harm's way and that they get their share of positive attention.

The trainer should be prepared for a range of responses to the program from participants. It is okay for some participants to take a low profile. An individual for whom experiential learning is a new and dangerous thing may learn a great deal by looking on. The trainer should also be prepared for individuals who resist the program. Trainers can negotiate a truce whereby skeptical participants acknowledge their misgivings and agree not to interfere with the participation of others.

## **B— Training Management**

Also responsible for preventing injury is the organization that offers the training, whether it is part of the manager's own organization or an outside group such as AMA, NTL, a management school at a university, the Center for Creative Leadership, or any of the numerous small or large training centers that are proliferating today. A training organization's major responsibilities are to:

1. *Select competent trainers.* The organization is responsible for employing people who follow the rules for trainers listed above. Even if the organization can recruit the right kind of people, it must be sensitive to the fact that even good ones go through bad periods. Just as prospective participants who are under a lot of stress are well advised to postpone training, trainers with severe marital problems or serious health problems or disturbing career issues may have to be benched temporarily. Or they should not work alone.

2. *Offset trainer power.* The potential for harm lies not only in the trainer's personal makeup but also in the trainer's dominance in the training situation. Therefore, it is important to create structures that counterbalance trainer power. These structures can be inserted in the training situation itself so as to discourage abuses or to correct them as soon as possible.

One way is to avoid having only one trainer. A second staff member on the scene can inhibit abuse or oppose it if it occurs. If the trainers have separate groups, then they should be in close enough touch to know what is happening in the other group. This mechanism works only if the trainers are able to influence each other. The domineering type of trainer may also dominate a colleague, or a senior trainer may disregard a junior trainer.

Another way to offset trainer power is to use an ombudsman. In the event that they get embroiled in a conflict with the trainer or feel they are being treated unfairly, it is important for participants to have recourse. An ombudsman provides this recourse. A similar function can be served by a psychiatrist or psychologist who acts as a counselor to any participant wanting help during the program. NTL uses either a psychiatrist or psychologist in this capacity in its summer programs at Bethel, Maine. This person should be invested with the power to intervene in the situation.

In addition to checks-and-balances installed in the training situation, the training organization should determine afterward whether any harm was done to participants. Trainers should be evaluated. This can be accomplished through peer review at the end of a program, with a report turned in to the management of the training organization. The participants should also evaluate the program and the staff, and indicate whether anyone got hurt. In one study, the best predictor of casualties was peer nominations (Lieberman et al., 1973).

3. *Compose groups of participants and staff wisely.* In light of the fact that "different" individuals have a harder time, groups should be composed so as to avoid having just one person in a given category. If possible, avoid having one black or one woman or one fast-track manager or one CEO in a group of participants. This point applies with particular force when the category sets the individual obviously apart and when the category carries with it a lower status in society.

In assembling a staff, try to represent the major categories within the participant group. If a number of black or Hispanics will be present, for example, put a black or Hispanic on the staff.

C—

### ***The Manager's Organization***

The responsibilities of the manager's organization are to send people to training and to select programs for them to attend.

1. *Educate prospective participants about intensive training.* To the extent that people have realistic expectations about intensive training, they are less likely to make a poor choice about it or a poor adjustment to it. For the same reason, job applicants who take a job after getting realistic previews of it adjust better and are less likely to quit. This is not to say that all participants must know about a program beforehand—many people arrive knowing nothing about a program and are none the worse for it. But to go into intensive training blind entails an element of risk, more for some people than others, and prior orientation reduces that risk.

2. *Avoid sending people to training against their will.* An individual opposed to a training program is an individual at some risk. The individual's resistance may melt away once the program begins. But it is far better for the individual to accept the decision to attend the program, and, as with any decision, acceptance is greater if the individual takes part in the decision. This does not mean that the training has to be the individual's idea. Obviously, the individual's superior or some other party can and often does take the initiative. Nor does this recommendation mean that the individual has to participate in the decision; some people will accept the decision readily and attend willingly with no participation. The intent of this recommendation is to avoid having people show up at programs, as one participant did, saying bitterly, "I have been sent to finishing school!"

3. *Know the training organization and trainers.* The home organization should be able to count on the training organization to handle its managers with kid gloves. If possible, the organization should also know the trainers who will be staffing the program. A profession is only as good as the individual professional.

4. *Follow up after the program.* The home organization should find out afterwards whether the manager was mistreated in any way. SNETCO sets a good example by giving out a questionnaire and by talking to the manager in person. In addition to monitoring, the debriefing also helps the manager recover from any ill effects and make the transition back to work.

D—

### ***Participants***

Managers contemplating intensive training have a responsibility to look out for themselves. They can do so by finding out about intensive training, by checking out the trainers, by attending willingly, by making sure that the time is right for attending, by avoiding being the "only one," and by escaping from a noxious situation should it occur. Nearly all of these have been covered or implied in the previous three sets of precautions, so they will be touched on briefly here.

1. *Find out about intensive training.* Although it is the responsibility of others to inform the manager, managers should do their own investigating so that they know what the program involves, what they can expect to get out of it, and what risks they may run. In this way the manager can help to avoid unpleasant surprises.

2. *Check out the trainers.* For reasons given above, this is advisable. If your organization doesn't do it, then it is a good idea to have it done yourself.
3. *Attend willingly.* Managers who are dead set against a program can easily start out on the wrong foot and thereby put themselves at risk. If, once you are there, you persist in outwardly or inwardly fighting the program, the staff or other participants may eventually attack or reject you. If you are truly opposed to going, then try to work out the conflict with the people sending you. If you still are given no choice, try to understand the reasons you are being sent so that you can open yourself up to giving.
4. *Choose the right time.* Intensive training can be stressful; a very stressful time in one's life may therefore be the wrong time to go. On the other hand, people get more out of intensive training when they want to learn about themselves, and this motive may be born of disconfirming (and therefore troubling) experiences at work or at home. A blend of the energy and the urge to learn makes the time right for intensive training.
5. *Be careful about being the "only one."* If possible, find out ahead of time about the demographics of the participant group and the trainers. You are better off if you are not the only one of your kind.
6. *Don't tolerate mistreatment.* Remember that under no conditions do the staff or other participants have the right to mistreat a participant. If faced with a noxious situation, do whatever you can to remove yourself, either by sidestepping it in the program or by leaving the program altogether.

The foregoing preventive measures are meant to encourage individuals and organizations to exercise care in using intensive management training, but as a whole they should be viewed as important considerations and not as imperatives. Only the set of recommendations applying to trainers should be considered mandatory.

## V— Conclusion

An intensive training program must, by definition, pack a certain punch. But a potent training experience can cut both ways. Of all the factors at play in a training program, the staff is the most critical. Destructive trainers abuse the substantial power accorded to them, or they fail to use it to protect participants. Such trainers conflict with participants by expecting too much of them or by failing to accept them. Characteristics of the participant also play an important part. Individuals prone to injury are weak, or unattractive, or different, or opposed to the training, or self-destructive.

The hazards of intensive management training can be minimized by overdetermining the conditions of safety. The responsibility belongs to the training staff *and* the participant. The organization offering the training is responsible but so is the organization sending the manager. If these parties all do their part, then the benefits of intensive training can be gained while the risks are kept to a minimum.

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84—

## Facilitating Organizational Change through Survey/Feedback and Implementation

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I—

### Introduction

Recent data suggest that in the 1990s roughly 50% of all organizations use surveys of employees (Kraut, 1996), thus it is not surprising that organizational surveys are more popular with OD practitioners than ever. The demand for organizational surveys rose in the mid-1980s and the early 1990s when total quality management, reinventing government, and stakeholder-based management (e.g., balanced scorecard) gained momentum in U.S. institutions. Reinventing government, as well as other attempts to reorganize the workplace, forced institutions to rethink performance, not as a single outcome measure, but as a set of measurements that reflect how well the institution meets the requirements of its stakeholders. As a result, the new bottom line for institutions included stakeholders such as employees, owners, suppliers, communities, and shareholders.

Once the stakeholders were identified, each stakeholder required monitoring, and one of the best, most efficient ways to understand the requirements of the stakeholders is through survey methodology. Much of the popularity of organizational surveys in recent years is thus explained by the new measurement environment created by stakeholder-based management. (See also in this volume Carroll's "Conceptual and Consulting Aspects of Stakeholder Theory, Thinking, and Management," Chap. 16.)

An unintended consequence of all this surveying was a greater demand on organizational leaders to effectively utilize survey data. Soliciting the opinions of stakeholders was not good enough; to meet the demands of stakeholders, institutional leaders had to act on problems identified by the surveys.

In the past, when surveys were used mainly to assess employee attitudes, senior managers found ways to ignore, or even hide, poor employee survey data. In many cases, managers were not held accountable for their survey data. Because of new business standards set forth in initiatives such as total quality management and new stakeholder accountability concerns, institutions and their managers were forced to confront and utilize customer and supplier opinion data in new and different ways.

To a surprising degree the professional literature on how to best utilize survey data to facilitate organizational change has not kept pace with the new demands on managers and their institutions. While there are numerous books and chapters addressing how to develop and conduct organizational surveys (Edwards et al., 1997; Rea and Parker, 1997), there is much less advice on what to do with surveys as a tool to facilitate organizational change and development. In fact, recent research reveals the biggest hurdles to effective survey practice are a failure to provide feedback and a lack of action planning and follow-through (Kraut, 1996).

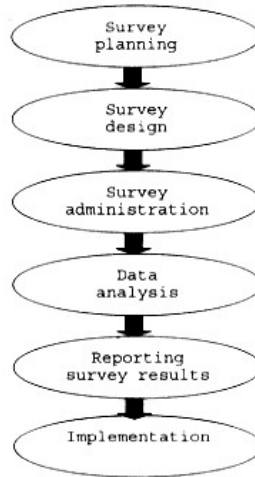


Figure 1  
Survey process model.

This chapter proposes a process model (see Figure 1) for using surveys to facilitate organizational change. Although the focus of the chapter is to discuss an effective means for using survey data, we also highlight the major considerations surrounding the entire survey/feedback process. In truth, the survey's utility for leading change depends on the quality of decisions made at each stage of the survey process.

The first stage in the survey process—planning—focuses on the overall context and objectives of the survey. The second stage—design—examines the qualities or standards of the survey, which leads to effective feedback data. The third stage—administration—involves determining the most appropriate means for administering the survey and collecting the data. The fourth stage—analysis—focuses on how to organize and analyze data to enhance the feedback process. The fifth stage—reporting—proposes strategies for communicating the survey results to organization members. The sixth stage—implementation—explores how to develop suggestions for future organizational improvement through employee involvement and details how these suggestions for improvement can be implemented.

## II— Stage 1: Planning

Providing organizations with survey data that is meaningful and useful requires careful planning and well-defined objectives concerning who will be responsible for working with the survey results and how the data are to be used by the organization. The first step in the survey process is thus to determine the reasons for conducting the survey. Among the reasons why organizations conduct surveys are (Kendall, 1986; Schiemann, 1991) the following:

*Management development.* Data are used to identify strengths and weaknesses in management skills and to provide input into management development programs.

*Diagnosis.* Data are used to assess current and potential strengths and problem areas. They can also identify differences among work groups or locations.



*Communication.* Data are used as a vehicle for productive, ongoing, two-way communication between management and employees.

*Evaluation.* Data are used to measure the impact of company policies, practices, and programs on employee satisfaction or performance levels.

*Assessment of culture/climate.* Data are used to help gain an understanding of an organization's beliefs, values, norms, and attitudes.

*Strategic measurement.* Data are used to determine if the strategic plan is being achieved by examining whether specific objectives are being met.

*Prediction.* Data are used in the prediction of key organizational outcomes such as turnover, motivation, and accidents.

*Quality assurance.* Data are used to evaluate the quality of goods and services both internally and externally.

Each of these purposes for conducting a survey has different implications for the design of the instrument and the follow-through processes. For example, if the objective of the survey is to improve communication between managers and employees, the feedback should be directed at trying to assess as well as improve the communication flow at the different levels of the organization. On the other hand, if the purpose of the survey is to assess managerial skills, knowledge, and abilities for the purpose of designing management development programs, then follow-through might include a management development program centered on the strengths and weaknesses of the firm's managers and what needs to be done to improve their effectiveness.

In addition to the objectives of the survey, it is also important at the planning stage to know the organizational values driving the survey intervention. Specifically, it is important to know what values the organization is striving toward: Are they trust, commitment, open communication? Without a clear picture of what an organization does value, it is next to impossible to present feedback that is meaningful to the organization. As noted by Golembiewski and Hilles, (1979, p. 45), "Organizations without a clear self-identity can no more make facile adjustments to feedback than can individuals with no sense of where they would like to go, or of whom they want to be."

Understanding the organization's objectives and the values propelling the survey permits in a direct way knowing what kinds of feedback data will be relevant to the needs of the organization. The planning stage must thus, uncover critical issues facing the organization and identify the feedback relevant to those issues. Insufficient planning will lead to plenty of survey data, but meaningless information for the organization. In fact, a poorly focused survey will undermine the credibility of the survey process.

### III— Stage 2: Design

Once the organization's objectives and values take clearer form, the next step in the survey process involves the design of both an instrument and data collection procedures that ensure the survey will be seen as representative and useful to the client organization (Hunady, 1978). The following are some qualities of effective feedback offered by Bowditch and Buono (1982) and Nadler (1978):

*Starting point.* The best and most descriptive data about the organization reside in the heads of the organizational members. Using organizational members' opinions and even their language in the design of the survey items initiates the feedback process.

*Clarity.* The survey items and results should be straightforward and easily understood. The language, symbols, statistics, and form—both in asking the questions and in reporting the results—should be both familiar and understandable to the target audience.

*Descriptiveness.* Surveys should be designed in a way that reflects the real-life experiences of members of the organization.

One of the first considerations that a consultant faces is whether to choose a standardized survey or whether to custom-design one for the organization. A criterion for making this decision should be whether the standardized instrument accurately describes the working conditions

of the organizational members. Any items or data that are overly general are not particularly useful for the organization or the individual. The design of the survey should convey both the details and the affects characterizing the client organization (Nadler, 1978, p. 147). This argues against total or even substantial reliance on off-the-shelf surveys, as many conclude (e.g., Golembiewski and Hilles, 1979; Sahl, 1996).

*Corroboration.* In order for organizational members to be fully engaged in the follow-through process, the data must represent all members of the target audience. For that reason, careful consideration must be given to who is surveyed—their demographics and the response rates from subgroups in the organization. This information must also be reported so that members can verify and decide for themselves the representativeness and quality of the data collected.

*Comparativeness.* In the design of the survey it is useful to be able to compare results to provide a context for feedback (Marks, 1982). Often data from the survey are unclear and interpretation can be quite complex. A basis of comparison—with industry norms, by comparisons over time, or between subgroups within an organization—provides valuable context for interpreting survey results.

One last important consideration is whether or not to have a comment section or open-ended questions. Two drawbacks are that comments are difficult to summarize, and—if the organization is large—time consuming to score (Edwards et al., 1997). We have also found that many of the comments are directed at specific individuals and in many cases were negative, if not caustic. As far as we know there are no data on this point, but we believe comments are more negative than the overall survey results.

These limitations notwithstanding, there is real merit to a comment section on the survey. We found managers often more moved to take action on surveys with comments than without. The comments bring to life survey data in a way numerical assessments alone do not. If open-ended questions are used, the respondents will expect a summary of the responses, and it is incumbent on the OD professional to present the results in a meaningful and accurate way. The comments may need to be filtered to ensure that appropriate language is used and that individuals are not identified.

#### IV—

##### Stage 3:

##### Administration

Once the survey items have been constructed, the next consideration is the vehicle by which the survey will be administered and the data collected. Despite a number of alternative survey methodologies made available by recent advances in technology, the traditional paper-and-pencil format remains the most common survey method (Edwards et al., 1997; Kuhnert and McCauley, 1996). Other modes of organizational survey administration include the following (Kuhnert and McCauley, 1996):

*Telephone surveys.* One approach is to have interviewers call employees, ask a series of questions, present the possible responses, and record the employees' response either by hand or directly into a database. Completely automated systems allow employees to call a specified number and respond to questions by pressing a number on the Touch-Tone number pad. The response to each question is automatically recorded.

*Fax surveys.* A software package is used to create a fax survey form, which contains the survey questions and appropriate response scales. Respondents may be asked to check boxes, fill in circles, record numbers, or designate letters. Once the survey is completed, the form is faxed back to a computer equipped with a fax board. The computer automatically records the survey responses using a software program. In addition, some systems can even recognize handwriting, allowing the collection of employee comments.

*PC surveys.* Surveys can be administered via network systems or on diskette. Software is used to create a survey, which is administered on a personal computer. A series of screens present the survey questions to employees. Employees respond by pressing a key on the keyboard or using the mouse to point and click on the appropriate response. Data are

recorded on the network or on individual diskettes and, depending upon the software employed either individually recorded or automatically compiled into a composite data set.

*E-mail surveys.* Survey forms are sent to the E-mail addresses of employees. Respondents mark their choices for each of the questions and return the form using the reply function of the E-mail system. Some systems allow for the automatic collection of data, whereas others still require manual data entry to compile responses.

Although relatively new, the Internet and the World Wide Web present opportunities previously unavailable with other technologies. Among these opportunities are the ability to survey organizations with broad geographical dispersion in a short period of time over the Internet or World Wide Web. Individuals who work at home can use computer terminals connected to the Internet via independent Internet service providers (ISPs) to participate more easily in an organizational survey. In addition, the powerful multimedia capabilities of the World Wide Web permit surveys to be administered using colorful graphics, sounds, and a high level of interactivity.

After careful consideration, the prudent OD consultant should choose the survey administration method that offers the greatest chances of collecting honest and candid survey data. Choosing methods solely on the basis of technical wizardry would be unwise.

V—

#### **Stage 4: Analysis**

The next step involves organizing the data in a manner that effectively communicates the results of the survey. At this point in the survey process the data have been collected, coded, and prepared for statistical analysis. Analysis is the process of breaking down survey data into categories that are treated statistically or rearranged into meaningful patterns (Dunham and Smith, 1979). Survey data can be quantitative or qualitative and can be analyzed and organized in different ways (Golembiewski and Hilles, 1979). Listed below are some approaches offered by Kendall (1986) to analyze data effectively:

*Grouping survey items into topic areas.* Well-defined surveys typically contain multiple items designed to measure a single topic or dimension important to the organization (e.g., job satisfaction). When reporting results, those items should be combined or grouped into a single dimension or scale score. Single items as well as shorter scales may have low reliability estimates and limit the dimension's interpretability. As a general rule, each dimension should have at least three to five items.

*Scaling responses.* Surveys use a number of different response formats, with the most preferred being Likert scales because of the ease they permit in conducting analyses on the data. The respondent is asked to reply to a question or statement by checking a point on a scale of varying degrees of agreement/disagreement, favorableness/unfavorableness, satisfaction/dissatisfaction, and so on.

*Interpreting neutral responses.* One of the limitations of the Likert scale involves a neutral response category. It is often difficult to discern the reasons why a person would respond in a neutral manner. For example, if the item were "To what extent do you trust the actions of top management," what would a neutral response be? Would it mean that respondents do not have enough information to evaluate their trust? Does it mean they have mixed opinions regarding their feelings toward management? Does a neutral response mean that the question does not apply to them or does it mean that the member is not interested in the question? The point is that interpreting a neutral response is seldom easy, but it often will be consequential. We have found items on some surveys to have as many as 40% of employees responding in the neutral category. Not only does the neutral category make interpretation difficult, there is no direction and little energy for people to act on follow-through activities.

*Grouping responses.* Usually data are analyzed with simple statistical indices (e.g., mean scores of response percentages). Response percentages are preferred because of the ease with

which a wide audience can interpret the data. In most cases responses to individual items are incorporated into scales, and only scale or dimension scores are presented. While reporting only the total scale score involves some loss of detail, it is more reliable than reporting scores of individual items. Multi-item measures are thus more stable and provide more interpretable estimates.

Sometimes powerful statistical technologies permit assessing which items cluster together, and this is no area for generalists. Greater economy and precision justify the costs. Ten survey items may in fact relate to one important organizational dimension, or several, or none. Obviously these procedures can make a marked difference in interpreting item results.

Although generalists cannot perform these useful statistical analyses, a few words to the wise should be sufficient. Distrust surveys that report only single-item responses.

*Analyzing survey results over time.* A clear advantage of survey/feedback over other interventions is the ability to quantify and monitor changes across time. Longitudinal data permit a judgment about where the organization is now, and may provide information about future directions. The analysis and reporting of longitudinal data require consideration of a number of points, primary among them being that a single survey has dubious value. In addition: 1) Items and scales must be identical or at least comparable from year to year. The slightest change may influence responses. 2) Response scales must remain the same over time. Adding a new scale point (e.g., "does not apply") can drastically alter the response tendencies and distributions. 3) Sample characteristics should be carefully monitored. A reduction in force or an influx of new hires may change the character of the results.

*Graphic display of data.* The adage that "a picture is worth a thousand words" applies with special force to the reporting of survey results. Due to the availability of computers and the increased sophistication of software, it is now possible to graphically display data in a myriad of different formats using points, lines, numbers, symbols, shading, and color. It should be cautioned, however, that no single graphic display is the most appropriate choice for every audience (Ellermeier, 1978). Displaying data based solely upon the capabilities of the software program is like selecting medicine by the shape and color of the pill. Some general guidelines do aid in selecting a format for graphic displays of data, however. According to Tufte (1983), graphically displayed data

Should induce the viewer to think about the substance rather than the technology of graphic production (or something else)

Should avoid distorting what the data have to say

Should make large data sets coherent

Should encourage the eye to compare different components of data

Should be closely integrated with the statistical and verbal descriptions of the data set

When planning, organizing, and displaying data there is no substitute for knowing your audience. What may be meaningful information for an academic audience (e.g., using tests of significance) will not be appropriate in most organizations. Consultants should consider pilot testing their presentation before finalizing their presentation. Some authors advocate forming sensing groups—groups representing a cross section of organizational members who act as advisors for the consultant—for this purpose (e.g., Golembiewski and Hilles, 1979; Bowditch and Buono, 1982).

VI—

#### Stage 5:

#### Reporting Survey Results

Once priorities for the data have been established and thoughtfully organized, the next step is to report the survey data to members of the organization. Consideration needs to be given to who is to receive a report of the results. In most organizations, survey data are presented at several levels.

Members at each level of the organization—from the top management who sponsor it to the local managers who arrange for it and the employees who take it—have a particular stake in certain results and can be the focus of appropriate follow-up action (Dunham and Smith, 1979). The sequence for feedback reports depends on the structure of the organization. Usually an initial presenta-

tion is made to top management, followed by a "cascade" or "waterfall" of presentations to managers, first-level supervisors, and other organizational members. This feedback sequence provides an opportunity for each level of the organization to fully understand and form a commitment to the survey results.

In most cases the OD consultant will present feedback to top management; the question of who should conduct the feedback to managers, supervisors, and other organizational members is both significant and difficult to answer. The issue pivots on how to get everyone "on board" and committed to the feedback process. If managers and supervisors can be shown the benefit of the survey and the changes that result from it, they are much more likely to feel responsible for, or "own", the data (Neff, 1966). Such ownership will convey a favorable and supportive attitude to all other members of the organization. On the other hand, painting an accurate picture of the organization from the data is paramount for gaining the commitment of organization members. Can (or will) the managers and supervisors be able to handle the responsibility? Making this decision is an example of the art of survey/feedback.

It is also important to emphasize that every member of the organization who completed the survey has a right to expect some information concerning the results of the survey. The point of an active feedback program is to encourage all employees to participate to improve organizational effectiveness.

Survey results can be reported either verbally or via written reports; however, a combination of the two is most productive. A verbal report permits a dialogue between the consultant and organizational members. The written report provides an historical record of the intervention and can be used in conjunction with other subsequent organizational improvement efforts.

*Verbal reports.* Verbal reports typically take the form of meetings or "briefings" with small groups of organizational members. While these meetings can be held at any time during the feedback process, at least one meeting should be held prior to the submission of the written "final report." This meeting allows organizational members one last chance for clarification and perhaps elaboration of the findings and a final opportunity for the consultants to validate their own conclusions and recommendations. This session also prepares organizational members for the more formal report to come and the work ahead.

*Written reports.* A written report usually follows the feedback meetings. The feedback given to each employee group should cover all the relevant areas in the survey report. A common mistake is to make the report overly long and technical. Report only the data that were discussed at the feedback meeting. The effect of a long-winded technical report is to overwhelm organizational members and diminish rather than enhance the importance of the results. The actual shape and content of the final report can take many different forms. Most reports, however, contain the following elements:

- *Overview of the project.* This includes an expression of appreciation to the respondents and a review of the major purposes and functions of the survey conducted. It is also appropriate to review for organizational members the advantages and disadvantages of attitude surveys.
- *Executive summary.* The executive summary usually includes a brief paragraph on the goals of the survey and a summary of the findings, as well as conclusions and recommendations sections. The executive summary should be no more than two pages in length.
- *Detailed report of the findings.* This section should detail who conducted the survey, who participated in the survey, how the survey was conducted, the response rate, and the major findings of the survey and how the data were reported. The report of the findings should have major headings (e.g., attitudes toward work) that denote topics or dimensions. Each topic should involve scales (e.g., job satisfaction) and each scale should have a definition and sample items. A written description of the findings along with a graphical display of the data usually follows.
- After topical presentations, a brief conclusion often helps. This summary section allows the respondents to focus on the topic—or, if you will, on the "big picture"—rather than on the individual scales.

- *Recommendations.* Here the consultant/researcher should outline the strengths and weaknesses of the organization and provide specific recommendations, if possible. An example of a specific recommendation would be to "provide additional training and professional development opportunities."

## VII—

### Stage 6:

#### Implementation

This stage of the process focuses on using the survey results to effect organization change. Implementation is the most crucial step and should drive all others. The real measure of the effectiveness of a survey is with the changes in the institution (Hinrichs, 1996). Regardless of the stated purpose for doing a survey, the fact that it is undertaken at all ultimately creates expectations that something will be done with the results. As one manager put it, "A survey is like pulling the pin out of a hand grenade; you can't just stand there holding it" (Seashore, 1987, p.148). In other words, before embarking on a survey feedback intervention, it is important to ask yourself the question "What can I or will I do with the results?" In brief, not having a survey is much preferable to having a survey and then letting the results gather dust on some shelf. Many surveys end up just that way, and this not only forfeits possible gains, but probably will generate disillusionment if not cynicism.

One of the most difficult hurdles for top management to overcome is to engage employees after the final report has been written. Providing managers with ways of using survey data is critical if surveys are to be an effective problem-solving technique that improves the effectiveness of the organization. A number of strategies help facilitate the implementation of survey results.

## A—

### Employee Input

In order to use survey data to facilitate change, recommendations for improvement should come from those who participated in the survey effort; that is, everyone who completed a survey should have a voice in recommending changes to improve organizational functioning. The most effective means for soliciting recommendations from institutional members is through focus groups.

The focus group (Compare Kreuger, 1988; Kitzinger, 1994) consists of eight to fifteen co-workers and is led by an outside facilitator or OD practitioner. The focus group helps people clarify survey weaknesses and proposes recommendations for institutional improvement that would be less easily accessible in one-on-one interviews.

Focus groups, in which a session lasts about an hour, helps the OD practitioner access the many different forms of communication that people use in daily conversations, including arguments, jokes, and anecdotes. Everyday communication says as much, if not more, about what people think and feel about their organization. In this sense focus groups reach dimensions of understanding that remain untapped by other data-gathering methods (Hughes and Dumont, 1993).

The downside of focus groups is that norms may inhibit disagreement. The presence of the OD professional can compromise the confidentiality of the focus group members. To try and minimize this problem, we offer people the option of anonymously writing recommendations on a separate sheet of paper. We have found, however, that in most institutions employees are willing to actively discuss topics because the less inhibited members of the group break the ice for more reluctant participants. As in all OD efforts, the skills, perceptiveness, and credibility of the OD consultant goes a long way toward generating quality recommendations from focus group members.

The number and quality of recommendations generated by focus groups varies from group to group. In our work we solicit as many recommendations from focus groups members as possible, but we warn employees that not all recommendations will be implemented. After all the focus groups have met, the recommendations are compiled in a written report for organizational members to examine. The goal of this report is to show commitment for change and generate energy for turning recommendations into action.

## B—

### Action Planning

The purpose of action planning is to translate employee and manager recommendations into specific actions. Action-planning sessions occur after the feedback and input meetings. Importantly, all three

meetings should occur independently of one another. One common mistake is to try and combine feedback, employee input meetings, and action planning in one long afternoon session. Each step in the survey process builds on previous successes and thus deserves focused attention in a separate meeting.

There are important considerations in the design of action planning meetings, including the following:

Those who participate in the employee input session are also included in the action-planning teams. This ensures continuity and shared understanding among employees of the survey process and what is important in the data.

The goal of the meeting is to prioritize the recommendations and end with two or three action plans.

Meetings should last no more than one hour. Open-ended meetings of this nature could last hours without a set time limit.

An OD consultant or a manager should facilitate the meeting. It is vital that the person leading the meeting have the trust and faith of the members comprising the action team.

During the action-planning meeting the following information should be included:

*Goals and objectives.* What generally and specifically should the plan achieve?

*Outputs and tasks.* What is the principle output teams will produce? Who will do what by when?

*Resources.* Which resources in what amounts will be needed to complete each task or groups of tasks?

*Presentation.* To whom will the team deliver the results of its efforts?

*Approvals.* Who must approve the plan before it can be implemented? Who should be kept informed of progress? When and how should reports be made?

*Evaluation.* Was the action planning successful? Each action plan should make a significant difference in increasing organizational functioning.

Top management teams that support the action-planning process are often concerned that the action teams will produce off-the-wall suggestions for improvement. We found 90% of all action plans received by top management are acceptable. The more likely problem is the large number of action plans proposed. Clearly not all action plans are created equal, and some are better than others. The role of top management is to recognize the hard work of the teams and fully explain why some plans are implemented and why others are not. Direct feedback from top management to the action team goes a long way toward building teamwork and improving communication.

We found it useful to have the action team responsible for monitoring the implementation of the plan. It is very easy not to follow through completely with the action plans. Incorporating the team into the implementation and evaluation of the plan ensures the follow-through and necessary evaluation will get done.

It is extremely important to publicize the successes of the action teams. Flyers, newsletters, and E-mail are all good avenues for communicating successes to institutional members. Publishing successes will supply much-needed recognition to all those making an effort to improve the organization.

## **VIII— Conclusions**

Organizations tend to be self-referencing or closed systems, and hence often have an underdeveloped ability to look at themselves (Bennis, 1987). For that reason, many consulting or OD interventions begin with a written survey that is designed to examine the social and work processes in place in the organization. Because surveys provide a quantifiable look at the inner workings of the organization, such data provide the possibility that an organization's members come to be more self-aware.

To turn that possibility into a reality, however, the OD consultant must communicate the results of the survey data in ways all organizational members can understand and utilize.

Feedback is vital to the survey process. It is an active two-way process between the consultant and the organization that must be systematically and continuously integrated within the entire survey process. The extent to which a consultant incorporates feedback issues and considerations into the planning, design, analysis, and implementation activities of the survey process will determine the success and usefulness of the survey and will impact eventual effectiveness of the intervention itself. (See also several other contributions in this volume, including: Borich, "Five Stages for Self-Evaluating Organizations," [Chap. 8] Golembiewski, "Features of Energizing Data," [Chap. 45] Golembiewski, "Sensing Groups in Consultation" [Chap. 67] Lundberg, "Knowing and Surfacing Organizational Culture: A Consultant's Guide" [Chap. 93].)

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85—

## Approaches to Organizational Needs Assessment

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At the heart of organizational development is "planned change," or the systematic attempt to solve problems or improve functioning within organizations through the use of particular interventions. Most consultants will agree that the most important aspect of a successful organizational development effort is appropriately defining the nature of the problem. In fact, once the problems have been properly diagnosed, the interventions to be used to resolve those problems are readily determined. Thus, a carefully planned and systematically conducted needs assessment should be the first step in any organizational development plan.

"Needs assessment" is an umbrella term for an array of activities used to collect the information needed to make informed decisions. Although there is no simple algorithm for designing and conducting a needs assessment, several factors can guide the consultant in choosing a technique (or set of techniques). This chapter describes the major factors important for conducting organizational needs assessments.

This chapter has four main emphases. First, different levels of organizational analysis are described, and attention is directed at how these levels impact the data collected during the needs assessment. Next, potential uses of needs assessment data are described. Various techniques for conducting a needs assessment are then outlined, along with criteria for selecting among them. Finally, a six-step strategy for implementing a needs assessment is proposed.

I—

### Who or What Should Be Assessed?

The first decision in conducting a needs assessment involves the level of analysis or the clarity about the scope of the target for change. Organizational behavior can be examined from multiple perspectives (e.g., tasks, individuals, groups, systems) and the targets for description at each level can be identified and assessed separately. The consultant must recognize the complex issues surrounding the choice of a level of analysis, or risk biases in specification and aggregation of data (Compare Rousseau, 1985). Consider five levels of data:

*Task level data*, or information that focuses on the nature of the work being performed and the inputs/output for successful task completion. The nature of the task has obvious implications for the capabilities needed to perform the task, the type of organizational structures needed to support the task, and the rewards and consequences available to individuals and the environment.

*Individual level data*, or information about the characteristics of the people who work in an organization. These data cover such measures as the performance or behaviors of workers; the level of knowledge, skill, or ability of workers; and the psychological characteristics of workers such as motivations, perceptions, and attitudes.

*Group level data*, or information about clusters of individuals who work in close proximity or who are dependent on one another for effective functioning. The dynamics of such groups, the effect of group norms and standards on individual behavior and attitudes, and the overall capacity of groups to perform a task are often assessed, among many other specific estimates of collective behavior.

*Organization level data*, or information on both formal and informal organization structures and processes. Descriptive targets include leadership and power practices, reward structures, communication patterns, and work flow control or structuring procedures. Also included at this level of analysis are measures of the productivity, profitability, reputation, and adaptability of the total organization.

*Systems level data*, or information that views organizations in a holistic way, emphasizing the complex interrelationships among the four types of data distinguished above. Closed-system models tend to look only at internal factors, while open-system models take a broader perspective—addressing the role of the external environment (social, political, legal, etc.) on organizational functioning.

Although organizations often ask consultants to examine a specific problem that is already defined, it is important to remember that all levels of analysis interact. Since organizational behavior does not exist in a vacuum, the consultant must be aware not only of the level of analysis of immediate concern, but also of other levels—especially when the focus of the problem has been seemingly isolated at a particular level by the client.

## **II— How Can Assessment Data Be Used?**

A second important consideration in the selection of the needs assessment method focuses on the use of data. Although by definition needs assessments are intended to be used diagnostically—that is, to help identify the specific causes of a perceived problem—data from them can be used for a variety of other purposes. Because collection of needs assessment data can be time consuming or costly, the consultant should strive to plan several uses for the data.

Perhaps most importantly, needs assessment data can be used as benchmarks, or estimates, of organizational functioning at the targeted level(s) before interventions are applied (see Table 1 for a specific example). Measured again after the intervention, these data serve to help the consultant evaluate the effectiveness of interventions and can help the client organization to accurately assess the usefulness of the intervention on overall functioning. Thus, before embarking on a needs assessment, the costwise consultant will carefully consider how needs assessment processes can do multiple duty, as in providing criteria for later use in the evaluation of results.

There are a number of other specific uses beyond diagnosis and evaluation that needs assessment also can serve. These include early warning signals of problem areas, establishing priorities, budgeting, strategic planning, and identifying training requirements or individual deficiencies. In order to use the data in these ways, however, the organization must collect needs assessment data as an ongoing part of its operations and functions. Thus, the flawless consultant should try to build a specific needs assessment into the regular and routine operations of the organization, not simply as a one-time reaction to a perceived problem or crisis situation.

## **III— Which Needs Assessment Method Fits?**

Perhaps the most difficult needs assessment decision involves how to gather information in ways that reveal the true nature of the problem. The difficulty stems from the fact that no single technique or constellation of techniques is optimum for all situations or for all problems. Although the purpose

**TABLE 1** Executive Summary*Overview of needs assessment*

The needs assessment described in this report was designed to assess working conditions at XYZ Corporation as viewed by 20 employees. This needs analysis is part of XYZ's overall strategy for creating a better work environment for its personnel. The specific purpose of the needs analysis was to identify strengths and areas for improvement within XYZ. As such, the needs analysis can play a key role in the development of follow-up action plans to build on organizational potential and to improve those weaknesses identified.

*Summary of the findings*

Structured interviews were conducted with 30 employees from a stratified random sample of employees from across the organization. Highlights of the findings appear below.

- XYZ personnel are very satisfied with their jobs, know what their responsibilities are in their jobs, report ample opportunity for independent thought and action, and do not perceive their jobs as being threatened.
- Across job groups, XYZ employees feel the organization is a good place to work.
- Across job groups, XYZ personnel believe they are providing a quality product for the customer.
- XYZ personnel are generally satisfied with their fringe benefits.
- XYZ personnel, across all job levels, do not feel they are receiving adequate information about how well they are performing on the job.
- Aside from top management, employees do not feel involved in decisions that affect their work.
- XYZ personnel report a lack of trust of top management.
- Across job groups, XYZ employees are generally dissatisfied with professional development activities and long-term training opportunities.

*Conclusions and recommendations*

The results of the needs analysis are somewhat mixed. Although employees, for the most part, are favorable in their perceptions toward their jobs at XYZ, problems in the areas of communications, support systems, policies and procedures, as well as awards and benefits surfaced. In order to foster trust among XYZ personnel, along with developing better mechanisms to provide feedback to employees, the following recommendations for future action are suggested:

- Ask teams of employees at all levels to identify issues and help solve problems.
- Increase employee decision making.
- Provide additional training and professional development opportunities.
- Increase feedback and guidance concerning performance.
- Tie rewards more closely to performance.
- Conduct an organizationwide attitude survey to validate present results, as well as to provide a base for tracking effects.

of each method is to provide valid and reliable information, each has unique characteristics that can affect both the kinds and quality of the information obtained. Some of the most popular needs assessment methods are briefly described below. For a complete discussion, see Lawler et al. (1980).

A—

**Questionnaires**

Questionnaires can be used to gather information on most aspects of individual or organizational functioning. Although usually collected through paper-and-pencil instruments, telephone and electronic mail surveys are gaining in popularity. Surveys or questionnaires are among the most popular needs assessment techniques, primarily because they provide the consultant the opportunity to 1) gather information on a wide range of topics; 2) reach a large number of employees in a relatively short period of time; 3) standardize input by asking the same questions, in the same way, of all participants; and 4) permit anonymous expression of opinions and attitudes. Questionnaires also have the advantages of being relatively inexpensive to administer and providing data that can be easily summarized, quantified, and reported.

These advantages, however, are balanced by costs. For example, questionnaires do not readily allow for the expression of ideas or issues that have not been anticipated during survey development. In addition, surveys are somewhat impersonal and not well suited for understanding the detailed causes of most problems, or for obtaining employee input into potential solutions to problems. Questionnaires are also subject to response biases resulting from employees saying what they think is expected rather than what they actually believe, as well as from low rates of response.

**B—  
Group Discussions**

This technique involves a single meeting or a series of meetings with several employees at one time. Group discussions can range from very structured, with the consultant directing the conversation of the group, to the relatively unstructured, with employees freely providing input to issues they identify. (See also the chapter in this volume by Golembiewski on sensing groups.) Often an ad hoc advisory committee or representative group of employees will be used in place of meetings with existing employee groups to provide advice to the consultant throughout the needs assessment process.

Group discussions have the advantage of allowing the consultant to explore in detail employee feelings and ideas about organizational issues. They allow for synthesis and clarification of different viewpoints, and they also allow the consultant to ask for employee ideas about the causes and possible solutions to problems that surface. Further, such discussions can help the consultant build rapport with members of the organization and to obtain the commitment of those who will later be engaged in the intervention process.

The disadvantages of group interviews also deserve note. Thus, data collected in this fashion may be difficult to summarize and quantify and may be difficult to compare across groups, especially if the discussion questions are not structured. Further, participants in the interviews may be inhibited in their expression by the presence of coworkers, or may be reluctant to voice their true opinions to a consultant who can readily identify them. Another drawback is that group interviews take employees away from their job duties—making it expensive both for the organization as well as for the individual, who may have to play catch-up when the group disbands.

**C—  
Personal Interviews**

As a one-on-one conversation between the consultant and each organizational member, interviews can be conducted by phone or in person, either at the work site or away from it. Interviews have many of the advantages of group discussions such as high participant involvement, as well as increased rapport with the consultant and commitment to subsequent interventions. Paramount perhaps, they maximize the opportunity for participants to reveal their feelings and to spontaneously address problems and solutions directly related to their work. Interviews have the added advantage of offering greater confidentiality than group discussions.

The drawbacks to personal interviews are also similar to group discussions in that they are time consuming and, depending on their complexity, can be hard to analyze, quantify, and report.

**D—  
Behavior Observation**

This technique relies on the consultant to directly observe ongoing work activities. The greatest advantage of observational techniques is that they provide the consultant the opportunity to actually see work-related problems and thus to obtain richer information than can be described secondhand. In addition, depending on their level of structure and need for interaction, observations can minimally disrupt work flow and processes.

The greatest disadvantage of this approach is that it demands a highly skilled and expert observer who must have knowledge of the process and the content of the work being observed. In other words, observed behavior can be difficult for the consultant to understand and interpret without constant input or clarification from the employee. In addition, observations can provide a very limited view of jobs that are not routine or that are highly variable from one day/week/month to the next.

Finally, the process of observation may disturb or inhibit employee behavior and may undermine the process of building rapport with the consultant.

Many people actively dislike being the target of an observer. Hence the usefulness of participant observers, but this role requires very special skills of being the "fly on the wall" and simultaneously being a part of the ongoing action. Something like a controlled schizophrenia is called for.

*E—*

#### ***Archival Data***

These data are not collected for the purpose of the needs assessment, but consist of information routinely and historically gathered by the organization during the normal course of activity. For production and legal purposes, most organizations keep a wealth of data about operations and employees. These include records and reports of meetings, work flow, time spent on the job, accidents, grievances, individual performance, absence/tardiness, customer complaints, and employee turnover. Organizational charts, planning documents, policy manuals, and budgets also exemplify archival data that might provide useful insight into organizational problems.

Again, the approach has pluses and minuses. The advantages to archival data are that they (1) can be collected easily and unobtrusively; (2) provide evidence of the *results* of problems; (3) are the organization's own data; and (4) can be easily analyzed, quantified, and reported—especially over long periods of time.

Disadvantages also exist. Archival data may be hard to access or retrieve from the organization's files. They may require tedious reformatting to fit the purposes of the needs assessment; archival data are often unreliable due to inattention to paperwork and changes in reporting requirements over time. Moreover, they do not identify causes or possible solutions to problems; and they also emphasize past rather than present organizational issues.

*IV—*

#### **How Is a Needs Assessment Technique Chosen?**

The relative advantages and disadvantages of the needs assessment methods described above suggest several criteria that can be used when selecting among the techniques. The four most common criteria (e.g., Newstrom and Lillyquist, 1979; Steadham, 1980) considered by both consultants and organizations in choosing techniques are discussed in the following sections.

*A—*

#### ***Relevance***

Relevance is the extent to which the method will provide information that is useful to the issue or problem at hand and that is acceptable to the users of the data. Central in this decision are an understanding of the perceived problem or issue facing the organization and the scope of that problem (specific functions, individual employees, work groups, etc.).

Techniques must not only be appropriate to the situation and capable of uncovering the causes of the perceived problems, but they must also be perceived as appropriate, and they must permit the easy quantification and reporting of the data. Since many managers do not trust qualitative data or are skeptical of the relationship between attitudes and results, the needs assessment must set the stage for clear understanding of the relationship between the data and actual organizational dynamics.

*B—*

#### ***Employee Involvement***

The degree of employee involvement in the needs assessment varies with different techniques. While the nature of the problem will often help guide the consultant on the appropriate level of employee involvement, most employees have both a desire and a legitimate need to be involved in defining and shaping the decisions that will affect their work lives. Thus, early involvement of employees in the needs assessment may be helpful for gaining commitment, trust, and "ownership of the data" in the action phase of the planned intervention process.

One rule of thumb is to involve everyone whose perspective is important, who might have insight into the problem, or whose active participation in the intervention is expected. Remember, those individuals who provide information to the needs assessment are the same employees who will later receive feedback on the results of the assessment. Those individuals who provided input will expect feedback and will later be instrumental in accepting any follow-up action plans.

**C—**

### ***Managerial Involvement***

All successful change processes must have the strong support of managers. Thus, the needs assessment method should be designed in ways that help to ensure the commitment and participation of management. For one thing, managers often have a unique perspective on the nature and causes of organizational problems, and can provide the consultant with richer assessment data than can employees alone. Native cunning leads to a similar conclusion.

**D—**

### ***Costs and Time Required***

Most organizations do not have the luxury of unlimited time and resources to discover the nature of their problems. In fact, the consultant may have a difficult time even convincing organizational decision makers to engage in a needs assessments. Indeed, many managers believe that the problem should be identified prior to calling in the consultant.

Thus, the time and costs required by the needs assessment are an important consideration. Many needs assessment techniques (e.g., group discussions, interviews) are time consuming for employees and labor-intensive for the consultant. For that reason, the consultant should not only carefully consider the cost of the needs assessment, but should encourage the decision makers to look long range at the myriad ways that the needs assessment data can contribute to overall effectiveness.

**V—**

### ***Implementing Needs Assessment***

The conduct of a needs assessment consists of more than simply selecting a technique or method. In fact, as alluded to above, the processes of needs assessment are guided by such issues as the nature of the problem, the level of analysis, potential uses of the information, values concerning involvement of management and employees in the assessment process, and cost. Thus, to effectively conduct a needs assessment, the consultant must view the assessment as a process of exploration and discovery of the organization, not simply as a one-time response to a given problem or issue. Table 2 proposes a six-phase model for implementing a successful needs assessment.

**A—**

### ***Values Clarification***

As an initial step in the needs assessment process, the consultant must carefully appraise the environment in which the work will be performed. Initially, the consultant must assess the dominant values of the organization. These may provide a normative template for later interventions. Or the consultant might raise questions about the operating values because of conflicts, cross-purposes, inconsistencies with member preferences, and so on. In addition, the consultant should explore the organization culture, climate, objectives, and other specific factors that might impact overall functioning.

**TABLE 2** Needs Assessment Guidelines

Phase 1: Values clarification

Phase 2: Contracting issues

Phase 3: Designing the assessment method(s)

Phase 4: Data collection

Phase 5: Analysis of assessment results

Phase 6: Evaluation and action loop

At this stage, the perceived problem or relevant issues must be clearly articulated and the client's expectations for a successful intervention must be explored. In order to identify the values underlying the organizational culture, the following questions should be asked of management:

- Why is the needs assessment being conducted?
- How is effectiveness or success defined in the organization?
- How will the results of the needs assessment be used?
- Who are the likely users of the information?
- Is there commitment to implementing interventions?

These questions make it clear that a consultant should not take the decision to conduct a needs assessment lightly. Clarification of the values and expectations about the problems, users, and uses of the needs assessment will help the consultant to determine whether or not to proceed with the assessment process.

**B—**  
***Contracting for a Needs Assessment***

The second phase in Table 2 requires the consultant and the organization to agree on the terms and conditions for conducting the needs assessment. The real challenge for the consultant and the client organization is to come to an agreement on what information to collect, from whom, and who will collect the information. The critical questions at this phase are:

- Who will be involved in the needs assessment?
- What resources can be allotted, by the organization and individual employees, to the needs assessment?
- Who will conduct the needs assessment?

Before agreeing to proceed with a needs assessment, the consultant and the organization must come to terms on the scope of the effort, the time required to collect the data, and the level of involvement of the consultant, the employees, and management. Consultants must be sure that they have the flexibility in methods as well as the access to employees necessary to reveal the problems and sources of difficulties within the organization. In addition, the full support of the organization for the needs assessment must be communicated to employees who will be asked to participate. Without such support, the consultant will not be able to identify the true needs or have the confidence of employees necessary to implement effective interventions.

The reader might also profit from reading Chapter 10 of this volume, Boss's "The Psychological Contract."

**C—**  
***Selecting a Needs Assessment Method***

The next step in Table 2 directs attention to the design of the measures and the data collection processes to be used. While the discussion above will help the consultant choose a method, selection of a needs assessment method should also rest on valid answers to the following questions:

- Have any other assessment methods been conducted recently?
- Are other strategies in place to diagnose problems?
- Are employees willing to participate in the diagnosis and solving of the problems?
- Is it desirable to have the needs assessment results quantified?

Under ideal circumstances, a needs assessment would produce clear data useful to the problem at hand as well as related issues, would tap information from both employees and their supervisors, and would require only modest amounts of time and money to implement. Unfortunately, no single needs assessment technique fits all of these criteria well; and each method has its particular strengths and limitations. Thus, it is often desirable to incorporate more than one method into the needs assessment process.

**D—*****Data Collection***

The next step is data collection, which should be viewed by the consultant, managers, and employees as the first step in the planned-change process. Thus, collection of data should not be so costly, time consuming, or labor-intensive that it depletes the resources needed to address or intervene to influence the identified needs. While the data collected may be useful for implementing a given intervention, the needs assessment should not be so intensive as to give the impression that it is an end in itself.

Quick strike capabilities have much to recommend them. Hence the relevance in needs assessment of such approaches as that described by Golembiewski in "Burnout as a Problem at Work" or Cowan in "An Executive Map of Organizational Problems."

**E—*****Analysis of Assessment Results***

Once the needs assessment data are collected, they must be compiled and summarized in usable form. Typically, a report is written and plans are made for communicating the results to at least all members of the organization who participated in the data collection effort, and perhaps more broadly as well. The feedback should be clear to organizational members, and communication channels should be left open so that employees and management can obtain answers to specific questions and can clarify (or change) the interpretations of the consultant. See also Chapter 84 in this volume by Kuhnert and Gerber on "Facilitating Organizational Change Through Survey/Feedback and Implementation."

In addition, the data collected during the needs assessment should be validated against a group of managers who may be affected by the assessment results. This process, known as cross-validation, helps the consultant determine whether the needs assessment data and conclusions will be acceptable to the organization and whether additional assessment efforts are necessary. Discrepancies between the assessment results and the managers' perceptions or beliefs may tell the consultant more about the nature and causes of problems than will the needs assessment data alone.

**F—*****Evaluation and Action***

The final step includes meeting with top management to discuss the needs assessment findings to help them formulate an action plan for further developmental work. Without such a plan and without commitment to follow-up procedures designed to address the needs identified, the needs assessment process accomplishes very little toward developing a culture of growth, improvement, and development. Even a technically ideal needs assessment can be so much wasted motion.

**VI—*****Conclusions***

Although there are no simple formulas for deciding how to conduct a needs assessment, the process does not need to be either overly technical or haphazard (Steadham, 1980). At its best, needs assessment is a way to gather pertinent information from employees about the organization's needs. At its worst, the call for a structured needs assessment is an excuse to delay action. To minimize the possibility of delay, the consultant should be bold and test the commitment of top management early—in the values clarification phase—and often. To be associated with "game-delaying tactics" is not only a waste of the consultant's time, but makes the consultant a party to the problem rather than a facilitator of the solution.

To successfully conduct an organizational needs assessment, the consultant must have a strategy. This strategy should include a model of organizational behavior to guide the investigations, a clear understanding of how the data will be used, a checklist of criteria for appraising the assessment situation, a working knowledge of the various assessment methods, and clear feedback to those involved in the assessment. With such a strategy, the consultant can be optimistic that the needs assessment will help to identify and evaluate interventions that work.



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86—

## **How Consultants Can Anticipate and Trigger Group Development: Alternative Models and Their Applied Implications**

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I—

### **Introduction**

Management consultants know that organizations do much of their work through work teams and task forces. Thus, changing the culture, processes, and performance of these groups can achieve sustainable improvements in organizational function (French and Bell, 1978, p. 83). Since many popular interventions focus primarily on improving the effectiveness of work teams, knowledge of the qualities of productive groups and an understanding of the processes of group development can help the consultant choose or design the interventions most likely to enhance team effectiveness.

Several models or theories of group development proposed by social scientists are reviewed here, along with ways that they might help consultants plan and implement groups interventions. This chapter begins with early stage theories of group development. Extensions to these theories—focusing on cycles and the underlying processes of stages—are then reviewed. Finally, two new models of group development that highlight the relationship between groups and their environment are presented. Keep in mind, however, that groups have unique personalities and ways of evolving over time; none follows exactly a predetermined course of development. For that reason, the consultant is provided multiple frameworks for reviewing changes in groups over time. As stated by Napier and Gershenfeld (1987, p. 489):

Understanding the stages of development, group needs, and critical events that might occur in any working group increases the possibility of responding in appropriate and constructive ways that may facilitate or unblock a group and help it be more effective . . . Knowledge of developmental trends allows for proactive rather than defensive response and brings some modicum of control back to those privy to such insight.

II—

### **Stage Theories of Group Development**

As early as the 1950s, behavioral scientists working in a wide variety of group settings noticed consistencies in the emergence of stages over the life span of groups (compare Bales, 1950; Bennis and Shepard, 1956). According to stage theories, as groups mature they experience predictable issues associated with both relationships among members and their task. Although the number of stages in such theories varies from as few as two to as many as eight (often with several substages), all

assert that groups develop through an orderly, sequential pattern of stages where specified challenges are confronted and resolved before the group moves on to the next stage.

Just as the number of stages has varied with theorists, so have the labels used to identify each stage. Perhaps the most widely known and often cited stage theory of group development is that proposed by Tuckman (1965) based on the first comprehensive review of the literature on groups in therapy, training, natural, and laboratory settings. Tuckman detailed four distinct stages of group development—referred to as forming, storming, norming, and performing. Several years later (Tuckman and Jensen, 1977), a fifth stage—adjourning—was added to the model.

**A—  
Forming**

At this stage—also referred to as orientation, dependence, encounter, inclusion, or exploration—a group's primary aims are understanding its reason for existence, identifying the task to be accomplished, and discovering appropriate ways of interacting. Members confront issues related to group identity and membership, especially by testing their personal assumptions about the group against those of other group members and the group leader. Uncertainty about the group's purpose and the member's role in the group predominates. This stage, therefore, is characterized by relatively high levels of anxiety and confusion, low levels of trust, a sense of lack of control, and a need for structure. The forming stage finds groups working to clarify their mission, identify the resources needed to complete their tasks, and distinguish authority figures or leaders.

**B—  
Storming**

After the initial period of discovery and organization, groups enter a stage of negativism, dissatisfaction, hostility, catharsis, or crisis. As the labels clearly imply, this stage of group development is a highly emotional one characterized by intragroup conflict as members resist the demands of the task and struggle to express their individuality, often through direct challenges to the group's leader or consultant. At this stage, group members also assert their expertise and power in the group. The intensity and duration of this phase will vary as a function of the success of the group's "formation," as well as the perceived discrepancy between members' expectations and the reality of the group's functioning. This stage is most likely to be conflictual when change and self-understanding are the primary goals of the group.

**C—  
Norming**

Here group members begin to resolve their conflicts—making the transition toward a cohesive and harmonious group capable of accepting differences among members and openly sharing information or opinions. This stage has alternatively been referred to as resolution, integration, affection, working out, and reevaluation. Group members both implicitly and explicitly leave their differences behind them and develop ways of interacting that allow them to unify toward accepted goals. At this stage, roles become increasingly clear as members begin to listen to one another, voice their personal needs, and offer mutual support. It is also at this stage that groups often develop their own internal authority system, taking control from the external leader or consultant. Unfortunately, group harmony might be maintained at the expense of task demands and honesty.

**D—  
Performing**

Building on their new norms of trust, cohesiveness, and interdependence as well as having resolved issues of purpose, membership, and leadership roles, groups enter a productive task-centered period. At this stage—also known as achievement, operations, or action—groups focus on constructive action and channel their energy toward rationality, work procedures, and the development of alternative solutions to the problems confronting them. Such problems may center on increasing member capacity for insight or understanding and on modifying behavior in response to task demands. Group

members have greater interdependence as the need for resources and specialized talents becomes apparent. Hence, group dynamics reflect greater division of labor, increased diffusion of accountability and responsibility, and sharpened focus on feedback mechanisms (Napier and Gershenfeld, 1987).

#### **E— Adjourning**

With the approach of task accomplishment or a group's scheduled termination, members enter the final stage—also known as separation, resolution, disengagement, and evaluation. Here, group members often look closely at their work and interactions, forming conclusions about their overall level of success or progress. In successful groups, this phase can be characterized by celebration and positive feelings of accomplishment, but is also often accompanied by a sense of loss or mourning. Other potential behaviors that may appear are decreased attendance at meetings, regression toward old ways of thinking, failure to keep up with task demands, and diminishing of personal ties or relationships. (Compare Lewis, 1978.)

### **III— Application of Stage Theories of Group Development**

For the consultant, stage theories offer a powerful heuristic for understanding the complex interaction between groups and their individual members as well as between the emotional and task functions of a group. One theme underlying stage theories is recognition that groups do not come to the consultant in full form. Rather, they need time to organize and actively participate in shaping themselves and their task. Another key point is that groups will not maintain any one task orientation or way of relating for very long. Successful teams will evolve to a structure that allows them to complete their task and then disband; other groups will never fully develop. Transformations of groups will depend on a variety of factors such as the group's anticipated life span, group composition, the nature and difficulty of the task, the availability or resources, fluctuations in group membership, and the predictability of task demands.

For the consultant, stage theories can serve as a guide to the design of organization interventions. These theories suggest that any successful intervention must begin with a clear purpose (e.g., mission, vision, outcome) and then create an environment which allows for freedom of expression, openness, and trust among members. Building on this environment, the successful intervention will both recognize and utilize individual members' respective needs, ideas, and talents in the accomplishment of a task. Useful interventions must also provide feedback about the group's task progress, and must allow sufficient flexibility for change to maintain that progress. Finally, the successful intervention must facilitate closure, helping members deal with letting go and transferring the knowledge and skills developed through the intervention to new arenas. Although the specific tools and methods of the intervention will vary as a function of the group and its task, the intervention *process* should reflect the stages outlined by group development theorists. (See Mink et al., 1987, for a detailed discussion of techniques and instruments for working with groups.)

### **IV— Limitations of Stage Theories of Group Development**

In spite of their intuitive appeal and substantial support, stage theories have been criticized on several counts. First, many stage theories were developed from observing group dynamics in therapy and other clinical settings. This has prompted skepticism about the generalizability of the principles identified to organizational task or work teams.

Second, stage theories have been criticized because they tend to focus almost exclusively on the internal dynamics of the group. Although they do distinguish between the task functions and social relations, stage theories tend to ignore those elements outside the confines of the group members (or leaders) that might impact on development and effectiveness. This is in spite of the fact that theorists have noted that external factors influence groups via member expectations, styles of interaction, and standards of performance.

Third, stage theories have been criticized for being essentially linear in nature; that is, for suggesting that all groups progress through states of disorganization and frustration to those of harmony and productivity. Although some stage theorists recognize that the stages can vary in length, virtually all imply a "natural order" where groups progress sequentially, resolving the issues confronted at a stage or stalling at that point of development. There is little allowance for overlap in stages, recycling through issues or stages, or bypassing particular issues or stages entirely.

Finally, stage theories of group development have been criticized for being primarily descriptive. In other words, these models simply describe the behaviors of groups at static points in their continuous life cycles, without considering the conditions that stimulate change or prompt further development. What is missing, therefore, is an understanding of the mechanisms that make it possible for groups to advance from one stage to another.

Recognition of these limitations and weaknesses led to the development of alternative theories of group development. Several alternatives illustrated below specifically hypothesize the processes underlying group development and attempt to integrate internal and external processes into a single unified theory. Such enhancements broaden the utility of stage theories to consultants by suggesting specific ways that interventions can be designed and implemented.

V—

### **Functional Approach to Group Development**

The functional approach to group development proposed by Hare (1976) is an example of a "recurring theory"—conceptualizing group development as repeated and persistent cycles of issues confronting the group. In Hare's model, development is viewed as the fulfillment of four basic functions related to task accomplishment: latent pattern maintenance or tension management (L); adaptation (A) or acquiring the skills and resources to reach their goal; integration (I) or establishing rules for governing behavior, and goal attainment (G) or exercising control over task accomplishment. (For more detail, see the chapter by Hare in this volume.) These functions are believed to be the requirements to which *every* social system must attend if it is to survive.

Although structurally similar to stage theories, the functional approach differs from stage models in important ways. Primarily, this approach to group development does more than describe the stages or cycles through which groups progress. It implies that fundamental processes, stated in terms of task functions, account for the sequencing of stages. The focus on the task and the functions of groups relative to their task offers a more focused description of group development than earlier stage theories and allows the consultant to better assess the critical elements (e.g., skills, roles, task) that may influence the group's effectiveness.

In addition, this model does not assume that groups progress sequentially. Although the sequence starts with L and repeats after G, the order in which A and I emerge depends on the task and group composition. Further, there may be repeated cycles of L, A, and I before G is reached. Once G is complete, however, the group returns to L—redefining its purpose and initiating a new cycle. This suggests that successful interventions should generally proceed from definition, to resource acquisition, to behavior identification, to task accomplishment. Once an issue is dealt with, however, it is *not* necessarily resolved. Rather, it may resurface and require repeated attention—a point the consultant must continually bear in mind.

Finally, this model proposes a significant role for subgroups, formed on the basis of problem-solving skills, emotional state, or task knowledge, that can significantly affect the course of group development. These subgroups, if large enough and with the appropriate skills for a given stage, may "carry" the group through a given phase and may provide the consultant with a powerful ally in moving an intervention forward. Conversely, a subgroup that is not prepared to address the group's task may inhibit the development of the entire group. Thus, depending on the emergence of subgroups within the larger group, the consultant may need to focus significant energy on the L, A, or I functions and may need to return the group to those functions one or more times before moving to G. The prudent consultant will watch for such subgroups and design interventions that attend to or utilize such groups in achieving the group goals.

## VI—

**The "Emerging Dominant Theme" Theory of Group Development**

Another approach to the processes underlying group development is Cohen and Smith's (1976) emerging dominant theme theory. This model suggests that five underlying processes, present throughout a group's life span, are the basic energy sources at all stages of a group's development: 1) anxiety—emotional tensions that motivate member behavior; 2) power—processes of dependence on the leader or other group members; 3) normalization—processes establishing appropriate rules of behavior; 4) interpersonalization—processes dealing with relationships among members; and 5) personalization—processes affecting individual growth and self-awareness. These processes are the forces that continuously direct group behavior, although they take different forms and vary in strength during the group life cycle.

Examples of the different forms of the five underlying processes appear in Table 1 under the label *typical manifestations*. The patterns of the five processes stimulate the emergence of 10 dominant theme topics, or major issues, that groups confront over time. These emerging dominant themes capture changes in group character over time and appear progressively, with each theme serving as the catalyst from which new behaviors (and themes) evolve. For example, early in a group's life cycle, anxieties—first concerning intimacy, and then concerning a lack of goals and structures—give rise to themes of acquaintance and goal ambiguity. As the group matures, anxieties are merged with strengthened power and normalization processes, thus surfacing themes of position, affect, and interaction. Further development heightens processes of interpersonalization and personalization, precipitating themes of leadership, experimentation, and group potency. Finally, the impending termination of the group again heightens anxieties, this time related to leaving the group and applying what has been learned to the real world. Thus, the form and the relative strength of the underlying processes influence the group's phase of development.

This approach to group development is similar to stage theories in that it suggests that all groups must, to some extent, deal with the same dominant themes in much the same order. It extends traditional stage theory, however, by identifying the mechanisms for change and by asserting that the same forces or underlying processes operate throughout the life span of a group. On a practical level, this theory can be used by consultants to design interventions or strategies that guide the group maturation process. Specifically, knowledge of the relative strength and form of the processes dominant for a group at a given point in time will help consultants select and sequence interventions that match, or trigger, the emergence of a dominant theme topic and that help group members understand more about the processes dominant at the moment.

## VII—

**External Factors in Group Development**

While the emerging dominant theme approach can be useful to consultants, it is still limited in that the theme topics identified in the model are focused primarily on internal group processes. We now turn to two models that integrate external processes into their conceptualization of group development. Only recently has research on groups and group development begun to examine the external forces operating on groups, recognizing that groups are contained in a broader context and that these external forces can impact group members, group process, and group effectiveness.

## A—

**A Team/Context Model**

One theory that takes an external perspective (Ancona, 1990) outlines three components of mutual influence between groups and their external environment: team context strategies, team context influences, and performance outcomes. This theory suggests that external components are powerful predictors of performance for teams with a high degree of external dependence.

The first component, team context strategies, centers on the styles groups use to gather and report information externally. Three distinct strategies are identified: informing, parading, and probing. Informing groups rely on members' knowledge and have minimal contact with management and consumers. Parading groups are highly visible to management or client groups (or both), but

**TABLE 1** Basic Underlying Group Process and Related Theme Topic

Dominant theme topic	Underlying processes	Typical manifestation
Acquaintance	Anxiety Power Normatization Interpersonalization Personalization	Fear of intimacy Dependency on leader or strong members Defensiveness and false consensus Superficial acquaintance attempts Reluctance to involve self
Goal ambiguity	Anxiety Power Normatization Interpersonalization Personalization	Ambiguity or lack of goals/structure Dependence on leaders or strong members Disagreement on amount of structure Self-centered communications Initiators become leaders
Search for position	Anxiety Power Normatization Interpersonalization Personalization	Concerning displayed aggression or affect Testing of leader Division between committed/distant members Limited identification/rapid changes Hostility/deference toward leaders
Sharpened affects	Anxiety Power Normatization Interpersonalization Personalization	Fear of loss of defenses and disclosure Power used to attack and defend Guidelines about hurting and disclosure Game playing Dealing directly with others; limited disclosure
Sharpened interaction	Anxiety Power Normatization Interpersonalization Personalization	Conflicts over personal needs Emerging individual power Exploration of impact on one another Continued game playing Begin to acknowledge others; evaluate self
Norm crystallization	Anxiety Power Normatization Interpersonalization Personalization	Concerning authority and deviance from group Individual power/enforcement of group rules Proper use of feedback, expression of affect Supportive atmosphere Evaluation of others' personal problems
Distributive leadership	Anxiety Power Normatization Interpersonalization Personalization	Concerning ability to solve all problems Redistribution to members in service of group Shared responsibility and leadership Verbalized empathy and intimacy Integrated autonomy; separate but equal members
Experimentation	Anxiety Power Normatization Interpersonalization Personalization	Fear of taking risks, atypical behavior Vested in group New behaviors rewarded; old suppressed Strong emotional bonds Shift toward self-evaluation

*(table continued on next page)*

**TABLE 1 Continued**

Dominant theme topic	Underlying processes	Typical manifestation
Group potency	Anxiety	Fear of taking risks
	Power	Group secure in use of power
	Normatization	Continued closeness and intimacy
	Interpersonalization	Affection, elation, excitement
	Personalization	Personal, satisfaction with self
Termination	Anxiety	Concerning application to new environment
	Power	Personal, independent of external control
	Normatization	Application of group norms to outside world
	Interpersonalization	Withdrawal, seeking closure
	Personalization	Preparation for outside, end involvement

Source: Adapted from Cohen and Smith (1976), pp. 164–167.

are relatively passive in those interactions. Probing groups, on the other hand, maintain highly interactive and mutually influential relationships with both management and with their clients.

The second component, team context influence, recognizes that reciprocity between the group and the environment has the potential to change both. In other words, a group's actions often help to clarify for management or the consumer what they want the group to do; as these agents better understand what is wanted, additional direction and constraints are given to the group. Thus, issues of power, influence, and boundaries are important to group–environment relationships. This component also recognizes that the environment serves as an "echo chamber" for the group, reverberating evaluative information about group process and function. Such information, regardless of its relationship to the task outcome, significantly influences perceptions of the group's overall work and ultimate effectiveness and is difficult to change. This is unfortunate for groups that emerge slowly and have difficulty formulating or initiating their task; but is advantageous for groups with initial success since a "halo" carries throughout their work.

The third component of this model addresses the relationship between group processes and performance outcomes. In particular, it was noted that external agents rated as most effective those groups that engage in probing and open their boundaries. Isolated (informing) work teams have a higher probability of failing. This was bound to be true even when attention to the external environment came at the expense of internal group cohesion.

The fact that group function and effectiveness are influenced by the environment may not seem too surprising, but it does have direct implications for consultants. Specifically, the model suggests that attention must be directed toward both internal and external processes if a group is to be successful and be recognized as a success. The appropriate balance between internal and external forces will vary with task demands (e.g., the need for external support, resources, and information) and the importance of external evaluations of performance. This model does, however, suggest that failure to attend to external demands can seriously undermine group effectiveness.

### **B— The "Punctuated Equilibrium" Model**

The final model reviewed is derived from the study of task groups with known and limited life spans and emphasizes the role of time or pacing on group development. Taking its name from the field of natural history, the punctuated equilibrium model (Gersick, 1988; 1989) suggests that a group's initial direction, set at its first meeting, persists for half the calendar life of the group. At the midpoint of their designated work time, task groups experience a major transformation where old approaches to the task are abandoned, new perspectives are adopted, and dramatic progress is made toward task completion. These changes set the tone for another major phase where plans and



tasks are carried out. One last shift in behavior occurs just before the final deadline, when the group attends to outside requirements and makes final adjustments to its work. Thus, there are three critical components to this model: (1) the transition period, where the task and processes are redefined; (2) pacing—the inability/unwillingness to face the transition before the midpoint of their allotted time; and (3) the influence of external requirements on the group—exposure to external forces only occurs at change points (i.e., first meeting, transition, completion).

Although critical research is needed before these precepts can be considered clear guidelines for practice, differences between this model and other theories of group development may have interesting implications for consultants. First, this model suggests that the enduring effects of the patterns begun at the group's first encounter set the stage for the first half of the group's function. If this is the case, consultants should carefully plan and structure the initial stages of interventions in ways that reflect the desired functioning of the group.

Second, other theories imply that there is active and gradual progress on the task at each stage of development, while this model allows for no visible progress within major phases. Gersick points out that a lack of noticeable progress does not mean that nothing worthwhile is happening: the group may be generating material needed to make a successful transition. Thus, the consultant must be careful about trying to change the activity level or direction of a group too soon, especially if such changes are a response to a lack of visible progress by the group.

Third, this model's proposal of uneven or "catastrophic" change between phases—triggered by reaching the halfway point of the group's allotted time—contrasts sharply with theories that imply smooth progression between and among stages. This indicates that consultants may facilitate task groups by designing interventions within a known and limited time frame. In fact, this model implies that the group will structure its work to fill the available time, suggesting that plans for shorter interventions may be preferable to longer ones and that interventions should not be designed to take any longer than necessary to successfully accomplish the task.

Finally, this model suggests that external agents (managers, clients, etc.) act as catalysts for fundamental change at a group's first meeting, transition stage, and completion; at other times groups had limited exposure to environmental influences. This implies that consultants might want to focus a group's attention on external forces during appropriate times, and discourage or restrict a group's external interactions at other times. Clearly, this model suggests that the timing and style of such interactions are significant factors in the group's overall success.

## **VIII— Conclusions**

In spite of differences in terminology and assumptions, the theories of group development reviewed here have one common premise: Group development follows paths that can be assessed and shaped to enhance group effectiveness. In addition, all the theories reviewed here emphasize complex interactions between and among group members, the task, and the context in which the group operates as well as recognize that effective groups must meet members' individual and collective needs. Based on these common features, and on specific elements of the theories themselves, general principles and guidelines for successful interventions can be offered the practitioner.

First, groups must understand their purpose and task. Early in a group's formation members will be sensitive to their need to understand their reason for existence and will resist intimacy and closeness. Interventions, therefore, must allow members to fully explore their task, their roles, and the context in which their task will be used and evaluated. Interventions that begin early in a group's life cycle must allow time to explore the group's vision and mission. Interventions in existing groups would benefit by reviewing and clarifying the level of consensus on these issues before proceeding further.

Second, effective groups must develop norms of openness and trust. If group members are to take risks and to share creative approaches to a problem, they must feel connected to and trust other group members. To foster trust in group members, interventions should model norms of behavior that are personal, encourage others to voice and take responsibility for their feelings, create opportunities for members to work and be assessed cooperatively, and minimize punitive behaviors. In new

groups, the consultant can assume that the levels of trust and openness among members will be low and can structure the intervention to foster appropriate interactions. In existing work groups, the consultant must carefully assess the current levels of trust among members (e.g., through surveys or interviews) and design specific strategies to promote openness among members.

Third, group leadership must come from members. Successful groups are not led externally, but allow leadership to emerge from within the ranks of members. Similarly, successful interventions are those that transfer leadership from the consultant to the group itself. Early in a group's development it may be necessary for the consultant to be directive; at later stages, the consultant should serve mostly to facilitate the leadership of group members.

This issue is particularly difficult when related to structuring interventions since, as the group development theories propose, significant conflict between groups members and leaders is an issue that must be addressed before successful functioning can occur. Thus, the prudent consultant will carefully assess the level of development of the group before initiating any interventions and, during interventions will (1) avoid becoming defensive in the face of direct challenges by group members; (2) openly investigate a group's resistance to a particular intervention to assess its continued appropriateness; and (3) restructure or redesign the intervention, as appropriate, to ensure that decisions are made and work is performed in a way that vests power and authority in group members.

Fourth, group members must possess and be allowed to utilize the resources needed to accomplish their task. Work groups will not reach their full potential in organizations that do not actively support teamwork, nor is effective functioning likely to develop in groups that do not have the skills, resources, or procedures needed to achieve their goals. Thus, consultants must carefully monitor organizational reward systems, communications procedures, training opportunities, etc., and structure interventions consistent with these resources. At times, skillful consultants can energize useful changes in such resources, but that is typically a long shot.

Finally, groups must continually assess and monitor progress toward their goals. One potential danger of successful work groups is the tendency to develop "tunnel vision," so focused on internal processes that they lose sight of the larger picture into which their work fits. For that reason, groups must continually be encouraged to reexamine their purpose and to gather information that allows them to assess progress toward goals. Interventions, therefore, must be structured to periodically look at the external environment and must be timed to prevent environmental interference in the group's work. The theories reviewed here suggest that assessment of progress and contact with external forces are likely to be damaging when the group is in a productive work-oriented stage, and are most effective when planned at the beginning of an intervention, at natural break points in the group's work, and at the end of the task period.

These principles and guidelines illustrate that successful interventions must, first and foremost, be responsive to group members and to the contexts they create and perceive. In other words, there is no "best way" to approach an issue, solve a problem, or make a decision. Similarly, groups do not have to be perfect to function effectively; all issues facing group members do not need to be resolved in order to successfully accomplish the group's goals. For these reasons, the principles of group development theory must be judiciously applied to any group and must be tempered with sound research and practice in other facets of group process and organizational development.

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87—

**Productivity and the Quality of Work Life**

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Quality of work life (QWL) has become a national concern. Until the 1980s, it seemed to be largely the province of a few researchers, companies, and academics. Suddenly the situation has changed. It is virtually impossible to pick up a national publication these days without finding some reference to QWL. Because of this widespread attention, many people have heard of General Motors's success with its QWL program and of some of the exciting new plants that have been built by General Foods, Proctor and Gamble, and Cummins Engine.

A key issue in discussions about QWL concerns its relationship to productivity. Much of the current interest stems from the belief that QWL improvements will lead to productivity improvement. Despite the importance of understanding the impact of QWL improvements on productivity, little work has been done on the issue. This chapter analyzes the relationship between productivity and the quality of work life. It does not argue for a simple relationship between the two, nor does it argue that the two are unrelated. Rather, it argues that, by carefully specifying a number of factors, it is possible to predict what the relationship between productivity and QWL will be. In addition, practical implications for the design of QWL projects are examined and key types of projects are reviewed.

I—

**Basic Concepts**

A variety of meanings, usages, and measures are attached to the terms *productivity* and *quality of work life*. Hence, the first issue to be considered is their definition and measurement, an issue often not addressed when organizations undertake QWL projects.

II—

**Productivity**

Productivity is typically defined as a ratio of *outputs to inputs*. Outputs are the goods and services produced by an organization. Inputs include labor, capital, materials and supplies, and energy. The

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most common productivity indicators are really measures of labor productivity. For example, the U.S. Department of Labor's Bureau of Labor Statistics publishes quarterly data on private-sector productivity, defined as the constant-dollar value of all goods and services produced in relation to total labor hours worked.

Managers prefer to think of productivity as a "hard" (i.e., valid, reliable, and quantifiable) measure of organizational performance, unlike "softer" measures of job satisfaction or employee morale. However, there are many problems with measuring inputs, outputs, or both (and thus productivity) in most organizations.

**A—**

#### ***Problems in Measurement***

In some organizations, output measures are difficult to obtain or may not be meaningful. This is especially true for government, many parts of the service sector, and the construction industry. For example, what is the proper measure of productivity for a hospital? The number of medical services performed in a given number of labor hours tells little about organizational performance; the quality of medical care (in itself difficult to measure) is much more important. In fact, maximizing the number of medical services administered to each patient would needlessly increase the cost of care and would probably be harmful to patients.

Even in industrial plants, where outputs usually are relatively easy to measure, meaningful productivity data may be difficult to collect. If the plant's output includes many different products, and if the relative contribution of inputs to outputs is different for each product, overall plant productivity may appear to rise or fall dramatically simply because of fluctuations in product mix. This problem arose in a southern bakery sponsoring a QWL project. The bakery made over thirty products, and productivity levels differed for the various products. Yet the company's productivity index did not take product mix into account. A management crisis was precipitated by a sharp drop in the bakery's "productivity," and the QWL project was blamed. However, close inspection of the data by an outside assessment team suggested that productivity had not really changed; instead, a change in product mix and other factors not considered in the company's formula was responsible for the apparent decline in productivity.

Adequate measurement of inputs also is often difficult. Clearly, the best productivity indicators take all major inputs into account. For instance, it is misleading to ignore the contributions of capital and energy inputs to productivity, especially in organizations that are not labor intensive. However, conventional methods of accounting for capital expenditures are based primarily on financial and tax considerations, and such methods are typically not very useful for developing productivity measures. Methods of accounting for energy and materials are still fairly primitive.

A QWL project in a southern automobile parts plant illustrates the implications of these problems. A rise in labor productivity occurred during the course of the project, and the increase appeared to result largely from a new incentive plan designed by employees. However, the company also made some significant plant and equipment improvements during this period, and these probably also improved labor productivity. While the company had excellent measures of labor productivity, it had no measures of capital productivity. Hence, it was difficult to determine how much of the total increase in labor productivity was due to the QWL program's incentive plan (which led employees to work harder and "smarter"), compared to how much was due to capital improvements (which reduced the amount of labor input needed).

The problems of adequately measuring inputs are compounded if product mix is a factor. Properly allocating the relative contribution of a particular type of input—capital expenditures, for example—to each kind of product may be difficult or impossible.

**B—**

#### ***Implications for QWL Projects***

For organizations with no productivity measures or misleading ones, it is difficult or impossible to know whether QWL projects (or any other innovations) have affected productivity. Indeed, adequate measures may need to be developed in order to have a successful QWL program. Quality of work life programs are hampered in organizations that lack sound productivity measures. Productivity

data are needed as an important source of feedback on the effectiveness of experimental changes. Without this feedback, it is much more difficult to detect, correct, and learn from mistakes. It is also more difficult for a QWL program to focus the energy of people on productivity improvement and to prove itself by showing productivity benefits.

C—

### **Quality of Work Life**

There is wide agreement about the conceptual meaning of productivity; the major difficulties are in applying the concept to measure productivity in specific organizations. Quality of work life is a much newer concept, and there is much less agreement about its basic meaning. The definitions that have been offered so far fall into two broad categories.

The first definition equates QWL with the existence of a *certain set of organizational conditions or practices*. This definition frequently argues that a high quality of work life exists when democratic management practices are used, employees' jobs are enriched, employees are treated with dignity, and safe working conditions exist. The second approach to defining QWL equates it with *the impact of working conditions on employee well-being*. This definition emphasizes the degree to which individuals are accident-free, enjoy good health, express satisfaction, and are able to grow and develop as human beings. In short, it equates a good QWL with a workplace in which the full range of human needs are met.

D—

### **Measurement of QWL**

A variety of measures may be used to assess the degree to which either type of QWL exists. Employee questionnaires and interviews are relevant to most aspects of either definition. For example, employees may be asked about the degree to which their jobs are enriched (i.e., the degree to which the jobs provide variety, autonomy, and so on); employees may also be asked about the degree to which they are satisfied with their jobs or find their jobs fulfilling. Other types of data may be relevant for specific purposes. For example, measures of accidents and employee illnesses often are available. There is no single best indicator of QWL, regardless of which definition is used. Rather, a variety of indicators must be pieced together to form a more complete picture of the state of QWL in a given organization.

In many cases, the differences between these two types of definitions are minimal, since working conditions that are equated with a good QWL often produce a positive impact on individuals. Thus, both approaches often lead to a common determination of whether a good QWL exists. There are enough differences among people, however, so that the two definitions can lead to varying conclusions about the relationship between QWL and productivity. Thus, we will first discuss the relationship between productivity and QWL measured as an outcome. Then we will discuss QWL measured as a set of working conditions and its relationship to productivity.

III—

### **Quality of Work Life As an Outcome**

The issue of how individual employee well-being and productivity are related is a traditional one in organizational psychology. Since the 1930s, psychologists have been concerned about the relationship between employee satisfaction and employee performance effectiveness. Rephrasing this idea slightly—that is, does QWL affect productivity?—does not change the basic question. The essential issue still is: Are satisfied employees more productive? The answer to this question seems fairly clear based on the research evidence. Overall, satisfied employees do perform slightly better. How much better depends on a number of factors, including which kind of satisfaction is considered—that is, satisfaction with pay, opportunities to influence decisions, social needs, security, etc. It also seems to depend on such conditions as the structure of the job and the type of pay system.

It is incorrect, however, to assume that the positive relationship between satisfaction and performance comes about because satisfaction causes performance. Satisfaction is not the same as motivation, even though some assume that increased satisfaction means higher motivation. Rather, the relationship seems to come about because performance leads to rewards which, in turn, cause satis-

faction. In most settings, the rewards that accrue to a better performer are slightly more positive than are the rewards that accrue to a poor performer; as a result, better performers are more satisfied. Indeed, the same thing also seems to be true of organizations: organizations that perform better tend to accrue more rewards and as a result, employees are more satisfied. Thus, because of the relationship between performance and rewards, we would expect that those organizations with higher QWL will also tend to be ones in which performance is slightly higher.

There is one other factor that may contribute to a positive relationship between QWL and performance when we look at organizational productivity as our measure of performance. When employees are more satisfied, there is typically less turnover in the organization and, to a degree, less absenteeism. In addition, there is evidence that more satisfied employees are less likely to go on strike, suffer psychosomatic illnesses, etc.—behaviors that tend to increase costs and decrease the effectiveness of the organization. Thus, in an organization where turnover, absenteeism, illness, labor strife, and so on, are reduced, the increased levels of satisfaction or QWL would be responsible for causing better productivity.

Putting the two arguments together, so far, we would expect a significant, but not strong, positive relationship between QWL and productivity in most situations. It would be wrong, however, to conclude that this is a simple, causal relationship in which productivity leads to a higher QWL or vice versa. Rather, we are arguing that the relationship is likely to exist because of multiple forces and, to a degree, is dependent on situational forces. Thus, when QWL is considered as an outcome state, we can make a general statement about its relationship to productivity; yet, for any particular situation we must be cautious in deciding whether QWL improvement will have any impact on productivity.

A—

### ***Implications for the Design of QWL Projects***

Most QWL projects established during the last decade have focused on twin outcomes: improving employee quality of work life, and improving productivity and other aspects of organizational effectiveness. An important political reality underlies the twin goals of improved productivity and organizational effectiveness: organizations are unlikely to voluntarily make continual, long-term improvements in QWL if the improvements have no significant payoff to the organization. As a result, QWL project leaders have argued for projects that simultaneously meet both organizational goals and employee QWL goals.

The preceding discussion of the relationship between QWL outcomes and productivity helps explain why several major QWL projects have been abandoned: the projects did not result in increased productivity or other organizational benefits, even though they improved QWL. This is a very possible result, given the complex nature of the relationship between QWL and productivity. A common mistake of QWL projects is to attempt to directly improve employee satisfaction and well-being, while hoping that this will in turn improve organizational productivity and effectiveness. Specifically, QWL projects are sometimes dominated by attempts to improve various aspects of the physical work environment, such as parking lots, cafeterias, restrooms, time clocks, and other possible sources of employee dissatisfaction.

There are usually two reasons why QWL projects take this direction. First, many managers, union leaders, and employees believe that satisfaction causes productivity (often translated as "a happy worker is a productive worker"); hence, project leaders try to find ways of making employees more satisfied with the workplace. Second, it often seems easier to concentrate on creating a more pleasant work environment than on changing management style, job design, the reward system, or patterns of coordination and communication. Suggestions for improving physical working conditions are easy to generate, since making the suggestions requires no special expertise and since problems in the work environment are usually highly visible. Anyone can see the need for a bigger parking lot, for example, but problems in the way work is performed, rewarded, and managed are abstract, complex, and difficult to solve.

Thus, it is usually a mistake for QWL projects to concentrate primarily on improving amenities in the workplace. This is not to say that organizations should callously ignore needed improvements in the work environment. On the contrary, improvements in working conditions are desirable

ends in themselves; employees should be able to work in as much comfort as possible. The argument here, however, is that QWL programs are unlikely to survive for long if they focus mostly on improving the physical work environment. There are four reasons for this position.

First, as we have seen, the belief that satisfaction causes productivity is too simplistic and is sometimes wrong. Even if improvements in workplace amenities increase QWL, productivity and organizational effectiveness are unlikely to be affected significantly. A slight gain may be expected over the long run because of lower turnover, fewer strikes, and less absenteeism; but, as is often noted, the financial books are "balanced" in the short run.

Second, implementing changes in the work environment often takes longer than managers and employees expect. Major construction projects can take months or even years to be approved, designed, and completed. Delays are common because work environment changes generally have a lower priority than matters more central to organizational survival and effectiveness. In addition, work environment changes often require money approvals and end up making management look cumbersome and unsympathetic. During the long period of time usually needed to complete work environment improvements, employees and managers may come to view the QWL projects as a failure because they see no progress.

Third, the costs of work environment improvements often far exceed the productivity benefits. Even if a better work environment does translate into higher productivity and other organizational benefits, the benefits are almost always small. The costs of building a new cafeteria or air-conditioning an old facility, for example, are rarely, if ever, recouped. Managers may come to see QWL as a costly giveaway program with no benefits for the organization, and thus withdraw support for the project.

Fourth, some of the very problems that QWL project leaders try to avoid by concentrating on the work environment and ignoring more complex organizational issues usually come back to haunt attempts to improve the work environment. Especially important are problems in coordination and communication. A major construction project can involve the purchasing, maintenance, and engineering departments, as well as other departments where work may be disrupted by the construction; top local management must approve the expenditure; in large organizations, management and staff above the local level usually must review and approve large expenditures; employees may be consulted about their views on the proposed changes; and there may be one or more outside contractors to deal with over a long period of time. With so many interdependent groups involved, it is not difficult to see how coordination and communication problems can block or delay the work.

There are, however, some conditions in which initially it may be desirable to focus QWL efforts on the work environment rather than on issues more directly related to organizational productivity.

It may be necessary to improve working conditions in order to win credibility for a new QWL program. If the work environment is dangerous or extremely uncomfortable, employees may not trust management's motivation for improving QWL. This was the case in one area of a western wood products plant that was poorly protected from cold winter weather. Employees in the area refused to participate in a new QWL program because every cold working day provided what seemed like evidence of management's lack of concern for their welfare. Fixing this problem could have been a way of giving the QWL program credibility; it was never corrected, however, because of "administrative problems," and the QWL project failed.

Some improvements in the work environment offer the potential for joint benefits to the organization and to employees. Improvements designed to reduce safety or health hazards are a good example. Employees benefit by the reduced health hazards or threats to their safety; employers benefit by the reduced medical and workers' compensation costs, and sometimes by increased productivity as well. In addition, safety and health hazards are more likely than parking lots and restrooms to be widely viewed as important, worthy QWL issues by both managers and employees.

In summary, changes that are directed only at better QWL outcomes, such as improvements in workplace amenities, ought to be pursued as ends in themselves rather than as a means to productivity improvements. Routine management decision making, collective bargaining in unionized settings, and, to some extent, government regulation of working conditions are among the means for directly pursuing QWL outcomes. Major, long-term QWL programs should be concerned with much more than amenities of the working environment; truly meaningful QWL efforts must directly ad-



dress both individual and organizational needs. The next section discusses in more detail the ways in which this can be done.

#### IV—

#### Quality of Work Life As a Process

Perhaps the most interesting question regarding the relationship between productivity and QWL is: What impact does introducing certain QWL practices into an organization have on productivity? Unfortunately, this question is also much more difficult to answer than the question of whether QWL outcomes and productivity are related. The correct answer requires a number of assumptions and varies widely, depending on which QWL intervention is being considered. To illustrate this point, two QWL interventions—*gain-sharing plans* and *employee problem-solving groups*—will be discussed. First, some background on how to think about the relationship between QWL practices and productivity is needed.

Figure 1 shows that there are three primary ways a QWL intervention or practice can improve productivity: it can improve communication/coordination, motivation, and employee performance capabilities. Not shown in the figure, but certainly relevant in determining whether a QWL intervention will improve these factors, are such characteristics as an individual's needs and abilities. Clearly, for motivation to improve, the practice must affect the important needs of the individual; the individual's level of ability affects both the degree to which individual motivation can be translated into improved performance and the prospects for improved performance capabilities.

Also not shown in the figure is the important fact that for these three factors to lead to increased productivity, the situation and key technological elements must allow room for people to influence productivity. In certain situations, the intervention may improve motivation, for example, but may not lead to higher productivity if the technology does not allow higher productivity. Overall, however, it is possible to look at a QWL intervention in terms of whether it improves one or more of these three factors and, based on this, then make a reasonable estimate regarding whether the intervention will lead to improved productivity.

Figure 2 carries the thinking about the relationship between QWL interventions and productivity one step further. It shows that if a particular QWL intervention improves productivity directly, it also can influence productivity indirectly.

As Figure 2 shows, the intervention may directly improve employee satisfaction because it provides a better work environment for the individual; it may improve employee satisfaction because

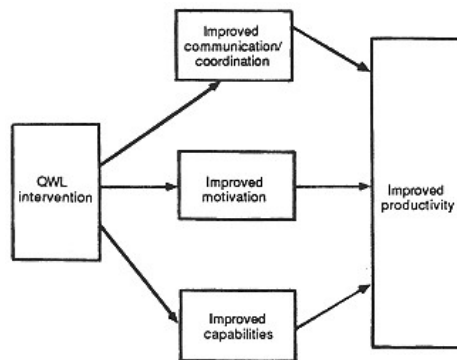


Figure 1  
Ways QWL intervention can improve productivity.

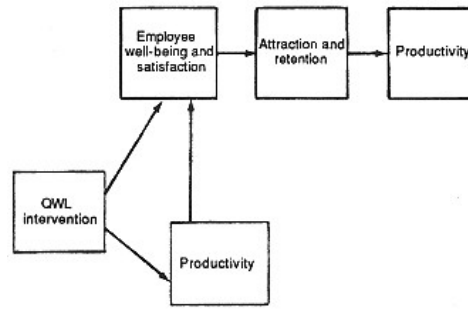


Figure 2  
Some indirect effects of QWL on productivity.

it leads to improved productivity which, in turn, leads to greater rewards. Where employee satisfaction increases, as a result of the intervention and improved productivity, this can ultimately have a positive influence on productivity by attracting good employees to work for the organization (attraction) and by reducing turnover (retention).

Overall, the argument here is that there are a number of ways that a QWL intervention can have a positive effect on productivity. However, improving productivity is dependent on the degree to which the intervention increases employee satisfaction, communication, motivation, and performance capability. Indeed, there is reason to believe that the intervention may have to influence motivation, communication, and capability in order to lead to improved productivity. This rationale is based on the view that for productivity to increase, motivation, performance capability, and coordination all need to be high in an organization. If any one of these is low or missing, the organization cannot be effective. However, since each one usually exists to some degree when the intervention is made, improvement in any one of them may lead to some improvement in productivity.

#### A— *Gain-Sharing Plans*

When fully and properly implemented, gain-sharing plans, like the Scanlon Plan, should lead to improved productivity and also to employee well-being and satisfaction. The rationale for this is rather straightforward. Gain-sharing plans include organizational structures to improve communication and coordination; they relate pay to performance, therefore improving motivation; and, in most cases, they include a training component that improves performance capability.

There are three basic characteristics of the Scanlon Plan. First, a philosophy of management is developed. The philosophy stresses the importance of cooperation (including cooperation with the union in unionized settings), teamwork, open sharing of information between employees and management, management leadership, and employee participation in decision making. Second, a bonus formula is developed. A historical baseline is established for the level of labor productivity in the organization; sometimes, similar baselines are established for other forms of productivity as well, such as material and supply usage in relation to total output. Any improvement in productivity is reflected in cost savings, which go into a pool. After reserving a specified percentage of the pool (e.g., for months in which productivity may drop), the pool is divided between the company and employees each month. All employees (including managers) receive the same percentage of their wages as a monthly bonus for productivity levels above the baseline. The relevance of productivity measurement to this feature should be obvious: organizations that cannot accurately measure productivity cannot use the Scanlon Plan or any other gain-sharing plan based on organizational productivity.

The third feature of the Scanlon Plan is a set of structures for participation. Employees are urged to continually submit suggestions for productivity improvement to a committee in their department or area. The committee includes representatives of management, employees, and in organized settings, the union. When possible, this committee implements worthwhile suggestions. More complicated proposals are passed on to an organizationwide committee (which again represents all parties). The organizationwide committee monitors the plan and develops policies.

In the Scanlon Plan, productivity improvements are passed on to the employee; thus, the plan indirectly leads to employee well-being and satisfaction, which in turn leads to attraction and retention. In addition, workplace changes that lead to more comfortable and safer working conditions are often made. Thus, the prediction is that the Scanlon Plan should increase both employee well-being and productivity. Indeed, our research and that of others generally supports this prediction.

Two reviews of the published Scanlon Plan cases have concluded that it has about an 80 percent success rate in improving productivity. This estimate is undoubtedly high since many failures go unreported. Nevertheless, in our own installations, we have found well above a 50 percent success rate. Interestingly the plan seems to be particularly successful in already participative plants. The climate here is right and, as a result, the plans are easily installed and accepted. It seems to be most difficult to install plans in unionized settings and in service organizations. Some unions oppose them; in other cases, it is difficult to devise plans consistent with collective bargaining agreements. In service organizations the needed measures often are not present. Not surprisingly, gain-sharing plans typically have been installed only in manufacturing plants.

No discussion of gain-sharing is complete without noting that several companies have had gain-sharing plans for decades. Herman Miller, Lincoln Electric, and Donnelly Mirrors all attribute part of their considerable success to a long-term commitment to gain sharing. Each had a dominant position in its field and excellent records of year-to-year productivity improvement.

One important caveat: there are a number of situational factors that can limit the degree to which the Scanlon Plan can improve motivation and, therefore, productivity. Specifically, organization size, labor-management trust levels, managerial attitudes toward the plan, an inadequate basic pay system, and so on, can affect the degree to which people see pay as tied to performance (and, therefore, the degree to which the plan affects their motivation). In addition, there are situational factors that may lead to stronger employee motivation without enough productivity improvement to generate a bonus. A shrinking market for the organization's product and poor management are typical of such factors.

**B—  
Employee Problem-Solving Groups**

There are several kinds of employee problem-solving groups, including union-management QWL committees and quality control (QC) circles. The discussion here will focus on the design issues of union-management QWL committees. Similar design issues are relevant to other types of employee problem-solving groups.

Typically, a hierarchy of committees is created in the organization, parallel to the management and union hierarchies. In large organizations, a *national level* union-management committee is created to set overall QWL policy, create and support site level committees, and help solve problems that local committees do not have the authority to solve. A *site level* steering committee (for a plant or equivalent organization unit) is created to set local QWL policies, develop specific interventions affecting the site as a whole, and manage the QWL effort. Finally, *department or work team* committees are established to develop changes in particular areas of the site and to suggest plantwide changes to the site level committee.

If properly designed, a hierarchy of union-management QWL committees can be a powerful vehicle for developing organizational changes. Such a committee structure is capable of generating a great deal of employee participation in designing specific changes that benefit employees, the organization, and the union. A great advantage of such QWL committees is that they link the activities of employee QWL groups with the centers of decision-making power in the organization and the union. This also is true of the Scanlon Plan committee structure, which is very similar to the QWL committee structure.

However, many QWL committees not only fail to reach their potential, they fail to survive longer than a few years. Our research suggests that QWL committees that experience difficulties usually have been poorly designed from the outset. We have identified several key issues in the design of union–management QWL committees.

First, properly determining the number of layers of committees and their location in the management and union hierarchies is a critical factor. Too many levels in the committee structure lead to a paralysis of decision making, while too few may overburden each committee and exclude important centers of decision-making power from the QWL process. Committees that are located at the wrong hierarchical level may have no real authority to make decisions, or may be too far away from day-to-day problems to be helpful.

A second and equally critical issue involves membership on the committees. Committees that are too large cannot function effectively. Optimally, no committee should have more than ten members: committees of more than fifteen members rarely function well. QWL committees also cannot function effectively unless at least some active members have decision-making powers. Hence, the committees should always include management and union representatives appropriate to the level of the committee (e.g., top local managers and members of the local union bargaining committee should sit on the site level committee). The site and work team committees should also include representatives of as many major segments of the workforce (race, sex, union–nonunion, age, and other groups) as possible. However, committees should not become too large or exclude important decision makers simply to become more representative of the workforce.

There are other important issues, as well, in designing QWL committees. Committees frequently need various kinds of *training*, such as in group-process and problem-solving skills as well as in specific topics related to the desired changes. *Consulting assistance* is often needed to help union and management learn to work together, to conduct training, and to help with specific interventions. The *relationship between the QWL committees and other important groups* must evolve over time if the committee system is to continue receiving the support of management, the union, and others.

Finally, it is important that QWL committees develop a *clear set of objectives and goals*, as well as some *clear guidelines about what types of topics* they can deal with. Many committees get in trouble because they talk about contractual issues or because they fail to focus on productivity improvements.

Designing union–management QWL committees is a delicate and arduous task. The entire QWL project can be inadvertently sabotaged before it really begins if design errors are built into the committee structure. Moreover, initial errors often are not correctable, even if the mistakes are discovered early in the project's history. It is difficult, for example, to eliminate unnecessary or inappropriately constituted committees; committee members fight to preserve their group, even if objectively the group is ineffective or worse. The pitfalls in creating effective QWL committees make it imperative that the groups be carefully designed from the outset. Properly designing committees is often a slow process—it may take months. In addition, external consulting help from those experienced in QWL committee design and start-up may be crucial if no one inside the organization has the skills and experience needed to avoid basic mistakes.

C—

#### ***Union–Management QWL Committees and Productivity***

A union–management QWL committee structure by itself does nothing to improve productivity. Indeed, it may harm productivity because it takes time away from production. As indicated, productivity increases can be expected only if the committees adopt or cause the organization to adopt organizational changes that improve communication and coordination, motivation, or performance capabilities. What kinds of organizational changes can affect these factors? Various union–management QWL committees have considered a vast number of potentially powerful changes. Some of the more prominent include the following.

1. A *Scanlon Plan* can be adopted through the QWL committee structure. As indicated above, the Scanlon Plan can positively affect all three determinants of productivity.
2. Other *incentive systems* can increase motivation, and group-based incentives can increase

communication and coordination. One innovative incentive plan was adopted in a QWL project in the southern auto parts factory mentioned earlier, and was later emulated by other QWL projects. The productivity incentive was for time off rather than money. In areas of the plant where plans were feasible, employee groups adopted their own variation of the time-off bonus. Some employees earned two hours or more in time off per day primarily by working extremely hard during their hours on the job.

3. *Other changes in the reward system*, including changes in performance appraisal, promotion, and employee recognition processes, can increase motivation by linking performance to valued rewards.
4. There are many kinds of *job design changes*, ranging from simple job rotation to individual job enrichment to team-based plans such as autonomous work groups. All these changes can improve employee performance capabilities; all except job rotation may increase the intrinsic motivation of the work; and team-based approaches also can include provisions for improved communication and coordination.
5. *Open information sharing* is a common QWL strategy for improving communication about organizational performance.
6. *Skills training* can obviously improve individual performance capabilities, and is frequently adopted through the committee structure.
7. *Participative decision making* is not only the process by which other changes may be implemented through the QWL committee structure—it can also become a broader management style. Participation often leads directly to increased motivation to implement decisions as well as to communication.

The changes listed here are some of the more common ones adopted through union-management QWL committees. The types of changes attempted in any particular organization are limited only by employee and management knowledge, experience, and imagination.

V—

### Summary and Implications

Does productivity improvement result from an improved quality of work life? Clearly this question does not lend itself to a simple yes or no answer. Indeed, the analysis presented here suggests that a good place to start may be with definitions of QWL and productivity. If inadequate measures of productivity exist, their development should receive a high priority. The data suggest that those who start a QWL program with an eye toward productivity should be very careful to determine whether a particular program being installed is targeted toward factors that will improve productivity. They should be careful to determine that there are not individual factors or situational factors that would block the intervention from producing the processes in the organization which will in turn improve productivity. In many cases, this type of analysis is not done and, as a result, productivity improvement programs relying on QWL interventions fail to produce the desired results. This is not so much a failure of the QWL intervention as it is a failure of people to understand the relationship between QWL improvement and productivity improvement.

The role of employee problem-solving groups also requires examination: it is not practical to make an overall prediction regarding their impact on productivity. More information is needed before a specific prediction can be made. Generally, employee problem-solving groups can have a positive impact if they install practices and policies that are likely to influence the major determinants of productivity—skills, motivation, and communication and coordination. If the groups fail to accomplish this, then their mere existence will not lead to productivity improvement.

88—

## **Forecasting the Future: The Delphi Method in Organizational Consulting**

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All consulting leads to significant decision making on substantial issues affecting the organization's future success. More and more, organizations are using group decision-making processes rather than relying upon individual decision making for such significant decisions. The Delphi method is one group approach that consultants should consider to tackle significant decision making that will set the future directions for organizations. For example, Loo (1996; 1997) used one Delphi study with a sample of human resource managers to forecast directions Canadian organizations would take to manage workplace stress, and another Delphi study combined with a case study to forecast management training in health-care organizations.

I—

### **History of the Delphi Method**

The name Delphi was first used by Kaplan (Woudenberg, 1991, p. 132), who headed a research program trying to improve the use of expert opinion in policy making at the RAND Corporation following World War II. Remembering our Greek mythology, we know that the oracle at Delphi was consulted to forecast the future so that correct and timely decisions could be made before embarking upon a major course of action such as waging war. Kaplan thus had the notion that subject-matter experts could be solicited for their opinions or expectations about the likelihood of future events or scenarios of interest to the RAND Corporation. Development of the Delphi method continued at the RAND Corporation into the 1950s and early 1960s, when information about the Delphi method began to be published in the open literature (Woudenberg, 1991). From those beginnings on military-related projects, the Delphi method has been used by many different disciplines and organizations.

II—

### **Main Characteristics of the Delphi Method**

Essentially the Delphi method structures and facilitates group communications that focus upon a complex problem so that over a series of iterations a group consensus can be achieved about some future direction. For example, a consensus-building Delphi could be used to forecast future economic, labor, and organizational conditions to help organizations design human resource programs for the next five years or more (e.g., Loo, 1996). One major variation of the Delphi method that is different from the consensus-building Delphi just described is the policy Delphi, in which opposing views (i.e., "dissensus") are debated on a complex policy issue, and consensus is not necessarily the desired goal. The essential outcome of a policy Delphi is the formation of an effective policy

given the complexity of the issue and the inability to satisfy the conflicting demands of different stakeholders (e.g., Turoff, 1970; 1975).

Basically, the Delphi method has five major characteristics.

1. The sample consists of a "panel" of carefully selected experts.
2. Participants are usually anonymous.
3. The "moderator" (i.e., researcher) constructs a series of structured questionnaires and feedback reports for the panel over the course of the Delphi.
4. It consists of an iterative process often involving three to four iterations or "rounds" of questionnaires and feedback reports.
5. It has an output typically in the form of a research report with the results, forecasted states, policy options, and recommendations to the client/management, and possibly action plans.

### III—

#### **Comparing the Delphi to Other Group Decision-Making Methods**

Other group decision-making methods also have an established history and following—for example, the nominal group technique (NGT) and interacting group method (IGM) are commonly used. The Delphi method offers several advantages over other group methods. First, idea generation in the Delphi is individual based, anonymous, and independent; thus panel members are not swayed by group pressures or vocal members as can easily happen with NGT and IGM (e.g., Needham and de Loe, 1990). A second but related advantage is that interpersonal conflicts and communication problems are virtually nonexistent because panel members do not interact. Third, a practical consideration is that, unlike NGT and IGM, travel to a central location is not required in a Delphi; thus, travel costs and the problem of coordination to get everyone at the same place at the same time are not factors (e.g., Clayton, 1997). Finally, the use of successive rounds in a Delphi enables the moderator to build upon earlier results and to maintain focus in the study.

### IV—

#### **Designing and Conducting a Delphi Study**

As in all applied research, particular attention must be paid to the detailed planning and then effective execution of the study. This section focuses on five key planning and execution activities for a Delphi—namely, defining the problem, selecting the panel, determining the panel size, and conducting the Delphi rounds.

#### *A—*

##### ***Problem Definition***

As in other approaches to organizational consultation, problem definition is an important initial step to ensure that both the consultant and the client agree on the nature and scope of the problem to be investigated and on expected outcomes, as well as on the appropriateness of the Delphi method. Consultants should consider using a project management approach. (See "Project Management for Organizational Consulting" by R. Loo, Chapter 89 in this volume.) This ensures that all the detailed planning is done, and that project controls will increase the clarity of a successful study.

#### *B—*

##### ***Panel Selection***

As a group approach to forecasting and decision making, the Delphi method requires a panel of subject-matter experts (SMEs). The criteria for determining who qualifies as an SME may rest not only on some technical or scientific knowledge, but could include criteria such as the personal experiences of potential panelists or whether or not they are stakeholders. For example, lay members of a community could be considered SMEs in a Delphi examining the issue of local public health policy. Given that Delphis usually have several rounds, it is important to inform prospective panel members that their commitment to participate would involve several rounds of questionnaires and

feedback, possibly extending over a period of months. This is especially the case if the postal service is used for mailing and returning questionnaires. Motivation is thus a concern because we want to ensure that panel membership remains stable throughout the study. The moderator (i.e., researcher) also must address the issues of confidentiality and anonymity.

Panel selection might not be random because in some research fields there might be very few SMEs; thus one might select all known SMEs. On the other hand, we could use a random selection procedure to minimize biases that threaten the validity of the findings if there is a relatively large known pool of SMEs. While a simple random selection procedure is the simplest approach, there might be good reasons to use stratified random sampling to ensure the representativeness of desired stakeholder groups or opposing views as would probably be found in a policy Delphi.

**C—**

#### ***Panel Size***

While there is no one sample size advocated for Delphi studies, rules of thumb (e.g., Martino, 1972) suggest that fifteen to thirty carefully selected SMEs could be used for a heterogeneous population and as few as five to ten for a homogeneous population. The panel size should also take into account the complexity of the problem being studied, the range of expertise required to address the problem, and the purposes of the study. One would want to have a fairly heterogeneous panel to ensure both that the full spectrum of views is represented, especially in a policy Delphi or where subpanels might be formed, and that the study will yield a rich database to facilitate the consultant's and client's effective decision making.

Those coming from a strong quantitative background might find these sample sizes small relative to the hundreds required for surveys, given considerations of measurement error, respondent bias, and the need for statistical power. The careful selection of SMEs is a key factor in the Delphi method that enables a researcher to confidently use a small panel, however. That is not to say that large panels are never used. Indeed, some Delphi studies have used panels numbering over 100 members (e.g., Chaney, 1987).

**D—**

#### ***Round 1***

Developing the questionnaire for round 1 may be tackled in much the same way as any survey. The clear identification of the study's goals and a critical literature review among other preliminary research activities enables the consultant to generate items and response scales (e.g., Likert or rank-order scales) tapping the major questions and issue areas to be measured. Particular attention to pretesting and refining the questionnaire is very important. After all, only a small population of SMEs is used, and their commitment to participate over several rounds is required so that the Delphi study can get off to a strong start, methodologically speaking.

A Delphi study usually involves three to four rounds or iterations, not just a one-shot effort; thus, the moderator is able to set up round 1 according to some strategy, knowing that another two or three rounds could be conducted to achieve consensus or other goals. For example, round 1 could be used to address broad issues with the aim of using successive rounds to focus on specific key issues that emerge from earlier rounds. This moves systematically from the general or global to the specific.

Although the Delphi method as originally developed gathered quantitative data for statistical analyses, I would recommend that qualitative methods (e.g., using open-ended questions and free responses) be considered to complement the quantitative data. The development of qualitative methodologies has made great strides, especially over the past two decades (e.g., Denzin and Lincoln, 1994), and the recent availability of powerful but affordable software for qualitative analyses (e.g., QSR NUD\*IST, 1997) makes it both practical and desirable from conceptual and methodological perspectives to use both quantitative and qualitative data.

Some moderators might find it useful to employ a scenario to start off round 1 (Bijl, 1992). A scenario providing a description of the present state or situation, as well as of various possible future states, can be helpful in orienting panel members to the study and ensuring that all members start from a common base. For example, one exploratory scenario that could be used to start a



Delphi study on future human resource management for American companies would envisage an economy marked by continuing low interest rates and inflation, low unemployment rates, relatively weak unions, growing pressures from environmental groups, and continuing competitive pressures from Asian and Latin American companies.

The cover letter is especially important in a Delphi study because members must be informed and motivated about participating in all rounds and in returning their completed questionnaires in a timely manner so that analyses can be conducted and both the feedback report and next questionnaire can be constructed and distributed for successive rounds.

Finally, it should be noted that although Delphi studies have usually been conducted by mail, the growing access to E-mail and the Web opens new channels for group communication that can speed up the time line from many months to a couple of weeks to conduct all the rounds.

*E—*

#### ***Successive Rounds***

Both quantitative (e.g., distribution statistics) and qualitative (e.g., extraction of themes) analyses are performed on the returned questionnaires to prepare a feedback report for the panel, as well as to assist the moderator in preparing materials for the next round. Questionnaire items for following rounds might become more specific or precise, focusing on areas in which consensus has not yet been achieved.

Although three or four rounds are typically used, the moderator should stop the rounds when the criteria for consensus are achieved, when results become repetitive, or when an impasse is reached. We must appreciate that panel members can lose interest if too many rounds are demanded or if the study is extended for a prolonged period of time.

Following the final round, the moderator prepares a comprehensive report and distributes it or a short version to all members. If possible, the moderator might consider assembling the panel for a post-Delphi debriefing. This could serve several purposes: for example, to evaluate the study, to celebrate everyone's participation in a successful study, and to hold a panel discussion that extends the work achieved in the Delphi.

*V—*

#### **Methodological Issues with the Delphi Method**

The Delphi method, like all methodologies, has attracted its share of critics. As early as 1975, Sackman (1975) raised a series of questions about the scientific basis of the Delphi method; and this continues (e.g., Woudenberg, 1991). Fortunately, a large body of literature has accumulated to demonstrate the usefulness of the method when well designed and executed. In this section we will briefly review the key criticisms and provide responses.

*A—*

#### ***Sample Design Issue***

It should not be surprising to find that those trained in the traditional approach to research design (e.g., positivism with its emphasis on large sample sizes and preferably random samples) would have a critical view of the relatively small, nonrandom samples typically used in Delphi studies. I would emphasize that the careful selection of a relatively small panel according to a set of relevant criteria for the particular study (i.e., purposive selection) can yield valuable data for management or policy decision making. Large, random samples are not the only option for such purposes.

*B—*

#### ***Reliability and Validity***

Reliability and validity are critical properties of measures in all types of research. Essentially, some writers (e.g., Sackman, 1975; Woudenberg, 1991) have challenged the Delphi method, claiming that the reliability of measures obtained from judgments is questionable, given that responses from different panels to the same question can differ substantially, that the consensus achieved in later rounds might be due more to some pressure to conform than to a genuine converging consensus

of opinions, and that the use of open-ended questions can make it difficult to assess measurement reliability and validity.

In defense of this method from such criticisms, small, nonrandom samples typically used in Delphi studies can be very useful if the researcher carefully determines the key criteria for selection given the nature and purposes of the study and determines the sample size based upon the expected variation in responses. The greater the expected variation, in general, the larger the sample. When conducting a policy Delphi, one should not necessarily expect to achieve consensus or a decision; rather, two or more potentially conflicting policy directions might emerge, and such a result would not necessarily mean that the study lacks reliability or is not valid. In fact, such an outcome might be desirable to provide the client (policy maker) with options and to stimulate the client to critically evaluate options in the decision-making process.

Given that all methods can be criticized on one basis or another, I would encourage consultants to consider using a triangulation of methods (e.g., Dootson, 1995) to be more confident of their findings and their recommendations to the client. Triangulation of methods involves the use of two or more complementary methods of data collection with the expectation that the results will converge so that the consultant can be confident about drawing conclusions and making recommendations. For many situations, consultants may find the combination of a Delphi study and a survey with two independent samples useful and practical.

## VI—

### Conclusions for Consultants

If a major purpose of a consulting project is to forecast some future state, then the Delphi method deserves serious consideration because the careful design and execution of a Delphi study should lead to useful findings. Fortunately, there is a large, long-established, open literature on designing Delphi studies (e.g., Linstone and Turoff, 1975; Sackman, 1975), as well as examples of successful Delphis (e.g., Bijl, 1992; Loo, 1996) that consultants can use to guide the design and execution of their own Delphis. Based upon their preparatory work for a consulting project, consultants should be able to at least identify a preliminary pool of SMEs (e.g., membership lists from professional or industry associations) and use a snowball technique to identify additional SMEs.

It is recommended that consultants consider using a triangulation of methods, perhaps using both a Delphi study and a survey with two independent samples. Such an "across method" triangulation would hopefully lead to a convergence of results, and therefore to greater confidence in one's conclusions and recommendations to the client than one would have from a single method. It is appreciated that triangulation requires resources, so there are practical constraints for consultants, especially for those operating within for-profit settings.

In closing, the Delphi method provides consultants with an additional valuable tool to complement their methodology armamentarium.

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89—

## Project Management for Organizational Consulting

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I—

### Introduction to Project Management

Project management grew out of the management systems school in response to several pressures during the 1950s and early 1960s, mainly in the United States. The United States undertook various costly, technically complex, and politically sensitive large-scale projects such as the building of the nuclear submarine fleet, NASA and the space mission, and the ICBM program. Large-scale civilian engineering projects also were undertaken worldwide (e.g., major hydroelectric power station construction, bridges, and office tower complexes).

For example, Figure 1 shows a consulting firm using a hierarchical, functional structure. In this type of organizational structure, units are formed according to their function; for example, the training and development function is headed by a director exercising direct line management over the organization's trainers and related staff. Unfortunately, most consulting work, as well as work in other fields, cuts across functional areas, thus making resource allocation, coordination, and control potentially serious management problems.

To more effectively and efficiently complete projects, many organizations have turned to a matrix structure which enables a "looser" form of functional or departmental structure to exist while enabling a project structure to cut across the organization in order to efficiently bring together the mix of human resources necessary for specific projects. Figure 2 presents a matrix version of the functional or departmental structure seen in Figure 1.

Project management is now a mature approach, which is gaining wider acceptance across industry types, professional fields, and managerial levels because of its proven track record in effectively and efficiently meeting work goals.

A—

### Characteristics of a Project

Very simply, project management (or PM) may be defined as "the planning, organizing, directing, and controlling of resources for a relatively short-term objective" (Kerzner, 1982, p. 3). Obviously, all managers perform the functions of planning, organizing, and so on, but PM differs in several particulars.

*PM is unique.* Each project is a unique, one-time effort. For example, even though one might specialize—as in conducting job satisfaction surveys, followed by an intervention—every survey and intervention is unique given that organizations differ, people differ, the problem mix differs, and the set of interventions typically will differ from one consulting contract to another.

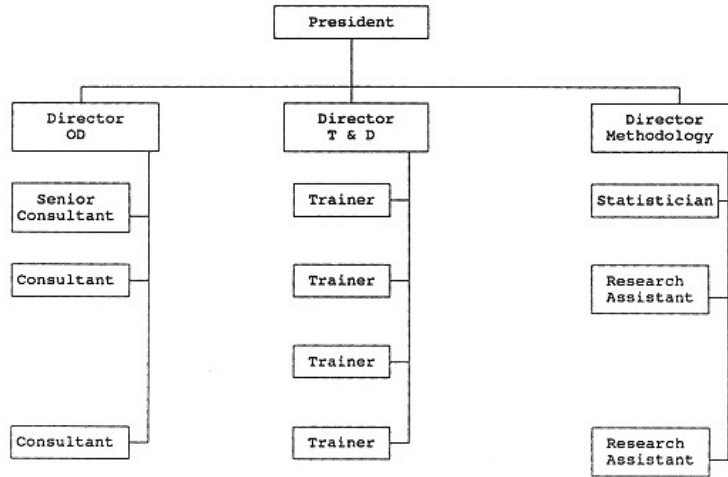


Figure 1  
A functional organizational structure.

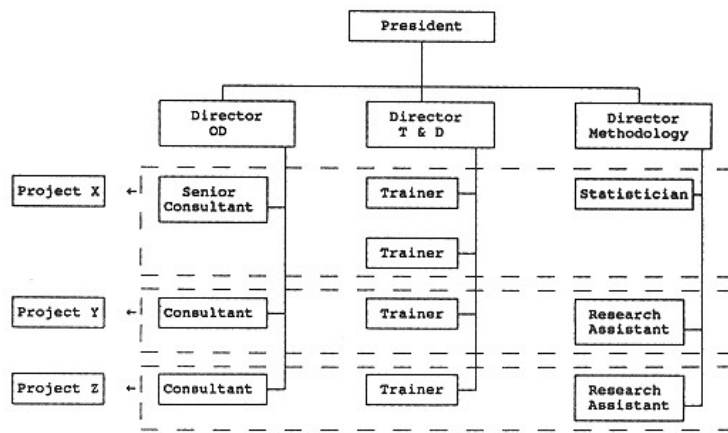


Figure 2  
A matrix organizational structure.

*PM is complex.* Each project is complex in that it requires a mix of human, technical, and financial resources to successfully solve problems. In everyday use, we tend to use the term *project* for very limited activities, which project managers would rather term *tasks*.

*PM has a precise purpose.* Because projects operate under tight time constraints and for profit in many settings, it is imperative that each project have a clearly stated purpose or objective negotiated between the client and the project manager. This will focus the work of the project team and minimize conflict between the client and the team, especially toward the end of the project when outputs are being delivered to the client.

*PM is short-term.* Projects, as contrasted to programs, are relatively short-term efforts. Projects may run from several months to several years but usually run up to one year. Multiyear projects are frequently divided into 1-year subprojects in order to accommodate organizational planning and budgeting procedures, in part because most organizations operate on 1-year operational plans and budgets.

*PM is divisible.* Projects can be divided into substantial components (i.e., subprojects and tasks). This characteristic enables even the most complex, large-scale project to be broken down into manageable or "doable" components. This characteristic also facilitates matching work to the skills of each team member.

*PM is results-oriented.* Project environments are very much results-oriented because there is a need to satisfy clients, to meet deadlines, to stay within budgets, and to make a profit.

*PM is led.* Projects require strong leadership in order to meet project objectives and to motivate and focus team members throughout the project.

**B—**

### ***When to Use Project Management***

Project management can be most effectively used in the following circumstances, among others:

*Highly complex work.* Highly complex work, which requires a mix of technical skills focused on achieving a specific objective using a formal PM approach. This approach would facilitate the assignment of work tasks to those with the appropriate skills through the project planning phase and then the coordination and control of work through the project execution phase.

*Unfamiliar work.* Perhaps the best example of the application of PM for unfamiliar work is in R&D environments, particularly in high-tech industries. The combination of dynamic project leadership, a focused objective, detailed planning, and skills mix maximizes the probability of success in such R&D environments.

*Large-scale efforts.* Large-scale efforts are perhaps best exemplified by mega construction projects (e.g., massive hydroelectric projects and military contracts for the development and production of ships and planes). Such efforts seem overwhelming; however, a PM approach enables us to break down these types of horrendous efforts to manageable components.

**C—**

### ***The Project Manager and Team***

The project manager is critical to the successful completion of projects. Essentially, the project manager is responsible for completing the project on time, within budget, and to the satisfaction of the client as specified by standards such as quantity or quality standards. To successfully fulfill this responsibility, project managers are expected to have at least the following knowledge and skills:

Strong people skills, particularly in motivating others and in building teams.

A strong technical knowledge of the field as well as progressive hands-on experience.

The ability to cope effectively in highly stressful situations that are caused mainly by time pressures, tight budgets, personnel or client conflicts, and uncontrollable variables such as staff turnover or cost escalation.

The ability to deal effectively with conflict within the project team and between the team and the client over schedules, standards, resourcing, and the like.

Strong problem-solving and decision-making skills as necessary to quickly and successfully resolve technical, personnel, and resource problems.

The ability to communicate effectively, in written and oral forms, with the team and the client. Communication skills are especially critical when the project involves highly technical work or when schedules are extremely tight, thus demanding clear and timely communication.

A results orientation and bias for action because, bottom line, PM is "doing" and "achieving."

Turning now to the project team, the following list provides characteristics of competent and potentially effective team members.

A strong technical knowledge in their area of specialization plus some experience.

A "team player" orientation because projects require close coordination of work and a cooperative spirit within the team.

The ability to cope effectively in a high-stress work environment due to time pressures; demands from the project manager, other team members, and the client; and waiting for other team members to complete their tasks in order to receive their outputs for further work.

Flexibility and openness to change, which are essential because project environments frequently require quick changes (e.g., to activate contingency plans), concurrent work on several projects, and working for several "bosses" as is evident, in part, from the matrix structure in Figure 2 and the points presented later in Table 1.

The ability to work with minimum supervision. Project managers simply do not have the time to provide close supervision or on-the-job training.

**TABLE 1** Major Activities at Each Phase in the Project Life Cycle

Phase	Activities
Conceptualization	<ul style="list-style-type: none"> <li>• Initial client contact</li> <li>• Determining the scope of the project (e.g., objective and methodology)</li> <li>• Initial overall estimates of resource requirements (e.g., budget, personnel, materials)</li> <li>• Developing the terms of reference</li> </ul>
Development	<ul style="list-style-type: none"> <li>• Developing the detailed work plan, budget, personnel requirements, material and technical resources</li> <li>• Scheduling activities and identifying key decision or output points (i.e., milestones)</li> <li>• Developing contingency plans</li> <li>• Staffing the project team</li> </ul>
Implementation	<ul style="list-style-type: none"> <li>• Doing the project work according to the work plan</li> <li>• Monitoring and controlling project work to ensure that work conforms to set standards</li> <li>• Keeping the client informed of progress and problems</li> </ul>
Termination	<ul style="list-style-type: none"> <li>• Delivering outputs to the client</li> <li>• Closing accounts and audit</li> <li>• Completing performance evaluations of staff and then assigning new projects</li> <li>• Evaluating the project</li> <li>• Conducting a follow-up of client satisfaction</li> </ul>

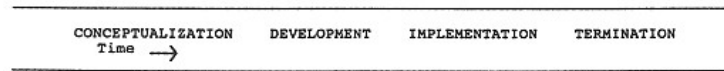


Figure 3  
The project life cycle.

## D— Making Project Management Work

Project management can be a powerful tool for success, but three ingredients are necessary to ensure success:

Senior management must be genuinely committed to this approach. Half-hearted support will only lead to failure.

Qualified project managers and team members must be recruited and developed. Because projects have short time lines, there is really no time to learn on the job or to make and then correct major mistakes.

Give PM a fighting chance. It can take about 2 years for an organization and its personnel to learn basic PM skills and develop competence in them.

## II— Project Planning and the Project Life Cycle

Project planning, like all planning, consists of determining in advance what should be done. Planning helps minimize uncertainty about work requirements, optimizes efficiency, and provides a basis for monitoring and controlling project work. In project environments, planning covers the complete life cycle of a project from conceptualization to termination. Different writers present different numbers of phases or stages in the project life cycle, but Figure 3 presents one commonly used representation of this dynamic systems perspective to projects.

The major activities that characterize each phase in the life cycle are present in Table 1. In terms of resource requirements—whether time, funds, labor, or equipment—need is greatest in the implementation phase, as in Figure 4. The conceptualization and termination phases require fewer resources.

## A— Project Planning Worksheets

Because planning in a project environment is so disciplined, detailed, and comprehensive, various tools have evolved to assist project teams. Several key tools are described here in generic forms,

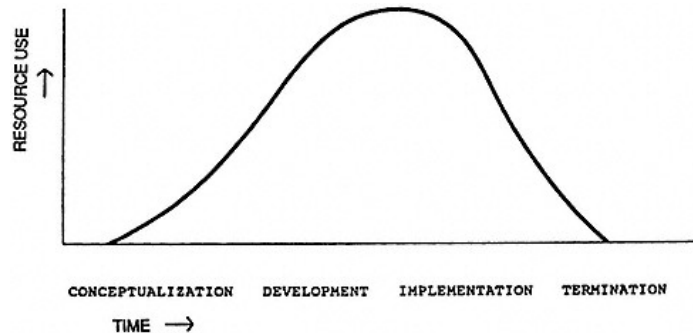


Figure 4  
Resource use over the project life cycle.



**TABLE 2** A Generic Project Description

*Project title:* (A unique, meaningful title)

*Unit:* (The organizational unit conducting the project)

*Purpose:* (A concise and clear statement of the overall objective of the project starting with an action verb, "To . . . ." It is sometimes useful to also specify what the project is *not* addressing if there is any ambiguity.)

*Terms of reference:* (The client organization and the client's contact position and incumbent are identified. Also, the project manager and any other key personnel already assigned to the project are identified. The reporting structure is specified as well as the estimated budget and budget constraints.)

*Methodology and milestones:* (A brief description of the main methodology is presented, e.g., a survey. Major milestones are specified, especially for the project start and completion dates.)

which can be modified for specific settings. Ideally, they are computerized to facilitate updating and to reduce paper in the workplace.

1. *Project Description.* The Project Description, Project Statement, or Statement of Work is typically a one-page presentation of key information negotiated with the client at the conceptualization phase (see Table 2).

2. *Project Planning Chart.* Whether in manual or computerized form, the project planning chart enables team members to identify all the activities and outputs required to complete the project, the work time requirements, resource requirements (e.g., funds, materials, equipments), and to identify the specific team member held accountable for the performance of each activity (see Table 3).

In this worksheet, a distinction is made between actual work time and elapsed time because there is usually a large difference between the two estimates and most people set unrealistic and unachievable schedules because they tend to use only estimates of actual work time. Most of us tend to be overly optimistic in our time estimates, thereby setting up our projects and staff for failure or, at least, a great deal of unnecessary frustration. Note too that each activity is identified by a unique number (e.g., 001) to prevent confusion among team members and to ensure proper documentation for later use.

3. *Issues Analysis Chart.* During the planning process, team members usually identify many anticipated issues or problems. As issues or problems are identified, they are briefly described on the worksheet and an estimate is made of the magnitude of the negative impact on the project. Possible preventative actions or contingency plans often are specified (see Table 4). For example, if a national mail survey were planned, a potential problem could be a strike in postal service. Such a disruption might be estimated to have a "low" to "moderate" impact on the project because a practical alternative action is possible but at some cost or inconvenience. Perhaps the contingency plan would courier the questionnaires and budget the extra cost.

**TABLE 3** A Generic Project Planning Chart

Project title:

Page: \_/\_

Date to be completed:

Estimated

Activity and output	Accountability	Work time	Elapsed time	Resources
001				
002				



**TABLE 6** Common Management and Personnel Problems in Project Environments*Management problems*

- Weak project leadership or weak executive level leadership
- Project managers who "do" rather than "manage"—an inability to move from the hands-on professional to managerial role
- Poor communications within the project team or between the team and the client
- Project management anxieties over project progress and problems leading to poor decision making and staff stress
- Project managers having unproductive meetings and requiring that unnecessary staff attend meetings

*Personnel problems*

- Problems in matching project skill requirements to the available staff
- Staff turnover during the project
- Interpersonal conflict within the project team
- Unequal tasking of team members by project manager
- Poor communications within the team
- Personnel feeling that their efforts and achievements are not recognized by management
- Personnel feeling that they are not participating in project decision making

The key for project managers is to ensure that they conduct effective meetings. Many books are available on this topic but, to summarize, productive meetings have the following characteristics:

Effective chairpersons who budget time and are fair and focused.

Project managers who keep the number and length of meetings to the minimum necessary to achieve the goals.

A focused and limited agenda.

Only really necessary participants are invited to meetings or to attend for specific agenda items.

Meetings should produce actions that are followed up.

Minutes are made and distributed to stakeholders.

**B—**

***Time Management***

Given the tight time lines typically found in project work, neither project managers nor team members can afford to waste valuable time. Common time problems in the workplace include:

Doing poor quality or incomplete work the first time around

Delaying decisions

Having poor communication habits

Having poor filing and data storage systems

Wasting time waiting for others, materials, or information

Having casual visitors and telephone callers interrupt your work

Many resources are available on the topic of time management, but the following list of time management rules would be helpful to managers and staff alike:

Do a time analysis of your typical work week by keeping an activity log and then analyzing your time and activities.

Plan solid blocks of time for important activities.

Establish priorities.

Delegate work where appropriate.

Do it!! Be results-oriented.

TABLE 7 Sample of Project Management Software Packages

Software package	Vendor
• Artemis	• Metier Management Systems: Houston, Texas
• Grenada	• Netronic: Newport Beach, California
• Mac Project	• Macintosh: Cupertino, California
• Microsoft Project	• Microsoft: Bellevue, Washington
• Open Plan	• Welcom Software Technology: Houston, Texas
• Prestige	• K&H: Wayne, Pennsylvania
• Primavera Project Planner	• Primavera Systems: Bala Cynwyd, Pennsylvania
• Synergy	• Bechtel Software: Acton, Massachusetts
• Time Line	• Symantec: Cupertino, California
• View Point	• Computer Aided Management: Petaluma, California

C—  
**Software Support**

In the 1990s, project managers have an array of project management software to assist in planning and controlling projects. What has been apparent over the past few years is the high power, low cost, and user orientation of many packages that are PC based and, thus, within the grasp of small businesses which would typically use PCs for wordprocessing and budgeting. A short list of readily available PM packages is presented above (see Table 7). These packages usually produce planning and controlling charts (e.g., bar charts, Gantt charts, PERT/CPM, precedence diagrams), work breakdown structures, schedules, budgets, resource diagrams, some statistical analyses, and reports. Many packages can be used with standards like dBase and Lotus 1-2-3 for greater flexibility and usefulness.

IV—  
**Project Control**

The best planned projects will not be successfully completed unless project managers continually monitor and control project work to ensure that the actual work and results conform to those desired. At least three elements are always found in an effective management control process.

Specified standards describing desired work performance and outcomes are documented. Typically, these refer to time, quantity, and quality standards. For example, the project must be completed by a specified date, within a specified budget, and to the client's quality standard.

During the project life cycle, comparisons are frequently made between actual project results and the standards or desired results.

If significant discrepancies are found, corrective actions are taken to bring the project back on track, and follow-up ensures that corrective actions were successful.

The generic project control cycle is presented in Figure 5.

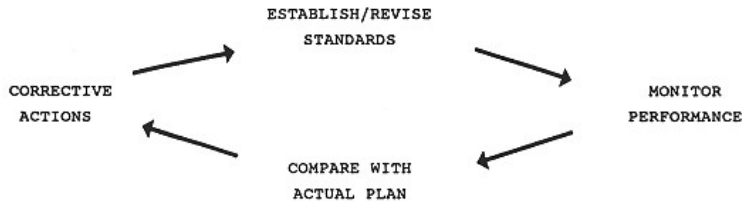


Figure 5  
The project control cycle.

**A—**  
**Effective Controls**

Effective controls have the following characteristics:

Controls must identify deviations from the standards promptly.

Controls must exist at key points in the project life cycle (e.g., at major decision points and at output points).

Controls must be understandable and accepted by all those team members affected by them.

Controls must be objective in that they reflect a genuine need for management control rather than merely serve the idiosyncrasies of a particular manager.

Controls must be economical to implement and use.

**B—**  
**Examples of Control Techniques**

Numerous project control techniques have been developed over the past three decades and virtually all are also available through the software packages mentioned earlier. Only a few commonly used techniques are briefly described here.

1. *Project Status Report.* Project status reports are perhaps the most frequently used control technique. These reports are typically limited to a one-page, concise write-up completed on a monthly basis or, for a short-term or fast-moving project, on a weekly basis. These periodic reports present three key kinds of information, which allow management to quickly identify and resolve problems and to revise the work plan promptly, if necessary (Table 8).

2. *Milestone Report.* Milestone reports are produced only at key points in a project. Milestone reports may follow a short format like project status reports, but often they are in the form of a letter or memorandum with appended supporting documentation. Whatever format is used, a milestone report should include at least the following information:

Reference to the milestone output.

A description of all major activities since the last report.

A discussion of the problems or issues that have arisen and how they were resolved.

An updated/revised work plan and budget.

A forecast of activities and output to be expected at the next milestone report.

3. *Cost Variance Analysis.* On a periodic basis, perhaps monthly, an analysis of the main budget items should identify deviations from the established budget (i.e., what items are either under- or overspent to date). Using some standards—perhaps a 5% deviation—items which deviate from the standard must be explained and corrective actions taken. Thus, funds may be moved from one budget item to another, spending for specified items (e.g., travel) may be frozen, or major budget revisions may be made.

**TABLE 8** A Project Status Report

Project title:	Prepared by:
Date:	
Status:	(A brief, point-form description of activities and outputs completed since the last project status report.)
Issues and actions taken:	(What problems or issues have arisen during the reporting period and how have they been resolved?)
Upcoming milestones:	(Upcoming outputs and milestones covering the coming reporting period as well as changes to the work plan.)

4. *Project Audits and Evaluations*. Upon completion, projects should be subjected to financial and management audits to examine compliance practices as well as other factors. Also, comprehensive project evaluations may be conducted in a manner similar to the more commonly understood program evaluation.

V—

### **Project Termination**

Terminating or closing out the project is the shortest phase in the project life cycle. This phase is characterized by the following activities:

- Submitting the final output/product to the client
- Signing off the project with the client
- Balancing all accounts/budgets
- Evaluating team members and assigning them to new projects
- Completing and filing all project documentation
- Auditing and evaluating the project

VI—

### **Closing Comments on Project Management**

In conclusion, PM is a powerful management approach, adaptable to consulting environments to achieve the following desirable conditions:

- To make even the most complex consulting projects "doable"
- To complete projects efficiently, thus minimizing resource requirements and, for profit-driven organizations, maximizing profits
- To provide consulting staff with both challenging work and job satisfaction
- To clearly demonstrate managerial competence and credibility to clients

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*International Journal of Project Management*

*Project Management Journal*

90—

## How to Give Meaningful Praise

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Meaningful praise is a powerful motivator. It can be free. Meaningful praise has unique, positive significance for the person you are praising. It is unambiguous and authentic. The manager who says, "A person of your obvious intelligence will see the merits of this marketing campaign," is using meaningless praise. The manager saying, "Had it not been for your quick thinking and sense of humor, we'd have lost the contract," is using meaningful praise.

Meaningless praise is dispensed more for the sender's than the receiver's purposes. Types of meaningless praise include damning with faint praise, "yes-butting," pandering, flattering, apple polishing, fawning, condescending, gilding the lily, playing up to, blowing smoke. Dispensers of meaningless praise want you to do something for them, which you may not want to do—make a purchase, agree with them, work hard, stay calm, work overtime, do their bidding, like them, feel indebted.

Giving meaningful praise is a way of communicating your approval and admiration of a person's performance to them. The same skills needed for giving corrective feedback are required for giving meaningful praise. Praise communicates "Thanks. Keep up the good work." Corrective feedback communicates "Please improve in these areas." In both situations, you want your message to be heard clearly and the person with whom you are talking to know you value them.

To give meaningful praise:

1. Be prepared. Know exactly what actions you find admirable. Be able to cite examples—more sales, fewer complaints, improved quality. Character traits (brilliance, wisdom, maturity, altruism) are not the issue. You are praising, not enshrining. Giving meaningful praise does take time and preparation just like any other important project.
2. Be specific. The more specific you can be, the more meaningful will be your praise. Don't say, "You ran a great meeting." That leaves the person wondering what about it was great. Say instead, "I really liked the way you held to the agenda and ended on time. Now, we all know what we have to do this week."
3. Be realistic. Make sure the actions you find admirable were in fact performed by the person or group you are praising. You want to give credit where credit is due only.
4. Be timely. Praise as soon after the event occurs as possible. Don't save it all for the annual performance review. Praise is acceptable any time, any place: your office, the hallway, a cab, during a staff meeting, on the cover of a superb report. Timely praise immediately signals a person they are on the right track.
5. Be balanced. Also let people know when their performance needs to be improved. Give

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them timely, realistic, specific corrective feedback. This kills two birds with one stone. A person is signaled to make needed improvements and the meaningfulness of the praise you do give is enhanced.

6. Be creative. Verbal praise is more impactful when accompanied with something tangible. Raises, cash awards, promotions, bonuses, stock options, and trips are familiar forms of tangible praise. You might also consider a training program; lunch on you; a day off; a plaque; a certificate; a quick-mail "thank-you"; a dozen long-stem roses; a trophy; a card; dinner for two or more at the person's favorite restaurant; box seats at the opera, play, ballgame; selection as employee of the month; specially embossed balloons. The possibilities are endless. Just make sure:

Your intent is to express approval and admiration.

Your medium is valued by the person you are praising.

The person knows why you are praising them.

Probably the worst action you can take is to withhold meaningful praise. The old saw—"no news is good news"—often does not ring true. Many see no news as no news. Some interpret it as bad news. By giving meaningful praise, you remove any uncertainty, let people know what they are doing well, and reinforce the admirable qualities of their work.



91—

## Managing the Older Worker

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Older workers, those between 50 and 64 years of age, are a prime source of talent for you. They are available. A recent Lou Harris and Associates poll estimates 1.9 million older workers are available for work now. This is good news for service and retail industries experiencing a labor scarcity.

They are a reality. Over the next 25 years, 25% of workers will be over 55. Younger workers, those aged 16–24, will decline by 17%. A recent study by the American Association of Retired Persons concludes, "The older worker will become, by default, the key to the future but only if allowances are made and mind sets changed." What allowances? Here are seven steps to follow in managing older workers.

1. *Recognize the strengths and special needs of older workers.* Recent studies by the Federal Government Department of Health and Human Services and the American Association of Retired Persons show:

- Creative and intellectual abilities do not decline with age.

- Older workers bring stability to the workplace and often serve as role models for younger workers.

- Compared to younger workers, older workers:

- Have lower accident and absenteeism rates.

- Are less likely to move or change jobs.

- Are more dependable, committed, loyal, and have better people skills.

- Demonstrate greater critical judgment and patience.

- Older workers' versatility can be limited by decreases in hearing, mobility and eye-hand coordination.

- Older workers seek intellectual stimulation and social contact.

- Health problems and the need for medical attention can cause scheduling difficulties.

- Older workers don't always mix well with the MTV generation. One older woman noted, "When you're over 60, you don't care what the 16-year-old did with her boyfriend last night." Be ready to do some intergenerational mediating.

2. *Match older workers with jobs best fitting their skills.* Consider the case of the older fast-food worker who sparkled at washing windows, filling ketchup bottles, and sweeping floors. "I wasn't fast enough for making sandwiches," he reports.

A Bethesda, Maryland, mail order house stopped hiring older workers. The rapid pace and level of detail proved too much, particularly at holiday times.

Older workers tend to be most visible at fast-food outlets. Other duties suitable for

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older workers include teaching, training, counseling, handling customer complaints, and floor sales.

3. *Counsel and train older employees.* Outplacement counseling and job retraining is appropriate for older workers whose careers have plateaued but who would be suited for other jobs with their current employer or another company. Not providing counseling and training can be costly. A survey by the American Society for Personnel Administration found 75% of executives surveyed felt their company needed career counseling for older employees. Only 30% of the companies had it. What problems did the absence of such counseling create? Over 50% of the executives felt plateaued employees impeded productivity by clogging promotion channels and lowering morale among co-workers. Do you have older workers who, with some training, could be assigned new duties? Is early retirement and help in finding a part-time job in the community a possibility for some?

4. *Emphasize older workers' performance.* Some younger managers of older workers are torn between showing deference and making sure older workers do their job well. "Giving orders to older workers," says Lowell A. Gordon, Vice President of Human Resources for Rax Restaurants, "is like telling your grandma to clear the table." Nevertheless, if her job is clearing the table, you have every right to expect top-notch performance from Gram. Let her know when her performance is below par. Praise her when she does her job well.

5. *Ask older workers for their ideas and suggestions.* Managers who failed to do this were responsible for one gentleman quitting three jobs in real-estate and insurance after retiring at age 59. "When you're being managed by someone younger, you see a lot of things that aren't going to work but you have to bite your tongue," he said. His 35 years of experience was never considered, let alone used.

6. *Do not threaten older workers.* The gentleman lacking sufficient dexterity for the sandwich line quit his job not because he aspired to making sandwiches but because he was constantly told by his manager he would lose his job if he came late. He was always on time. Explain the conditions of employment at hiring. Repeat them only if you see performance slipping.

7. *Consider job sharing.* Many older workers who have retired prefer part-time work, wish to supplement their income and stay involved. Many have health insurance benefits from a prior job. Splitting a job between two older workers may meet their income and social needs and your need for dependable, consistent performance at less cost to you than a full-time employee.

With the increasing number of older workers in the workforce, those who learn how to effectively manage the older employee will quickly enjoy a decided advantage over their competition. "Remember, older employees already come to you with well-established work habits," says Arnold Brown, chairman of Weiner, Edrich and Brown, a New York consulting firm. "McDonalds, for instance, not only has to train younger employees in the specifics of McDonalds, but also in basic work habits. Not so with older employees."

92—

## **Emotions and Consultancy: Toward a Psychology of Helping**

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To a surprising degree, the literature about management and consultancy ignores emotions. It is as if feelings are taboo, and cognitions are the only legitimate currency of discourse. Rationality, logic, and analytic reasoning are extolled as the proper ways to go about diagnosis, problem identification and solving, decision-making, planning, strategy formulation, organization and system design—for all managerial behavior (Mowday and Sutton, 1993).

Nonetheless, given even a little reflection, every experienced manager or consultant "knows" that emotions are not only ubiquitous but very often significant. They color all perception, thinking, and behavior. No full explanation of organizational events can completely ignore emotions; our understandings and actions are always emotionally laden whether we acknowledge them or not.

This chapter attempts to bring attention to emotions in consultancy, and thus begins to fill a major void in the consultancy literature. If emotions are as truly omnipresent and influential as they intuitively seem to be in general, it follows that their presence and impact in those organizational situations in which consulting help is requested and/or offered is especially prominent. But what do we know about emotions? How do they influence behavior? What are the emotional responses to change? What consulting behaviors constitute emotional help? These questions guide the following discussion.

All conceptual and empirical discussions are based on one or more primitive beliefs or assumptions, although they are seldom made explicit. The following lists the five beliefs that I take as given and upon which my argument is founded:

Emotions are pervasive in human affairs.

All human relationships and behaviors have an emotional component.

Change circumstances are always emotionally charged.

Persons have differential emotional responses to change circumstances and helping relationships.

Help is only defined by the client in a helping relationship and it is emotionally laden.

These beliefs are very general and are intendedly inclusive of all types of human systems. Their substance is believed to be consistent with what is known about all open human systems (e.g., Miller, 1978) as well as the essence of consultancy (e.g., Lundberg, 1997).

I—

### **On Emotions**

Even a cursory examination of the scattered but growing literature on emotions reveals an enormous definitional confusion (Fineman, 1993; Plutchik, 1994). The terms *feeling*, *affect*, *mood*, and *emotion*

**TABLE 1** Alternative Theoretic Classifications of Emotions

Semantic (Shaver et al., 1987)	Biological (Elman, 1992)	Evolutionary (Plutchik, 1994)	Physiological (Izard, 1977)
Anger	Anger	Joy	Fear
Fear	Fear	Sadness	Anger
Joy	Sadness	Acceptance	Enjoyment
Love	Enjoyment	Disgust	Interest
Sadness	Disgust	Fear	Disgust
Surprise	Surprise	Anger	Surprise
		Expectation	Shame
		Surprise	Contempt
			Distress
			Guilt

are neither defined nor used consistently. Indeed, they are often used interchangeably; sometimes they are lumped together and at other times differentiated; they are conceived as either internal traits or as states, and as displayed behavior; and they are also seen as antecedent to or the consequences of general or specific stimuli. In short, basic terminology is decidedly muddled.

To facilitate this discussion I shall adopt the following denotative conventions. Feelings and emotions will be used synonymously to refer broadly to all subjectively experienced organismic

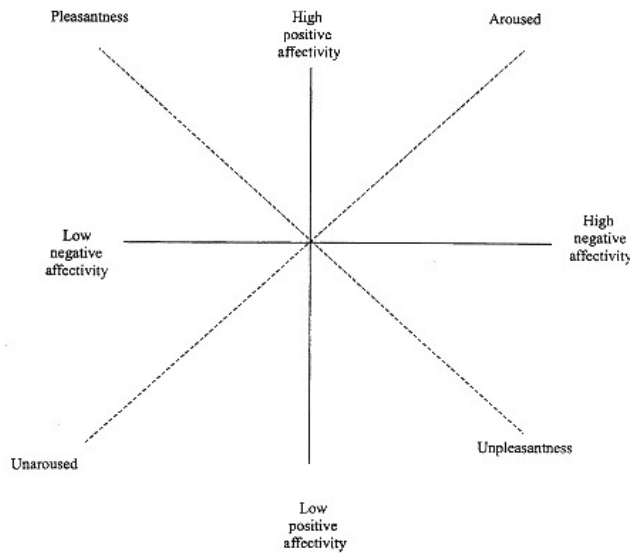


Figure 1  
Common dimensions of mood and affective response.  
(Adapted from Weiss and Cropanzano, 1996.)

arousal. Feelings and emotions are then conceptually divided into moods and affective reactions. Mood and affective reactions are distinguished from one another in terms of three dimensions: intensity, persistence, and diffuseness (Frijda, 1993). Intensity refers to the felt strength of an emotion. While moods are less intense, affective reactions may vary from strong to weak. Persistence refers to the duration of the emotion, where affective reactions are relatively short and moods vary but are typically longer. Diffuseness refers to whether the emotion is focused or targeted on an object or not. Affective reactions have particular stimuli, while moods do not.

At present, no generally accepted classification of emotions exists (Ortony and Turner, 1990), not because of a lack of underlying structure but, because of a surfeit of classifications, each based upon the proclivities of particular researchers (Lazarus, 1991). Different theoretical perspectives have generated rather different lists of "basic" emotions with some modest degree of overlap, as exemplified in Table 1.

Mood and affective response, however, have been subjected to considerable dimensional analysis. (See George, 1992, and Larson and Diener, 1992, for reviews.) In general four underlying structures have received wide currency (Weiss and Cropanzano, 1996). One is positive affect (PA), basically good feelings, which at the high pole is characterized by such adjectives as "joyful," "energetic," "exhilaration," and "joy," and at the low pole as "apathetic," "sluggish," and "listless." A second is negative affect (NA), basically bad feelings, manifesting itself in a different complex of feeling states; the high NA pole includes "anger," "fear," "anxiety," "nervousness," and "sorrow," while low NA holds "contentment," "placidness," and "calmness." A third dimension is termed either hedonic tone or pleasantness and ranges from "happy," "pleased," and "carefree" at the positive pole to "distressed," "sad," and "sober" at the low. The fourth dimension is the level of intensity of feelings, ranging from very intense (e.g., "restless," "astonished," and "changeable") to very mild (e.g., "peaceful," "quiescent," and "controlled"). Figure 1 presents these multiple dimensional structures as a circumplex in two-dimensional space.

How are mood and affective reactions related, and how do they impact behavior? This question moves the discussion toward the dynamics of emotions. As noted, affective reactions are object-focused and shorter in duration, and they vary in intensity. In other words, affective reactions are responses to perceived events in which the intensity of the reaction is correlated to the degree of familiarity of the event and its relevance to one's goals (Stein, Tribasso, and Livvag, 1993), and in which negative events produce stronger reactions than do positive events (Taylor, 1991). Affective

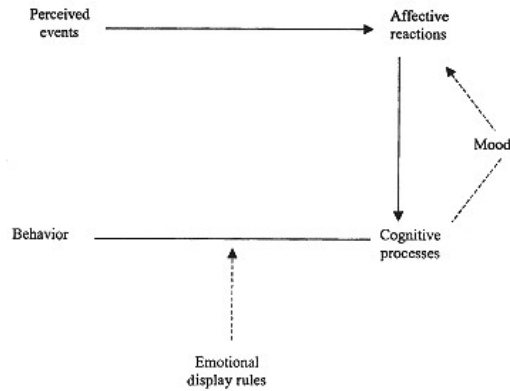


Figure 2  
A generic model of emotion-conditioned behavior.

reactions, however, also are conditioned by one's mood—those less intense, more diffuse feeling states (Kemper, 1978)—without an event or object focus. Moods reflect life events (especially changes in status and power), predispositions of affectivity, core personality traits, and the tone of one's work group (e.g., Morris 1989; George, 1992), and occasionally are the result of strong affective reactions. Affective reactions primarily, and moods more distally, impact cognitive processes (e.g., attention, judgment, reasoning, analysis; see, e.g., Isen, 1984; Mano, 1992; Staw and Barsade, 1993). Cognitive processes, conditioned by affect and mood, in turn result in social behavior that is filtered through the "emotional display rules" (Wharton and Erickson, 1993) that exist in organizations—with a more or less "emotional labor" cost to the person when the rules require emotional expression not felt (Morris and Feldman, 1996). This description of the generic process of how emotions condition observable behavior is diagrammatically summarized in Figure 2.

## II— Emotions and Change

The occasions for consultancy are when some organizational members come to believe that some help is needed; that is, there are perceived circumstances that need to be dealt with, and additional expertise and/or manpower is required beyond that which is already available. Perceived circumstances of course range enormously. They may be viewed as major or minor, long-standing or contemporary, external or internal, novel or familiar as well as being vaguely or clearly defined. What these circumstances have in common is their potential to be reacted to affectively.

Regardless of euphemisms such as "growth," "development," or "opportunities" in "change," it is widely accepted that both the perceived external and internal circumstances initiating change endeavors by persons or organizations and of engaging consultants are typically labeled "symptoms" or "problems," and these are usually understood as being negative. Four general types of perceived negative circumstances may be delineated—danger, goal blockage and conflict, injustice, and uncertainty. Dangerous circumstances are those perceived to hold peril or harm. The source of dangerous circumstances is known, such as a fire or a hostile takeover, and affective reactions range from intense fear to mild fright. Goal blockages and goal conflicts are those circumstances in which it is anticipated that some desired end will not be achieved (e.g., profit margins, market share, decision agreement), or when efforts toward one desired goal are blunted by efforts toward another end (e.g., maintaining morale when downsizing). Affective reactions to goal blockages and conflicts range from alarm to minor frustration. Injustice refers to those perceived circumstances that are judged as unfair, either as outcomes or procedurally (e.g., when one or more persons or units feel disadvantaged in relation to others). Affective reactions to injustices range from anger to disappointment. When perceived circumstances are unpredictable or ambiguous they hold uncertainty for persons, and affective reactions will range from simple concern to anxiety, depending on how important the circumstances are judged to be. Interestingly, the longer one experiences a modest affective reaction the more likely it is to become a stronger one. Table 2 summarizes this classification of negative circumstances and the range of affective reaction to each.

As noted earlier, the strength of affective reactions is both the result of the salience of the perceived circumstances and one's mood state. In organizations, member's mood states reflect member affectivity, the tone of one's colleague set (i.e., the collective mood), and personal life events

**TABLE 2** Negative Circumstances and Affective Reactions

Perceived circumstances	Affective reactions	
	Low	High
Danger	Fright	Fear
Goal blockage/goal conflict	Frustration	Alarm
Injustice	Disappointment	Anger
Uncertainty	Concern	Anxiety

inside and outside the organization. In organizations, even stronger than personality-based factors (i.e., positive and negative affectivity), it is the perceived, anticipated, or remembered power and status relationships that constitute much of what we have termed mood (Kemper and Collins, 1990). In general, increases in one's own or one's unit's power increases feelings of confidence and security, while decreases in power lead to feelings of anxiousness and fear. If a person or unit, however, anticipates increases in power vis-à-vis others but this doesn't occur, some anxiousness tends to occur, while satisfaction results when anticipated reductions in power turn out to be increased power. Status-based moods, however, come about differently. In general, conferred increases in status give rise to feelings of well-being and satisfaction, and loss of conferred status leads to anger and dislike of the conferrers. This sort of status reduction, interestingly, is energizing, often leading to acts of power to punish the others and/or reestablish the prior status. When changes of status are seen as the consequence of one's own actions, loss of status leads initially to shame or embarrassment and eventually to depression (which in turn leads to withdrawal behavior in a negative cycle), and self-enhanced status creates feelings of pride.

As we have seen, the occasions for consultancy are usually when one or more members of an organization perceive some negative circumstance (typically not given voice since most organizational cultures have norms against exhibiting negative emotions). While the engagement of a consultant ostensibly is to require assistance with the alleviation of the negative circumstances, at some level the client also wishes to remove the experienced emotional distress. This raises the question: How might consultants provide emotional help?

### III— Consultancy As Emotional Help

While consultants are engaged by organizational clients to provide expertise on matters of content (e.g., from job redesign to strategic planning) and process (e.g., facilitating change), these manifest forms of assistance are always carriers of implicit requests for emotional help. As experienced consultants know, a successful consulting engagement often turns on the effective management of a client's emotions in two arenas—the situation the client finds him—or herself in, and the client–consultant relationship.

Attention to emotional phenomena and the impact of emotions on thinking and behavior thus must be more or less continuous; that is, interaction by interaction as well as more generally over the life of an engagement. The discussion of the previous section counsels ongoing attention to clients' perceptions of negative circumstances, to cues about their ongoing moods, to cues about the strength and type of their affective reactions, to indications of dysfunctional thinking, to inferences about emotional display rules, and to the emotional stimulus potential in client behavior for others.

What can consultants do that is emotionally helpful to their clients? There seem to be at least four generic types of emotional help—proffering psychological support to clients; aiding in the reframing of the client's situation; providing needed resources; and modeling emotional help. What these four types of help have in common is the reduction or alleviation of those strong negative affective reactions and moods that impede appropriate thinking and behaviors.

"Psychological support" means giving appropriate reassurance and encouragement, including an occasional stroke for good work (Luke, 1993), providing a sympathetic ear and being fully present in talking with clients, and generally behaving in a calm and centered manner. The essence of psychological support is enabling one's client to feel fully understood as he or she experiences stressful conditions and begins to feel able to cope with them.

"Reframing" means aiding clients in seeing their situations differently. Reframing help may take several forms; for instance, from naming problems behind perceived symptoms to offering a metaphor that enables new insights or from suggesting changes in aspirations to surfacing inappropriate beliefs and suggesting their more realistic reformulation. The essence of reframing is enabling one's client to understand their circumstances and reactions in some new way.

"Resource provision" means providing clients with something they need but don't have so that they can cope better. Typically these resources are such things as new information and data, problem-solving tools and analytical models, skill development, and time. The essence of providing resources is that they enable one's client to enhance their capacity to deal with the circumstances that distress them.

"Modeling emotional help" means behaving in the presence of clients in ways that clients can usefully imitate so they are less captive of their negative emotions. Being calm, descriptive and not quickly evaluative, and nondistractible, all the while not denying feelings (in fact, expressing and owning one's feelings), and similar behaviors, can all enable one's client to learn to use his or her emotions in constructive ways.

Obviously, in practice, skilled consultants combine these four types of emotional helping, emphasizing first one, then another. Such helping behaviors will occur from the very first contact with a potential client, by definition, in more or less emotional distress because of perceived negative circumstances. While all phases of consultancy (e.g., from contracting through data gathering, diagnosis, and action planning) hold the potential for stimulating clients emotionally, both positively and negatively, the initial contact between client and consultant almost always provides the opportunity for reducing emotional distress—contracting signals that an action impacting negatively perceived circumstances has begun, the role and relationship with a potential helper is clarified, and one or more of the consultant's generic helping behaviors are usually experienced. Similarly throughout the engagement, the more emotional help, the less the distress, and the less the distress, the more the client can either think and behave in constructive ways.

#### IV—

#### Concluding Comments

The intent of this chapter was to call attention to and enhance the appreciation of emotions in organizational consulting. By outlining the structure of emotions, delineating affective reactions and moods, and describing a model of how emotions influence cognitive processes and subsequent behavior, the foundation has been laid for understanding the role of emotions in all organizational behavior as well as consultancy. It was argued that regardless of the avowed purposes of organizational consulting, emotional help is also always required, and a first, albeit simple, classification of emotional helping behaviors was suggested. While successful consultants have no doubt always been intuitively sensitive to and skillful about emotions, the development of an explicit psychology of helping in consultancy is long overdue. This chapter hopefully constitutes a beginning.

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93—

## **Knowing and Surfacing Organizational Culture: A Consultant's Guide**

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I—

### **Introduction**

Although some recent proponents of the "organizational culture" perspective imply they have discovered a new thing, experienced consultants have always been sensitive to and appreciative of the symbolic aspects of managerial and change practices as well as the symbolic, meaning-laden features of structures, systems, events, persons, and things that make up organizational life. Organizational culture is the symbolic phenomenon of reality construction, which allows members to perceive and comprehend particular events, actions, objects, utterances, and whole situations, including their own behaviors, in an acceptable way that is sensible and meaningful.

Consultants and managers alike, however, know that much of organizational life is inherently ambiguous, changeful, and uncertain, and that this reality is continuously exacerbated by increasing environmental complexity and turbulence. These features and conditions of contemporary organizations require as never before an understanding of how organizations and their members create, maintain, transmit, and influence meaning. An emerging and significant practice of consultants, therefore, facilitates managerial awareness of organizational culture, its functions, and the possibilities of its modification.

Given that cultural phenomena are fundamental and important for managing and changing organizations, two questions arise: how shall we understand organizational culture, and how might we efficiently know it? This chapter responds to these questions.

This chapter has two major sections. The first clarifies organizational culture by briefly tracing its history, by listing our consensual understandings of it, by providing a conceptual framework, and by noting organizational culture's functions. The second section will turn to what is involved in bringing culture to the surface of managerial and consultant awareness. We shall do this by noting the rationale for and the several purposes of surfacing organizational culture, by explicating consulting roles for surfacing culture, and by describing an array of techniques for bringing culture to awareness.

II—

### **Toward Clarifying Organizational Culture**

Our thinking about organizations and their management has always been subject to currently popular metaphors.\* These metaphors guide our perception and understanding of the world we live in—

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\*A metaphor is defined as a figure of speech in which a word or phrase literally denoting one kind of idea, object, or action is used to suggest a likeness or analogy to something else (Lakoff and Johnson,

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they shape our ways of thinking and seeing. A metaphor frames our understanding of something in terms of our understanding of something else, and thus highlights some things while relegating others to the background. The history of management thought has in one sense been a succession of dominant metaphors (Bolman and Deal, 1984).

The earliest and most persistent metaphor of organization is a *machine*. Here the image is a set of interlocking parts, designed and meshed into fine-tuned efficiency, each playing a sharply defined role in the operation of the whole. Precision, goals, and rationality are the watchwords. The machine metaphor, along with mechanistic approaches to organizing and managing it fosters, has proven extremely popular, partly because it emphasizes efficiency, and partly because it appeals to managers who wish to exercise close control through authoritatively set goals, plans, and structures. The tenets of scientific management and an ideal bureaucracy are exemplars of the machine metaphor.

If the world of work assumes certain and relatively unchanging, stable tasks, largely interchangeable workers, and desires long-run technologies, then the crisp goals and formal control and coordination devices of the machine metaphor appear as a rational solution to managing. When these circumstances are not accepted as the predominant reality, and as the human parts of the "machine" are experienced as not all that precise or compliant, a second major metaphor arises and becomes attractive to managers.

Drawing on biological images, the organization as an *organism* becomes the second major metaphor. In this view, organizations and their members require satisfaction of their needs and wants. Organizations clearly depend on their environment, and survival requires adaptation to environmental changes. Organizations, like other organisms, also develop over time—they are born, grow, decline, and expire.

In the organism metaphor, parts become subsystems, subsystem compatibility becomes important, and effectiveness becomes long-run functionality and a matter mostly of contingency. System and member health and intra- and interorganization variety are thematic; pattern is everything as long as it is organic. Several schools of management thought reflect the basic organism metaphor—those known as human relations and human resources, general systems theory, and contingency management.

The implicit themes of the organism metaphor—natural processes and cooperation or even harmony—prompted the challenges inherent in a third major metaphor of organizations—the organization as a *political* arena oriented around the pursuit and display of power. There are two images of this metaphor, one bland (i.e., the organization as a system of governance), the other more vivid (i.e., the organization as a set of coalitions, which bargain for their own self-interests). This metaphor assumes scarce resources and conflict as natural, where organizational goals, decisions, and agendas are made by the most powerful coalition. The political metaphor acknowledges the dark side of organizational reality—the inevitability of multiple, conflicting goals because of divergent interests and manipulative, cynical, pessimistic, and even deceitful behavior. The political metaphor represents an antidote to both the antiseptic rationality of the organization as a machine and the naive optimism of the unbridled humanistic advocates of the organization as an organism.

The three major metaphors noted thus far share three fundamental assumptions—that the world in which organizations exist is relatively certain, substantially rational, and relatively linear. The machine metaphor holds most closely in that efficiencies can be measured, decisions made by choosing the best alternative, and goals established to guide action. The organism metaphor backs off a

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1980). As Billow (1977) points out, a metaphor supplies language with flexibility, expressibility, and a way to expand the language. Metaphors, according to Nisbet (1969), are "one of the oldest, most deeply embedded, even indispensable ways of knowing in the history of human consciousness." Galt and Smith (1976) go further, stating that metaphors are the basis of "some of the most central bodies of theory in social science." Metaphors are necessary, not just nice, for three reasons (Ortony, 1975): they provide a compact version of an event; they enable people to predict characteristics that are unnamable; and they are more vivid emotionally, sensorially, and cognitively because they are close to perceived experience.

little, yet needs can be identified, people (at least as judged by their own needs) seem to act rationally, and people often determine what they want and take actions to achieve their goals. The political metaphor deviates the most while still essentially sharing the assumptions: power can be discerned, garnered, and used; coalitions act rationally in trying to gain their own self-interest; and policies appear through a sequential process of bargaining and negotiation.

The latest major metaphor breaks significantly from those preceding it.\* *Culture*, the fourth and most recent of the major metaphors that guide managerial thinking (Jelinek et al., 1983), is more fluid, serendipitous, and holographic, and operates largely through symbols. Organizations in the image of the cultural metaphor become systems of more or less shared meaning. This metaphor is based on a quite distinctive series of assumptions about organizations and human behavior:

1. Most of what happens in organizations is substantially more uncertain or ambiguous than in the three other models.
2. Ambiguity and uncertainty undermine common, traditional approaches to analysis, problem solving, coordination, and control.
3. People naturally create and perpetuate symbols of all types to combat chaos, provide direction, increase predictability, resolve confusion, and the like.

A—

#### ***Origins and Popularity of the Concept of Organizational Culture***

Organizational culture is a concept of fairly recent origin (Schein, 1990).\*\* "Culture" pushes us into territory left insufficiently explored by its predecessor ideas. "Group norms" for a while seemed sufficient to explain such phenomena as why participants of off-site training reverted to their former behaviors and attitudes once they returned to their work setting. Organizational "climate," although lending itself to measurement and association with many variables of importance, like norms, ultimately did not allow exploration into the deeper causal aspects of how organizations function. By the 1960s a growing emphasis on whole organizations began and concepts such as "system" were evoked to describe the pattern of norms, attitudes, and values organizationwide (e.g., Katz and Kahn, 1965; Likert, 1961). Needed, moreover, were explanations for variations in climate, norms, and organizational behavior, and levels of stability in group and organizational behavior (Hofstede, 1980; Kilmann, 1984; Ouchi, 1981; Schein, 1985).

While organizational culture is a phenomenon that has always existed, its popularity is only about a decade old. This popularity no doubt began with Deal and Kennedy's (1982) *Corporate Cultures* and was continued by Davis (1984) in *Managing Corporate Culture*. Subsequently the literature has grown swiftly. A succession of ever more carefully conceived and empirically based efforts has provided elaborations of what organizational culture is; how it may be studied; and its relationships to strategy, structure, and management practices; as well as several cautions (e.g., Frost et al., 1985, 1991; Schein, 1985; Kilmann et al., 1985; Dyer, 1986; Wilkins, 1989). As with any rapidly growing field of study, however, the concept of organizational culture has come to have many definitions. This is partly because culture is one of the most familiar things in our experience—we all have grown up in a culture, intuitively know it and use it every day—and this excessive familiarity makes culture a very difficult phenomenon to focus on, much less to crisply conceptualize.

B—

#### ***A Way of Thinking about Organizational Culture***

While definitions of organizational culture abound, a careful distillation of their themes provides the following consensual understandings of the phenomenon.

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\*Recently, Morgan (1986) has added four other metaphors for analyzing organizations to those major ones mentioned (e.g., organizations as brains, as psychic prisons, as domination, and as flux and transformation).

\*\*Several earlier writers emphasized the phenomenon (e.g., Selznick, 1949; Jacques, 1951).

**TABLE 1** "Levels of Meaning" Framework for Understanding Organizational Culture

*The manifest level*

Symbolic artifacts  
 Language (jargon, sayings, slogans)  
 Stories (myths and sagas)  
 Ritualistic activities (rituals and ceremonies)  
 Patterned conduct (norms, conventions, and customs)

*The strategic level*

Strategic beliefs

*The core level*

Ideologies  
 Values  
 Assumptions

Source: Lundberg, 1990.

Organizational culture

1. Is a shared, common frame of reference (i.e., it is largely taken for granted and is shared by some significant portion of members)
2. Is acquired and governs (i.e., it is socially learned and transmitted by members and provides them with rules for their organizational behavior)
3. Endures over time (i.e., it can be found in any fairly stable social unit of any size, as long as it has a reasonable history)
4. Is symbolic (i.e., it is manifested in observables such as language, behavior, and things to which meanings are attributed)
5. Is at its core typically invisible and determinant (i.e., it ultimately comprises a configuration of deeply buried values and assumptions)
6. Is modifiable, but not easily so

Popular accounts of organizational culture emphasize the exotic and uncommon such as heros, unusual labels, dramatic stories, peculiar ceremonies, and special events (e.g., the pink Cadillacs of Mary Kay Cosmetics, R&D skunk works, a CEO "pitching in" on the production floor, and the garage origins of a computer firm). While such colorful anecdotes easily capture our attention, it is easy to miss their point; namely, that they are symbolic and their meaning is found in how they relate to a configuration of deeper elements.

Lately there is a growing convergence on understanding culture as a layered phenomenon (i.e., as composed of three interrelated levels of meanings—from those relatively observable to those mostly invisible). Table 1 summarizes this "levels-of-meaning" approach as a conceptual framework of hierarchical levels and component ideas.\*

Let us briefly examine this framework. At the heart of any ongoing organization is a configuration of organization-specific *values and assumptions* (and associated ideology) that constitute its essential character. This core serves as the set of premises or precepts that strongly impact the vast majority of organizational thought and action. Values are the collective sense of what should be striven for or avoided, and the real ideals and standards and sins of the organization. Assumptions are the shared premises on which the dominant coalition bases its world views. Assumptions, therefore, refer to very basic things: the nature of human relationships, the nature of truth and time, the nature of human activity, and whether certain classes of people should be given preferential treatment. A central value and assumption always has to do with change—whether it's really possible

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\*Schein (1985), for example, specifies and labels three levels: artifacts and creations (technology, art, visible and audible behavior patterns), values, and basic assumptions. Dyer's (1986) three levels are artifacts, perspectives (socially shared roles and norms), and values and assumptions.

or desirable as well as who should initiate and manage it. This core level of meaning is essentially "taken for granted" and to know it we infer its components from other, more visible things.

A middle level of meaning comprises organization-specific *strategic beliefs*. Strategic beliefs refer not to the long-range plans or strategic pronouncements of organizational spokespersons, but rather to the fundamental "oughts" in the minds of the influential organizational leaders. There are four basic types of strategic beliefs (Lorsch, 1985):

1. Beliefs about strategic vision (i.e., what the organization can become and do and what it will not attempt)
2. Beliefs about capital market expectations (i.e., convictions about what is necessary to keep lenders and investors satisfied)
3. Beliefs about product-market competition (i.e., understanding how and why the organization can succeed in its task environment and industry)
4. Beliefs about internal managing (i.e., the appropriate operating practices that support the other beliefs)

Strategic beliefs, let us emphasize, reflect on the one hand the cultural core, and on the other hand actively condition the most surface or visible level discussed next.

Every organization or significant subpart that has some history will have developed a set of organization-specific *manifest elements*, which are relatively visible in that some careful, systematic listening and observing will reveal them. There are:

1. Symbolic artifacts (i.e., meaning-infused objects)
2. Unique language elements: a unique vocabulary (jargon), slang (argot) as well as sayings and slogans—and their nonverbal counterparts
3. Organizational stories about significant persons and events—some true and some elaborated, such as fictional myths and heroic sagas
4. Repeated social events—rituals that reaffirm and mark what is important and ceremonies that signify key transitions or enable something deemed important to happen more easily
5. Patterned conduct—the norms, conventions, and customs that inform members about appropriate behavior and the preferred style of relating

Collectively, these manifest level elements predispose members to experience organizational events, activities, and things in certain ways, to identify problems in similar ways, to perform within acceptable limits, and to strive toward common purposes. Experiencing the manifest culture, members over time come to acquire and share a unique common psychology familiarly understood as organizational "know-how."

While the levels-of-meaning approach outlined above frames our understanding of organizational culture, we must emphasize three further points. One is that it is easy to fall into the view that there is just one organization-wide culture. While most organizations do have a more or less well-developed "umbrella" culture, it is also true that most subsystems have a culture also, e.g., departments or divisions, major layers of management, or major occupations (Gregory, 1983; Louis, 1983; Wilkins and Patterson, 1985). We must also be alert to the degree of congruence between subsystem cultures and the umbrella culture.

The second point to emphasize builds on the first—organizational and subsystem cultures may vary considerably along a continuum of intrasystem clarity and consensus. Some cultures, regardless of their size, have members whose meanings are consistent and agreed on, while the members of other cultures hold differentiated and multiple meanings.\* The point here is to not assume an interior intrasystem consensus of meaning.

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\*This continuum actually simplifies matters. Frost et al. (1991) identify three major perspectives on organizational culture: "integration" (where the meanings of the dominant coalition are more or less shared organizationwide), "differentiation" (where meanings overlap, collide, or coexist across subsystems), and "fragmentation" (where meanings are usually multiple and more ambiguous across all units of analysis from person to organization).

The third point to emphasize is that unpacking the levels of meaning and identifying meanings is quite difficult since such interpretive sense making about culture always reflects the culture of those doing it. This last point shifts our discussion to how we go about discovering organizational culture, which will be the focus of the next section. Before that, however, we need to further clarify why the phenomenon of culture exists at all.

### C— *Functions of Organizational Culture*

What does organizational culture contribute to an organization and its members? Organizations share common issues and tasks—from survival in their external environments to managing their internal affairs, from handling crises to inculcating new members, from dealing with growth or decline to maintaining morale, from measuring performance to renewing product/service offerings.\* Organizational culture in one sense provides the organization's solutions to these issues and tasks. What has been found to have consistently worked over time is symbolically expressed and maintained through patterned behaviors and devices as guides to future actions. Culture, therefore, is what is taught and reinforced, typically unconsciously, to members as the proper way to perceive, think, feel, and act in relation to the organization's ongoing and recurring issues and fundamental tasks. As such, culture becomes both the source and the vehicle of organizational meanings.

Through its meaning-infused symbols and patterned activities, organizational culture provides much that is invaluable to organizations and members. It is, as mentioned, that which defines the uniqueness of the organization and serves as an organizational identity, or the meaning of who we collectively are. It also provides that which enables members to create their organizational identity. Organizational culture is also the basis for order and direction as well as coherence—the meanings of where we are going and how we are related.

Culture, as core or central meanings, provides the rationale and supportive reasoning for an organization's mission, strategy, and policy—in fact for all required activities and responsibilities. It says, in effect, what we are jointly about and why we bother doing it. As cultural meanings are acquired by members they serve to mobilize, guide, and control human energy. Members learn what is generally expected of them as members—their understandings of what is appropriate and inappropriate behavior. Organizational culture as meaning also fills the void of uncertainty too, and is therefore the primary source of anxiety reduction for members and others (e.g., the organization's stakeholders). Organizational culture is functional in that it provides meaningful response to the sorts of questions that pervade human existence: Who are we? What are we about? How should we behave?

### III— *Toward Surfacing Organizational Culture*

With both the concept of organizational culture and a way of thinking about it clarified, we now turn to culture consultancy. Immediately, we need to put culture into a change perspective.\*\* Later, in turn, we will discuss the rationale, consultant roles, and interventions for surfacing culture.

### A— *Organizational Changes and Culture*

Consulting, in its essence, assists organizations in dealing with three fundamental tasks: managing internal affairs; responding to and surviving in their external environments; and anticipating and preparing for the probable future. The first of these tasks, managing internal operations, is primarily a matter of continuously making internal adjustments. These adjustments are essentially actions which attempt to get intentions into line with actualities such as efforts to see that goals are met

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\*Schein (1990) provides an alternative listing of the external and internal tasks facing all groups and, by analogy, organizations.

\*\*The following is adapted from Lundberg (1988).

and plans and standards followed. Internal adjustments are based on the distinctive competence of the organization (i.e., the level and pattern of the organization's resource allocation and the specific skills of its members which enable goal achievement). Consistency of adjustment tends to preserve organization coherence as well as support the second fundamental task of environmental survival. This task is largely a matter of adaptation. All organizations are environmentally dependent—for resources, for markets, and for satisfying their external constituencies. As environments become complex and changeful, organizational adaptation through continuous realignment with relevant portions of the environment becomes a major concern of management. Environmental scanning has, of course, become a commonplace requirement for organizational survival. The third fundamental task of organizations derives from the modern circumstance of continuous, increasing environmental complexity, interdependence, and, sometimes, turbulence. It primarily requires organizations to anticipate and deal with the unknown—to foster an organization that anticipates its probable future.

These three fundamental organizational tasks of adjusting, adapting, and anticipating suggest that we differentiate change into three conceptually distinct types—organizational change, development, and transformation. Organizational change deals with the phenomenon of adjustment (i.e., those activities and processes designed and activated to bring performance into line with previously established goals, standards, quotas, benchmarks, and the like, or to revise these standards, goals, and so on). Development focuses on those activities and processes designed to achieve a better alignment between the organization and its relevant environment. Typically, this means modifying transactional relationships so they become more appropriate, and hopefully more advantageous. Development of course almost always requires change as well. Transformation includes those activities and processes through which the basic character (i.e., the culture) of the organization is modified so that its structures, strategies, and systems will be appropriate for the anticipated (i.e., most probable) future. Transformation, we note, almost always requires both organizational change and development.

Each change type (change, development, transformation) both corresponds to a fundamental organizational task (adjustment, adaptation, anticipation) and tends to focus on one of the three levels of cultural meaning outlined earlier. Organizational change, therefore, means internal adjustment within and between the systems, relationships, structures, and other formal aspects of the organization, but also in the components of the manifest level of meaning. As tactical actions are implemented, members perceive and interpret these experiences in terms of the meanings of the culture, and as these actions are judged successful, sometimes they modify everyday meanings. Over time, when a succession of problems has been successfully dealt with, the web of meanings of the manifest components can be substantially altered.

Organization development, the change type that is concerned with improving the organization–environment alignment, means new strategic action is called for. Strategies, of course, serve as organizational aspirations, guiding everyday (i.e., tactical) actions and decisions. The premises of new successful strategies are incorporated into the set of strategic beliefs either as replacements or as additions. This modification of strategic beliefs impacts on subsequent planning activities but also modifies the manifest culture too.

Anticipative changes or transformation begins with the growing recognition that the way the organization sees and comprehends itself will not be sufficient in the future. Sometimes this occurs when current actions are suspected of being an insufficient response, sometimes problem-solving efforts seem to create more or larger problems, sometimes the diagnosis in preparation for a major organizational redesign hints at future conditions now unknown but which are judged to have an impact. Whatever the stimulus, if panic and defensive reactions are not the response, widespread concern is mobilized and members realize the need for a new vision of the organization—a vision of a more appropriate organization for a probable future. With a vision and a transition strategy (Beckhard and Harris, 1977; Lundberg, 1985) a new mission, new long-range plans, structural redesign, new policies and structures, and any number of tactical interventions must be implemented. The magnitude and number of things changed means that the elements and configuration of the culture core are usually altered and the set of strategic beliefs modified—a rare but truly transformational process that enhances organizational sense making throughout. Table 2 summarizes these three types of changes and their culture modification counterparts.



**TABLE 2** Organizational Changes and Their Cultural Impact

Fundamental organizational task	Type of change	Primary level of meaning affected	Primary change focus	Change outcomes
Adjustment	Organizational change	Manifest	Tactical actions modify meanings	More effective management of internal operations
Adaptation	Organizational development	Strategic beliefs	Reformulation of strategic premises	Improved organization-environment alignment
Anticipation	Organizational transformation	Core values and assumptions	New vision of the cultural core	Enhanced organizational sense making and anticipation

Source: Lundberg, 1988.

Five key considerations in contemplating development or transformation will determine an organization's readiness and strategy for change. First, highly committed, influential leaders increase the probabilities of changes. Second is the perceived need for change. Here, changes may be perceived as ranging from something that could be done (i.e., it is optional) to crucial—even mandatory. The third consideration is the perceived time frame for accomplishing the change. The range here can vary from immediate to very long, with corresponding feelings of urgency or leisure. The fourth consideration concerns resources available for implementing change over and beyond normal operating requirements. Resources refer to finances, member energy, etc., and importantly, to change competencies. Again the range may be considerable. The fifth consideration relates directly to change competencies. Do members or others (i.e., consultants) have the knowledge and skills to appropriately diagnose, guide, and/or implement change related actions?

### **B— Why Bother to Surface Organizational Culture?**

Many agree that management, in essence, is the process of defining goals, comparing these intentions and hopes for performance with what is actually occurring, and then acting to reconcile the two. Organizational consultancy depends on a parallel process—diagnosis (the discovery of what is actually happening and what is desired and comparing these), action planning (designing how to move from the actual to the desired), implementation, institutionalization, and assessment. In management and consultancy the crucial first step is to surface relevant information. This process, long familiar and well codified in management consulting and organization development (e.g., Greiner and Metzger, 1983; Schein, 1969; Beckhard and Harris, 1987; Cummings and Huse, 1989), can be extended to organizational culture.

Surfacing organizational culture is undertaken for many reasons (Lundberg, 1990). Sometimes it is simply as imitation or curiosity. Influential members hear about organizational culture work elsewhere and just want to know about their own. Sometimes culture surfacing is seen as an efficient socialization device for newer members or to assist geographically or functionally dispersed members to become reacquainted with the central reality of the organization. Sometimes the activity of culture surfacing develops greater cohesion among the management team—for itself or in anticipation of or as a basis for other executive actions such as executive recruitment, long-range planning, or other planned renewal activities.

Regardless of the reasons for engaging in culture surfacing, it is itself an intervention. As members become more aware of their organization's culture, this awareness contributes to the body

of information on which everyday decisions and actions are based. This cultural awareness typically leads to subtle as well as intentional self-correcting behaviors—reinforcing things seemingly congruent with the culture and altering those not. Culture awareness often contributes to the thinking behind other programmatic redesign activities too. Culture surfacing can and sometimes does prepare members for deliberate organizational diagnosis. These several functions, from indirectly reducing managerial decision variation to directly contributing to organizational diagnosis, suggest that culture surfacing activities not only may have utility to managers but may also be an important addition to a consultant's repertoire.

C—

### **Consultant Roles**

If culture is central to the management of internal operations, environmental adaptation, and appropriate organizational anticipation, it follows that members, especially management, often need to be aware of it, and understand how it permeates organizational behavior and what they can and cannot do to modify it. It further follows that internal and external consultants must be able to assist members in their thinking and actions with regard to culture. Culture-related consultancy services are already available and there is a growing literature on culture identification and change.\* But what does it mean to be a cultural consultant—what are the roles available for working with culture?

Cultural consultancy involves three broad roles, each with several functions. We label them *cultural spokesperson*, *culture assessor*, and *facilitator of culture modification*. While these roles will be discussed separately below, we hasten to point out that they are often combined by skilled practitioners.

The role of cultural spokesperson is essentially one of education and advocacy. The consultant as spokesperson actively assists organizational members, especially managers, in several ways. One is to help members appreciate the symbolic importance and impact of organizational events, persons, things, and actions. Another way is to educate members on what culture is conceptually. This involves providing the ideas and frameworks that enable organizational members to think about their organizational behavior in cultural terms. Part of this includes being sensitive to and correcting the many fictions about culture currently rampant in the managerial folklore (e.g., that strong cultures lead to excellence, that culture change is easily or quickly done, that organizations have just one culture). The consultant as spokesperson also interprets the meanings of organizational objects, practices, and events. This ongoing articulation may, on occasion, go further by giving words to what the system fundamentally is (i.e., providing leadership in "articulating the vision" of the enterprise; Bennis and Nanus, 1985). Spokespersons also help their clients to understand how their organizational culture fits in with the industry, relevant occupational, community, and regional or national cultures in which it is embedded. As new members join the organization, cultural spokespersons are active in the acculturation process (i.e., going beyond showing which ropes to know and which to skip to providing the legacy of meanings behind them. Clearly, the several ways the cultural spokesperson role is enacted is particularly functional—even critical—when mergers and acquisitions are being contemplated or implemented. Consultant spokespersons, in general, serve their clients as an ongoing cultural conscience, reminding them in a variety of ways that all aspects of organizational life are meaningful and cannot be ignored.

The consulting role of culture assessor involves assisting the client organization in knowing its culture. This may take the form of assisting managers to decide when it is functional to systematically identify their culture and, as needed, to provide technical assistance or appropriate methodologies. The cultural assessor role may also assist in training organizational members in data gathering and analysis, guide the inquiry process, and even provide an independent check on aspects of the culture adduced. Assessors are thus central in championing the culture-surfacing process. Even without being part of any systematic cultural assessment, consultants who appreciate the assessor role will gather and order their own observations on the organization's culture in an ongoing fashion—

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\*See, especially, Schein (1985), Dyer (1986), Wilkins (1989), Ott (1989), Kilmann et al. (1985).

thus improving their counsel on the cultural significance or consequences of any managerial or change proposal. In general, the assessor role acts on the dual premises that knowing the culture reduces managerial errors and occasionally making the culture known tends to enhance both organizational coherence and direction.

The facilitator of cultural modification actively assists organizational members to modify some aspect of their organization's culture. There are several ways this role may be performed. First, the facilitator, like the assessor, assists clients here in "processing" their culture (i.e., periodically bringing to general awareness what the culture actually is). With this enhanced awareness, subsequent actions are more likely to be culturally congruent. Such processing also is functional as a socializing mechanism for newer members. A second way the consultant facilitator may work is to help management think through the cultural implications of their goal setting and strategic/tactical planning. Goals and plans always serve as general organizational aspirations, so they should consciously reflect any desired cultural shifts. The facilitator essentially asks managers to be as clear as possible about what they are trying to promote culturally. The consultant's role here is to help the organization to determine what is culturally feasible (i.e., when change agendas are proposed, they ask if it is consistent with the culture, or initiates manifest level culture work, or work that increases or decreases the strength of the cultural core). Sometimes this means the facilitator is protective of key cultural elements and at other times he or she initiates the mobilization of concern and energy required for developmental and transformation efforts. Helping managers and other leaders to create a new vision of a desired culture and then implement it involves seeing that they do a number of things: that culture assessment occurs; the probable future environment is clarified; a desired culture is formulated; a transition strategy is developed; the requisite redesign of strategies, structures, and systems goes forward; and planned interventions are implemented. The consultant who facilitates cultural modification also needs to be aware that several vital activities in support of modification also occur. These include providing substantial personal counseling as personal security is threatened by changes, legitimating and facilitating members' grieving for lost cultural elements that are replaced as change goes forward, and as cultural modification is typically a long-term process, seeing that sufficient attention and energy continues to be invested in the endeavor.

**D—**

### ***Interventions for Surfacing Culture***

The activity we have called surfacing organizational culture involves the gathering of information and its interpretation. But what information is to be gathered and interpreted? Who gathers and interprets? How is information gathered and sense making accomplished? The possible answers to these questions outline the array of interventions for culture surfacing. Before describing interventional methods, however, we should step back and note the array of beliefs which ultimately condition a consultant's interventional choice.

Considerable variation exists about what constitutes interpretable information. At one extreme are those culture investigators who rely on the descriptions and interpretations of organizational members. Davis (1984, p. 11), for example, asks "as many people as possible, one at a time, if their company has a culture. My next question is, "Can you tell me about it?" Then there are investigators who interpret concrete behavior, for "managers cannot be asked what they believe but must be observed believing" (Sapienza, 1985, p. 69). Lorsch (1985, p. 99) is one of these, for he believes "the emphasis [is] on what managers believe as evidenced by their actual practices, not on an idealized view of the company." Sathe (1985, p. 69) agrees: "The internalized beliefs and values that members of a community share cannot be measured easily or observed directly, nor can what people say about them be relied on when deciphering a culture. Other evidence, both historical and current, must be taken into account to infer what a culture is." Finally, there is the other extreme which relies on interpreting patterned behavioral forms largely out of member awareness. Trice and Beyer (1984, p. 664) exemplify this belief that "studying organizational culture requires a careful search of subtle, elusive meanings—not in the overt, conscious attitudes and explications of its members, but in the latent expressive implications of the cultural forms in use."

Information gathering is of course a matter of sampling. Large or small samples will reflect the time and resources available, but also other choices such as whether to sample situations or

members, to do this randomly or selectively, and whether one believes in sampling normal conditions (focusing on repetitive experiences) or "unusual" conditions (focusing on disruptions or contrast experiences, e.g., Louis, 1985).

Information gathering will also be conditioned by beliefs of whether information should be gathered which provides a general understanding of a culture as a whole or by focusing on cultural components and aggregating them. Wilkins and Patterson (1985, p. 280) exemplify the former belief: "We suggest that a reasonable first step is to provide a means for key actors to talk about their views of what is unique and valuable about the company." Examples of those who begin by investigating cultural components are scripts and language (Weisbord and Kiesler, 1984), metaphors (Krefting and Frost, 1985), symbols (Louis, 1983), myths and stories (Mitroff and Kilmann, 1976), legends (Wilkins and Martin, 1979), and rituals and ceremonies (Trice and Beyer, 1984).

While information of many types can be and often is gathered toward the end of interpreting and thus bringing to awareness culture, information and interpretation always reflect the conceptual frameworks brought to bear. These frameworks will vary from the very simple [e.g., Davis's (1984) two categories of daily and guiding beliefs, to the more complex, e.g., the Figure 1 levels of meaning framework]. Such frameworks are almost always introduced by the consultant.

Surfacing organizational culture at present takes two general approaches. One is a cultural assessment or audit (Lorsch, 1985; Schein, 1984) undertaken by or under the guidance of a consultant. Even a minimal assessment, however, is a major investment—the time and energy to observe, interview, examine documents, order information and draw meaningful inferences, and cyclically check interpretive statements until most members confirm them can be extensive (Sarason, 1982). While this "iterative clinical" approach (Schein, 1985) is the most common, sometimes it is either augmented by or partially substituted by instruments [e.g., Kilmann's (1984) culture gap survey, Quinn and McGrath's (1985) competing values survey, Enz's (1986) values survey] or an instrument generated after initial interviewing (e.g., Woods, 1989). Whatever the kind and amount of information gathered, or whether the methods are ethnographic, clinical, or surveys, the key to cultural assessments is the teasing out of the values and assumptions that constitute the organization's deep meaning. Here the triangulation of multiple methods and the successive confirmation of repeatedly refined interpretations by motivated and informed members are helpful.

The other general approach for surfacing culture takes one of three kinds of workshops. One type begins with an investigation of the manifest culture by a consultant with or without the assistance of qualified members. This information is feedback to key members, usually managers, but usefully representative of the whole organization, and tentative statements about strategic beliefs and core values and assumptions are derived until a consensus is achieved. A second type of workshop, facilitated by a consultant, begins with the management or an organizationally representative team actively eliciting their culture by first generating lists of manifest culture components and then deriving statements of strategic beliefs and finally statements of core values and assumptions (e.g., Lundberg, 1990). The third workshop type also involves organization members from the outset; the consultant introduces a culture framework and the group generates culture data and together interprets it and plans further data collection—this cycle repeats until a collaborative culture analysis exists (e.g., Marshall and McLean, 1988). Key to all forms of workshops is the motivation of the participants and uninterrupted time. For maximum effectiveness, these workshops also need to be authorized and attended by one or more ranking organization members. The facilitating consultant obviously needs a sensitivity to and skills about small-group dynamics.

Culture surfacing activities often hinge on their compatibility with the prevailing culture. Where the organizational culture positively values change and/or openness, surfacing activities proceed easily. When surfacing activities run into snags, consultants are well advised to use such information as a clue about core values and gently explore its cultural implications with informed insiders.

#### **IV— Concluding Commentary**

Organizational culture will become an increasingly important phenomenon for consultants to understand and work with. Being able to help organizations decipher and appreciate their cultures is more

and more necessary to understand change and resistance to change. Many organizational renewal and enhancement programs that failed probably did so because they ignored cultural forces. All human resource activities, the design of reward systems, jobs, and organization design itself require an understanding of how organizational culture influences present and future functioning.

This chapter has attempted to provide a sense of what organizational culture is, how it may be usefully conceived, and has sketched those consulting activities that permit culture to be known by organizational members. An enhanced attention to the symbolic side of organizations serves members in times of relative stability, but especially during times of organizational change, development, and transformation. The activity of surfacing culture, while only recently enacted, extends what has always been skilled management and consultancy. No doubt this activity will continue to be elaborated and refined as consultants add it to their repertoires. As explicitly working with and through organizational culture gains recognition, culture surfacing interventions should become more and more central to consultancy effectiveness.

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94—

**Cross-Cultural Perspectives**

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Three and a half decades span the time that we first arrived to live and work in Asia in 1955, newly married, my wife Ronnie, newly pregnant. This span approximates the forty years of independence experienced by ex-colonial countries. I want to stretch this reflective history back another decade or so to include some of what I brought with me then: my five wartime years in England as machine operator in an engineering factory, followed with four years up and down coal mines, docks, and other settings in which people live and work, my beginnings in cross-cultural work (on European cooperation) and my first sabbatical in a university—a Ford Foundation-funded fellowship for practitioners to the Harvard Business School. Both the Tavistock Institute in England and NTL (the National Training Laboratories) in America were born during that decade and I had early associations with them. "Experiential training," "T groups," and "turbulent environment," as well as other concepts now quite familiar stem from that time. Harvard added the case method for training managers.

I—

**Six Early Themes for Developing Trainers**

Through these early experiences six themes became clarified as basic in good training and as basic qualifications of good trainers. We brought these with us to India and they strike me as still important today:

1. Familiarity with "the field," with actual living and working—for close contact with people, events, and their settings, accuracy, and a comprehensive "feel"
2. Periodic fresh looks/new angles/different settings—for keeping appreciations alive, vivid, and not taking much for granted
3. Reflecting on who am I, who is looking, acting, omitting, avoiding—for ensuring reliability and power of "the instrument," which is the practicing trainer
4. Monitoring one's practice: relentless recording and data-based reviews—for safeguarding against self-closure and fabricating one's own world
5. Major time for reflection/sabbaticals—for deepening/change of fear/understanding and for building on major experiences
6. Significant close collegueships—for support and double-checking one's practice

With these themes in our heads we started Aloka, an international training center for men and

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Adapted for this volume from the keynote presentation at the Ford Foundation-organized National Conference on Training, New Delhi, India, April 1988.

women in their early service careers in governmental as well as voluntary agencies in the newly independent countries of Asia and Africa. The program consisted of a 12-week residential course (repeated three times a year) with all the opportunities for decision making that manual work, field projects, interactive training methods, and cooperative living arrangements offer: intensive work on interpersonal relations and personal development; and case sessions, for studying detailed data and for generalizing from experience. One course was largely tape-recorded and provided detailed material for a book (Lynton, 1961). Indigenous cases with teaching notes for them made another (Lynton and Lynton, 1961). Over 6 years, 360 participants came to Aloka from 25 countries; 17 of them came for a second time or more as faculty members, and four of these we still have as active colleagues and personal friends. At the end, on another quasi-sabbatical, I involved myself for some months in the USA in developing therapeutic communities and doing some personal psychoanalytical work.

## II—

### Confirmation and Changes at Aloka

Several learnings continue to be significant to us from that time. How eager, driven, and committed the young leaders of the emerging nations were—the independence generation!

Their views and descriptions of action situations were full of vertical, superior–subordinate relationships and short of collaborative relationships. So, after meeting up with Tavistock colleagues again, in Ahmedabad, we changed from T groups to psychoanalytically based S groups that keep attention focused relentlessly on authority and dependency issues.

Teachers especially were stuck in authority relationships; they were also most adept at hiding behind words. So we abolished separate courses for them and mixed them into the rural or urban programs according to their institution's location.

Cross-cultural compositions helped in training; they legitimized differences between people and encouraged exploration.

After initially finding nonjudgmental, collaborative relationships confusing and upsetting, participants quite quickly eased into them with joy, committed themselves to using them, and became—most of them—permanently good with these new relationships.

Recruiting participants to come in pairs, and successive pairs from the same organizations, made a bare beginning to developing support for Alokans to put their learnings to maximum use when they returned home. Consequently, building support systems as well as organization development had to move to the front in training.

Training need not cost too much (Aloka's yearly budget, including international fares for 80 participants from African and Asian countries, was about \$160,000 a year) and on many grounds that economy was an important element in the training.

## III—

### Four Themes for Building Institutions

Since the Aloka days, institution and system building is where my efforts have mostly gone. Training face-to-face we know how to organize and do tolerably well. However, we do less well in providing the back-home support that is obviously needed for learnings to affect work, family life, and public affairs.

My 5 years of helping start Siet Institute in Hyderabad made a mere beginning in that direction. As far as institution-building is concerned, the Institute developed in a way that was supportive of its well-trained faculty and of the significant learnings of participants during the 12 weeks they were there. During my time, Siet remained less prepared for promoting and supporting the same learnings system-wide in the ministry and state governments in which attendees were anchored. I have often wondered about my part in this limitation, by deed and by omission, for it left the Institute walled in. In the same way, numerous small and not-so-small "projects" and organizations remain walled-in, in India and elsewhere. Inadequately related to the political and bureaucratic environments, they



neither scale up nor multiply nor influence large-scale services and broad policies anywhere nearly as much as their intrinsic excellence warrants.

Through its training programs Siet Institute (now NISIET) confirmed in a fresh setting what we knew about training. It also added at least four dimensions—institutional ones—to the six earlier learnings about training:

7. It is feasible as well as important to build faculty (even in quasi-governmental institutions) through individual, team, and professional development. (At this institute, for instance, new faculty first were participants in a 12-week program. Also, faculties from six new management institutes in India held a joint 2-week faculty development program.)

Siet Institute is alive for me now most of all for the quite astonishing crop of lifelong colleagues I gained there. Now dispersed to diverse places and sectors, they are mainstays of my network of close colleagues in India. Five came to work with us in Indonesia.

8. A training institute can also be seedbed and nursery for broad creative innovations (e.g., area and small-town development; achievement motivation programs for spotting and encouraging promising entrepreneurs; early and—at the time much abused—work on appropriate technologies).

9. It is feasible, too, to identify an institute's "relevant environment" (Eric Trist) and to systematically monitor and manage the interactions with its many parts. Indeed, I recorded 148 individual and organizational relationships that mattered to my own "task" and "role" in 5 years with Siet.

But the fourth new learning—a daunting but essential one—I gained only when I analyzed the voluminous scoring and the accompanying documents in the course of the sabbatical and doctoral studies that followed. It amounts to a stark strategic fact.

10. Institution development does not itself lead to system development, in step-by-step fashion, and may in fact get in the way of it. Or, in conceptual terms, an institution is only a subsystem in the larger system it has been created to influence, and it needs to develop and also maintain mutually beneficial linkages with that large system, if that beginning promise is to hold hope. Once neglected, deficiencies on that score are terribly difficult to make up, for they signal a faulty, disdainful independence and invite retribution.

Training in this larger context—for effecting change in institutions and through them in the larger society—has preoccupied me in the second half of the last four decades. With this perspective I helped develop a Population Center in a U.S. university and, from that base, a network of such centers around the world, a development-oriented graduate school in Colombia, a community-oriented new school of public health in the American South, a national professional association for maintaining quality of practice; and then, back in Asia, training capacities in eight Indonesian provinces, which are very large units indeed, as well as in four Indian states and recently in two African countries.

To expect training to contribute to improving things on a large scale is surely warranted by the very large efforts and expenditures that go into it. These were already massive by the mid-1960s, when we estimated them for our book (Lynton and Pareek, 1968). Training camps were then funded annually in India for 700,000 village leaders and there were 4000 training institutes just for industry; we estimated the costs for all training efforts in India then at \$800 million per year (including participant costs, as one must). USA's spending, incidentally, was twice that figure then, and *that*, we estimate, is India's total cost now, 20 years later (Lynton and Pareek, 1990).

The training apparatus and its costs have more than doubled; more staff colleges and institutes of management have been started and others have increased in size. That apparatus has greatly diversified too, and spread, e.g., programs in *social* forestry and for *women* in management, "institutes" for English language training and computer training in small towns, advertisements daily for high-priced training programs in five-star hotels. Twenty-five institutions are carrying out the national program of required training for all offices of the Indian Administrative Service. The four-

states project on which I worked in 1988 included training for 38,000 health workers and the same ministry was negotiating a \$60 million loan from the World Bank for developing training institutions in just three states. Such a massive enterprise should propel development forward, noticeably and significantly.

**A—  
Frames, Focus, and Roles for Choosing**

I can summarize schematically the successively larger views I have described and indicate some important implications they may have for program contents and trainer roles. The graphics in Figure 1 help me guard against some costly simplifications, and they may also be useful to readers for raising questions and for visualizing some issues to work on (see Figure 1).

The first shows different *frames* for training—the universes training seeks to affect and therefore focuses on. The series starts with helping individual learning (A) and ends with affecting change in society at large (E). In between are the small group (B), institution (C), and large system (D) frames I have described earlier.

Each frame here includes participants relevant to it and also their relevant environment(s), i.e., all that will make it possible for participants to use what they learn. That condition met, any of them can be appropriate, depending on one's purpose. If one's purpose is to improve organizational performance, the proper frame is D and if it is using training for empowering laborers, for reducing widespread inequities and deprivation, it is E, which is open-ended even if the graphic suggests a tidy finiteness.

Working in a larger frame does not mean discarding the smaller frames, for training is effected through people in limited numbers and settings. It does mean choosing participants and sequencing programs with an eye to effecting change(s) in the larger frame. In fact it means the opposite of discarding: the larger the frame a particular purpose requires, the sounder, deeper, better prepared need to be the people, groups, and organizations involved. The reverse arrows in the figure suggest that.

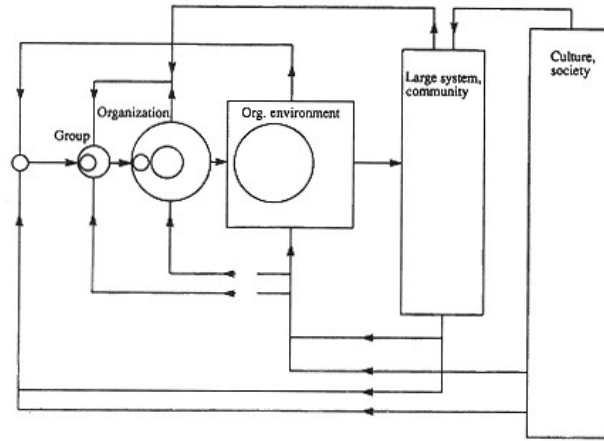
The same is true for the second roughly historical sequence for *program contents*. One may have started with the simply technical, e.g., learning computer language or psychology. Relationships are then involved in putting technical competence to use. And clarity of vision, judgment, and values (personal development) has to be developed to a very fine degree for working effectively and with credibility in public affairs. Each stem *adds* an important dimension. In addition to settling on the appropriate frame(s) for the work, the consultant has to visualize intervening at the right *depth(s)* for intended change to have a reasonable chance to be significant and lasting, and to negotiate for no less (Tannenbaum, 1990).

The third sequence, on *trainer consultant roles*, bifurcates. Trainer facilitator/counselor seems one direction, while trainer organizational consultant large-system consultant sketches another.

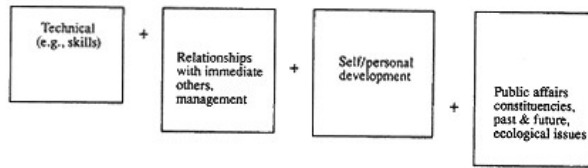
**B—  
Contradictions and New Resolutions**

While developments along these lines have taken place and also proven themselves here and there in training and consulting in my several decades—I have experienced some myself, know about others—some limitations and obstacles have also become clearer. They too seem common to the field around the world, attached to the profession like occupational diseases. Five deserve mention here because they are common in my experience; some, perhaps all, may be different facets of the same disease.

1. Training and consulting continue to cluster on the left side of the diagrams, i.e., in the simpler frames, far away from opportunities to effect organizational or even societal change.
2. The commercial, highest fee sectors attract undue proportions of training efforts, while social development gets very little.
3. While several starts have been made with training methods of proven usefulness, with



**TRAINING CONTENTS**



**TRAINER, CONSULTANT ROLES**



Figure 1

Schemata of frames, focus, and roles for training programs and trainers.

training of trainers to use them, with technical assistance, etc., those requiring rigor and sustained application and institutional support barely maintain themselves and continue way below the need for them. Experiential, T, and S groups and case teaching method are examples. Indeed, the field is full of standard programs and exercises, used quite mechanically. The same is true in institution and system consulting, to the neglect, for instance, of strategic planning and networking to share resources. Frames are often too small, depths

of work too shallow, and interventions too brief and unsupported to address the tasks. This is the case many times even when the tasks are stated clearly.

4. Rigorous evaluations of results remain rare, and so does the monitoring of professional practice for oneself as well as learning among colleagues. Quality control through professional associations interests only a handful of practitioners out of thousands. Almost any program passes for good enough and attracts participants, fees, and funds.

5. Ineffective institutions neither improve nor are closed. Instead, additional institutions are started. Top-rated staff leave one for the other; after several disappointments they set up in independent practices, isolated from colleagues in institutions. Others stay and atrophy.

These are all traits characteristic of low energy, weariness, and also wariness. They raise questions about prevailing values, personal and professional commitments, and readiness in fact to engage in significant development, with the associated risks. That very large funds nonetheless continue to flow into training and consulting suggests that important people are content to keep things quiet and safe, even in the face of dissatisfaction; a sort of colluding with quietness. Funding often goes to assorted, even energetic and exhausting activities instead of for truly developmental action.

I recall a wise speaker in a vast convention hall saying that in times of difficulty and uncertainty we have to "listen to whispers." Well, good things are happening all around us also. In massive numbers people have engaged themselves in significant learning in the last two of the three decades independent of trainers and formal institutions. They have changed their agricultural practices, for instance, and women's roles in society, highlighted environmental concerns, learned to take personal exercise and to limit family size. What decision makers and actors all over the globe determine to learn they evidently have ways to find out, through media, friends, independent study, and learning through trying.

Examples of effective training exist in many places. They need to be identified and studied. We need to link up more. In the new edition of *Training for Development* we emphasize intervention *strategy* (over program and institution design), organizational *support*, putting all resources together into *systems*, and influencing culture-wide *norms*. Across all the dead patches and perversions in the field we continue confident that training and consultation can contribute significantly to development, in actual practice, and we try to make that telling connection ever tighter.

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95—

## A Model for Negotiation

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Negotiation is a fact of everyday life in the course of personal and professional relationships and is essential in order to cope with conflicting interests. Trainers and other human resource development professionals have a particular need for sharp negotiating skills. Whether providing guidance to management on how to negotiate employee acceptance of organizational or operational changes or attempting to influence organization leaders, negotiation is an integral part of the problem-solving process.

Knowledge about specific insights and skills which apply to the negotiation process is fragmented. This chapter describes a model of negotiating, based on the author's research and on experience with the training of negotiators, which can be used to gain insight into how negotiation actually works and as an instrument for feedback on one's own negotiating skills and tendencies. Scales are used in the original article to represent key negotiating situations and can be used to measure skill levels for handling each problem, but they are not reproduced here.

I—

### Spontaneous Dynamics

The spontaneous ways people deal with each other can be represented on a continuum that ranges from cooperation via negotiation to arguing or fighting.

Cooperation is likely if the interests and goals of the individuals involved are similar, and if the benefits are directly dependent on the degree to which resources are pooled.

Negotiation is likely when individuals' interests are different or opposed, but when there is also a high degree of dependence on an agreement that has advantages for all parties. In negotiation, parties disagree, but they are willing to come to an agreement to avoid loss or negative consequences.

Fighting is the likely strategy for reaching decisions when either party believes it can win more by arguing than by negotiating. A fighting strategy is concerned with obtaining dominance and reducing the opponent to submission.

The boundaries among these three approaches to problem-solving are not clear-cut; rather, one leads to another with areas of overlap. Table 1 clarifies the differences among the strategies.

The sensitive interplay between mutual dependence and individual interests in all negotiation situations represents a built-in dilemma. Each participant must further his or her stake in the negotiation by somehow associating it with the mutual dependence of the group.

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**TABLE 1** Tactics Used in Cooperation, Negotiation, and Fighting

Cooperation	Negotiation	Fighting
Conflict is seen as a common problem.	Conflict is seen as a clash between different but mutually dependent interests.	Conflict is seen as a question of "winning or losing," "over or under," or "we or they."
People present their own goals as accurately as possible.	People exaggerate their own interests but pay attention to possible areas of agreement.	People emphasize the superiority of their own objectives.
Weak points and personal problems can be openly discussed.	Personal problems are disguised or very circumspectly presented.	Personal problems are treated as though they do not exist.
The information provided is honest.	The information given is not false, but one-sided. The facts favorable to one's own party are deliberately emphasized.	If it can help to make the opponent submit, false information is deliberately spread.
Discussion subjects are presented in terms of underlying problems.	Agenda items are formulated in terms of alternative solutions.	Points of disagreement are formulated in terms of one's own solution.
Possible solutions are tested against their practical consequences.	Occasionally, the linking of solutions to principles is used to put some pressure on the other side.	One's own solutions are rigidly tied to higher principles.
Speaking out for one particular solution is deliberately delayed as long as possible.	Strong preference for a particular solution is shown, but a scope for concessions is self-evident.	An absolute and unconditional preference for one's own solution is expressed at every opportunity.
Threats, confusion, and taking advantage of the mistakes of others are seen as detrimental.	Occasionally, a modest and carefully calculated use is made of threats, confusion, and surprise.	Threats, confusion, shock effects, etc. are welcome at any time to reduce the opponent to submission.
Active participation of all concerned is encouraged.	Contacts between parties are limited to only a few spokes-persons.	Contacts between the parties take place indirectly via declarations.
An attempt is made to spread power as much as possible and to let it play no further role.	Power is occasionally tested, or attempts are made to influence the balance of power in one's own favor.	Both parties engage in a permanent power struggle by strengthening their own organizations, increasing independence, and dividing and isolating the opponent.
People try to understand each other and share each other's personal concerns.	Understanding the views of the other side is seen as a tactic.	No one bothers to understand the opponent.
Personal irritations are expressed to clear the air of tensions that could hamper future cooperation.	Personal irritations are suppressed or ventilated indirectly (e.g., with humor).	Irritations confirm negative and hostile images. Hostility is expressed to break down the other side.
Both parties find it easy to call in outside expertise to help in decision making.	Third parties are brought in only if there is a complete deadlock.	Outsiders are welcome only if they are "blind" supporters.

Tangible, individual interests are often pursued by using a tough strategy that antagonizes mutual dependence. Others may opt for a cooperative strategy if the situation requires caution in the interests of the position held by that party. If the various strategies brought to the negotiation are not compatible, participants begin to react to subsequent feelings in a spontaneous way that all too often leads to unconstructive conflict—fighting. At some point, they will realize that they are caught up in a spiral of pressures, hostilities, and prestige conflicts that reinforce each other and make constructive negotiation difficult, at best.

## II—

### Four Dilemmas

Between negotiating and fighting, there are dilemmas: "Am I revealing too much of my position . . . giving too few clues of my interests?" "To what extent should I trust the other party? Would any sign of distrust harm our relationship?" "Should I side with my rank and file and play it as tough as they would like?" Struggling with these questions makes negotiating stressful and frustrating, especially for inexperienced people. Insight into spontaneous dynamics and a broad arsenal of behavioral alternatives can prevent shifts toward destructive conflicts.

Descriptions of four major dilemmas for negotiators follow. Approaches to solving them are represented on a scale that ranges from cooperation to argument. Midpoints on the scales represent the optimal balance between cooperation and fighting—the approach which is most likely to lead to successful negotiations.

The first dilemma involves influencing the content of the solution by deciding when to make concessions and when to be stubborn with regard to information, debate, facts, agenda, compromises and positions. These activities have a direct relationship to tangible results and require a favorable division of costs and benefits. Subactivities in this category of dilemma include: exchanging information about aims, expectations, and acceptable solutions; influencing one another's perceptions of what is attainable; and working step-by-step toward a compromise with mutual concessions. This requires a balance between knowing when to make concessions and when to take more tenacious or firm positions.

The second major dilemma concerns a balance between the extremes of genial and hostile behavior. A constructive climate and respectful personal relationships are important to effective negotiation. An irritated or overly formal atmosphere inhibits cooperation. Trust, acceptance, and credibility, on the other hand, foster mutual dependence and cooperation. Specific ways of promoting a constructive atmosphere include: paying attention to participants' opinions; establishing informal and open contacts; behaving predictably and seriously, and not pulling any "fast ones"; avoiding situations that would cause another to lose face; and distinguishing role behavior from personal good will and mutual respect. The dilemma here is that of trusting someone else without reservation vs. running a risk of weakening one's own position and overcompromising. The optimal balance in this case is found in a kind of calculated trust, which is fully aware of the exploitative possibilities of a personal confidential relationship.

Negotiators maintain a keen awareness of the balance of power between them. How one influences the balance by being flexible or domineering represents the third major dilemma. Negotiating assumes an equality between parties. When there are obvious differences in power, however, the dilemma of coercion/exploitation vs. submission/accommodation may come into play. One party may wish to add power to his or her position, if only to test the power and resistance of the opponent or to find out what balance of mutual dependencies exists. Open attempts to influence the power balance by dominating or being aggressive usually give rise to conflict.

Among the more subtle methods of influencing the balance of power is the manipulative approach. In the manipulative approach, one party exerts subtle pressure on another's feelings or self-esteem. If done covertly enough, the victim of this tactic will not clearly understand his or her insecurity or irritation, and will not be poised to counteract the attack effectively.

Although power games increase the risk of a fight, negotiators need to test the balance of power and to recognize that they too may be tested or provoked. The challenge is to create an equilibrium

between low levels of resistance—which can be perceived as submission—and domination. This encourages dependence in a firm, but nonaggressive way.

Finally, a commitment level needs to be clearly established in order to consolidate one's position as a representative. The relationship of a negotiator with a constituent group is in itself a matter of negotiation. Constituents are often more radical than their representatives, may have exaggerated expectations, and may view their opponents in negative, stereotyped ways.

A representative who takes a tough stand inspires confidence among constituents. It may be difficult for negotiators to resist these pressures, especially when yielding to them would strengthen their own position. Being a "good" representative may mean being encouraged to fight. Tactics for dealing with these pressures are:

A void strict mandates or precise instructions by allowing only a short period of time for preparation or by keeping the subject matter unclear.

Moderate the demands of rank and file by giving tactical information on what is attainable.

Do not appoint people whose expectations are too high to the actual negotiating team.

Report results in vague or complicated terms, so that immediate criticism has little firm basis.

Exaggerate concessions of the opponent.

Use personal power and prestige.

Excessive and blatant use of these tactics would, of course, erode the credibility and support of a representative, but active balancing and appropriate application of the tactics afford the representative the freedom of action needed for advancing the group's position (see Table 1).

### III—

#### Conclusion

Training managers, organizational consultants, and other human resource development professionals have always performed a negotiative role and can only benefit from developing sharp negotiating skills. In any negotiation, at least one of the four major dilemmas will exist and some method on the cooperation-negotiation-fighting continuum will be used to resolve the issue. Insight into the inherent dilemmas of negotiation can prevent disorientation and reduce anxiety by attaching meaning to the actions and intentions of one's opponents.

The scales on which the four dilemmas are represented can serve as an instrument for feedback on one's own negotiation tendencies as well as a guide to understanding the behavior of others. The negotiator with a thorough understanding of common dilemmas and the insight to read responses—both one's own reactions and those of others—stands the best chance of championing his or her position.



96—

## Organizational Innovation as the Management of Interdependencies in Networks

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I—

### Organizational Theory

Our theoretical starting point of organizational theory builds upon the work of Norbert Elias (1939, 1994). The basic concepts are elaborated elsewhere (Mastenbroek, 1988, 1990, 1991, 1993), and these concepts are the framework of this chapter. I will briefly clarify them.

Let me first introduce a man who was an authoritative pioneer in his own time, Prince Maurice of Orange (1567–1625). Armies are among the oldest large-scale organizations, and in the period between 1590 and 1600, Maurice introduced a number of innovative organizational principles into his own army. His central problem was the discipline of a riotous soldiery against the overwhelming force of the Spanish troops in the Netherlands. The following are three examples of his interventions:

The common formation in the sixteenth century was the so-called Spanish brigade: 50 men across and 50 men deep. This square formation was completely filled with troops, so most of these men couldn't even use their pikes. Their only function was to provide moral and physical back-up (by pushing!) for the front ranks. Maurice succeeded in greatly increasing the performance of the available troops by introducing a shallow formation. This change in battle array required major psychological changes. The earlier support of the mass was lost, and vulnerability increased. Better training and tighter discipline were intended to result in the required increase in personal effort and self-confidence.

Self-confidence was enhanced by, among other things, thorough training. The use of the musket was based on a precise "motion study" of every handling procedure. The 43 (!) separate actions were classified in a series of functional acts, for which special commands were developed. Endless practice resulted in independent and fast execution.

Short, clear, and most of all standardized commands were introduced. This style of command required silence from the troops, which was something new. Not only did the troops have to be quiet, they also had to learn how to line up in fixed places in organized ranks and files, whereas previously they had been a motley, swarming horde.

In all three examples we see *a mutually enhancing interaction of increased external discipline and growing individual discipline in terms of self-control and self-confidence*. Maurice's military genius sensed exactly where earlier army reforms had failed. He gave shape to an interaction between both mechanisms. This mutual enhancement, consistently maintained over longer periods of training and also in the everyday functioning of the army, resulted in a level of strength never attained before. Victory upon victory was the result. These successes were so impressive that between 1600 and 1630 most European states adopted Maurice's reforms.

Maurice achieved increased tactical flexibility. The massive and inflexible square was replaced by a shallow formation. The disappearance of the massive back-up demanded a different type of soldier, however, one with more discipline and self-confidence, the ability to react instantly to orders, and the ability to retain group cohesion in spite of increased mobility.

*What we see here is the ongoing development of external means of control interacting with increased responsibility of individuals and small groups. Continuous discipline, formalization of behavior, strengthening of the hierarchy, growing solidarity, and increased self-control coupled with expanding responsibility are the most important behavioral changes in this context.*

Our industrial organizations went through similar developments. In his description of the emergence of the factory regime in the nineteenth century, Iterson (1992, p. 82) wrote: "*The problems for the manufacturers were first of all problems of discipline and coordination. Factory regimes are based on a tangled combination of i) coercion (from the side of the manufacturers) and ii) willingness or conviction (on the workers' part).*"

The discipline that seems so natural to us now was not in evidence then.

Bringing together men, women and children in one space implied the danger that people would get in each other's way, that arguments could erupt, sexual relations engaged in, or that they would "overindulge" in other activities which were considered debauched (drinking) or idle (games).

Labourers also had to learn to control their language: subversive and obscene utterances also posed a threat to orderly labour and they were fined heavily. The same dangers also existed outside the factory, especially in combination with alcohol consumption. So conformance with the industrial regime was indirectly threatened by "corruption of the morals" in their free time (Iterson, 1992, pp. 83–84).

These sketches illustrate the development process of modern organizations.\* Apparently we have become more successful over the centuries in combining a wide array of steering and coordination mechanisms with bigger opportunities for autonomous functioning. To express the characteristics of our organizational perspective, we now come to the following key elements:

An organization is a continually changing network of relations. What we witness over the centuries is a progressive extension and condensation of organizational networks and an increasingly complex interweaving with suppliers and customers.

A crucial characteristic of organizational relations is the autonomy-interdependence balance. From a historical point of view this balance shows a development toward greater interdependence and steering as well as more autonomy and self-organization.

Some organizations breed fruitless bickering and endless friction; the effect is stagnation. Other organizations have a mobilizing effect; they generate energy in their employees. The way the balance between autonomy and interdependence is managed offers an explanation. The tension between these two impulses can be expressed as shown in Figure 1.

Stronger interdependence,  
more steering      ← versus →      More autonomy, more  
self organization

If managed right, this dual nature of relations can become a vital source of energy and vitality. If the balance tilts too much toward interdependence, however, an organization can become sluggish and complacent; if too much toward autonomy, then disorder tends to become dominant.

The progressive extension and condensation of dependencies within and between organizations raise problems with regard to coordination and flexibility. If we cannot combine these increasing

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\*This process has been described more elaborately in a recent book (Mastenbroek, 1997). This book analyzes from a historical point of view organizational change and changes in organizational behavior over the past 500 years. Some parts of this work are available in the English language (Mastenbroek, 1996, and on the Internet: URL: <http://www.hollandconsultinggroup.com/brochure/firmenten/wm.html>).

**TABLE 1** Recommendations Related to Four Aspects of Organizations

Strategy	Concise formulation of the core activities, the company goals, and the desired type of organization (management philosophy, style of interaction, external image); clear unit policies in close relation with the overall strategy.
Structure	Units have their own (internal) customers and products, combined with responsibilities and the means to really influence their own results.
Culture	High-quality communication within and between units, close-knit teams, informal relations.
Information	Visible results for all units, knowledge of the overall results, short-cycle feedback, action-learning based on the sharing and comparing of results among units.

interdependencies with the right kind of self-organization, the effects will be increased rigidity and demotivation.

In business, different aspects of organizations are used to contribute to a sound balancing of autonomy and interdependence. Take the following four aspects:

*Strategy.* Internal and external policy in terms of core activities and goals; not merely aimed at markets and products, but also directing identity, style of functioning, and vision of management and organization

*Structure.* The composition of the organization in units and levels of task areas and authority, as well as the procedures and systems that regulate relations between units

*Culture.* Behavioral patterns, including management style and ways of cooperation and decision making

*Information systems.* Output data, quality indicators, and other data supplied by the information systems on the performance of the organization

Table 1 summarizes some common recommendations in these four areas to improve the results of the organization.

How can we monitor relations between units with a model like this? The examples in Figure 1 show important incentives. These incentives also can be rearranged as shown in Figure 2 to highlight their relation to the autonomy–interdependence balance.

This reshuffling shows more clearly how things fit together. The separate elements under the

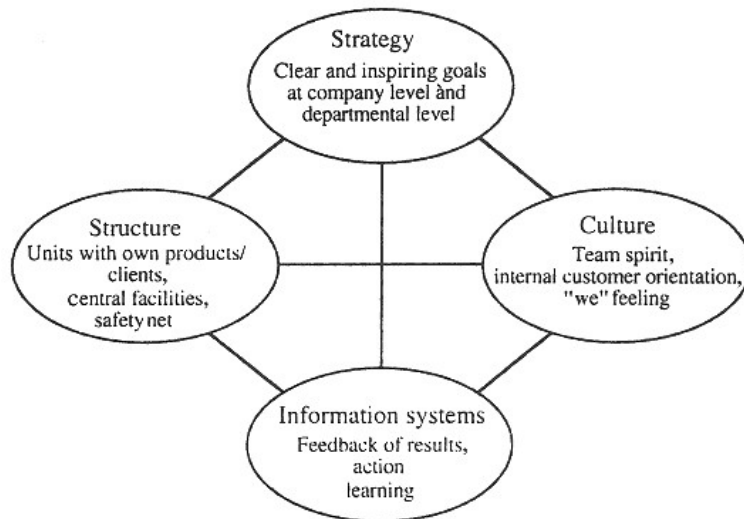


Figure 1  
Incentives for organizational success.

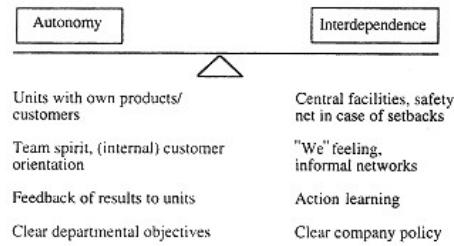


Figure 2  
Incentives highlighting their relation to the  
autonomy–interdependence balance.

headings strategy, structure, culture, and information system can be ordered in a more meaningful way on the basis of their impact on the autonomy–interdependency balance—more meaningful because this makes it easier to show how elements can be designed in a coherent and mutually reinforcing way. It is also more meaningful because of the more direct relationship with the crucial issues of competitive power and higher motivational levels in organizations.

## II— The Emerging Model of Organizations

The model of the organization as a functional pyramid or as a divisionalized structure is no longer suited for the modern type of organization; rather, we need a model that views the organization as a network of units that are free to act while retaining their links to one another. *Units are autonomous while simultaneously cultivating those interdependencies that give them a competitive edge.* In addition, organizations rely on more horizontal marketlike coordination mechanisms, one of the most important of which is the continuous feedback on results. This gives a different substance to the relationship of centralized to decentralized. The swing of the pendulum from centralized to decentralized becomes a dynamic tension balance of *both*. The direction in which the network moves, and the quality of relations within it, are shaped by the more central units, but the decentral units also show responsibility for this. The horizontal exchange and coordination in particular demand that every unit be an active network member. *This theme is repeated within units: Teams are effective only if they know they are responsible for the organizational unit; individuals can be prominent only if they feel a responsibility for the team of which they are a part.*

These processes demand certain social skills of the participants: initiative and an eagerness to show results, combined with the activation of flexible horizontal relations in which integrative potential is developed and new combinations can be formed. The abilities to negotiate constructively and creatively and to function well in teams are indispensable for this.

In its most advanced form, we see the dual nature of relations in such a horizontal network expressed at each intersection. There is a feeling of responsibility for the unit as well as for the larger whole of which it is a part. Each unit focuses on improving its own results, but it is also a microcosm of the totality and can help compensate where capacities are lacking. This type of organization is on the rise because it is better able to deal with competition. The most important reasons for this are the reduction of complexity, less bureaucracy, and the mobilization of a high energy level. *We are going through a transition to a higher integration level, one that is equipped for more complexity!* Table 2 shows some characteristics of this type of organization.

Other authors also see these changes (e.g., Grove, 1983; Handy, 1992; Miles, 1989; Pascale, 1990), but there are also important differences. First, the historical perspective shows the continuity in the development of so-called new models. There is no new type of organization! Modern organizations build on organizational designs and behaviors that have taken centuries to evolve, often painfully and precariously. Second, this model of organization incorporates change. Organization design

**TABLE 2** Emerging Centralized–Decentralized Balances*Centralized*

- Specification of the strategy (an inspiring statement of the core business and common values).
- Development of the organization in the direction of units that are responsible for their performance.
- Stimulation and facilitation of units to make their own results visible and to work systematically on improving performance.
- Attention to the quality of communication; for example, by ensuring a good horizontal exchange of results and ideas to improve performance.
- Selection and strengthening of critical interdependencies; for example, the company formula, management development, and financial systems.

*Decentralized*

- Units formulate their own performance indicators within the company strategy.
- Units set up their own plans to improve results.
- There is a high degree of unit autonomy to determine what means will be employed in what ways to achieve better results.
- Units are free to profile themselves according to their own style and identity.
- Units have sufficient resources to achieve their own plans; there is little dependency on central departments.
- Supporting services are farmed out; there is a market relationship with the remaining central services.

and change management come together in viewing organizations as a process of evolving balances. This model provides an alternative to the strategy, structure, and culture models. It shows how these aspects are related in a dynamic balance and how they can reinforce or obstruct each other.

How can we relate this model to the practice of change management? We will deal with this question in the next section. First, a brief summary. Organizations are networks of relations. Relations between units are characterized by impulses toward both mutual dependency and autonomy. Structure, strategy, culture, and information systems offer levers to generate a positive dynamic of increasing motivation and vitality. This can be done by a balanced articulation of the autonomy as well as the interdependence of units. Incentives to achieve this are presented in Table 3.

The possibilities of application are wide-ranging. I used this concept above to clarify the interrelatedness of strategy, structure, and culture. Another even more interesting theoretical application is the integration of the two major theoretical schools in organizational theory: system theory and

**TABLE 3** The Tension Balance Between Autonomy and Interdependence with Examples of Incentives

Autonomy	Interdependency
Profit centers with high degree of autonomy concerning Internal structure Investments Product development Market strategy	Company facilities in areas such as Research Venture capital Management development Rare expertise Horizontal synergy
"Flatter" organization, less control	Safety net for setbacks
Encourage initiative/experiments Team spirit, management by walking around	Clear mission, sense of belonging, house style, informal relations
Constant feedback and comparison of results per unit	Increase of mutual effectiveness by "learning from each other"
We versus the "internal competitor"	We versus the external competitor

action theory. Building on the work of Lammers (1983) and Elias (1939) I made some efforts in this direction (Mastenbroek, 1991, 1993). The possibilities for application in practice are also promising. In this chapter I summarize some ideas in the area of organizational design. Next, I will apply the concept on the topic of change management.

### III— Change Management

Issues of autonomy and interdependence have to do with organizational change, but in what way? How are organizational change and innovation linked to an articulation of the autonomy–interdependency balance in organizations? Could the link with this balance be a crucial factor in the difference between success and failure? Let us start with a brief case to demonstrate how these links can be organized.

#### A— Case: Higher Service Levels

Higher demands are made on managers and employees, particularly in the areas of supplying quality and customer-oriented service, aimed at achieving intended (and visible) results.

This requires the employees taking and propagating responsibility in this new situation, as well as optimal communication between the employees, between teams and between employees and customers.

The text above was taken from the starting document for a continuous improvement project in a training and consulting organization active in the catering and recreation industry. This organization (approximately 100 employees) experienced a radical shift in activities, from being a government-sponsored educational and controlling agency to being a competitive consulting and service institute.

The approach as developed by the management team focuses on the following four questions:

- Who are our external and internal customers, and what do they want?
- What wants can and should we meet more adequately?
- How can we increase the quality of our service?
- What actions are we going to take?

All teams in the organization have to develop an action plan working along these four lines. The discussions along these lines prove useful and they generate important input for improvement actions. This process is accelerated by kickoff meetings of all teams. Action plans are drawn up, improvements executed, and results realized. The results are made visible with the aid of indicators formulated by the teams. Less than a year later the management team concludes that working on improvements becomes more normal practice. The following questionnaire responses allow a comparison between the starting situation and the situation scarcely a year later (Table 4).

This case exemplifies the essential issues. The change process was not organized in the common way; there were no project groups. The steering group was the top team, and that was it. No studies were conducted, except by departments and teams themselves. The line organization was included every step of the way. Each manager was challenged to show more responsibility for the (internal) customers of his unit. Issues on the interunit level were the responsibility of the higher manager in question. Every unit in the company was expected to show results. In this way change management is much more in line with developing the capacities of steering and self-organization in the normal work organization.

#### B— Core

This approach as applied in other companies can be summarized as follows:

1. Focus changes on tangible competitive advantages, such as lower costs, increased speed, customer orientation, and improved quality.
2. Direct the desired change by organizing *two types of activities*:

TABLE 4 Responses to the Questionnaire

Question	Yes (% at start)	Yes (% after 1 year)	+/-mn (%)
1. Do you know what your customers think of the products/services of our organization?	57	84	27
2. Do you know where the quality of the products/services fails (i.e., does not meet the wishes and expectations of the customers)?	52	82	30
3. Is the quality of your products/services measured/made visible on a regular basis?	27	64	37
4. Are the department's quality problems subject to systematic analysis of causes and solutions on a regular basis?	29	65	36
5. Is specific attention paid to the quality of the cooperation and communication in your department?	50	81	31
6. Is the quality of the internally supplied products and services, explicitly discussed in interface meetings?	46	76	30

a. For the entire organization:

- i. The top indicates what, why, and how to improve.
- ii. Mutual exchanges and progress reports on the action plans of the units are organized.
- iii. All units participate. "If you're not with us, go and do something else."

b. Per unit:

- i. Formulate improvement goals within the strategy of the company.
- ii. Agree on actions.
- iii. Make results visible.
- iv. Improve communication and team performance.

Support is available to the units, and they also have the opportunity to decide their own pace and make their own choices within the overall framework. In this mix of two types of activities you may recognize a strong articulation of steering as well as self-organization.

I subsequently advocate a flexible approach. The core is always the same: steering *and* self organization. Put concisely: *policy down, own improvement actions up*. In many organizations we encounter impediments as we go. Teams and managers are not always able to produce improvement plans for their own unit. The flexibility I advocate is found in the ability to respond to this effectively without deviating from the main route; for instance, by assisting teams in their efforts or by sharing experiences among managers. These measures appear to have a slowing effect, yet it only seems that way, because the development of competencies to steer and to take responsibility is of primary importance. Shortcomings in management style and communication skills need to be reduced. This can be done more effectively because it can be focused directly on the behavior necessary to improve results.

C—

***The Medium Is the Message***

Many change programs and supporting training courses focus on cultural change or a different management style. This is much too noncommittal! The focus has to be on getting better business results. Training courses on communication, leadership, customer orientation, and quality improvement do not always have this focus; means are becoming ends. Have people work on improving their results and make very sparing use of such accepted change management vehicles as:

Working with committees and project and steering groups

Having external consultants do thorough research

Appointing special project leaders, improvement managers, and quality coordinators

These may be accepted and familiar change management methods, but they are diametrically opposed to the development of steering and self-organization. *In this context "the medium is the message" holds true; the change methods undermine the change goals. We take responsibility for improvement away from the line organization. We push implementation further and further into the future. We mobilize increasing resistance. We do not plan or intend any of this, but it happens!* The steering and commitment of the top disappear into the background and the line managers are not held responsible for improvement. Others get going with it or people work on it outside their normal work situation. *"Well yes, but," we sometimes hear, "our organization is not ready for this yet." Or: "We as the management haven't quite figured it out yet." Or: "Middle management can't handle such a process." Or: "If you leave that kind of responsibility to the people, nothing much will come of it." Even if that is true, we must not skirt around these issues! These are problems that deserve to be solved—first of all by leaving responsibility where it lies and subsequently giving substance to it. It is better to build it up step by step than eventually being stuck with major implementation problems.*

IV—

#### Summary

How do we organize and manage for better results on all levels of the organization? Modern organizational designs and a "we-can-and-must-always-do-better!" culture make striking improvements possible. The key is the link between self-organization and accurate steering. This concept is very close to the concept of interdependence and autonomy as a crucial characteristic of relations between organizational units. (This latter concept is on a slightly higher level of synthesis.) Change management and organizational design are seen here as the same process. A historical perspective on organizations facilitates this merging of design and change. Other important points are: 1) cultural change is too vague and too noncommittal if it is not linked clearly and directly to the improvement of results; 2) empowerment and autonomous task groups may be important, but good steering is more important; and 3) total quality management (TQM) and many other change programs often do not live up to their promises because the line organization is not made accountable. The ample use of project groups, task forces, steering committees, elaborate training programs, and all kinds of analysis and research by internal or external agents and consultants obstructs the development of steering and self-organization in the line organization.

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97—

## Downsizing as a Mode of Organizational Change

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The headlines are all too familiar: *AT&T Outlines How It Will Trim 6,000 Jobs*; *Laid-Off Cops Gnash Their Teeth as State Cuts Budget to the Bone*; *MNC Financial Plans to Cut Expenses by \$100 Million as It Shrinks in Size*. Global competition paired with a slower U.S. economy has forced a large number of companies into reducing their workforce. The latest American Management Association survey on downsizing shows that 39% of the 1084 forms surveyed reduced their workforce in the period of July 1988–June 1989 (Greenberg, 1989). Companies are downsizing as a result of actual or anticipated economic downturns, mergers and acquisitions, the loss of government funding, and changes in technology. Organizations are streamlining and restructuring their overgrown corporate bureaucracies, trimming away both managerial and blue-collar positions.

Researchers and practitioners recently have begun to describe the consequences of downsizing and techniques for assisting organizations with this process. This chapter will begin by defining downsizing and describing a number of consequences of downsizing. Next, a list of general guidelines and a number of specific interventions will be presented.

I—

### Downsizing

Here, downsizing is defined as a strategic reduction of a company's workforce. Synonyms include reduction in force (RIF), demassing, deselecting, resizing, derecruiting, delaying, and restructuring through layoffs.

II—

### The Consequences of Downsizing

The consequences of downsizing can last long after employees are fired, and fall into four categories: terminated employees, surviving employees, organizational changes, and community changes.

A—

#### Terminated Employees

Angry or emotionally upset employees can damage a company's reputation. Greco and Woodlock (1989) state that disgruntled ex-employees often possess damaging information or can invent harmful lies. To complicate matters, terminated employees are likely to stay in the same business or industry and may find a new position with a customer or competitor. Therefore, treating laid-off employees with respect, kindness, and concern has practical as well as humanitarian motivations.

**B—  
Surviving Employees**

Three responses of survivors deserve attention: high levels of stress, conflict between and among employees and management, and insecurity.

**1—  
Stress**

Downsizing is frequently indiscriminate in its effects. Adjusting to the loss of coworkers and having to take on new job assignments both increase the level of stress on employees surviving an RIF (Tombaugh and White, 1990). Stressed employees often become dissatisfied and leave the organization, resulting in the loss of key employees. Kiechel (1985) states that "companies that set out to downsize often don't realize that in the process they stand to lose some top performers" (p. 158). Some departing managers might even take their "teams" with them, leaving the company depleted in key areas. This results, ironically, in the organization having to recruit new employees during or immediately following an RIF.

In addition, Matteson and Ivancevich (1987) link high levels of work stress to industrial accidents, absenteeism, increased health care costs, lower morale, apathy, burnout, and decrements in productivity. In order to avoid these and other problems, organizations should concentrate on reducing the stress during and after downsizing.

**2—  
Conflict**

Downsizing survivors often experience high degrees of conflict with coworkers, upper management, and other groups of employees. Role confusion (role conflict) is common in the newly structured organization. In addition, stress, back stabbing, placing blame, a failure to cooperate, and less time spent on employee relations activities amplify conflict between employees.

Conflict also often exists between employees and upper management. Employees can show hostility or bitterness toward the organization for firing their coworkers. Surviving employees can lose trust in the organization and often focus innovative behavior on protecting and distancing themselves from management.

Trimming the organization means reducing the availability of resources and personnel. Interdepartmental competition for scarce resources can result in less cooperation and passing off excess work to other departments. Ironically, downsizing often increases the amount of *required* interaction among organizational groups. Thus, departments are forced to simultaneously compete with other groups within the organization, as well as deal with them more intensively.

**3—  
Job Insecurity**

Another troublesome side effect of downsizing is increased job insecurity, which Greenhalgh (1983) defines as "feeling powerless to maintain desired continuity in a work situation" (p. 432). Job insecurity can lead to (1) high anxiety, which decreases productivity, (2) increased turnover, which reduces workforce stability, and (3) resistance to change, which decreases the organization's ability to adapt. Ashford et al. (1989) present correlational evidence that links job insecurity to declines in commitment, trust, and satisfaction. Greenhalgh warns of an "insecurity crisis": a cycle in which the results of job insecurity contribute to further organizational decline, which leads to more layoffs and more job insecurity.

**4—  
Other Employee Responses**

Surviving employees can respond to downsizing in a number of costly ways. These include emotional outbursts such as employees crying at the notification conferences, low morale among remaining employees who wonder "will it be me next?", loss of productivity, and loss of pride in the company (Settles, 1988). Remaining employees can also respond to downsizing with sabotage, worker slowdowns, strikes, and high levels of absenteeism.

**C—  
Organizational Changes**

Downsizing can adversely affect an organization even as it seeks to help. Reduced productivity and disenchanted investors can place a financial burden on an already declining organization. Reputations can be affected, and lawsuits as well as regulatory action may follow.

Downsizing can have serious downstream effects. The organization, now smaller, may need to be restructured and redesigned. Managers can't expect the "old" human resource management systems to work in the "new" streamlined organization. Many existing features (e.g., compensation, job analysis, work group analysis, human resources planning, appraisal systems, and staffing procedures) may require revising due to the restructuring of jobs and work groups.

#### **D— Effects on the Community**

Community effects, such as increased unemployment, poverty, crime, and business closings, also complicate downsizing. Consider the ripple effects of NASA layoffs after the Challenger space shuttle exploded in January of 1986:

Within a month of the Challenger disaster, 1,100 people were laid off from the Kennedy Space Center [KSC]; in September 1986, another 1,400 were let go. Thus employment at KSC alone fell by 16%. It is estimated that another 3,500 workers were laid off by engineering and manufacturing companies that did most of their business with the aerospace industry.

The local economic impact of the Challenger disaster spread well beyond the aerospace industry. Motel occupancy rates dropped as low as 50% . . . Building permits for single-family homes fell by 18%. General retail business declined, and consumers' payment delinquency rates sky-rocketed (Feldman and Leana, 1989, p. 54).

#### **III— Guidelines for Downsizing**

Hence the criticality of general guidelines to aid in reducing or eliminating the employee, organizational, and community problems associated with downsizing. Eleven get attention here.

1. Most consultants/authors recommend giving workers advance notice before any layoffs (e.g., Golembiewski, 1979; Feldman and Leana, 1989). Workers should be given time to begin their job search. This policy is not only ethically sound but also can be required by law. According to the Worker Adjustment and Retraining Act of 1988, given a number of exceptions, businesses with 100 or more employees are required by law to provide at least 60 days notice of plant closings or large layoffs (Desjardins and McCall, 1990).
  2. Organizations should involve community resources and demonstrate social responsibility.
  3. Consultants and organizations should review union agreements/contracts *before* planning a reduction in force. These contracts may dictate certain parameters within which an RIF must take place. For example, union contracts can give "bumping rights" to certain employees, enabling them to choose from a set of alternative jobs within the organization if their own jobs are eliminated (Greenhalgh, 1983).
  4. Do not exploit the exploitable. Hardball concessions from labor unions when employees are desperately trying to keep their jobs can backfire and hurt the organization in the long run. Exploitation creates distrust from employees and complicates future labor negotiations (Perry, 1986).
  5. Employee involvement should be high. How does an organization make its workforce a driving force? Mohrman and Mohrman (1983) propose that organizations attend to the needs and goals of individuals as well as those of the organization by actively involving employees in problem solving and decision making. David Noer (1990) puts it tersely: "Employees must be empowered so that they feel like contributors instead of victims" (p. 3).
- Golembiewski (1990) describes regenerative organizations as having high trust, high owning, high openness, and low risk. It would appear that regenerative organizations, due to their high degree of employee involvement, are better prepared to handle downsizing.
6. For the employees being fired, as much as possible, shift self-pity to problem solving.
  7. Do not forget the survivors! The problem in downsizing is twofold: removing some em-

ployees from the payroll, while at the same time motivating the survivors to meet the challenges of a leaner operation (Ropp, 1987). Creating stability in the retained workforce is important. Also, do not bad-mouth laid-off employees as in announcing that "We've eliminated the 'dead wood.'" Remember, how the organization handles the situation will communicate much to the remaining employees.

8. Avoid unfair layoff criteria, which may not only inspire litigation but also can generate a sense of inequity and mistrust among the remaining employees. Unacceptable and often illegal layoff criteria include attitudes, education, appearance, salary, grade level, family status, race, age, and sex. In addition, organizations should keep documentation at least 6 months after the RIF to provide backup should there be a court action (Smith, 1990). Care must also be taken when using a last-hired/first-fired rule. Minorities and women may average lower job tenure due to past discrimination.

9. Set realistic expectations and be clear about employees' futures. Resist giving false hope, and then taking that hope away when the organization can't, won't, or doesn't deliver.

10. Identify laid-off employees who will need special help in finding a job. Such employees often have company-specific or industry-specific skills, which are no longer marketable.

11. A major RIF needs to match short- and long-term goals: "The [downsizing] planning committee must set a new performance level for the company and describe the human resources adjustments that will be needed to meet it. The types of jobs, the number of jobs, and the skills that will be required of job holders must be determined" (Appelbaum et al., 1987, p. 73).

#### IV—

#### **Downsizing Interventions**

The literature contains numerous examples of downsizing interventions that help operationalize the general guidelines just presented. The following list is not exhaustive but can be useful.

#### A—

#### ***The Demotion Design***

Employees may be given a choice: to accept a demotion, or to be fired with severance pay. Adjustment to new positions is accomplished through group and one-on-one meetings for demotees as well as for demotees and their new supervisors. These meetings seek to 1) emphasize choice, involvement, commitment, and ownership; 2) create a sense of community among the demotees; 3) establish relationships between demotees and new supervisors; and 4) reduce stress. (See also Chap. 42 by Golembiewski, "Demotion Design: An Option for Forward-Looking Organizations.")

#### B—

#### ***Natural Attrition Design***

With this approach, an RIF is achieved simply by allowing the workforce to decline gradually as employees quit or retire, thereby avoiding expensive severance pay and early retirement incentives. The organization benefits by protecting its image and maintaining rapport with its workers and the community. Unfortunately, attrition rates are not uniform throughout the year; nor are they uniform across job types. An organization might find that many of the "wrong" people are leaving, forcing it to transfer and retrain employees or even to field a recruiting effort in the midst of an RIF.

#### C—

#### ***Enhanced Attrition Design***

This design calls for a selective hiring freeze coupled with incentives to accelerate attrition as necessary. Examples of incentives include early retirement or severance pay for voluntary leavers. Employees can also be encouraged to take educational leave without pay or to transfer to other plants. Greenhalgh et al. (1988) refer to this method as "induced redeployment," and like the natural attrition design it requires well-designed planning to ensure an appropriate distribution of retained employees.

**D—*****The Outplacement Design***

This design minimizes unemployment following termination, via providing employees with job listings, career counseling, help in resumé preparation, and allowances for job search travel. In addition, some employers distribute books of employee resumé to other companies or hire the services of outplacement consultants.

**E—*****Career Education/Counseling for the Unemployed Design***

This method focuses on teaching the soon-to-be-unemployed how to cope with their situation and how to find a job. Typically, in 1- or 2-day workshops, terminated employees gain principles and experience relating to job-hunting skills, planning for and adjusting to change, self-analysis as a prelude to career development, steps in finding and getting a job, handling stress, and so on.

Career counselors often assess laid-off employees' personalities as well as their knowledge, skills, and abilities in order to identify future person–job matches. Counseling and follow-up sessions a few weeks after the seminars may also be provided (e.g., Leana and Ivancevich, 1987).

**F—*****Town Meeting Design***

In this design, employees learn of the impending downsizing, and make decisions as a group. Management's attitude toward the process is described by Golembiewski (1991): "So let's have a kind of organizational town meeting—bring everybody together . . . We [management] will lay out what we know, and [we, *all* the employees of the organization] will decide our common fate."

During such a meeting: (1) the boundaries of the problem are defined (e.g., 20% payroll savings); (2) employees "ventilate" their opinions and ideas; (3) priorities or company needs are defined; (4) available options (e.g., reduced work week, early retirement, educational leave and job sharing) are described and discussed; and (5) participative choice making is emphasized (Golembiewski, 1991). Choice making can be innovative as well as animated. In one case, several employees decided to plan a pregnancy leave as their contributions to the goal!

The town meeting design is a special case of the enhanced attrition design in which the entire workforce decides as a group what strategies to implement. It results in lower levels of anxiety and stress, prevents managers from pushing their subordinates into leaving or taking early retirement, and prevents the spread of demoralizing rumors. However, in order to be effective, this design requires unusual openness and trust within the organization. This design has been used mostly in contexts of fewer than 500 employees.

**G—*****Community Interaction Design***

As described by Taber et al. (1979), this design integrates management, union (workers), university, and community representatives into a temporary interorganizational system. A community action team coordinates agencies which could offer services or resources to a company's employees. In plant counseling assists employees in defining their problems and contacting the appropriate agencies.

The design has four main objectives. It seeks to determine the extent of the problems facing the unemployed, identify available resources, establish linkages between agencies, and provide channels of communication between agencies and the unemployed (Taber et al., 1979).

**H—*****Retraining Design***

Often employees at risk may be retrained to perform different jobs (see Leana and Ivancevich, 1987). Company and government retraining programs can take a variety of forms. One program at Ford Motor Company (discussed by Bolt, 1983) tailors retraining to each employee's needs and interests, but typically companies offer fewer options. Community colleges and technical training schools can be excellent sources for employee retraining, while employing organizations have paid for books, tuition, and even for the time spent in retraining.

Because time does not permit retraining employees in most downsizing situations, organizations might well adopt policies and procedures that facilitate ongoing training and development. Organizations can enhance cross-job training by implementing a pay system that rewards retraining, by promoting job rotation policies, and by moving toward autonomous work groups that encourage or require cross-training. In addition, organizations can develop retraining time estimates that identify relatively "hard" vs. "easy" cross-job movements (Lance et al., 1991).

I—

### ***Role Analysis and Intragroup Team Building***

Buch and Aldridge (1991) recommend organization development (OD) as a tool for managing problems both before and after layoffs. The authors present two OD interventions that they feel are particularly beneficial: a modified version of Dayal and Thomas's (1968) role analysis technique, and intragroup teambuilding.

Buch and Aldridge's modified role analysis technique focuses on departments rather than individuals. Buch and Aldridge recommend four steps: (1) define the new role of recently downsized departments, (2) examine departments' expectations of other departments, (3) initiate performance feedback sessions in which departments describe what other departments can do to facilitate their performance, and (4) develop a "focal role profile"—a summary of the first three steps.

Next, Buch and Aldridge recommend that each department participate in a team-building session to assess the utility of past practices as applied to their redefined roles. This intervention can reduce conflict between and within departments, as well as reduce ambiguity following downsizing and restructuring.

J—

### ***The Anything-but-an-RIF Design***

Organizations taking this approach select a mixture of alternatives to layoffs (e.g., instituting across-the-board pay cuts, reducing work schedules, issuing unpaid leaves of absence, negotiating union concessions, providing less paid time off, and demoting and redistributing their workforce).

Programs are usually management-driven, but, as with varieties of the town meeting design, employee involvement is possible. Greenhalgh et al. (1988) refer to this design as "involuntary redeployment." According to this strategy, everyone should give a little (e.g., 5% across-the-board pay cuts) so that a few do not have to give up a great deal (e.g., firing 5% of the employees). If the organization has an excess of employees, of course, this design only postpones inevitable layoffs or total shutdown.

V—

### **Conclusion**

Choosing the correct method or design to handle downsizing depends on a number of factors. Organizations must tailor downsizing strategies to the number and types of jobs being eliminated. For example, laying off a large number of blue-collar workers will require a different strategy than firing a small number of middle-level managers. The amount of time a company has to plan the reduction, the size of the organization, and financial concerns impact on how the RIF is accomplished (Tomasko, 1990).

Greenhalgh et al. (1988) describe three groups of contextual variables affecting managerial choice of workforce reduction strategies: aggregate (employee) organizational characteristics, global organizational characteristics, and environmental characteristics. Variables within these groups include, respectively: (1) employee skill level, the external demand for employee skills, and the age and seniority of the organization's workforce; (2) the structure, history, and value system of the organization; and (3) public vs. private organizations, patterns of ownership in businesses, and degree and kind of unionization. More research is needed addressing the appropriate downsizing strategy for various employee, organizational, and environmental characteristics.

Company officials ideally should develop a downsizing strategy well in advance of the crunch. This strategy may include combining and adapting a number of the designs above to fit a particular situation. In addition, extensive human resource planning is essential for moderate or large-scale

layoffs. The downsizing strategy should incorporate the organization's strategic long- and short-term goals, its philosophy and culture, and its environment.

The character and texture of downsizing hence will vary greatly, but some generic features seem attractive. For example, Morin and Yorks (1990) outline a six-step strategy. First comes a cluster of three steps. To begin, the organization conducts a study that considers climate, goals, reactions of competitors, etc. Step two involves reviewing the company's performance appraisal data. The third step is to provide voluntary separation incentives (i.e., the enhanced attrition design).

Morin and Yorks's fourth step for conducting workforce reductions concerns evaluating the success of step three and internally redeploying the company's workforce (i.e., the retraining design). The fifth step involves involuntary workforce reductions—in other words, firing the workers who still need to go. Finally, step six is concerned with building recommitment among those remaining in the company by providing psychological support and skill development.

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98—

## Ethical Issues in Organizational Consultation

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I—

### Introduction

Unlike the persistent perception that business and ethics are inherently contradictory (Lowman, 1991), ethical behavior is seen as a vital component of professional occupations. Lowman (1991, p. 195) states that the "so-called 'real professions' (i.e., those requiring extensive training and at least minimal mastery of well-defined areas of knowledge and competence) are expected to be held to high standards of accountability by their training and professional behavior." Like other professionals, organizational consultants need to be cognizant of ethical issues in their practice.

The purpose of this chapter is to explore ethical issues involved in organizational consultation. An attempt will be made to clarify the issue of professional ethics in the organizational consultation profession as well as the role of ethical codes or standards of conduct. This will be followed by a review of three approaches, which may aid the consultant in addressing ethical issues.

II—

### Domain of Professional Ethics in Organizational Consultation

Lowman (1991) has defined professional ethics as the codified rules about acceptable and unacceptable behavior within a professional context. These rules often take the form of ethical codes or standards of conduct and serve three purposes (Shay, 1965):

1. To contribute to the success of the profession
2. To establish equitable and satisfactory client relationships
3. To establish proper relations between the profession and the part of society it serves

In specifying the domain of professional ethics, White and Wooten (1986) propose a model in which professional ethics can be conceptually defined as the interaction of values, norms, science, and laws existing within a given discipline.

Ethical concerns derive from the centrality of values or beliefs in organizational consultation. Values play a role in all applied sciences (Cherns, 1982), and Walton and Warwick (1973) assert that ethical issues in organization development, or OD, arise from the predominant value orientations of practitioners. OD practitioners may encounter ethical and value dilemmas as a result of the competing need to be both a management consultant, focused on improving an organization's capacity to achieve its goals, and a social reformer who values improving the quality of work life for organization members (Walton and Warwick, 1973).

Similarly, Lowman (1991) acknowledged the role of values in human resource practice. Like

any other professional, human resource specialists espouse certain values. As the consultant interacts with the client organization and its members, ethical issues may arise. The specialist is often part of the management team and is expected to generally support, if not necessarily espouse, local values. As human resource specialists, however, they also have an obligation to the values and needs of the other members of the organization.

In addition to espousing and upholding their own values, organizational consultants often must contend with competing value systems of various organization stakeholders. This delicate situation contributes to a need to develop professional ethics or codified rules of conduct.

The "should" and the "is" of consultation—what should be done, and what science or experience sees as existing—both contribute to and complicate the issue of professional ethics. As Shay (1965) pointed out, consultants to industry offer services to clients who may be technically incapable of assessing the quality of services and therefore must rely on the reputation of the consultant and the standards of the profession as a whole. The rule of *caveat emptor* does not apply (Shay, 1965). Because of the consultant's knowledge, skill, training, and position, there is an imbalance of power in the professional–client relationship (Montgomery and Vogt, 1990a). This imbalance has contributed to the establishment of professional codes to protect the rights of clients and promote fair treatment (Shay, 1965).

Laws also influence professional ethics. The judicial system has also recognized the inherent imbalance of the consultant–client relationship. Noting the increase in malpractice suits against professionals, Montgomery and Vogt (1990a, 1990b) believe that the courts are reaffirming the client's right to self-determination and the professional's responsibility to protect the client from harmful and risky practices.

### III—

#### Ethical Codes

These and other factors contribute to the need for professional ethics in the organizational consultation profession. In the evolution of a profession, ethical codes are primary components of the more mature developmental stages. Ethical codes can be viewed as a form of contract between the profession and the public in which, in return for the public's good faith, individuals in the profession commit to conducting themselves in a manner that will benefit the public (Shay, 1965).

Ethical codification is difficult because organizational consultants are extremely eclectic. Practitioners come from a wide array of backgrounds and disciplines, many of which have separate ethical codes. Although the codes are generally overlapping, they differ widely in scope (Lowman, 1991). Lowman (1991) has identified a number of human resource organizations that adhere to a specific code of ethics: the American Psychological Association (APA) (1990), the Academy of Management (1990), the International Personnel Management Association (IPMA) (1990), the Society for Human Resource Management (SHRM) (1990), the American Society for Training and Development (ASTD) (McLagan, 1989), and the Organization Development and Human System Development (OD/HSD) professionals (Gellermann, 1986).

Despite the diversity of separate codes, it is advised that those in the organizational consultation profession faced with ethical dilemmas should start with the ethical standards of their particular professions (Glaser, 1981).

### IV—

#### Three Approaches to Reinforcing Ethical Codes

Since no ethical code can address all possible situations, attention has been given to various reinforcing approaches. Three deserve special note: ethical reasoning; an ends-specific approach; and an ethical dilemma model.

#### A—

##### Ethical Reasoning Process

Besides circulating standards for professional practice, many scholars urge a focus on the ethical reasoning process. For example, Tannenbaum et al. (1989) suggest that, because individuals cannot

be instructed about every ethical dilemma, education should also concentrate on developing individuals' ethical reasoning process. This approach was used recently by two human resource organizations in an attempt to educate their members in professional ethics. The Society for Industrial and Organizational Psychology (SIOP), a division of APA, published an ethics casebook (Lowman, 1985). Similarly, Gellermann (1990) put together a book for OD/HSD professionals containing discussions by prominent practitioners, who address ethical guidelines in realistic case studies.

Unlike prescribed standards, it is the reasoning process that allows individuals to generalize to new and unique situations. In order for professional standards to be effective, ethics training should also focus on developing the practitioner's reasoning process. In this manner, consultants can acquire skills in handling ethical dilemmas in practice.

**B—**  
***An Ends-Specific Approach***

As a useful elaboration of ethical reasoning, Walter (1984) points out that discussions on ethics can either emphasize ends or means. Ethical codes or standards of professional conduct tend to emphasize means and are expressed in behavioral terms. Although important for presenting professional standards, prescribed codes are limited. Ethical codes tend to be general and present a great potential for subtle evasion of rules. Hence, Walter offers an alternative to the means-specific approach, which focuses on valued outcomes and on the relationship between means and ends. According to Walter (p. 424), "this approach pivots on specifying fundamental 'goods' and requires one to judge ethicality of action in terms of creating or destroying these goods."

The author explores three "goods" or values fundamental to Western society: individual freedom, privacy, and self-esteem. Practitioners can examine how organization interventions or strategies impact these ends. For example, Walter (1984) notes that in the case of survey feedback, participants often are not given adequate information concerning the dynamics of feedback and are encouraged to provide information without knowing the range of possible consequences of their disclosure. In order for individual freedom to be preserved, participants must be given adequate information to enable them to make a meaningful choice.

More broadly, consider the individual's right to privacy, or the right not to participate. In a survey, this good can be preserved by assuring participant anonymity. Ethical problems can arise, however, when consultants isolate subunits of organizations and risk exposing individual identities.

In this manner, consultants can examine their means, or specific interventions, and determine whether they compromise fundamental goods. Walter (1984) acknowledges that these three goods do not exhaust the potential list. In fact, the author encourages others to explore alternatives. Tannenbaum and Davis's (1969) exposition on the value transformation in society, which is excerpted in this volume, provides an excellent source for potential goods. Recently, Lowman (1991) offered a list of participant rights, which overlap with Walter's notion of goods:

1. Knowledge of whether or not they will receive feedback on the result of assessments, as well as information about the feedback format
2. Knowledge of the location of records and who will have access to them
3. The right not to participate in assessment or other activities
4. The expectation that evaluations have adequate validity for the purposes at issue
5. Knowledge of whether additional information can be submitted to clarify assessment findings
6. Knowledge of an appeal process, if any

The human resource professional is in a pivotal position for ensuring that these and other participant rights are preserved. By focusing on ends as well as means, practitioners will be in a better position to fulfill their obligation to individual participants.

**C—**  
***A Model for Identifying Ethical Dilemmas***

White and Wooten (1983, 1986) offer the most comprehensive discussion of professional ethics. Although their work focuses specifically on the field of OD, their discussion also applies to the

broader field of organizational consultation. The authors extend Katz and Kahn's (1966) role theory, to investigate the interaction process between the organization and the consultant. In reviewing the available literature on professional ethics, White and Wooten (1983, 1986) conclude that there are generally five types of ethical dilemmas encountered in the client–consultant relationship. An ethical dilemma is defined as any choice situation encountered by a change agent or client system that has the potential to result in a breach of acceptable behavior (White and Wooten, 1983). In all five dilemmas, the behavior of the consultant as well as the client can result in ethical misconduct.

1—

#### **Misrepresentation and Collusion**

In this dilemma, practitioners must decide whether or not they will fully represent all of the available information as well as involve all of the stakeholders in a change effort or intervention. White and Wooten (1983) contend that this ethical dilemma can occur when consultants misrepresent their background, education, experience, and so on, or when the organization misrepresents its interests, needs, or goals. Collusion can occur when the consultant becomes assimilated in the organization's culture, or "goes native."

2—

#### **Misuse of Data**

This dilemma involves the decision concerning what data are collected and how information will be used. The authors point out two inappropriate uses of data. One occurs when data are distorted, deleted, or not reported by either the consultant or the client organization. Another is when data are used for inappropriate purposes (i.e., to punish individuals or groups).

3—

#### **Manipulation and Coercion**

This dilemma involves decisions that impact a participant's exercise of "free will." Ethical misconduct can occur when either the practitioner or the organization pressures individuals to participate in violation of their personal needs or values. Forced participation in an intervention is a prime example.

4—

#### **Value and Goal Conflict**

This dilemma involves the decision concerning whose goals and values will guide the intervention. The consultant, management, and the organization's members all have particular values and goals. Conflict can occur when ambiguity exists concerning which values will be stressed, whose needs will be met, and what targets and goals will be pursued. Also, this dilemma can result from a reluctance by any party to change the original strategy, when and if the need arises due to shifts in circumstances and conditions.

5—

#### **Technical Ineptness**

This dilemma involves deficiencies in knowledge and skills in either the consultant or the client organization. Ethical misconduct can result from a lack of knowledge and skills necessary to implement a project or intervention, or from an inability to effectively evaluate the process and results.

Significantly, White and Wooten highlight the points in the consulting process where ethical dilemmas can occur. The authors combine the five categories of ethical dilemmas with 10 stages of the organization development process. Table 1 illustrates which ethical dilemmas can occur at which stages in the consulting process. This comprehensive list of ethical dilemmas can be a very useful mnemonic for consultants. The table can be used to enable consultants to anticipate and prepare for certain ethical issues before they occur.

White and Wooten's presentation highlights the need for integrating ethical practices into the consultant–client relationship. Nadler (1977) has proposed that ethical concerns often are usefully addressed and clarified in the contracting phase of the intervention. The contract provides an opportunity in which the roles of the client and the consultant can be made explicit. Kuhnert and Gore (1991) recently suggested that consultants incorporate their ethical standards into the consulting contract itself.

**TABLE 1** Occurrence of Ethical Dilemmas in Various Intervention Stages

Stage	Purpose	Ethical dilemmas
Initiation	Early information sharing	Misrepresentation of the consultant's skills and background Misrepresentation of organization interests
Clarification	Elaboration of initiation stage	Inappropriate determination of who the client is Avoidance of reality testing Unclear or inappropriate value orientations
Specification/agreement	Details about needs, interests, fees, services, working conditions, and other arrangements	Inappropriate structuring of the relationship Inappropriate definition of change problem Collusion to exclude stakeholders
Diagnosis	Minimally distorted view of the organization's problems and processes, pinpointing change targets and criteria for evaluation	Inadequate diagnosis Misuse of data Distortion and deletion of data Lack of clarity about ownership of data Neglect of voluntary consent Confidentiality
Goal setting/action planning	Establish specific goals and strategies	Inappropriate choice of goal, targets, and interventions Inappropriate scope of interventions
Systems intervention	Interventions into ongoing behaviors, structures, and processes	Assimilation into culture, or "going native" Inappropriate depth of intervention Inappropriate choice of operative means Coercion vs. choice, freedom, and willingness to participate Covert environmental manipulation
Evaluation	Assess the effectiveness of the intervention strategies, energy, and resources, as well as the consultant–client relationship	Misuse of data Deletion and distortion of data
Alteration	Modify change strategies, depth, level, goals, targets of interventions, and resources utilized	Lack of flexibility or response to resistance Adoption of inappropriate strategy
Continuation/maintenance	Monitor strategies, provide periodic checks, and continue intervention based on original or altered plans	Premature exit of consultant Redundancy of effort Withholding of services
Termination	Change agent disengages from the client system and helps establish a long-term monitoring system	Prolonged dependency of client Premature exit of consultant Failure to monitor change

Source: Adapted from White, L. P., and Wooten, K. C. (1983). Ethical dilemmas in various stages of organizational development. *Acad Manage Rev* 8(4):695.

V—

## Conclusion

The need for organizational consultants to be cognizant of ethical issues in their practice is becoming increasingly apparent. The development of ethical codes of conduct is a necessary, but not a sufficient, response to this need. Standards—ideals to which the consultant aspires but never fully reaches—must be reinforced and made an integral part of the profession. This chapter has attempted to review a number of approaches, which may aid the consultant in this pursuit. Consultants who know the prescribed standards of their profession, and who also possess the skills to apply those standards, will be in a better position to contribute to the success of their profession and serve the needs of their clients.

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99—

## Essential Competencies for Internal and External OD Consultants

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The list of competencies provided in this chapter is an attempt to synthesize previous efforts, incorporating a validation process from practicing professionals. We wish to thank Don Cole for his encouragement and patience with this effort, and Erin Threlkeld for her significant contribution to earlier versions. The list was first developed in the late 70's from a review of the literature and underscored by personal experience. It has been revised annually, based on numerous searches of the literature, reviews, and feedback sessions. For example, the list was reviewed by a feedback group at Pepperdine University; presented at the American Society for Training and Development; the OD Interorganization Group World-Wide in Austria; the Minnesota OD Network; and annually at the Organization Development Institute Conference at Lake Geneva. Finally, a committee of 20 well-known OD professionals, under the auspices of the Organization Development Institute, were invited to respond to the competency lists. What follows, therefore, is a revised list based on the input received from these professionals. As W. Edwards Deming advises, however, we see this process as one of "continuous improvement;" i.e., there will never be a time when the list will not require revision.

Based largely on Burke's framework, we have divided the consultation or OD process into the following eight major phases; entry, startup, assessment and feedback, action planning, intervention, evaluation, adoption, and separation.

I—

### Entry

1. Determine the size, character, and structure of potential clients.
2. Find and link up with the systems/organizations that need help.
3. Be so successful with existing clients that they introduce you to their colleagues who need help.
4. Establish contact with the decision maker and initiate a mutually satisfying relationship.
5. Convey appropriate qualifications.
6. Demonstrate expertise and credibility in one's performance.
7. Discover the kind and degree of sensitivity the client has toward change.

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8. Respond to concerns about competence and relevance of consultation effort.
9. Confront the client by spelling out consequences of continued behavior as presented to increase the possibility of openness to, and buying into, OD process.
10. Assimilate quickly the unique nomenclature and characteristics of the client system.
11. Begin to determine the client's values, history, philosophy, and visions.
12. Assess the feasibility of instilling the spirit of collaboration in working the process; if yes, begin.
13. Describe self to client, including personal motivations, expectations, personal capabilities, and limitations.
14. Communicate one's personal philosophical and ethical boundaries.
15. Clarify who, in the system, is the actual client.
16. Elevate client's hopes and expectations in a realistic manner.
17. Establish a psychological contract.
18. Articulate the OD process and its anticipated results in a clear and understandable manner.
19. Present biases and theoretical foundation about system/organizational change in a concise and accurate manner.
20. Solicit from client commitment of human and nonhuman resources.
21. Communicate clearly the compensation structure and billing process.
22. Set financial terms but still allow for adjustment due to newly discovered situations.

## **II—**

### **Startup**

1. Continue development of processes begun in Entry.
2. Facilitate client in reflecting on their motivations for change.
3. Link with and mobilize formal and informal power.
4. Perform a mini-assessment.
5. Facilitate identification of real issues as they begin to surface.
6. Integrate change project with existing system flow.
7. Generate system commitment to consulting process.
8. Define change boundaries.
9. Map out a written plan for managing the change process.
10. Clarify roles in change process.
11. Develop effective relationships at all levels.
12. Competently deal with resistance as it surfaces.
13. If only one division is the focus, integrate with the corporate direction.
14. Identify and train a resource in the system.

## **III—**

### **Assessment and Feedback**

1. Determine the domains to examine.
2. Use appropriate processes to collect data.

Choose from:

- Group or individual interviews
- Observations
- Secondary information
- Surveys or questionnaires
- Standardized assessment tools



## 3. Consider:

- Amount of time that is available
- The nature and scope of the problem
- The amount of data sought
- The degree of cooperation and trust that exists
- The involvement of people in collaborative data gathering
- The role of intuition and logic in determining what is occurring

## 4. Assess:

- Clarify boundaries of confidentiality
- Facilitate openness
- Research root causes, not symptoms
- Document what exists without making judgments
- Probe issues as they surface
- Determine what is and what action should be taken

## 5. Analyze and interpret data:

- Use computer to analyze data
- Synthesize data into themes/central challenges
- Involve those interviewed in the interpretation
- Discover missing data
- Probe and explore hidden causes
- Generate ownership of the data by the participants

## 6. Give feedback that is:

- Pertinent/appropriate
- Energizing/impacting
- Clear/understandable
- Provable/recognized as valid
- Specific/descriptive

## 7. Give feedback by:

- Inviting participation
- Responding sensitively, courageously
- Facilitating problem solving without manipulation
- Facilitating so appropriate interventions surface
- Encouraging a healthy unfreezing to occur

## 8. Begin to determine what interventions will:

- Make a significant difference
- Be cost efficient and effective
- Break through existing paradigms
- Receive support for implementation

**IV—****Action Planning**

1. Focus on the area that will generate the greatest amount of positive change.
2. Move participants from pain to hope.
3. Facilitate participation in decision making.
4. Brainstorm and decide on alternatives.
5. Judge possible solutions critically.
6. Predetermine the consequence.
7. Facilitate a mental rehearsal of the interventions and determine consequences.
8. Determine and allocate resources.
9. Create appropriate organizational links.
10. Develop a written plan that is concrete, measurable, and simple.

11. Shape the plan so it has a logical sequence.
12. Acquire commitment to review and process outcomes.
13. Build the plan so buy-in exists at all levels.
14. Model solid group dynamic abilities.
15. Generate ownership of solutions while dealing with resistance.
16. Build in risk-taking and experimental behavior.

#### **V—**

##### **Intervention**

1. Intervene without threatening the client system.
2. Assure that immediate tangible results occur.
3. Display a good sense of timing.
4. Identify the barriers and degree of readiness to change.
5. Intervene at an appropriate depth.
6. Predetermine the probable impact of changing one part of the system on other parts of the system.
7. Link ongoing change process to structure/operations.
8. Maintain change momentum.
9. Advocate for one group without antagonizing others.

#### **VI—**

##### **Evaluation**

1. Recognize progress, reinforce positive change, correct negative change.
2. Establish a feedback system to continuously monitor the change effort.
3. Initiate feedback on the client-consultant relationship.
4. Choose the appropriate evaluation method (i.e., same options available as for assessment) and level (i.e., reaction, learning, behavioral change, and organizational impact).
5. Transfer OD skills to the client.
6. Ask the right evaluation questions.
7. Secure closure of current project before going on to next cycle.

#### **VII—**

##### **Adoption**

1. Stabilize positive learning/change in the system.
2. Get commitment from top management and a wide organizational mix of people to recycle the process.
3. Spread process to other parts of the organization/division that may be ready.
4. Give special attention to areas where slippage to old attitudes/behaviors occurs.
5. Transfer OD processes to the person or department trained to be the OD resource in the system.

#### **VIII—**

##### **Separation**

1. Recognize when separation is helpful.
2. Provide feedback on process to date.
3. Transfer process to client.
4. Facilitate the separation process.

**IX—****General Competencies**

1. Act ethically, with integrity, and in accordance with the values and ethics statements developed by professionals in organization and human systems development.
2. Use a solid OD conceptual framework.
3. Apply management, organizational, and systems theory.
4. Use a computer for word processing, graphics, spreadsheets, data bases, statistics.
5. Use statistical analysis for problem solving.
6. Interpret cross-cultural influences.
7. Exhibit self-awareness and be aware when one's personal needs are being satisfied by client affiliation.
8. Invite, accept, and respond to feedback.
9. Recognize the influence of one's own interactions.
10. Exhibit group and intergroup facilitation skills.
11. Apply management, organizational, and systems theory.
12. Reflect on awareness of political dynamics.
13. Manifest self-understanding.

**X—****Conclusion**

The competencies presented in this outline reflect only one step in the evolutionary process of the field of organization development. Further, while informed by the input of many in the field this list still reflects the biases and the experiences of the authors. We invite your input into this process of "continuous improvement."

**100—**  
**Organizing in the Knowledge Age:**  
**Anticipating the Cellular Form**

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Since the Industrial Revolution, the United States economy has moved through the machine age into the information age and now stands at the threshold of the knowledge age. The locus of organizational exemplars has shifted from capital-intensive industries, such as steel and automobiles, to information-intensive industries, such as financial services and logistics, and now toward innovation-driven industries, such as computer software and biotechnology, where competitive advantage lies mostly in the effective use of human resources.

This evolution has been simultaneously powered and facilitated by the invention of a succession of new organizational forms—new approaches to accumulating and applying know-how to the key resources of the day. The contribution of each new form has been to allow firms to use their expanding know-how to adapt to market opportunities and demands, first for standardized goods and services, then to increasing levels of product and service customization, and presently toward the expectation of continuous innovation. Certain trends visible in the coevolution of markets and organizations make it possible to predict the shape and operation of the twenty-first century organization. A number of pioneering firms are already demonstrating the organizational characteristics suggested by those trends, especially a growing reliance on entrepreneurship, self-organization, and member ownership of firm assets and resources.

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\*Retired.

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I—

## The Evolution of Organizational Forms

An organizational form is an overall logic shaping a firm's strategy, structure, and management processes into an effective whole. In each historical era, market forces *pull* forth new organizational forms as managers seek new ways of arranging assets and resources to produce the products and services that customers want and expect. At the same time, some companies accumulate more know-how than their present operating logic allows them to utilize. Those excess capabilities *push* managers to experiment with new organizational arrangements that, in turn, stimulate the search for new markets and/or new products or services. The continuing interaction of these push-pull forces has been visible in the major eras that have characterized the U.S. economy over the past hundred-plus years (see Table 1).

A—

### Era of Standardization

The era of standardization saw hierarchical forms of organization used to apply know-how primarily to the use of such physical assets as raw materials, capital equipment, and plant facilities. In the late nineteenth and early twentieth centuries, the pioneering companies of that time learned to efficiently mass produce standardized products (e.g., steel and automobiles) and services (e.g., transportation and communications).<sup>1</sup> The period's dominant organizational form, the functional organization, used a centrally coordinated, vertically integrated structure to manage employees in highly specialized jobs. By focusing on limited product and service lines, firms moved down the learning curve, using their accumulating know-how to produce time and cost reductions that constantly added value to employed resources and allowed the United States to mass produce its way to a position of global economic power.

B—

### Early Customization

As illustrated in Figure 1, the era of customization actually began during the earlier period of standardized production. That is, by the middle of the twentieth century (and even before in industries such as automotive and retailing), markets had generally become more demanding, and some firms had accumulated know-how that could not be fully utilized in the production of their existing goods and services. Thus, markets pulled companies to diversify their offerings, and their underutilized know-how and resources pushed them toward new markets where expansion was possible.<sup>2</sup> Those forces coalesced in the invention of a new organizational form, the divisional, which allowed companies to serve related markets with differentiated goods and services. In the divisional form, know-how that accumulated in one market could be utilized by a newly created, semiautonomous division to provide products or services to different but related markets. Corporate-level executives sought new market opportunities for the creation of new divisions and used the current revenue streams to invest know-how and resources in these new arenas. Although each division typically produced a standard product (e.g., autos at General Motors), the divisional form enabled companies to achieve limited amounts of customization (market segmentation).

The movement from standardization to customization continued into the late 1960s and 1970s, as firms adopted mixed organizational forms, such as the matrix, that allowed a dual focus on both stable and emerging market segments and clients.<sup>3</sup> For example, by employing a matrix organization,

**TABLE 1** Organizational Evolution

Historical era	Standardization	Customization	Innovation
Organizational form	Hierarchy	Network	Cell
Key asset	Capital goods	Information	Knowledge
Influential manager	Chief operating officer	Chief information officer	Chief knowledge officer
Key capability	Specialization and segmentation	Flexibility and responsiveness	Design creativity

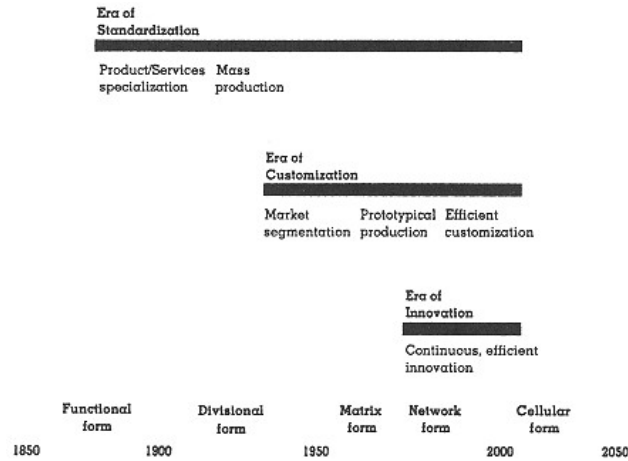


Figure 1  
Coevolution of economic era and organizational form.

an aerospace firm such as TRW could produce differentiated but standard products for the civilian and military markets in one or more divisions, while simultaneously transferring some resources from those units into project groups that designed and built prototypical products for space exploration. The matrix organization provided companies with a more finely grained mechanism for exploiting their know-how across a wider range of both standardized and customized products and services.

### C— *Full, Efficient Customization*

By the 1980s, the pull toward customization intensified as a rapidly growing number of firms around the world used their know-how to enter an increasingly deregulated global marketplace.<sup>4</sup> New entrants competed for customer attention with lower prices, improved quality and distribution, and seemingly endless choices among styles and models. However, many existing companies initially found it difficult to unleash their competencies and know-how to meet the new market opportunities and pressures. Divisional and matrix organizations, designed for less challenging and turbulent markets, were better suited to internal coordination needs than to rapid forays into new markets.

Once again, a new organizational form was needed in order to help firms use and extend their capabilities. The model that evolved from the late 1970s into the 1990s was the network organization.<sup>5</sup> The key contribution of the network form was not just its ability to rapidly respond to market demands for differentiated products and services, but to do so efficiently by extending the customization process backward and forward along the entire industry value chain, from raw materials, to parts and component production, to manufacture and assembly, to distribution and final sale. In their search for flexibility and responsiveness, most traditional companies began by downsizing and then refocusing on those areas where their assets and know-how added the greatest economic value. As companies downsized and reengineered, they began to outsource noncore operations to upstream and downstream partner firms whose capabilities complemented their own. As multifirm networks proliferated, numerous potential partners around the world began to occupy points along industry value chains, offering increased overall flexibility and therefore more opportunities for customiza-

tion. The expanded number of competent firms kept prices in check, improved product and service quality, and pressured all firms to adopt better information and production technologies.

Most importantly from an organizational point of view, companies began to realize that success in the age of efficient customization again demanded a higher level of know-how and resource utilization than existing internal management processes allowed. Increasingly, firms turned to network structures in which empowered teams managed not only their internal work processes, but also external relationships with upstream and downstream partners. In many networks of the 1990s, it became difficult to determine where one organization ended and another began, as cross-firm teams resolved interface issues, representatives of important customers were invited to participate in new product development processes, and suppliers were given access to large firms' scheduling and accounting processes through electronic data interchange systems.

In little more than a century, the pull of market forces and the push of underutilized company know-how carried the U.S. economy through the era of mass standardization into the era of efficient customization. Throughout this period, firms faced increasingly complex market and technological environments. In response, firms themselves became more complex, by creating new organizational means of adding economic value.

Functional firms, as shown in Table 2, primarily utilized increased operating know-how to add economic value, with only top managers providing coordination and entrepreneurial direction. The divisional form utilized operating knowledge and also developed and applied knowledge of how to invest money, people, and systems in related markets—so-called diversification know-how. In the process, divisional firms brought not only corporate managers, but an expanding group of divisional managers, into organizational and business decision processes.

Matrix organizations were designed to add value not only through the application of operating and investment know-how, but also through their adaptation capabilities—the frequent refocusing of underutilized assets on the needs of temporary projects and new market opportunities. In those organizations, top managers, division managers, and project managers all were involved in entrepreneurial and organizational decisions.

The network form allowed value to be added across as well as within firms along the value chain, combining the operational, investment, and adaptation know-how of individual firms and achieving higher levels of overall utilization through their freedom to link rapidly with numerous upstream and downstream partners. The network organization's dependence on decision-making teams, both within and across firms, dramatically increased involvement in organizational and entrepreneurial decisions in all firms at all levels.

In sum, across this entire period of organizational evolution, certain trends are clearly evident. First, as each new organizational form was created, it brought an expectation that more and more organization members would develop the ability to self-organize around operational, market, and partnering tasks. Second, each new form increased the proportion of members who were expected to perform entrepreneurial tasks—identifying customer needs and then finding and focusing resources on them. Third, each new organizational form increased member opportunities to experience psychological ownership of particular clients, markets, customized products and services, and so on. Also, because performance measurement now occurred at more points and organizational levels, the opportunity for reward systems to promote financial ownership increased, mostly in the form

**TABLE 2** Location of Managerial Know-How in Alternative Organizational Forms

	Operational know-how	Investment know-how	Adaptation know-how
Functional	Top, middle, lower	Top	Top
Divisional	Top, middle, lower	Top, middle	Top
Matrix	Top, middle, lower	Top, middle	Top, middle
Network	Top, middle, lower	Top, middle	Top, middle, lower
Cellular	Top, middle, lower	Top, middle, lower	Top, middle, lower

of bonuses and stock-purchase plans. These key trends, we believe, can be used to forecast the main characteristics of twenty-first century organizational forms.

**II—  
The Twenty-First Century:  
Era of Innovation**

In tomorrow's business world, some markets will still be supplied with standard products and services, while other markets will demand large amounts of customization. However, the continued pull of market forces, and the push of ever-increasing know-how honed through network partnering, is already moving some industries and companies toward what amounts to a continuous process of innovation. Beyond the customization of existing designs, product and service invention is becoming the centerpiece of value-adding activity in an increasing number of firms. So-called knowledge businesses—such as design and engineering services, advanced electronics and biotechnology, computer software design, health care, and consulting—not only feed the process of innovation but feed upon it in a continuous cycle that creates more, and more complex, markets and environments.<sup>6</sup> Indeed, for companies in such businesses, both by choice and by the consequences of their choices, organizational inputs and outputs become highly unpredictable.

For example, according to the CEO of a biotechnology firm, the potential inputs to the firm are spread across hundreds and even thousands of scientists worldwide. Around each prominent researcher is a cluster of colleagues, and each cluster is a rich mix of talent held together by a set of connecting mechanisms, including shared interests, electronic mail systems, and technical conferences. Connecting devices are not coordinated by plan but rather are self-organizing, reflecting the knowledge needs and data-sharing opportunities recognized by members of the various clusters. The overall challenge of the biotechnology firm is to maintain close contact with as much of this continuously evolving knowledge field as it can. A similarly complex pattern is visible at the output interface of the firm, as myriad alliances and partnerships are formed to take partially developed products (and by-products) through the stages of final design, testing, and marketing. Clearly, a biotechnology firm that is rigidly structured will not be able to muster the internal flexibility required to match the complexity of its environment.

**A—  
A New Organizational Form for a New Economic Era**

Similar elements of complexity are visible in a growing number of industries. In computer software, for example, there are few limits on potentially profitable product designs, and a vast array of independent designers move in and around software companies of every size. The choices firms face at both the input and output ends of their operation are thus large and constantly changing. Faced with these opportunities, and projecting the evolutionary trends discussed above, one would expect the twenty-first century organization to rely heavily on clusters of self-organizing components collaboratively investing the enterprise's know-how in product and service innovations for markets that they have helped create and develop.

Such firms can best be described as cellular.<sup>7</sup> The cellular metaphor suggests a living, adaptive organization. Cells in living organisms possess fundamental functions of life and can act alone to meet a particular need. However, by acting in concert, cells can perform more complex functions. Evolving characteristics, or learning, if shared across all cells, can create a higher-order organism. Similarly, a cellular organization is made up of cells (self-managing teams, autonomous business units, etc.) that can operate alone but that can interact with other cells to produce a more potent and competent business mechanism. It is this combination of independence and interdependence that allows the cellular organizational form to generate and share the know-how that produces continuous innovation.

**B—  
Building Blocks of the Cellular Form**

In the future, complete cellular firms will achieve a level of know-how well beyond that of earlier organizational forms by combining entrepreneurship, self-organization, and member ownership in mutually reinforcing ways. Each cell (team, strategic business unit, firm) will have an entrepreneurial



responsibility to the larger organization. The customers of a particular cell can be outside clients or other cells in the organization. In either case, the purpose is to spread an entrepreneurial mind-set throughout the organization so that every cell is concerned about improvement and growth. Indeed, giving each cell entrepreneurial responsibility is essential to the full utilization of the firm's constantly growing know-how. Of course, each cell must also have the entrepreneurial skills required to generate business for itself and the overall organization.

Each cell must be able to continually reorganize in order to make its expected contribution to the overall organization. Of particular value here are the technical skills needed to perform its function, the collaborative skills necessary to make appropriate linkages with other organizational units and external partner firms, and the governance skills required to manage its own activities. Application of this cellular principle may require the company to strip away most of the bureaucracy that is currently in place and replace it with jointly defined protocols that guide internal and external collaboration.

Each cell must be rewarded for acting entrepreneurially and operating in a businesslike manner. If the cellular units are teams or strategic business units instead of complete firms, psychological ownership can be achieved by organizing cells as profit centers, allowing them to participate in company stock-purchase plans, and so on. However, the ultimate cellular solution is probably actual member ownership of those cell assets and resources that they have created and that they voluntarily invest with the firm in expectation of a joint return.

### III—

#### **Toward the Cellular Organization**

Examples of cellular organizations, in that the individual cellular principles and their interconnectedness are clearly seen, are rare. We have attempted to identify and track those companies that appear to be at the leading edge of organizational practice, and our interviews and observations to date have uncovered one example of a complete cellular organization, Technical and Computer Graphics of Sydney, Australia. Also, The Acer Group, a rapidly growing personal computer company, is a significant user of cellular principles on a global scale. There are many examples of companies around the world that are partial users of the cellular form, relying on one or more of its key building blocks to achieve impressive innovative capabilities.

### A—

#### **TCG:**

##### ***A Complete Cellular Organization***

Technical and Computer Graphics (TCG), a privately held information-technology (IT) company, is perhaps the best example of the cellular approach to organizing. TCG develops a wide variety of products and services, including portable and hand-held data terminals and loggers, computer graphics systems, bar-coding systems, electronic data interchange systems, and other IT products and services. The 13 individual small firms at TCG are the focus of cellularity. Like a cell in a large organism, each firm has its own purpose and ability to function independently, but it shares common features and purpose with all of its sister firms. Some TCG member firms specialize in one or more product categories, while others specialize in hardware or software.

At TCG, the various firms have come into the group with existing high levels of technical and business competence. However, the operating protocol at TCG assures that system wide competence will continue to grow. The process is called triangulation, and it is the means by which TCG continually develops new products and services.<sup>8</sup> Triangulation is a three-cornered partnership among (a) one or more TCG firms, (b) an external joint-venture partner (e.g., Hitachi) that also provides equity capital to the venture, and (c) a principal customer (e.g., Telstra, an Australian telephone company) whose large advance order wins it contractual rights as well as provides additional cash to the venture. (See Figure 2.)

Each TCG firm is expected to search continually for new product and service opportunities. When a particular venture shows concrete promise, the initiating firm acts as project leader for the remainder of the venture. The first step in the triangulation process is to identify and collaborate with a joint-venture partner, a firm with expertise in the proposed technology. TCG receives partial

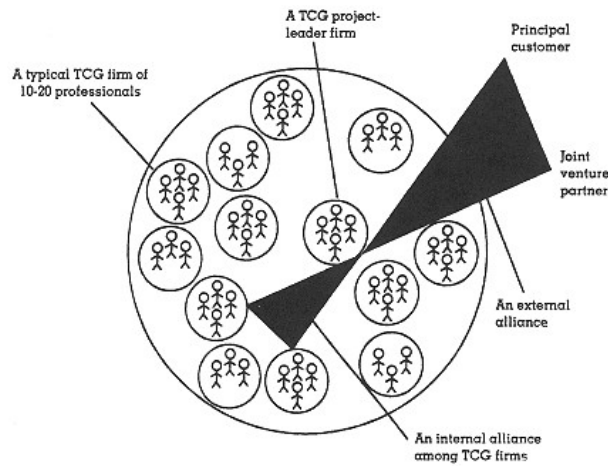


Figure 2  
TCG's cellular organization.

funding for the project from the joint-venture partner, and it also gains access to technical ideas and distribution channels. Next, the project leader firm identifies an initial large customer for the new product. TCG also collaborates with the customer in the sense that it agrees to custom-design a product for that client. By working together with the joint-venture partner and the principal customer, TCG is able to efficiently develop a state-of-the-art product that is tailor-made to the principal customer's specifications.

According to TCG's governance principles, the project leader firm is also expected to search among the other TCG companies for additional partners—not only because they are needed for their technical contribution, but also because the collaboration itself is expected to enhance overall organizational know-how. The process of internal triangulation thus serves a dual purpose. It produces direct input to the project, and it helps to diffuse competence in areas such as business development, partnering, and project management. The three principles of cellularity are tightly interconnected at TCG, mutually reinforcing each other and producing a strong overall organization. First, acceptance of entrepreneurial responsibility is required for admission to the group and is increasingly enhanced by the triangulation process. Second, self-organization gives the individual firm both the ability and the freedom to reach deeply into its own know-how to create responses to a continuously evolving set of customer and partner needs. Third, each firm's profit responsibility, as well as its opportunity to own stock in other TCG firms, provides an ongoing stimulus for the growth and utilization of know-how.

To this point, TCG has pushed its version of the cellular organizational approach to a modest size (approximately 200 staff in 13 small firms). Whether TCG's particular approach can be used to propel its growth to medium or large size is not yet clear. It may well be that some modification of its self-organizing abilities and reward system may be required.

**B—**

**Acer:**

***A Global Cellular Company***

An attempt to build a large-scale cellular organization is evident at The Acer Group, where co-founder Stan Shih has created a vision of a global personal computer company.<sup>9</sup> Shih's design, like

that at TCG, calls for a federation of self-managing firms held together by mutual interest rather than hierarchical control. Shih's driving slogan is "21 in 21"—a federation of at least 21 independent firms located around the world by the twenty-first century, each operating in what Shih calls a "client-server" mode; that is, each firm, depending on the type of transaction involved, is either a client or a server of the other firms in the federation. Some firms, called regional business units (RBUs), are operated primarily as marketing organizations—advertising, selling, and servicing computers according to particular national or regional needs. Other firms, called strategic business units (SBUs), are primarily R&D, manufacturing, and distribution units. For the most part, RBUs are clients that receive products from servers, the SBUs. However, RBUs are required to submit on an ongoing basis short-, medium-, and long-term forecasts of their product needs. In this mode, the SBUs are the clients of the RBUs—depending on each RBU's knowledge of its local market to provide information that will drive product development and manufacturing.

Although each firm has a core task to perform, new product concepts can and do originate anywhere in the federation. For example, Acer America (an RBU) wanted a stylish yet affordable PC for the North American market. It contracted with Frog, an outside industrial design firm, to assist it in the development of the highly acclaimed Acer Aspire. Manufacturing was done by Acer SBUs, and the marketing campaign was jointly developed by Acer America and Acer International, another RBU based in Singapore. Other Acer units are free to borrow from the Aspire design or to create unique designs suited to their respective markets. Every new product proposal is evaluated as a business venture by the federation's partner firms.

Shih's vision for the Acer federation of companies, however, appears to go one step beyond that of TCG in terms of reinforcing both the responsibility of the individual firm for its own destiny and the responsibility of all firms for the long-term success of the total organization. At TCG, the value of each of the member firms is calculated through an internal stock market, and firms are free to leave the group if they so choose. At Acer, the firms are each jointly owned by their own management and home-country investors, with a (usually) minority ownership position held by Acer, Inc., the parent firm. Shih intends that Acer firms around the world will be listed on local stock exchanges and be free to seek capital for their own expansion. He believes that local ownership unleashes the motivation to run each business prudently.

With all Acer firms enjoying the freedom to both operate and expand, the value of their membership in the federation is the capacity of the "cells" to continue to serve one another in an increasingly competitive global marketplace. Acer has developed the competence to efficiently produce all its products for just-in-time assembly and distribution. With minimal inventories, the latest models are available at all times at every sales site.

As yet, Acer's operating protocols are not as explicitly geared to the diffusion of know-how as they are at TCG. Nevertheless, Acer's business model provides the opportunity for each firm to draw on federation partners as preferred providers or clients. Currently, Acer's worldwide training programs are being used to translate Shih's global vision into action programs at the local firm level.

C—

#### ***Partial Uses of the Cellular Approach***

Even those firms that have not yet moved to a complete cellular model appear to obtain benefits from using one or more of its three main building blocks. For example, Kyocera relied heavily on the principle of self-organization to improve its manufacturing process. Each of its cells consists of a small group of machines and a team of highly trained employees who collaborate in the production of a well-defined set of products for a specific group of customers. As opposed to the functional organization of manufacturing, where machines are grouped according to task performed, and products or parts are produced through specialized batch methods, the cellular approach divides the stream of production into parallel flows, giving the members of each cell responsibility for planning their own operations, ensuring that the quality of their output meets specified performance standards, interfacing with their suppliers and customers, and responding to unusual circumstances. <sup>10</sup>

Oticon, the Danish hearing aid manufacturer, has carefully reengineered its organization using approaches similar to the cellular principles of self-organization and entrepreneurship. First, it dra-

matically and systematically removed many of the bureaucratic barriers that plagued organization members. It eliminated rules, reports, and forms, achieving in the process a paperless workplace. It reduced the need for planning and supervision by allowing employees to choose their project teams. Such voluntarism also served to stimulate entrepreneurship, as the most successful projects were those which were widely regarded as compelling ideas.<sup>11</sup> Thus, self-managing teams now have responsibility for both the identification and organization of new business projects.

At Semco, the Brazilian industrial-equipment manufacturer, management places great emphasis on the principles of member ownership and entrepreneurship. Work teams within all of Semco's plants have a standing invitation to take their operations outside the company and form their own business firms. If the new outside firm uses Semco equipment, the company will lease that equipment to the firm at very favorable rates. If the new firm provides a product or service desired by Semco, it can do business with its former employer. Even if the new firm later wishes to rejoin Semco, it can propose to do so, and the decision will be treated just like any other business proposal. All of these actions are encouraged because Ricardo Semler, Semco's former CEO, believes that employee ownership is the best means of achieving a competitive business. Although it is a privately held company, Semco shares almost a quarter of its profits with managers and employees.<sup>12</sup>

**D—**

#### ***Adding Value by Using the Cellular Form***

A close examination of cellularly structured firms such as TCG and Acer indicates that they also share some of the features of earlier organizational forms. Indeed, each new form, as we noted earlier, incorporates the major value-adding characteristics of the previous forms and adds new capabilities to them. Thus, the cellular form includes the dispersed entrepreneurship of the divisional form, customer responsiveness of the matrix form, and self-organizing knowledge and asset sharing of the network form.

The cellular organizational form, however, offers the potential to add value even beyond asset and know-how sharing. In its fully developed state, the cellular organization adds value through its unique ability to create and utilize knowledge. For example, knowledge sharing occurs in networks as a by-product of asset sharing rather than as a specific focus of such activity. Similarly, matrix and divisionalized firms recognize the value that may be added when knowledge is shared across projects or divisions, but they must create special-purpose mechanisms (e.g., task forces) in order to generate and share new knowledge. By contrast, as illustrated at TCG, the cellular form lends itself to sharing not only the explicit know-how that cells have accumulated and articulated, but also the tacit know-how that emerges when cells combine to design unique new customer solutions.<sup>13</sup> Such learning focuses not on the output of the innovation process, but on the innovation process itself; it is know-how that can be achieved and shared only by doing.

Beyond knowledge creation and sharing, the cellular form has the potential to add value through its related ability to keep the firm's total knowledge assets more fully invested than do the other organizational forms. Because each cell has entrepreneurial responsibility, and is empowered to draw on any of the firm's assets for each new business opportunity, high levels of knowledge utilization across cells should be expected. Network organizations aspire to high utilization of know-how and assets, but upstream firms are ultimately dependent on downstream partners to find new product or service uses. In the cellular firm, the product/service innovation process is continuous and fully shared.

**IV—**

#### **Implementing the Cellular Organization**

Many organizational variations using some or all of the cellular principles are likely to emerge in the years ahead.<sup>14</sup> While the direction of the evolution is clear, however, companies that attempt implementation of the complete cellular form face several significant challenges. It is certain that cellularly structured firms will not just happen. Our interviews with leaders of cellular firms make it clear that such a firm is the product of a bold managerial vision and, even more importantly, of a unique managerial philosophy.<sup>15</sup> The ability to envision and build the entrepreneurial, self-organizing, and ownership components of cellular organizations must be undergirded with a philosophy

that emphasizes investment in human capabilities and the willingness to take substantial risks to maximize their utilization.

The first requirement is a willingness to invest in human capability that goes well beyond simply providing for current education and training. The concept of investment calls for expenditures to build the capabilities needed to respond to the future demands that will be placed on the organization, even those that cannot be easily forecast. Training to meet current needs is not an investment, because the requirement is clear, and the costs and benefits can be easily calculated. Building competencies for future needs *is* an investment because risk is involved—not every return can be predicted and, moreover, not everyone whose skills are enhanced will remain with the firm.

Companies such as Chaparral Steel, for example, make heavy investments in building know-how even though not all returns can be easily measured. Chaparral invests up to one third of every member's time annually in one form or another of continuous education and skill development. Chaparral views growing know-how as the basic source of members' ability to add economic value in a highly competitive industry.<sup>16</sup> The competencies visible in firms such as Kyocera, Oticon, Semco, Acer, and TCG are the products of similar investments.

It is worth noting that the basic notion of achieving competitive advantage through people is far from new. In the late 1950s, Edith Penrose focused on managerial competence as the principal engine of organizational growth, and in the 1960s, Rensis Likert advocated careful accounting for investments in human resources and the costs of managerial actions that might deplete them. The 1990s have brought a renewed awareness among managers and management scholars that building know-how is the primary means by which firms create economic value.<sup>17</sup> The difference today, however, is that continuing investment in the competence of organization members is no longer merely an option; it is an economic must.<sup>18</sup>

The concept of investment always involves risk, which is usually proportional to the level of possible return. The biggest challenge facing most firms that are considering the use of a cellular form of organization is not just the investment required to build key competencies; it is the willingness to allow the levels of self-governance necessary to fully utilize that competence. For example, Oticon takes what many firms would view as an extraordinary risk in allowing members to choose their own work assignments on projects where their capabilities can be most effectively used. Others would regard the firm (cell) autonomy allowed at TCG and Acer to involve even bigger risks, since coordination is largely voluntary, and agreed-upon protocols and responsibilities are used instead of hierarchical controls.

Perhaps even more challenging than making investments and taking risks, however, is the long-term requirement for sharing with organization members the returns of their knowledge utilization. If organization members are to accept professional levels of responsibility, traditional reward schemes such as bonus plans are not likely to be sufficient. Perhaps the future structure of return-sharing will follow the philosophies expressed by Stan Shih and Ricardo Semler—that the long-run pursuit of an increasingly competent organization may require innovative mechanisms providing real ownership and profit-sharing, mechanisms that give members' intellectual capital the same rights as the financial capital supplied by stockholders.

Given the required levels of investment, risk-taking, and member ownership, many companies will not—and need not—move completely to the cellular organizational form. Firms that produce standard products or services to forecast or order may still be most productive if arranged in at least shallow hierarchies. Groups of such firms may be linked into networks for greater speed and customization. The push toward cellular approaches, as noted earlier, is appearing first in firms focused on rapid product and service innovation—unique and/or state-of-the-art offerings. However, while cellular firms are most easily associated with newer, rapidly evolving industries, the form lends itself to firms providing the design initiative in virtually any type of industry. Within a network of companies in a mature business, it is the cellularly structured firms that are likely to provide leadership in new product and service development.

V—

## Conclusion

Across national and regional economies, the overlapping eras of standardization, customization, and innovation will continue to evolve, and new variations of hierarchical, network, and cellular

organizational forms will continue to emerge. Decades of experimentation honed the functional, divisional, matrix, and network forms, clarifying their operating logics and highlighting their costs and benefits. A similar pattern can be expected to occur with the cellular form. Throughout the evolutionary process of organizational form, one constant has been the search for ever-increasing effectiveness and efficiency in the ability to fully apply know-how to resource utilization. Firms willing to take the risks to lead this search have been and will continue to be economic leaders.

### Acknowledgments

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### Notes

1. For excellent accounts of the evolution of organizational forms during this period, see A. D. Chandler, Jr., *Strategy and Structure: Chapters in the History of the American Industrial Enterprise*. Cambridge, MA: MIT Press, 1962; and P. R. Lawrence and D. Dyer, *Renewing American Industry*, New York, NY: Free Press, 1983.
2. A discussion of "excess managerial capacity" as the engine of corporate growth can be found in E. T. Penrose. *The Theory of the Growth of the Firm*. Oxford, England: Basil Blackwell, 1959. A new edition of this book, with a foreword by Professor Penrose, was published in 1995.
3. For a discussion of matrix organizations, see S. M. Davis and P. R. Lawrence, *Matrix*. Reading, MA: Addison-Wesley, 1977.
4. For a discussion of the globalization process, see M. E. Porter, ed. *Competition in Global Industries*. Boston: Harvard Business School Press, 1986.
5. The multifirm network organization was first identified and described by R. E. Miles and C. C.

- Snow, "Fit, Failure, and the Hall of Fame." *California Management Review*, 26(3):10–28, 1984. For descriptions of the major types of network organizations used today, see R. E. Miles and C. C. Snow, *Fit, Failure, and the Hall of Fame: How Companies Succeed or Fail*. New York: Free Press, 1994. Chaps. 7–9.
6. S. Kauffman, *At Home in the Universe*. New York: Oxford University Press, 1995.
  7. We did not invent the cellular label. The concept of cellular structures has been discussed at least since the 1960s. For a review, see J. A. Mathews, "Holonc Organisational Architectures." *Human Systems Management*, 15:1–29, 1996.
  8. J. A. Mathews, "TCG R&D Networks: The Triangulation Strategy." *Journal of Industry Studies*, 1:65–74, 1993.
  9. J. A. Mathews and C. C. Snow, "The Expansionary Dynamics of the Latecomer Multinational Firm: The Case of The Acer Group." Working Paper, University of New South Wales, 1997.
  10. M. Zeleny, "Amoebae! The New Generation of Self-Managing Human Systems," *Human Systems Management* 9, 1990, 57–59.
  11. L. Kolind, "Creativity at Oticon." *Fast Company*: 5–9, 1996.
  12. R. Semler, *Maverick*. New York: Time Warner Books, 1993.
  13. I. Nonaka and H. Takeuchi, *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*. New York: Oxford University Press, 1995.
  14. Many of these experiments will involve various forms of strategic alliances and/or joint ventures. See A. C. Inkpen, "Creating Knowledge Through Collaboration." *California Management Review*, 39:123–140, 1996.
  15. J. A. Mathews and C. C. Snow, "A Conversation with Taiwan-based Acer Group's Stan Shih on Global Strategy." *Organizational Dynamics*, summer 1998.
  16. G. E. Forward, D. E. Beach, D. A. Gray, and J. C. Quick, "Mentofactoring: A Vision for American Industrial Excellence." *Academy of Management Executive*, 5:32–44, 1991.
  17. Penrose, *op cit.*; R. Likert, *The Human Organization*. New York: McGraw-Hill, 1967; and J. Pfeffer, *Competitive Advantage Through People*. Boston: Harvard Business School Press, 1994.
  18. For an example of a firm that seriously and creatively attempted to calculate the value of its intellectual capital and other intangible assets, see L. Edvinsson and M. S. Malone, *Intellectual Capital: Realizing Your Company's True Value by Finding Its Hidden Brainpower*. New York: HarperBusiness, 1997.

101—

## An Intersection: Collaboration and Self-Concept

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I—

### Introduction

This chapter discusses connections between collaboration and self-concept. We see, as do many others (e.g., Amabile, 1983; John-Steiner, 1985; Senge, 1990; Zuckerman, 1977), that an important shift is taking place in work. Increasingly, collaboration with others has become normal—or at least an ideal—rather than an exception. We think self-concept contributes to collaboration in important ways. This chapter represents our current best effort at creating a conceptual framework for analyzing and appreciating this contribution.

Much writing and thinking has been directed toward developing collaboration in organizations. We define collaboration as a process in which ideas of two or more people are fully integrated, and in which products, services, and concepts may transcend the sum of all contributions. This unstable, even chaotic process moves beyond simply working together, and approaches synergy—a word often used and a concept rarely realized.

Our ideas help explain why some efforts at collaboration go smoothly, while others find less success, or even disaster. We believe creative tension exists—and collaborative spirit develops—at an intersection of collaboration and self-concept. We assert self-concept plays an essential role in determining interpersonal, group, and organization capacity to collaborate. Entering any collaborative project without attending to this role results in less productive—perhaps even destructive—interactions among people working on a project. We have seen that a focus on the intersection between self-concept and collaboration increases the performance and productivity of pairs, teams, work groups, and organizations.

That intrapersonal characteristics influence a person's wider life is a relatively common assertion. Assertions as to how this phenomenon manifests itself are less common in organizational literature, however. We use lesser known aspects of a popular social science theory—fundamental interpersonal relations orientation (FIRO)—to describe and analyze self-concept (Schutz, 1966, 1984, 1994).<sup>\*</sup> We present a model described by the two axes of knowledge and relationship to describe and analyze collaboration among people in organizations.

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<sup>\*</sup>FIRO material presented in this paper is adapted, with slight modifications, from Schutz's work. This chapter was presented in an earlier version at 26th Annual Information Exchange, Organization Development Institute, Mobile, Alabama, May 21–24, 1996.



## II— Organizing Propositions

We organize this chapter around three related propositions. A brief description of each follows:

1. Collaboration may be described and analyzed with a model depicting interaction between "knowledge" and "relationship."
2. Collaboration provides an opportunity for colleagues, mentors, and apprentices to learn and develop new knowledge, skills, and attitudes.
3. In collaboration, increasing self-awareness correlates directly with creativity, synergy, and quality of task performance.

## III— Proposition Implications and Discussion

We elaborate on our core propositions below, stressing conceptual and practical methods to analyze and improve collaborative endeavors.

### A— Collaboration Model

In proposition 1 the key interaction involves knowledge and relationship. Knowledge pertains to skills, experience, and information in a particular domain or field of endeavor—a basis for task performance in collaboration. Relationship pertains to an affinity toward process, a willingness to "get along with" or "work well with" other people. Janet L. Surrey (1991, p. 61) writes, "By relationship, I mean an experience of emotional and cognitive *intersubjectivity*: the ongoing, intrinsic inner awareness and responsiveness to the continuous existence of the other or others and the expectation of mutuality in this regard." Evidence of effective relationship tends to be qualitative in nature, and includes participation, sharing power, listening, and truthfulness. Figure 1 graphically portrays this model of collaboration, revealing four basic styles. This model assesses orientation or values (Miller, 1992). A brief description of four basic styles follows:

*Novice (lo knowledge and lo relationship)*: Individual with minimal knowledge and low orientation toward developing relationship. Willing to learn and develop. Less likely to currently appreciate how interaction of relationship and knowledge impacts performance.

*Confidant (lo knowledge and hi relationship)*: Individual with minimal knowledge and high orientation toward developing relationship. May be good listener, communicator, easy to talk with. Sees strong connection between relationship and performance.

*Expert (hi knowledge and lo relationship)*: Individual with high orientation toward facts, tasks,

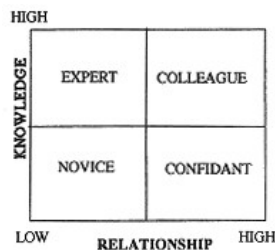


Figure 1  
A model of collaboration styles.

and skills relevant to domain or field. Little ability and interest in building relationships. Knows domain or field well. Sees strong connection between knowledge and performance.

*Colleague (hi knowledge and hi relationship)*: Individual with high orientation toward knowledge and relationship. Firm grasp of facts, tasks, and skills relevant to domain or field. Has ability and interest in relation building. Appreciates how knowledge and relationship impacts performance.

Collaborators bring their histories, style preferences, and life stories to work. Psychiatrist Erik Erikson saw this "interaction of biographies" as central to generativity, learning, and creativity (Hampden-Turner, 1982, p. 135). In light of our quadrant model, interaction of two collaborators reveals ten combinations; that is, "expert-expert," "colleague-novice," "confidant-colleague," and so forth. This illustrates the complexity and challenge of collaborative work. In the interest of simplicity, we will explore a limited number of combinations.

Some style combinations seem to complement each other more than others. For example, two colleagues are likely to collaborate easily and effectively. Collegial work supports both collaborators, creating an environment driven by task and relationship, in which each may approach the other knowing it is possible to influence in meaningful ways. (Consider Surrey, 1991, pp. 167–168.)

The capacity to engage in an open, mutual empathic relational process rests on the maintenance of fluid ego boundaries and the capacity to be responsive and "moved" by the thoughts, perceptions, and feeling states of the other person . . . both people feel able to have an impact on each other and on the movement or "flow" of the interaction . . . Each feels empowered through creating and sustaining a context that leads to increased awareness.

In this type of engagement, each collaborator is fundamentally changed by the interaction, and better able to see from the point of view of the other. Each partner finds a larger perspective and is better able to respond creatively. In this situation, two colleagues will likely produce task accomplishment beyond the capability of either. Their differences provide new areas of interest for each and they learn easily from each other. The joy that they find in working with each other is rewarding and they feel nurtured in the presence of each other. They may not agree, but they do not fear their disagreement. They see growth and development through the understanding of each other's perspectives.

This ideal may not be realized often, since maintaining "fluid ego boundaries," and being "moved" by thoughts, perceptions, and feeling states of other people may feel too intimate, invasive, and frightening. Especially for two experts, these requirements often produce "turf defense" rather than healthy collaboration. Experts more likely arrive at work with a "position" concerning accuracy, validity, and appropriateness of knowledge, as opposed to an "interest" in learning about a shared endeavor. Placing less value on relationship, experts may view relational collaboration as either irrelevant or simply not worth its costs.

A combination of colleague and novice creates opportunities for learning as well as for developing learning environments. Ideally this can be a mentor-apprentice relationship, although some mentors approach such work from an expert style. Novice appreciates developmental possibilities, and does not become stuck in a style or role. Colleague demonstrates a willingness to learn with and relate to a less experienced collaborator, thereby helping novice move toward collegial interaction. Jazz clarinetist George Lewis admired early twentieth century New Orleans bandleader Kid Rena (Stuart, 1961, pp. 163–164): "Kid was mighty kind to young musicians, you didn't find many like that in those days. Rena always used to let the young 'uns sit in when he was playing. He never used to give them a bad time, or try to 'cut' them, or louse up their playing just for fun, or show off how good he was."

Lewis took a lesson from his experiences, and nurtured young musicians throughout his career. Decades later, a band nervous to a point of collapse at their first rehearsal with Lewis, whom they held in high esteem, were probably surprised to hear his counsel. "Just go on your own way boys, I'll go along with you," George said quietly (Stuart, 1961, p. 248).

We undergo a shift, conscious or unconscious, each time we enter into a collaborative relationship. When we put aside our own assumptions, we free ourselves to see the different shapes of

knowledge and experience. With this change comes a willingness to learn and see the world with different eyes. A part of collaboration is each partner's willingness to learn and consider the other's point of view—to be vulnerable.

Many of us find the idea of exposing our thought processes and reasoning threatening since we fear others may find errors. Our wish to be perfect may be unrealistic, but certainly has a profound presence in our lives, since it limits our learning. Consider Larry Porter (1982, p. 42): "For reasons having mostly to do with our upbringing, we want to look 'good' to the world (no matter how much we may deny it), and in the interest of doing this we may try to shut out information that runs counter to that so-much-desired image." We expend intellectual and emotional energy creating elaborate "defensive routines" (Argyris, 1993, p. 49) to protect us from being "wrong," rather than expend that energy assimilating or integrating new information. We see our present focus as a means of exploring collaborative interaction—seeing "how" our biographies interact in this regard, and how this influences our collaboration.

We believe collaborative styles and combinations all have benefits and drawbacks. Fundamental problems arise from clinging rigidly to a particular role or combination, even when other choices may be more reasonable. We explore roots of such rigidity in subsequent propositions. Distinctions about appropriate roles in a given situation are critical factors in collaboration—although often done implicitly at best.

### **B— Learning Opportunity**

According to proposition 2, collaboration provides opportunities for colleagues, mentors, and apprentices to learn and develop new knowledge, skills, and attitudes. The psychological literature contains a storehouse of information relevant to collaboration. Russian psychologist Lev Vygotsky focused much of his work on children, but similar processes operate in all people (Gallimore et al., 1992, p. 16). Primary to Vygotsky's work is a concept called zone of proximal development (ZPD), which he defines as follows (Cole et al., 1978, p. 86):

Distance between the actual developmental level as determined by individual problem solving and the level of potential development as determined through problem solving under adult guidance or in collaboration with more capable peers. The zone of proximal development defines those functions that have not yet matured . . . These functions could be termed the "buds" or "flowers" of development rather than the "fruits" of development.

These same concepts are apparent in collaboration. A ZPD perspective is particularly important when partners: (1) have complementary knowledge, skills, and attitudes yet come from different fields of endeavor, (2) have different levels of skill, such as an apprentice and a mentor, and (3) have knowledge in one area and want to expand into another. When partners are willing to learn from each other, each benefits, as does their task performance. Where partners are less open or are threatened by the skill of others, rigidities appear and the "zone" is often lost.

Cognitive psychologist Howard Gruber (Briggs, 1990, pp. 320–322) writes that in effective collaboration, people retain individuality while combining efforts and talent. In this way  $1 + 1$  has a potential of equaling 3, 4, 5 . . . . Consider a relationship between an external organization development (OD) consultant, and an OD employee in an organization. They may have different levels of willingness and/or ability to collaborate: both may be unwilling and/or unable to work together, they may be willing and/or able to collaborate minimally, or both may be very willing and/or able to work together. Typical ways of predicting collaborative success of such a relationship include little more than credential checks or evaluation of past performance of each collaborator. This seems inadequate to assess such a complex interaction. If a collaboration is to succeed, attention must be paid to more than simply each party's task history. "How" they collaborate is equally important.

Collaborative colleagues use each other's skills and knowledge to accomplish their common tasks. Outcomes depend upon the quality of their skills and knowledge, as well as their willingness and ability to work with each other. Collaborators put aside assumptions and develop communication skills in order to create something new, beyond developed theory and philosophy of their work—they go outside traditional lines. Creating something new, something beyond the work of any individ-

ual, gives collaboration its powerful punch. In combining knowledge, skills, and experience of all involved, collaborators create a shift—new literature, new music, new organizational theory. At times, collaboration pushes those involved to the limits of their capacity.

Collaboration has been called "evocative" by Jonathon Wolken, one of the founders of the dance company Pilobolus (Briggs, 1990, p. 322): "When Pilobolus first started . . . their goal was a kind of 'brinkmanship': making dance forms that appeared on the edge of toppling. Now the goal is evocation . . . We definitely couldn't have done this alone. We goaded each other on. The vision of Pilobolus is a collective one, reflected differently in each member."

Pilobolus grew from its membership, their explorations, and their collective choreography. Collaborative experience in science, art, or OD is similar when those involved are truly thinking together.

Such creative thinking may be described as a process building mutual trust and respect—a rapport, or a sort of empathic bridge of understanding over which communication flows (Miller, 1992, p. 6). When Georges Braque and Pablo Picasso collaborated to create a new style of painting known as cubism, they criticized each other's paintings, exchanged theoretical ideas, and tried to create art as if they were a single entity (Briggs, 1990, p. 315). Braque remembered their powerful connection when he later said (Berger, 1965, p. 49), "The things that Picasso and I said to one another during those years will never be said again, and even if they were, no one would understand them anymore." Interestingly, once they had developed a new visual language conveying their insights, their relationship waned (John-Steiner, 1985, p. 209), suggesting the great difficulty of sustaining intense collaborative relationships. Collaboration balances the relationship aspects with knowledge concerning the task at hand.

An often overlooked way to learn in collaboration rests upon an idea that our partners serve as mirrors, reflecting back to us our best and worst aspects. Will Schutz (1994, p. 92) addresses this concept in his writings about perceptual distortion: "Every perception is partly accurate, or realistic, and partly a distortion, given the defensive aspects of my perception. The more self-aware I am, the less I use defenses, and the more accurately I can perceive. If my perceptions are completely realistic, I have 'immaculate perception'—all reality, no distortions or defensiveness."

Often, little attention gets paid to this simple concept of "know thyself." When I collaborate with others, what I see in my collaborator reflects aspects I may not see in myself. We often try to "give" our partners unwanted characteristics which they may understandably "resist." Audre Lorde (1984, p. 169) reflects

We are never good enough for each other. All your faults become magnified reflections of my own threatening inadequacies. I must attack you first before our enemies confuse us with each other. But they will anyway . . . The language by which we have been taught to dismiss ourselves and our feelings as suspect is the same language we use to dismiss and suspect each other.

Ultimately we must be able to recognize our own worth before we can recognize our partners and what they bring to our collaborations. When I am more able to look clearly at myself in collaboration, I am more likely to contribute my full potential and create an atmosphere in which my partners contribute theirs. Then we may make higher-quality decisions and choices leading to improved collaborative performance.

By examining artistic collaborations we may learn that essential components of collaboration go beyond credentials and histories of those involved. How collaborating parties relate to each other, their idiosyncratic language structures, and difficulties in relationship maintenance, seems to be a rich area for learning about the nature of collaborative processes (John-Steiner, 2000). We may then move toward more fully integrating the input of all contributors, transcending the sum of individual contributions.

C—

### ***Self-Awareness in Collaboration***

According to proposition 3, increasing self-awareness in collaboration correlates directly with creativity, synergy, and the quality of task performance. In the previous proposition, we suggested a "know thyself" strategy for learning collaborative skills and thought processes. This is not an

**TABLE 1** Comparison of Self-Behaviors and Self-Interpretations Using Three Dimensions

Dimension	Participation	Power	Truth
Self-behavior	Presence	Self-control	Awareness
Self-interpretation	Significance	Competence	Likeability

uncommon assertion in the popular and professional literature. How and what to know about the self is much less evident. FIRO offers a model for analyzing self-concept, thus increasing self-awareness (Schutz, 1994, p. 75). FIRO postulates that self-concept may be analyzed by examining self-behavior and self-interpretations in three dimensions—participation, power, and truth. Participation concerns itself with patterns of involvement or association. Power concerns itself with energy, the ability to get things done, and the ability to affect change. Truth concerns itself with reactions, feelings, thoughts, perceptions, and experiences. Viewing self-behavior and self-interpretations in these three dimensions creates a six-part model, which is illustrated in Table 1.

I see my self-behaviors and self-interpretations, but I want an ideal version of these. Differences between what I see and what I want reveal my level of *satisfaction*, as well as aspects of my self-concept that I may want to develop. Table 2 graphically displays each of the above aspects of self-concept.

Self-interpretations influence my related self-behavior. Paradoxically, doubts concerning self-interpretation may manifest rigid, opposite extremes of self-behavior. Consider a doubt about significance. Such a doubt may motivate rigid high presence—marked by excessive attention to people and events. I identify strongly with causes or work and lose touch with myself as different from these things. On the other hand, it may motivate rigid low presence—marked by deficient attention to people and events. I am detached and distant, and lose touch with those around me. In these extreme patterns, I seek to escape my doubt—in the long run, however, there is nowhere to hide.

Common human fears provide clues about self-interpretation doubts. Fear of being ignored

**TABLE 2** A Self-Concept Model Using Three Dimensions

	See	Want
<i>Participation</i>		
Self-behavior	I am present.	I want to be present.
Self-interpretation	I am significant.	I want to be significant.
<i>Power</i>		
Self-behavior	I am self-controlled.	I want to be self-controlled.
Self-interpretation	I am competent.	I want to be competent.
<i>Truth</i>		
Self-behavior	I am aware.	I want to be aware.
Self-interpretation	I am likeable.	I want to be likeable.

Note: Self-interpretations: significance (I am important, valuable, worthy of others' attention); competence (I am able to cope, self-determining, worthy of others respect); likeability (I am warm, intimate with myself, worthy of being liked by others).

Self-behaviors: presence (I pay attention to people and events in my environment); self-control (I modulate my attention and control my experience); awareness (I pay attention to my reactions, feelings, and thoughts).

See (My current self); want (my ideal self); satisfaction (alignment of see and want).

Source: Adapted from Schutz, 1994.

may indicate doubt about significance. Fear of being humiliated may indicate doubt about competence. Fear of being rejected may indicate doubt about likeability. These fears are experienced as being related to "others," but in fact are often intrapersonally motivated. For example, I may fear being humiliated by formal authority figures with more experience and knowledge than I have. This could indicate doubts about my competence. Competence here concerns a general capacity to cope with life, rather than simply task-related skills.

Such a doubt manifests in rigid, opposite extremes of self-behavior—high or low self-control in this case. This, in turn, contributes to rigid, opposite extremes in interpersonal behavior. FIRO's behavioral dimensions—inclusion, control, and openness—correlate directly with presence, self-control, and awareness, respectively (Schutz, 1994, p. 19). Consider the above doubt about competence, manifested in rigid, high self-control. At an interpersonal level, this may manifest itself in wanting to control others and avoid being controlled by them—rigid role as expert, for example—in hope of appearing more competent than I interpret myself, or I may want to be controlled by others—to take a role of novice—to avoid being called upon to demonstrate competence I doubt in myself. A pairing of expert-novice—if driven by self-concept doubt in one or both—seems particularly capable of detracting from collaboration and a learning environment.

Rigidities in interpersonal behavior—such as collaborative roles—limit my effectiveness in collaborative endeavors, since I fruitlessly expend energy defending myself and my role, even when other options are more reasonable. Such an interpersonal strategy creates conflict with others and detracts from task performance. When collaborative partners are more flexible, moving from one pattern to another as called for, their interaction becomes richer and their potential becomes greater. Optimal effectiveness, energy, and joy emerge. The key is increased self-awareness and willingness to look at my part in collaboration. What do I bring to the situation? What gets in the way of more effective collaboration?

#### IV—

#### Conclusion

Clearly, self-concept resides as an integral part of collaboration. We believe, and have discussed through three propositions and their implications, that collaborative endeavors benefit from self-awareness. This is never more apparent than when a partnership is moving slowly or tangled in difficulties—we rarely read about such situations in the professional literature concerning collaborative endeavors. In fact, this may explain why collaborative work discussed in professional literature is most often successful and rarely explores the difficulties engaged.

We believe "unfinished business" concerning self-concept detracts from interpersonal, group, and team performance. We have—via FIRO theory—provided direct connection of self-concept to interpersonal phenomena, as well as to collaborative approaches and styles. We now suggest direct links that impact organization performance and productivity.

We view teams, work groups, and organizations as essentially social systems. Our social system model depicts four rings of social complexity—intrapersonal, interpersonal, group, and organization—in concentric circles. These rings are further divided into three segments—participation, power, and truth—indicating fundamental issues manifesting at each ring of social complexity (see Fig. 2). In this model, social issues—interpersonal and group—revolve around an intrapersonal axis. This connection between the segments and intrapersonal, interpersonal, and group has a substantial impact on collaborative endeavors. We disagree with a relatively common assertion that individual work is less "systemic." After all, individuals, pairs, teams, and work groups all contribute ripples into the organizational pond.

Some may argue external factors such as work group or organizational problems evoke particular issues at intrapersonal and interpersonal levels rather than the other way around. While tending toward an "inside-out" perspective, we see some truth in this. After all, people carry a weighted factor in most system models. Without them, technology, reward systems, structures, and so forth lack meaning. In a practical sense, the most likely change any individual may effect is in him- or herself. In our model, individual change contributes to interpersonal change, which contributes to work group change, which sends "ripples" into an organizational system. An important question

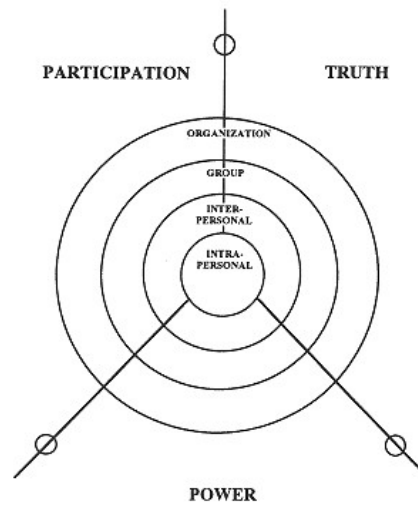


Figure 2  
A model of social systems.

is, "What am I contributing to the system?" In this case the question is "What am I contributing to the collaborative work?"

We believe by increasing self-awareness, having a better understanding of our rigidities and distortions, and taking responsibility for what we contribute to collaborative relationships—healthy and otherwise—we increase the value of collaborative work in all parts of the organizational system. We often seem less willing to acknowledge contributions to unsuccessful ventures; however, there are often profound organizational and social learnings here.

We propose examining ourselves in collaborative processes and acknowledging that we arrive with more than objective skills and knowledge. We arrive with our biographies—our histories of ourselves in relationship to others. We see the full power of collaboration dependent upon a willingness of all collaborators to acknowledge and work with self learnings concerning both relationship and knowledge. Through the application of these learnings we better access the real potential of partnership and increase our understanding about the intersection that exists between collaboration and self-concept.

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102—

## A Typology of Change Programs: A Road Map to Change Programs and Their Differences from a Global Perspective

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The last decade brought about major changes and transformations in the workplace. Companies around the globe have been subjected to numerous external pressures, which relate not only to increased competition, technological advancements, and increased environmental turbulence, but also to increased complexity resulting from conflicting demands of different stakeholders. Managers thus need to develop and implement change strategies in order to help their companies adapt to the changes, survive, and prosper.

Many different types of change programs have been identified in the literature (see, e.g., Cummings and Worley, 1997; French and Bell, 1995; Werr, 1995), but our attempt to understand change focuses on the change programs from a long-term perspective. As such, we have identified three types of change programs and named them according to their main emphasis. We labeled the three change strategy types *holistic*, *focused*, and *limited*. Change can occur locally, such as in a unit of a company, or it may be systemwide. Using this typology, we will discuss the differences between a variety of change programs that took place in different companies in diverse industries and cultures. The key features of the three orientations are summarized in Table 1.

*Holistic change programs.* Holistic programs are ones that simultaneously try to address all (or most) aspects of the organization. Examples are sociotechnical approaches (Pasmore, 1994; Taylor and Felten, 1993; Shani and Mitki, 1996), lean management (Womack et al., 1990), downsizing/restructuring (Stebbins and Shani, 1989), business process reengineering (Hammer and Champy, 1993), and organizational architecture (Nadler and Tushman, 1997). The logic is that all aspects of an organization are connected. When you change one aspect, you have to take into account the effects on all other subsystems. This sense is captured by concepts such as fit and joint optimization.

**TABLE 1** Planned Change Programs: Three Orientations

	Holistic change programs	Focused change programs	Limited change programs
Characteristic	Programs that attempt to address simultaneously all aspects of the organization	Programs that identify a few key aspects (e.g., quality and cycle time) and use these as levers for changing the organization systemwide	Programs that are designed to address a specific problem not seen as a lever for a broader change
Examples of programs	Sociotechnical Systems Development Organization Restructuring Lean Production Business Process Reengineering	Total Quality Management Management by Objectives Time-Based Management Dialogue Programs	Team Building Communication Improvement Humanization of Work Work Environment Reforms Democratization Programs
Cases	Commercial insurance dept. of Skandia Saab Automobile	ABB T-50, GE Work-Out, IA Paper Mill	Job rotation in Volvo, family living in the kibbutzim

*Focused change programs.* Focused programs are ones that identify a few key aspects, such as time, quality, customer value, and then use these as layers for changing the organization systemwide. Some examples of such initiatives are total quality management (TQM) programs (Steel and Jennings, 1992), time-based management, and management by objectives (French and Drexler, 1984). The key concept carries a lot of symbolic value. The logic is that you need a critical mass in a cognitive sense. If you want to influence people you have to address the same issue again and again. The focused program acts as a schema for understanding and making sense of changes. The change program needs some kind of purpose, change process, change mechanisms, identifiable outcomes, and criteria for success in order to get legitimacy and momentum. The key concept does not need to be "true" or "proven" in any academic sense, but it needs to be "socially valid."

*Limited change programs.* Limited programs are not aimed at affecting broader aspects of the organization. They address a specific problem, which is not seen as a lever for broader change, but may help build a foundation for such change at a later time. The basic logic is decoupling. Examples of such initiatives are work environment programs, ergonomics, career planning, job rotation, and changing the wage structure. Allowing children to live together with their parents in the *kibbutzim* is an example of a limited program. The change was not conceived as a program in its proper sense; rather, it became a spontaneous movement that affected ultimately all kibbutzim in Israel. It had major long-term effects. It was intended as an isolated change with no planned effects on other aspects of the community, nonetheless the practice turned out to trigger major change in the entire kibbutzim movement; that is, the changes toward privatization and the introduction of using internal pricing for the distribution of the services within the kibbutz may be seen as consequences of this spontaneous movement (Mitki, Shani, and Stjernberg, 1995; Simons and Ingram, 1997).

Similarly, the job rotation schemes that were tried in the *tapestry of Volvo's Torslanda plant* in the 1960s were intended to solve a limited ergonomic problem. In retrospect, however, these job rotation schemes became linked to the wider issue of quality of work life (QWL) development, and thus had a part in the wider organizational innovations in Volvo during the 1970s and 1980s (Stjernberg, 1993; Stjernberg and Philips, 1993).

The term *local* means that the changes are not intended to reach other units. With the term systemwide we mean that the program, whether limited, holistic, or focused, is intended to reach all the relevant units of the company. The word relevant is important here; what units are seen as relevant is determined by the other dimension of our classification (i.e., whether the changes are holistic, focused, or limited).

Some programs may be difficult to characterize into any of the categories (holistic, focused, or limited). For instance, team building may be seen as a focused program on the systemwide level, and simultaneously as a holistic program on the local level. On the systemwide level it may be part of a competence development effort with few links to other changes. On the local level the same program may be part of an effort to reorganize the entire production system.

## I— Examples of Planned Change Programs

The purpose of the remainder of the chapter is to describe and analyze some examples of planned change programs in different parts of the world. The typology developed above will be used as a tool in this analysis. The Saab Automobile developments in the early 1990s illustrate a holistic systemwide approach, whereas ABB-Sweden's T 50 program, GE's Work-Out, and Israeli-American Paper Mills' TQM program may be seen as illustrations of focused systemwide programs. We see especially the focused systemwide change programs as promising examples of how to bring about change in major modern corporations.

### A— *An Example of a Holistic Change Program: Saab Automobile*

Saab Automobile\* made very drastic changes in the entire organization during the 1990s (Shani and Stjernberg, 1995). The changes may be described as holistic and systemwide since virtually all aspects of the organization are affected by structural reorganizations as well as a general cultural shift. The guiding vision was expressed in the words of a transparency on a wall in the office of the former vice president of production: "One team, one concept (QLE/H), one culture—and no compromise." (QLE/H stands for quality, delivery reliability, and effectiveness through humans.)

In 1993 Saab had managed to cut the time needed for assembling a car to less than half the time needed in 1989. The quality had increased to a corresponding degree. The success in business terms was built on a very conscious competence development program together with a reorganization of production and a quick and very drastic reduction in staffing to about half the workforce of the 1980s. A follow-up study in 1998 showed that this progress had continued.

Saab Automobile is a comparatively small company, with a workforce in the mid-1990s of fewer than 8000 employees (nearly half working in product development). All work is related to one product (in several versions), and most of the work is concentrated in one medium-sized town. It was possible to develop a very coherent change program. All levels, from top management to the workers, took part in a training program about "the production way," which in reality also was a strong indoctrination, very difficult to resist if you still wanted a future in the company.

This holistic and systemwide approach, we believe, is more difficult in larger corporations with a more mixed range of products, with a more dispersed localization, and—not least important—with less explicit pressure for survival. The mixture of products and the physical dispersion make it difficult for most companies to create a coherent set of norms and beliefs and an effective training program cascading through the entire organization. The acceptance from the unions has largely been based on the strong pressure for survival.

Some special contextual factors have made this approach possible. Saab Automobile had enormous losses when General Motors bought half of the shares and appointed the managing director

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\*For a more comprehensive description of the case, see Shani and Stjernberg, 1995.

in 1990. A drastic transformation was a necessity for survival. This was accepted by the local unions, but the lean production approach of Saab has been criticized by key persons in the central unions.

A more realistic approach for most companies has been to either enter a holistic development program locally when starting up a new factory or to enter a more focused, systemwide program as ABB Sweden has done with its T 50 program, GE with its Work-Out program, and Israeli–American Paper Mill with its TQM program. These programs are the focus of the next sections.

**B—**

***A Focused Systemwide Program:  
ABB Sweden and T 50***

The focused approach is built on the identification of a simple, universal, and measurable symbol for transformation. T 50\* became the symbol for the ambition to shorten all cycle times in ABB Sweden by 50% within roughly the first 40 months of the 1990s. ABB claims that for ABB Sweden as a whole, the actual reduction was 48% (+/- 15%, as one key manager jokingly said).

The T 50 symbol is simple and not controversial. The idea was to cut time *between* operations by empowering teams and individual employees, widening competence, and cutting bureaucratic tape. Most employees and interest groups have therefore supported the program. Since it is universal, the program has been applicable to all types of production (whether motor engines, circuit boards, or trains), and all aspects (whether production, R&D, or office routines). Since it is measurable, there has been pressure on all managers to produce actual evidence of success.

The ABB program has become a model for other similar efforts, such as the construction firm Skanska's 3T program. Key persons from ABB Sweden have been recruited by Volvo in an effort to learn from the T 50 program. The CEO of ABB Sweden was even appointed chairman of the board of the shareholders of Volvo.

As a source of inspiration and as a model acceptable for both employers' and employees' interests, ABB seems to have established a model for change that is socially valid, at least in Sweden. One may note that the ABB people hardly claim that they themselves have developed a coherent change concept. Some sources of inspiration came from local developments led by committed change champions, some came from contacts with similar change programs in other companies (most often Motorola is mentioned), and a large part, according to key executives, has been based on common sense and an incremental approach at several levels and in various contexts.\*\*

We believe that the notion of a finite deadline, in this case after about 40 months, created a situation in which many employees at different levels could receive credit for having achieved the goal of 50% reduction of cycle times (and the quality goals that were stressed simultaneously). ABB seems to have become a victim of its own success with the T 50 program, however, in the sense that the company has not managed to come up with a new focus and symbol for a next generation of development. Instead, there is a danger that the T 50 concept will be used continuously, thus creating a backlash and becoming a source of ridicule rather than of success. Some middle managers have indicated such a situation recently. The ABB experience of a focused program, we believe, indicates that the focus in time is as important as the focus in scope.

**C—**

***GE's Work-Out:  
An Example of a Focused Systemwide Program***

A classical case of a "focused change program" evolved at GE under the leadership of John Francis Welch Jr.\*\*\* His sixteen-year tenure in the job has been characterized by constant strategic and organizational change at GE.

The Work-Out program reveals three interrelated purposes: to fuel a process of continuous improvement and change; to foster cultural transformation characterized by trust, empowerment,

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\*For a more comprehensive description of the case, see Shani and Stjernberg, 1995.

\*\* Compare Quinn, 1980, who prescribes an incrementalistic approach to strategies and change.

\*\*\*This case draws heavily on our own research as well as Tichy and Sherman, 1993, and Ashkenas et al., 1995.

elimination of unnecessary work, and a boundaryless organization; and to improve business performance.

The central idea of the Work-Out process was to create a forum in which a cross section of employees in each business could speak their minds about how their business was managed without fear of retribution. Because those doing the work were often the best people to recommend improvements in how their work should be managed, such interaction was seen as a first step in taking actions to remove unnecessary work and improve business processes. In January 1989, Welch announced Work-Out at an annual meeting of GE's 500 top executives. A broad framework was set out, but considerable flexibility was given to each of GE's 14 core businesses in how they went about the program. The key elements of Work-Out included the following elements: off-site meetings, focus on issues and key processes, cross-sectional participation, small group and town meetings, and systematic follow-up.

The results from Work-Out were remarkable. During the first five years more than 3,000 Work-Out sessions were conducted at GE, resulting in thousands of small changes eliminating "junk work" as well as much more complex and further-reaching changes in organizational structure and management processes. In five years, more than 300,000 employees, customers, and suppliers went through Work-Out sessions. A large variety of impressive and significant performance and efficiency improvements have been reported in GE's internal documents following the introduction of the Work-Out processes. For example, the Gas Engine Turbines business unit in Albany, New York, reports an 80% decrease in production time to build a gas engine turbine; Aircraft Engines in Lynn, Massachusetts, reduced jet engine production from 30 to 4 weeks; GE's Financial Services Operation reported a reduction in operating costs from \$5.10 to \$4.55 per invoice; and the aerospace plant in Syracuse, New York, reports that as a result of the Work-Out program, beyond achieving 100% compliance to pollution regulations, the production of hazardous waste materials was reduced from 759 tons in 1990 to 275 tons in 1992.

Work-Out was intended as a bottom-up process in which employees throughout each business would be free to challenge their leaders and in which the role of management was primarily to perpetuate the program and to ensure that once decisions were made, they were implemented. Work-Out could not be just a populist movement within the corporation, however; it needed to be directed toward creating the kind of corporation that GE needed to be in order to survive and prosper in the 1990s. To this extent, Jack Welch saw his role as communicating and disseminating the principles, values, and themes that would permit GE's continued success.

**D—**

#### ***Israeli–American Paper Mills Corporation***

Founded in 1952 as a joint venture of Israeli and American investors, the Israel–American Paper Mills Corporation Ltd.\* today has approximately 2000 employees. Its paper and board manufacturing division is located near the city of Hadera and includes three plants for manufacturing paper (white paper, brown paper, and household paper) and three support and service units (engineering, projects, and administrative). The number of employees in the division is 800, and it is the largest among the corporation's units.

Increased international competition toward the end of the 1980s created the need to dramatically reduce manufacturing costs and to improve the quality of its products. The initiative for entering the total quality program was led by the divisional general manager. The first task was to create a divisional structure that would be more conducive to learning and continuous improvements. A design based on three semiautonomous business units, each based on three different production processes, was adopted and implemented. Among many other advantages, this design allowed for better integration between the support and staff departments and the production plants.

A quality circle (QC) structural configuration was established to house and guide the change effort. By the end of 1988, nine QCs were in operation. By the end of 1995 the program encompassed

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\*A more complete description of this case can be found in Mitki and Shani, 1995.

52 QCs, involving 85% of all workers in the paper mills. The success of the QC program earned the division the first prize in 1991 as an organization excelling in the implementation of QCs in Israel. The QCs provide the infrastructure for the systemwide TQM program that was launched in 1992.

The integration of quality in the division's business strategy, coupled with management's commitment to a continuous quality program, resulted in the creation of a parallel learning structure.\* This structure, operating parallel to the existing organization, was chartered with the responsibility of introducing and advancing the continuous improvement program. Its main function is to translate the strategic quality targets into operative programs and to lead and guide its implementation, that is, to determine the tools, methods, systems, and the rate of the program's implementation. This body is also responsible for the development of the essential learning processes, evaluation, and feedback. The parallel learning structural configuration includes the following:

*A central steering committee* headed by the divisional general manager, convening once every two or three weeks in order to refine vision and general strategy, establish broad procedures, and review progress. The central steering committee does not interfere in internal departmental topics. It decides on interdepartmental or overall divisional processes needing improvement, appoints process improvement teams, and discusses and reviews recommendations presented by the teams.

*A steering committee* that is responsible for the ongoing daily operation of the quality program both on the logistic and professional side. This body is composed of the administrative unit head and four members, each of whom is in charge of one of the operative fields of the quality program. The *committee* convenes at least once a week.

The structural configuration also includes seven clusters of different quality teams such as the QCs, process improvement teams (PITs), internal customer-client improvement teams (ICCITs), communication improvement teams (CITs), lost time analysis teams (LTAs), statistical process control teams (SPCs), and cost-cutting teams (CCTs).

An 8-year follow-up at the paper mills indicates that impressive results were achieved, in performance measures, developing processes, and attitudinal-based measures. Work hours required for producing a ton of paper were reduced over the last 8 years by 56%, from 16 work hours per ton in 1988 to 8.6 work hours in 1996. The average output of the four major paper production machines was raised between the years 1991 and 1996 by 10.9%. The *water* consumption for manufacturing a ton of paper went down by 55.4% without damaging the production process or the paper quality. Water conservation is a national target in Israel. In the paper production industry the quality of products is measured by a defect ratio per 10,000 sheets of paper. Defect ratios were reduced from 6.2 in 1991 to 3.4 in 1994. The cumulative rate of lost work days stemming from absenteeism, work accidents, and illnesses went down by 55% between 1988 and 1996. Finally, in 1988, there were 122 work-related accidents, whereas 40 accidents were reported in 1996.

E—

#### ***Change Programs: Comparisons and Conclusions***

Focused programs, such as time-based programs and total quality programs, are often built on similar ingredients: simple, noncontroversial, universal, and measurable goals. A limited program may be a successful source of inspiration for a given time period (e.g., when applying for an award), but is difficult to maintain as a continuous program. The notion of a program in itself seems to imply extra efforts for a limited time. To some extent this may also be true for programs such as Work-Out, which may be described as simple and noncontroversial in the sense that a simple and visible change structure is established (in this case based on the idea of establishing arenas for development of joint analysis and change).

The intention in both holistic and focused programs (but not in limited programs) is to have

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\*See Bushe and Shani, 1991.

an effect on all aspects of the organization. The systems perspective of the 1970s democratization programs meant that those programs mostly were intended as holistic. In reality, however, they often became more isolated and limited. Paradoxically, the focused programs of the 1990s such as ABB's T 50 program have been much more successful in addressing a broader range of issues (i.e., holistic) as well as affecting a larger part of the organization (i.e., systemwide).

Holistic programs may thus to some extent have been replaced by focused programs, but these focused programs are intended to affect many—or all—aspects of the organization—focusing is just a more effective way of conducting a holistic effort. One may see this as a tension and paradox of on the one hand focusing on the theoretical notion of wholeness (i.e., integration of all aspects of the system), and on the other hand the tendencies in current practices to focus change on key change levers that are easy to communicate systemwide, such as the customer value focus, lead time reduction, and quality improvement.

Is there a trend from local to systemwide change programs? Local programs have the potential for creating strong commitment, but after some time they also risk being run over by other competing programs. The likely effect when this happens is a loss of morale and commitment, which in turn will affect future programs.

On the other hand, local programs are the only alternative for local leaders if there is little guidance from top management in terms of organizational strategies. Prior to 1990, Saab Automobile was a typical example of a company (at that time a division of a company also producing trucks and airplanes) with little top management guidance in terms of production strategies. Breaking loose and becoming an independent company was the solution chosen for creating the opportunity for systemwide changes. Rather than widening the changes, the system became smaller. Still, the important aspect was that no superior powerholders interfered and limited the change programs.

The change efforts of the 1970s were generally intended as pilots; that is, local experiments in order to inform future decisions about whether to attempt systemwide changes in a similar direction. The change efforts of the 1990s have often used pilots, but not to inform decisions about *if* the company should continue in a similar direction or not. Instead, the pilot effort has been a deliberate learning about *how* to proceed.

The integration between local and systemwide changes is not only problematic in practice. There is little guidance from our theories. Theories of change have mainly focused on one level of analysis (individual, group, organizational, or global change), but have fallen short when it comes to explaining the processes of integration between systems levels and between different change cultures (i.e., different professions and different interest groups with different beliefs, models, and norms about what and how to change). The types of studies that seem to have the power to guide systemwide changes are the studies of the symbolic and cultural dimensions of organizing.

The holistic and systemwide approach that we exemplified by the changes in Saab Automobile, we believe, is not possible in larger corporations with a more mixed range of products, a more dispersed localization, and—most important—less explicit pressure for survival. The mixture of products and the physical dispersion make it difficult for most companies to create a coherent set of norms and beliefs and an effective training program cascading through the entire organization. The acceptance from the unions has largely been based on the strong pressure for survival.

A more realistic approach for most companies has been to either enter a holistic development program locally (as, e.g., Volvo did in Uddevalla and Kalmar as part of starting up new plants—both later closed) or to enter a more focused, systemwide program such as the quality-focused program at Israeli–American Paper Mills and the time and customer focus in ABB-Sweden's T 50 program.

The focused approach is built on the identification of a few simple, universal, and measurable symbols for the transformation. Since time and quality improvements are relatively simple and not controversial (i.e., as long as the idea is to cut time between operations or reduce product defect ratios), most employees and interest groups tend to support the programs. The programs have been applicable to all types of production (whether motor engines, circuit boards, or trains), and all aspects (whether production, R&D, or office routines). Since they have been measurable, there has been a pressure on all managers involved to actually produce evidence of success.

Like the ABB T 50 program GE's Work-Out focused systemwide program has become a model

for other similar efforts in many companies around the globe. Similarly, Israeli-American Paper Mills' quality improvement program became a model for other focused systemwide programs in Israel. One may note that individuals in the three companies hardly claim that they themselves have developed coherent change concepts. Some sources of inspiration came from local developments led by committed change champions, some came from contacts with similar change programs in other companies (such as Motorola in the case of ABB), and a large part has been, according to key executives, based on common sense and an incremental approach at several levels and in various contexts.

II—

### **Conclusion:**

#### **Myths and Reality of the Trends**

For a number of years it seemed that the more general trend was in the direction of a continuously broader acknowledgment (mostly implicit) of the notion of organizational choice. The change programs of the 1970s questioned the organizational solutions based on specialization and direct control. Instead, another set of coherent organizational principles was launched based on autonomy, accountability, and the use of broader competencies.

The main practical conclusion, however, was not that there existed one better alternative to the traditional organizational solutions, but that many possible alternatives could be developed. A general awareness arose of the difficulties of providing very general prescriptions about how to organize diffused, rather than the more precise alternative organizational solutions themselves. The notion of organizational choice and the legitimacy of using common sense and more experimental approaches seemed to imply a trend toward more limited and local change strategies. This was quite in accordance with theoretical notions of sociotechnical systems theory.

During the 1990s, however, the launching of concepts such as lean production, business process reengineering, and to some extent TQM, have implied a renewed belief in the one best way. Whether holistic or focused approaches, work organization design has become part of top management's production strategies. In order to handle the complexity of systemwide change, it seems that simplified and uniform messages are needed to communicate managerial intentions. Simple answers and models stated with strong emphasis have been provided in the popular management literature, thus the attractiveness of the lean production and business process reengineering approaches.

Systemwide changes may take place through focused and rather permitting approaches—as shown by ABB's T 50 program and the GE Work-Out program—or they may take place as part of more holistic but also in a sense more authoritarian approaches—as Saab Automobile's work organization reform and training program of the early 1990s. These systemwide change programs will always be complemented by local programs, where committed "souls of fire" (i.e., change champions) use their own common sense to develop "their" organization. Local holistic programs may inspire systemwide focused programs (as was the case in the Press Button Department of ABB Sweden) or may be replaced by other holistic systemwide changes (as was the case in the Body Shop of Saab Automobile). Limited change programs may turn into focused programs when the potential for the changes, as levers for wider and more central goals, become apparent—thus the typology (i.e., holistic, focused, limited; and local vs. systemwide) that we have used is in practice neither simple nor clear-cut, but we believe that it is helpful as an aid in understanding some of the trends and paradoxes of systems in transition.

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103—

## **Group Support Systems: An Organization Development Intervention to Combat Groupthink**

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I—

### **Introduction**

Decisions were made by Johnson's advisory group to escalate the war in Vietnam during the period from 1964 through 1967 despite strong warnings from intelligence experts within the U.S. government, leaders of the United Nations, practically all of America's allies, and influential sectors of the American public. President Johnson's advisory group apparently ignored until too late the mounting signs that its decisions to escalate the war were having devastating political repercussions within the United States.

The "gung-ho, can-do" ethic of the National Aeronautics and Space Administration made it difficult to raise concerns about safety seals on the space shuttle's booster rockets. The sad result was the explosion of the space shuttle Challenger in January 1986 (Janis, 1989).

What do these decisions have in common? They have been cited as examples of groupthink (Janis, 1982, 1989). The groupthink problem, as identified by Janis (1982), refers to the propensity of groups to respond to interpersonal pressure in such a manner that group members' strivings for unanimity override their motivation to analyze alternative courses of action realistically. Thus, groupthink refers to a defective mode of decision making pursued by groups that emphasizes consensus rather than a careful analysis of options. This phenomenon increases the likelihood of poor decisions (Janis, 1982).

A—

### **Organizational Development Techniques for Groupthink**

Although Janis's *Groupthink* is heavily cited throughout group-focused research, it has had little impact on organization development (OD) diagnostic techniques and intervention designs (Taras, 1991). ODers seem to prefer interpersonal techniques. [An exception is a two-pronged approach used in a human resources department (Golembiewski, 1990). An early focus on interaction shifted to a focus on changes in policies and procedures.] One survey of 45 companies engaged in OD-type activities indicated that 98% of these firms used participative methods in identifying and solving organizational problems (von Bergen and Kirk, 1978).

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Unfortunately, ODers frequently fail to adopt Janis's recommendations for structural and procedural changes in groups. Further intervention strategies have not been developed for groups in the throes of groupthink. All groupthink "cures," including Janis's, are ex post facto suggestions for preventing groupthink in the next round of decision-making (Taras, 1991). Group support systems (GSS) provide ODers procedural mechanisms to address this criticism and correct defective groupthink decision-making situations.

## **B— Group Support Systems**

In his analysis of presidential decision making, Alexander George (1980) notes that "ever-present constraints" often require the chief executive to consider "tradeoffs" in the search for decisions of high quality in foreign affairs as well as in domestic policy. These constraints include limited time, lack of expertise and other policy-making resources for dealing with complex issues, need for acceptability and need for consensus. GSS offer the possibility of addressing such constraints simultaneously as time, insulation, and undesirable affiliative problems to achieve higher quality results.

GSS are an advanced information technology that combine communication, computer, and decision technologies to assist groups involved with collaborative work (Poole and DeSanctis, 1989). GSS structure the group decision process in three major ways: 1) focusing group members' efforts on the task or problem to be solved by the group; 2) equalizing group member participation; and 3) increasing consensus-reaching (Pinsonneault and Kraemer, 1989).

GSS researchers have demonstrated several advantages associated with GSS. They propose that GSS use may transform inefficient and ineffective group meeting processes associated with groupthink into more productive processes (Jessup, Connolly, and Galegher, 1990). GSS use has been found to increase the quality of group decisions (Bui et al., 1987; George, Northcraft, and Nunamaker, 1987; Sharda, Barr, and McDonnell, 1988; Steeb and Johnson, 1981). The purpose of this study is to determine empirically whether GSS use inhibits the occurrence of groupthink.

This article reviews conditions leading to the development of groupthink and subsequent groupthink outcomes. It delineates the manner in which GSS precludes the development of groupthink. The preliminary results of a study assessing the impact of GSS use on some aspects of groupthink are then presented and discussed.

## **II— Groupthink Models**

Janis (1982) proposed that aspects of a group's history or dynamics or the nature of the task predispose certain meeting behaviors and dynamics that lead to groupthink. These are antecedents of groupthink. Antecedents of groupthink promote concurrence-seeking within groups. This results in groupthink symptoms and negative group outcomes (Janis, 1982).

This section examines the relationship between groupthink antecedents and the development of groupthink symptoms. The relationships between antecedent, groupthink symptoms, and outcomes are illustrated in Figure 1.

### **A— Group Antecedents**

#### **1— Cohesiveness**

According to Janis (1982), the strongest antecedent condition is cohesiveness. The importance of cohesiveness in formulating groupthink situations has been confirmed in subsequent research (Calloway and Esser, 1984; Fodor and Smith, 1982; Flowers, 1977). However, cohesiveness alone is not adequate to create a groupthink situation.

#### **2— Structural Antecedents**

Group structural antecedents must also be present. The four structural antecedent conditions discussed by Janis (1982) are: 1) insulation of the group from experts and opinions outside the

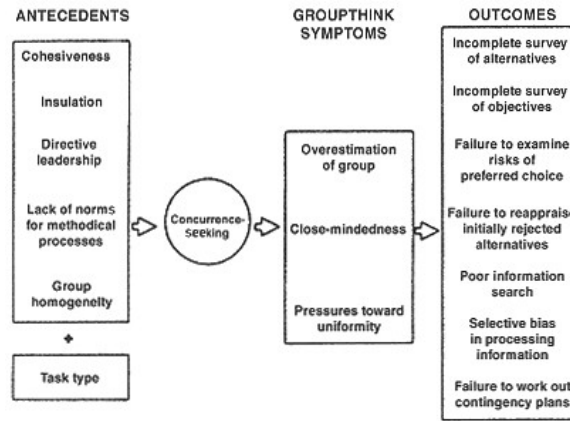


Figure 1  
Groupthink model.  
(Adapted from Janis, 1982.)

group; 2) lack of tradition of impartial leadership; 3) lack of norms requiring methodical procedures; and 4) homogeneity of members' social background and ideology.

Some posited linkages between structural antecedents and groupthink have been substantiated in subsequent research. Researchers found that directive leadership within a group is a strong determinant of groupthink (Leana, 1985; Flowers, 1977). The level of group insulation can also induce groupthink (McCauley, 1989; Moorhead and Montanari, 1986). Finally, research indicates that member homogeneity within a group leads to the development of groupthink (Tetlock, 1979).

Other empirical work has suggested a relationship between antecedent conditions and poor group decision-making processes. Callaway and Esser (1984) report that, when highly cohesive groups used inadequate decision procedures, they made poorer decisions. Flowers (1977) and Leana (1985) found that groups with directive leaders generated fewer solutions and used less information than did groups with more participative leaders. Poor group awareness of information surrounding a problem or group insulation may result in vulnerability to groupthink (Janis, 1982). Homogeneity of group ideology also predisposes groupthink (Tetlock, 1979).

#### **B— Task Antecedents**

Still another groupthink antecedent is the group's task. McGrath (1984) categorizes task types on their ability to evoke cognitive as well as on the conceptual versus behavioral requirements of the task. Two task types were chosen for this study: intellectual and judgmental tasks. Both these tasks are conceptual in nature but differ in the amount of cognitive conflict they evoke.

Intellectual tasks involve problem solving where a single correct answer exists. These tasks require groups to identify relevant information and correctly process this information. Group members usually have a consensus on the objective(s) of the task and, therefore, tend to experience lower amounts of conflict.

Cognitive conflict of judgmental tasks involve resolving conflicting viewpoints in addition to identifying and processing information. In this case, group members are often in conflict about the objectives that they should achieve. These tasks involve moral judgments by group members and are more likely to evoke groupthink (Janis, 1982).

C—

**Groupthink Symptoms**

Three categories of symptoms characterize the historic fiascoes described earlier (Janis, 1982). These symptoms, which tend to be especially pronounced in cohesive groups, reinforce one another. The first type of symptom, overestimation of the group's power and morality, is displayed when the group experiences an illusion of invulnerability and an implicit assurance of its own morality. The second type of symptom, closemindedness, results in the group ignoring any information that contradicts group members' opinions and in perceiving the opposition as immoral and stupid persons with whom there should be no compromise. Finally, pressure toward uniformity results in self-censorship by dissident members, pressure on any member disinclined to conform, an illusion of unanimity, and the appearance of "mindguards" who protect the group from contradictory information.

D—

**Groupthink Outcomes**

When a policy-making group displays one or all of these symptoms, members perform their tasks ineffectively. As a result, the group's decisions will very likely be of poor quality. A comparative study of groupthink and non-groupthink decisions by national leaders, using systematic content analysis techniques to assess the quality of public policy statements, found significant differences across the two groups in cognitive complexity. Groupthink decisions were less cognitively complex and more simplistic than were the non-groupthink decisions (Tetlock, 1979).

Thus, groupthink results in the consideration of fewer alternative solutions and an incomplete evaluation of alternatives considered. Additionally, groups that succumb to groupthink conduct an incomplete search for relevant information, fail to surface and consider objectives during the decision-making process, often process available information incorrectly, and do not completely work out implementation plans (Janis, 1982). These problems are often manifested in poorer, or even catastrophic, decisions (Janis, 1982).

III—

**Systems to Prevent Groupthink**

The underlying premise for this research is that GSS will mediate the effect of antecedent conditions by reducing concurrence-seeking and, thereby, inhibiting groupthink. GSS represent a set of technologies designed to support and structure group interactions for the purpose of information exchange, problem solving, decision making, and conflict resolution. They support activities such as idea creation, message exchange, project planning, document preparation, and joint planning and decision making (Poole and DeSanctis, 1989). GSS are believed to break down hierarchies that dominate typical meetings (Zigurs, Poole, and DeSanctis, 1988) and to equalize the participation of all group members. As a result, GSS features help reduce effects of the antecedent conditions on decision-making processes.

Within the context of conference support, GSS usually consist of a network PC for each group member with a display at the front of the room that presents aggregated group opinions. Specific GSS features that help mitigate the negative effects of antecedent conditions are discussed in detail in Miranda (1994) and Chidambaram, Bostrom, and Wynne, 1990–1991). They include process structuring, a public screen, anonymity, simultaneity, extended information processing, and access to external information.

GSS use promotes process structuring (Nunamaker et al., 1991; Bostrom and Anson, 1988). Process structuring can overcome lack of methodical procedures and promote adequate analysis of all alternatives. It also serves to focus the group on the task at hand.

The public screen available in most GSS environments helps direct the group's attention on task-related issues being displayed on the screen and shifts the focus away from the individuals presenting the ideas. This task focus helps overcome the undesirable affiliative features of cohesion such as discouraging dissent. Focusing on the task may help encourage the dissent necessary for evaluating alternatives fully.

GSS provide group members with the ability to contribute their ideas and opinions anonymously

and simultaneously. Members' contributions are not individually identifiable; they do not have to wait their turn or act aggressively to present their opinions to the group. These features encourage equal participation and influence within the group. They also combat the effects of directive leadership where one or a few individuals dominate the group discussion.

Anonymity, simultaneity, process structuring, and the public screen also foster productive conflict management. These features contribute to a task-focus, thereby preventing unproductive conflict that is unrelated to the issues at hand. They also promote group members' freedom to participate in the meeting. A high amount of issue-based conflict results. This conflict promotes an understanding of the problem and of opposing frames of reference as well as an exploration of alternatives. Consequently, a greater differentiation among group members' opinions may occur.

GSS extend the information-processing capabilities of groups (Nunamaker et al., 1991; Bostrom and Anson, 1992). This feature enables groups to process quickly large amounts of information and varied opinions. This is achieved through opinion polling tools (e.g., voting, criteria-based rating) that permit individual group members to evaluate various options and then quickly aggregate their opinions and present them to the group.

GSS features also enable groups to broaden their perspective by facilitating access to external information. Groups using GSS receive larger quantities of information (Losee, 1993). Group members' freedom to process, interpret, and share this information with other group members can help in analyzing the group's problems. Anonymity and extended information processing enabled by GSS result in the generation and examination of a larger number of alternatives (Nunamaker, Applegate, and Konsynski, 1988; Vogel and Nunamaker, 1988). An electronic meeting environment fosters access to information outside the decision room (Huber, 1990). With the external access feature, group members are able to access external databases, thereby circumventing group insulation. Finally, extended information processing can help decision-makers integrate the analysis. Visual displays and statistical analysis provided with GSS allow opinions to be tabulated and assimilated.

#### IV—

##### **Research Model**

Irrespective of antecedent conditions, GSS prevent the development of groupthink symptoms by reducing concurrence-seeking. This section examines the mediating effect of GSS and the specific GSS features that can prevent/reduce concurrence-seeking. The theoretical framework is summarized in the research model presented in Figure 2.

When a group possesses groupthink antecedents, it may not be possible, or even desirable, to change the group's structure. However, it is possible to prevent the development of groupthink by ensuring that each specific group decision is made under conditions of vigilance (Janis, 1982). This implies that the group examines a wide range of alternatives, carefully evaluates and reevaluates these alternatives within the context of the group's objectives, searches for relevant information, accurately processes all information, and undertakes detailed implementation and contingency planning. GSS can promote vigilance without necessarily detracting from the social structure of the group. Table 1 summarizes mechanisms through which concurrence-seeking within GSS groups may be reduced.

#### V—

##### **Hypotheses**

Based on the research model presented in Figure 2 and the relationships described in Table 1, hypothesized relationships are articulated in Table 2. Four outcome measures were chosen to estimate the occurrence of groupthink among study groups. These were: 1) number of alternatives considered; 2) time spent discussing alternatives; 3) access to external information; and 4) decision quality. Number of alternatives considered is a direct operationalization of the incomplete survey of alternatives and accessing of external information is an operationalization of the quality of information search. Amount of time spent discussing alternatives is a surrogate measure of what Janis refers to as failure to examine risks of preferred choice and failure to reappraise initially rejected

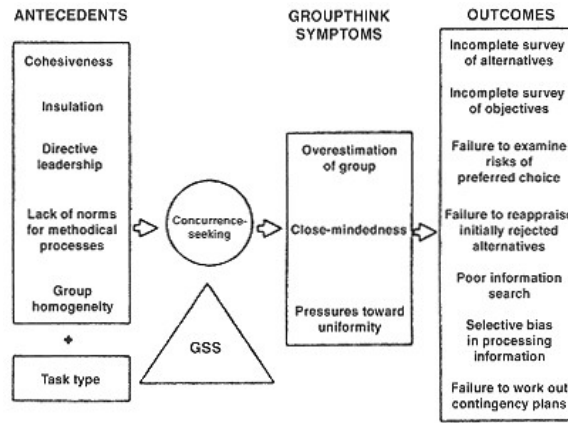


Figure 2  
Research model.

alternatives. Decision quality is an estimate of the overall success of the group's efforts. While groupthink does not necessarily result in poor decisions, it increases the probability of a poor decision. The absence of negative concurrence-seeking and groupthink symptoms should, therefore, tend to improve the quality of decision outcomes among groups using GSS.

Hypothesized effects are summarized in Table 2. The directions of these hypothesized relationships indicate that GSS are expected to have a positive impact on the outcomes of decision-making meetings. In sum, GSS are predicted to increase the number of alternatives considered, increase the amount of time spent discussing these alternatives, increase the amount of external information accessed, and result in better quality decisions.

#### VI— Procedures, Manipulation, Controls

A total of 179 subjects: 74 females, 101 males, and 4 undeclared, participated in the study. The average age of the participants was 23.82 years. Participants were either juniors or seniors and represented 9 different majors from the college of business.

The study consisted of 33 5- and 6-member groups. These groups were drawn from undergraduate introduction to information systems classes at a southeastern university. Prior to the study, participants received training in structured problem solving and an introduction to the technology. Groups then met for two sessions to solve specified problems. These meetings were spaced a week apart.

During one meeting, groups used a GSS; the other session was a traditional face-to-face meeting. During each meeting, groups solved a different problem. These tasks, conditions, and controls are described below.

#### A— Treatment Variables

##### 1— Meeting Support

During GSS meetings, a technology known as VisionQuest was used. VisionQuest is a software product that supports groups involved in decision making and planning.

The control condition involved the use of traditional (nonelectronic) meeting techniques. During

**TABLE 1** GSS Features That Prevent the Development of Groupthink

GSS feature	Mediates antecedents	Reduces concurrence-seeking by
Simultaneity	Directive leadership; group homogeneity	Permitting members to input a large amount of information/opinions/alternatives without fear; permitting members to input information for contingency/implementation planning; avoiding dominance by one or a few members by allowing time for all group members to contribute
Anonymity	Directive leadership; insulation; group homogeneity	Permitting members to contribute possibly controversial input without fear of endangering their social standing with the group; permitting greater discussion of alternatives; avoiding dominance by one or a few members by encouraging the expression of opinions by all
Process structuring	Cohesiveness; insulation; group homogeneity; directive leadership	Compensating for initial deficiency in group's lack of tradition for methodical procedures; requiring groups to adhere to an optimal process that separates the generation of alternative solutions from their evaluation; focusing on task, not personalities
Extended information processing	Lack of norms for methodical processes	Facilitating accurate assimilation of information
Public screen	Cohesiveness; group homogeneity	Presenting information/opinions that contradict the majority's preference, without requiring members to reiterate these views/information; focusing on task at hand, rather than on individual presenting views
Access to external info.	Insulation; group homogeneity	Compensating for initial deficiency in group's homogeneity and insulation by presenting new views/information

this session, groups used paper and pencil techniques and followed an agenda similar to the agenda in the GSS condition. The purpose of this agenda was to control for effects other than meeting support.

2—

### Task Type

Two task types were used: intellectual and cognitive-conflict. A problem was developed to match each of these two task types. The first was an intellectual problem with a deterministic answer—the vendor selection problem. This problem requires groups to choose one of three software vendors based on specific criteria.

The second problem was a cognitive-conflict task requiring groups to make an assessment of

**TABLE 2** Research Hypotheses

GSS impact on	Direction
Number of alternatives considered	Greater
Time spent discussing alternatives	Longer
Access of external information	Greater
Decision quality	Higher



a moral question and propose a solution—the ethical dilemma problem. This task is a modification of a problem introduced by Weiss (1990) and required groups to analyze the problem of faulty software and propose legislation that might remedy the situation.

The variable was a repeated measure. Order effects were controlled by rotating the order in which the two tasks were presented to the groups.

**B—**

### **Dependent Variables**

**1—**

#### **Time Spent Discussing Alternatives**

An observer noted the time at which the first comment was made as well as the time of the end of discussion as signified by the completed writeup of the decision.

**2—**

#### **Access to External Information**

At the start of the meeting, the experimenter informed the groups that additional information was available. This information would assist them in making a decision. The experimenter provided the groups with a list of topics available and described how they could access this information.

For the GSS users, VisionQuest has a feature which allows its users to access additional information. Additional information relevant to each decision was accessible from the decision agenda in the GSS situation. A program counted each access of the additional information.

The same additional information was available in the traditional decision-making groups via a confederate's notebook. Group members were allowed to check out information sheets contained in the notebook during the course of the meeting. The confederate logged each time a request for the additional notebook information was made.

**3—**

#### **Decision Quality**

Groups were required to provide a written report of their decisions. Each decision was evaluated by two raters on a 7-point scale (a 7 representing a good decision, a 1 a poor decision). The raters then met to discuss the ratings and reconcile major differences. The two ratings on each task were summed for statistical analysis.

**VII—**

### **Results and Discussion**

The results of this study, summarized in Table 3, support two of the four hypothesized relationships. That is, GSS groups consider more alternatives and access external information more often than do more traditional face-to-face groups. The GSS groups spend significantly less time discussing the problem and its solution. Thus, these results were in the direction opposite from the hypothesis. The results also indicate that GSS can sometimes, but not always, improve decision quality. These results are examined in the following sections. Where significant interactions exist, interactions are graphically displayed and t-test results are provided.

**TABLE 3** Summary Results of Hypothesis Testing

GSS impact on	Direction of main effect	Significance of main effect	Significant interaction effect
Number of alternatives considered	Greater	Yes	Yes
Time spent discussing alternatives	Shorter	Yes	No
Access of external information	Greater	Yes	No
Decision quality	Similar	No	Yes

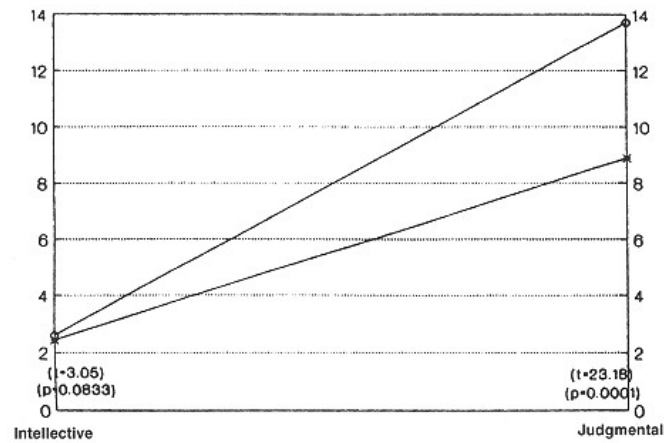


Figure 3  
Number of alternatives considered.

**A—**  
**Number of Alternatives Considered**

An established advantage of GSS use has been the larger number of alternatives generated or the depth of analysis in an electronic environment (Nunamaker et al., 1988; Vogel and Nunamaker, 1988). In those studies, the type of decision did not affect the positive relationship between GSS and the number of alternatives. This study supports their findings. The difference is especially clear on the judgmental task where groups generated their own alternatives. However, it also appears true for the intellectual task, indicating that GSS groups were less likely to reject prematurely any of the three alternatives provided. The interactions are displayed in Figure 3.

**B—**  
**Time Spent Discussing Alternatives**

Policy-makers find themselves faced with an increasing number of decisions and limited time in which to make them. A tool such as GSS that can streamline the decision-making process can prove extremely helpful. GSS appear to reduce the amount of decision time irrespective of the nature of the problem being considered. However, a negative effect of the reduced time spent on the problem may be that the group is less thorough in the analysis of the problem and its alternatives.

**C—**  
**Use of External Information**

Moorhead and Montanari (1986) found that insular groups felt more vulnerable and were, therefore, more likely to refer to external experts. Thus, easy access to external information is crucial for such groups. The results of this study clearly indicate that groups access external information more frequently when it is available electronically than when they have to ask another individual for such information on both intellectual and judgmental tasks. While present GSS users do not typically use the electronic medium to access external information, this important and useful GSS feature enables more enlightened decision making.

**D—**  
**Decision Quality**

Prior GSS researchers have demonstrated improvements in decision quality with GSS use (Sharda et al., 1988; Gallupe, DeSanctis, and Dickson, 1988) but the results of this study provide mixed

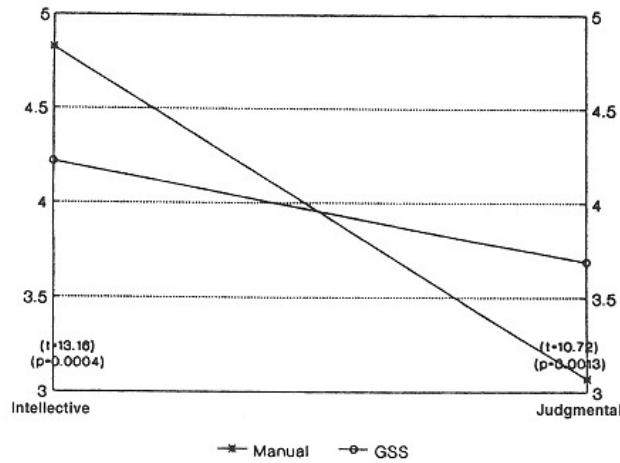


Figure 4  
Decision quality.

support for prior work. Figure 4 indicates that GSS use impeded decision quality on the intellectual task. However, GSS use contributed to improved decision quality on judgmental tasks. These tasks are susceptible to groupthink (Whyte, 1989). Policy-makers are likely to be faced with judgmental tasks requiring the processing of opinions as well as information, indicating that GSS can effectively support such groups involved in such complex decision-making tasks and preventing the negative impacts of groupthink.

*E—*

#### ***GSS As an Organization Development Intervention***

These findings suggest that GSS, with their focus on reducing concurrence-seeking behavior, may be an effective means of helping policy-makers deal with defective decision situations. Taras (1991) suggests that OD interveners must combine interpersonal with structural and procedural changes to deal with crises of agreement such as the Abilene paradox and groupthink. In the Abilene paradox, group members withheld their private feelings and allowed other group members to believe that decisions were unanimously supported. Unlike other OD activities, GSS can address both of these crises of agreement. The Abilene paradox, with its focus on individuals in group decision-making situations, can benefit from GSS tools at the interpersonal level by stressing disclosure, openness, and presenting privately held views.

For groupthink, GSS can focus on group structures and processes. This study represents an initial step in understanding how to use GSS to inhibit groupthink. The promising results warrant further study of the application of GSS as an OD prevention strategy.

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104—

**Privacy:  
Legal and Ethical Considerations for Consultants**

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I—

**Introduction**

Organizational development (OD) consultants have shown a long and continued interest in professional ethics. In their writings and in their actions, they have expressed a concern for maintaining an exemplary level of professional conduct. Unlike many of their consultant counterparts, whose lack of attention to ethics and law borders on "culpable negligence" (Redding, 1990, p. 1.), OD professionals have demonstrated an ongoing concern for professional ethical conduct and the integration of ethical principles in their consultancies (e.g., Schein 1987; Montgomery and Vogt, 1990a; 1990b; Montgomery, Vogt, and Pincus, 1992).

Of special importance to today's management consultant is the question of how to protect the privacy of client and related parties alike. The evolution of the legal concept of privacy, the advent of new laws governing privacy both in the U.S. and abroad, and technological change present a number of ethical challenges to consultants. In this paper, the authors will provide an introduction to the legal concept of privacy and some of the ethical issues it poses for consultants.

In order to provide consultants with an introduction to relevant legal issues, we will briefly trace the evolution of the concept of privacy in the U.S. with special attention to common tort law. Next, we will examine some of the international developments in privacy protection with a focus on the management of client information. In conclusion, we will discuss the implications of these developments for consultants and steps they can take to protect themselves and their clients.

Because of the breadth and complexity of the topic, our remarks are, by necessity, introductory in nature and are not intended to provide specific practice or legal guidance. Our goal is to make consultants aware of how trends in privacy legislation and common law may affect their practices. We hope that this modest beginning will prompt and encourage dialogue and scholarship on this important but neglected topic in the consulting literature.

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## II—

### Privacy: An Introduction

Privacy is commonly defined as "the quality or state of being apart from the company or observation of others . . . seclusion, or freedom from unauthorized intrusion" (Webster's New Collegiate Dictionary, 1991). According to Justice Cooke (1982) the right of privacy may also "encompass" what United States Supreme Court Justice Louis D. Brandeis termed "the right to be left alone" (*Olmstead v. United States*, 227 US. as cited in Cooke, 1982, p. 231). Hayakawa (1968, p. 467) suggests that privacy conveys the "strongly positive overtones of freedom and intimacy, such as a person has in his home, whether by himself, with his family or with chosen friends." Westin (as cited in Riley, 1983, p. 1), further defines privacy as "the claim of individuals, groups or institutions to determine for themselves when, how and to what extent information about them is to be communicated to others" (Westin, 1967, p. 7). From Westin's vantage point, privacy as a state is voluntary and temporary. It constitutes a withdrawal of a person from the general society through physical or psychological means.

Summarizing Westin's position, Riley (1983) conceptualizes the right to privacy as a multifaceted concept. Among other dimensions, privacy may include the individual's right to: 1) solitude or protection against unwarranted intrusions; 2) anonymity in his or her dealings with others; 3) intimacy with family members and the prerogative of the individual to control that which he or she deems personal and important in life; and 4) control over the release of information about oneself.

## III—

### Historical Evolution of Privacy in the United States

According to Ernst and Schwartz (1968), and Cooke (1982), the right to privacy has its origin, in part, in laws designed to govern trespassing on private property. Later, the concept of privacy rights was broadened to other areas, including protection against state intrusion in the form of unwarranted searches and seizures, the illegal opening of mail, and the like.

With continuing technological change came legislative pressure to protect the public from new threats to privacy. The advent of the telegraph and high speed presses prompted legal scholars such as Brandeis and Warren (1890) to argue that the public deserves protection. According to this argument, the public has the right not only to be free of unreasonable searches and seizures, but they also have the right "to be let alone" (Brandeis and Warren, 1890). Over time courts have recognized that "a person's sphere of privacy could be invaded by non-physical means" as well as physical means, and that an individual has a right to "maintain secrecy about one's self from unjustified government invasion" (Cooke, 1982, p. 233).

For those who have followed the legal debate over abortion, it is apparent that the constitutional status of the concept of privacy is open to interpretation and challenge. Although many legal scholars do not find an "all-encompassing" constitutional right to privacy in the Constitution, according to the decision in *Katz v. United States*, it is clear that "the right to be let alone by other people—is, like the protection of his property and of his very life, left largely to the law of the individual States" (cited in Cooke, 1982, pp. 233–234). Thus, individuals can find privacy protection both in the form of legislation and through common law or tort protection.

## IV—

### Common Law Protection

Since the Constitution protects only against acts by the state, it now appears that many individuals can be left without adequate legal protection of their rights. The common law refers to court decisions that have precedential value and impact in later cases. While not constituting statutes, this body of law gives directions to courts faced with similar situations. Common law protections for privacy include protection from:

1. *Intrusion upon one's seclusion*. "Intrusion from seclusion occurs when one intentionally intrudes, physically or otherwise, on the solitude, seclusion, private affairs or concerns of

others" which is deemed "highly offensive to a reasonable person" (Pincus and Trotter, 1993). Workplace examples that consultants may encounter and be encouraged to engage in or tacitly sanction include: electronic monitoring of employee behavior, opening personal mail, searching personal belongings or areas such as desk drawers, drug and psychological testing without consent, and personnel actions based on knowledge of the employee's private life (e.g., removing an employee because of a spouse's behavior). Consultants who engage in or assist an employer in such acts might be sued for invasion of privacy.

2. *Defamation of character.* Defamation of character occurs when one intentionally or negligently communicates false information about another person to a third party without his or her consent, and which results in harm to the party. Defamation may occur whether or not the individual is named. For example, a consultant might inform a client that one of their employees may be taking drugs. If this information is inaccurate but leads to the employee's dismissal, the consultant may be liable. Or, if survey data is inaccurate but is used as one of the bases for terminating an employee or in some other way adversely affecting the employee's work or career, the consultant may be held liable.

3. *False light.* False light refers to the portrayal of an individual in a "false light" in the public eye via the disclosure of private matters in a manner offensive to a "reasonable person." If one intentionally or recklessly portrays another in a false light and does so publicly, he or she can be sued for invading the plaintiff's privacy. Unlike defamation, where the statements against the plaintiff or victim must be false, an individual can sue for false light if he or she is publicly portrayed in a manner that is offensive to a reasonable person. For example, an employee might be portrayed as "drinking too much." Although this statement may be accurate, if it is used to portray the employee in a false light such as incompetent or slovenly, then the consultant's behavior might lead to a cause of action. Also in the case of false light, no special damages are required to make a claim. The employee, for example, would not have to lose his or her job or be denied a promotion to recover damages. However, if the information is not made public, there is no cause for action (Pincus and Trotter, 1993).

4. *Public disclosure of private fact.* As already mentioned, the legal concept of privacy is multifaceted. In addition to providing protection from defamation and false light, the individual also has a right to intimacy and reserve in his or her private life. There are matters which are not legitimate public concern, and if the disclosure of these matters is deemed highly offensive according to community standards, there may be cause for action.

In practice, consultants are continually exposed to private information which is not the legitimate concern of the larger public (e.g., the client or employee's life style, private financial affairs, the nature of marital or familial relationships). If the consultant discloses this to the public at large perhaps through publications, media interviews and the like, the affected parties may have a cause for legal redress.

V—

#### **International Developments and Privacy Protection**

In addition to the growing judicial concern for privacy as reflected in common law, consultants now face a myriad of international treaties designed to protect individual privacy across national borders. These treaties legislate a series of complex checks and balances to cope with the privacy threat posed by new technologies and the transborder flow of personal data. Personal data is defined here as any information relating to an identified or identifiable individual. According to Riley (1983), current laws in most of Europe and the U.K. follow the principles enunciated in the Council of Europe's Convention for the Protection of Individuals or COE. Below, we will outline each principle and, when needed, provide an example of its relevancy to consulting. COE principles include:

1. "The information to be contained in personal data shall be obtained, and personal data shall be processed, fairly and lawfully" (Riley, 1983, p. 9). For the consultant this would mean that data, such as survey, focus group, or interview information, collected during a consultancy must be obtained in accord with the definition of lawful. This would require a knowledge of the law in the host country and the standards set forth by the COE.
2. "Personal data shall be held only for one or more specified and lawful purposes" (Riley, 1983, p. 9). For the consultant, it is imperative that the data collected be used only for the agreed upon and specified purposes. In international work, where there are often multiple clients, issues related to who will own and control the data and whether it might be used for other purposes, legal or otherwise, are critical.
3. "Personal data held for any purpose or purposes shall not be used or disclosed in any manner incompatible with that purpose or those purposes" (Riley, 1983, p. 9). For example, one of the authors was part of a team faced with a dilemma during an international project that involved the eradication of communicable diseases. However, to complete the project the team would have had to compile a census for health records. This census could have been used to track down alleged enemies of the current government.
4. "Personal data held for any purpose or purposes shall be adequate, relevant and not excessive in relation to that purpose or those purposes" (Riley, 1983, p. 9). For consultants, the issue becomes one of how much information is needed to complete a task and how to draw the line between what is public and what is private. Too often consultants, especially those wedded to sensitivity training models and the like, may feel that information about the client's private life is important to the success or failure of the consultancy. While this may be true in some instances, there remains the question of whether the consultant has the right to use such information. Here the consultant needs to balance the desire and the duty to help against the possible harm such a breach might cause and the right of an individual to his or her privacy.
5. "Personal data shall be accurate and, where necessary, kept up to date" (Riley, 1983, p. 9).
6. "Personal data held for any purpose or purposes shall not be kept longer than is necessary for that purpose or those purposes" (Riley, 1983, p. 10). When consulting with firms or governments engaged in transborder personal data flow, consultants must reflect not only on the short term use of the data but its longevity. How long will the information remain in a data base? Who can access it, when and how will it be destroyed? Projects end, but data often remains.
7. "An individual shall be entitled (a) at reasonable intervals and with undue delay or expense (i) to be informed by any data user whether he holds personal data of which that individual is the subject; and (ii) to access to any such data held by a data user; and (b) where appropriate, to have such data corrected or erased" (Riley, 1983, p. 10). When collecting data that might fall within the purview of the COE or when working with U.S. companies the *United States Privacy Act of 1974*, consultants need to address, prior to data collection, the procedures that will be used to govern employee and client access and amendment. Consultants cannot merely rely on their clients' employer's goodwill to insure compliance.
8. "Appropriate security measures shall be taken against unauthorized access to, or alteration, disclosure or destruction of, personal data and against accidental loss or destruction of personal data" (Riley, 1983, p. 10). Again, what consultants may regard as a given, the passage of the COE principles suggests, that in spite of what would appear to be an obvious consultant responsibility may not be occurring. Consultant's complying with the COE cannot leave the disposal of personal data to chance. In addition to the COE Convention, there is pending before the European Community a proposal for additional privacy protection. This proposal has several requirements that have import to the U.S. First, the proposal establishes a privacy protection commission. Second, the proposal requires that each country to which information will be transmitted have in place a privacy protection commission.



Third, the proposal establishes standards for the protection of privacy in each receiving country. Understandably, if the proposal is passed, changes in U.S. privacy protection are imminent.

## **VI— Implications, Caveats and Defenses for OD Consultants**

In the preceding sections, the authors have outlined some of the salient issues involving legal trends in privacy, both internationally and in the United States. We have briefly outlined potential problems, provided examples, and in doing so, we have alluded to possible ways to avoid breaches of client privacy. In the closing section, we expand on these comments and set forth a strategy for dealing with questions of privacy.

First, any strategy must begin with a knowledge and understanding of the law. At the risk of belaboring the point, we want to highlight the importance of understanding not only the laws in the host or client country, but the laws where information might be transferred. We cannot assume that the laws that apply to practices in the U.S. apply elsewhere, or that our legal standards are higher or more stringent than those of other countries. This is simply not the case. For example, protection in many instances varies by type of employment. In the U.S. public employees have extensive privacy rights relative to their private sector counterparts (Pincus and Trotter, 1993).

What information is protected also varies. In certain European countries, computerized personal data are strictly controlled, but this is not necessarily the case with print information. Consultants must be aware that what is a breach of privacy in one country may or may not constitute a breach in another.

Second, as consultants we need to broaden our view of privacy. As our discussion has suggested, the concept of privacy is rich with meaning. While subscribing to traditional practices of confidentiality is one form of protection, traditional practices, in and of themselves, are not enough. We too often think of a breach of privacy as the unauthorized release of information. We fail to consider the more subtle abuses. These include the threat posed by "innocent" gossip, how our secretaries, staff and even custodial crew handle privileged communications, and our tendency to use client information to promote our careers via books, articles, academic research or to market our services to potential clients. Traditional conceptions of confidentiality are important, but consultants must realize that the ethical principle of privacy is broader and more encompassing.

Third, we must take into consideration how new technologies have exponentially increased and will continue to increase the potential for invasion of individual privacy. Pooled information bases, the buying and selling of data bases and the possibility of instantaneous transfer anywhere in the world are fertile ground for abuse (Australian Law Journal, 1981). As Justice Cooke (1982) observed: As data gathering becomes more detached from the subject, the individual loses control over what will be collected, by whom and for what purpose (p. 235).

Within the European community and among signatories to the OEC agreement, "personal data" such as bank records, credit card records, and employment records cannot be electronically transported without individual consent (Australian Law Journal, 1981). For consultants, this would mean that any information, such as survey data, that one could tie to an individual employee cannot be transferred without individual consent.

Fourth, we need to broaden our definition of our client. Throughout consultancy, the most important questions relate to defining the responsibility of the consultant vis-à-vis the client. To do this, the consultant must understand who is the client. As Montgomery, Heald, MacNamara, and Pincus (1995) have noted, this is not a simple process. Depending on where the consultant is practicing, the legal meaning of the term client may vary radically. In its most limited meaning, the term denotes the client of record and only the client of record. In other principalities, courts have allowed a more expansive definition of the term. In the U.S., for example, some state courts have broadened the concept of client to include parties who were not privy to the contract but who may have been expected to either benefit from or possibly be harmed by the action of the consultant (*S.C. Port Authority v. Booz-Allen & Hamilton Inc.*, 346, S.E. 2nd. 324, 1986).

Client questions are further complicated in international consulting. In many instances, the international consultant works for multiple clients. For example, the U.S. government may fund a nongovernmental organization to assist a foreign government with a project designed to improve citizen health. As the consultant to the project, who is your client? The U.S. government, the nongovernmental organization, the host country, the intended beneficiaries of your services, or all of the above?

Faced with multiple clients whose interests may be at cross purposes, whose privacy right will you as the consultant choose to protect? Unfortunately, there are no simple answers to such questions. And the answers that are available may vary depending on vantage point. For example, there may be a legal answer, an ethical answer and a moral answer, and they may be in conflict.

In cross-cultural consulting, it is important to find out who the client of record views as the client(s); who the host and participating countries view as the client(s); and how other interested parties view the decision. Consultant awareness of the complexity and myriad of competing interests is the first step in attempting to address issues related to client privacy. If the competing interested can be identified, then the consultant can raise potential privacy issues in advance and hopefully reach agreement as to their handling with the client(s) before problems occur.

Fifth, in addition to defining client(s), consultants need to reflect on the precepts set forth by the COE and to the possible breaches of privacy as defined by American tort law. As a starting point, we can use the COE principles as a means of judging practices against accepted standards. Until the U.S. develops or subscribes to a comparable set of principles, the COE principles provide us with a list of rules that consultants can use to monitor their practices. We can also continually use the principles to ask if we have a right to the information we are gathering. Are we gathering the information in a lawful manner? Is the information we are gathering necessary? Is the information accurate? How will we gather, analyze, store and disseminate it so as to protect individual identity? Who, and under what conditions, will receive the information, and how and when will it be destroyed? We can also use our knowledge of concepts like intrusion, defamation, false light and public release to avoid breaches—especially, the negligent ones that may occur as a result of the human proclivity for gossip, an excessive desire to please and succeed, and other ignoble traits.

When considering our behavior in relation to tort law, it is important to remember that the truthfulness of our statement is only an adequate defense against defamation. One can be truthful and still portray someone in a false light or invade privacy through the public disclosure of private facts. When in doubt, consider that whether a breach has occurred will be judged according to how a reasonable person would have viewed the event, and in the case of public disclosure, how the community might evaluate what has occurred. In both instances, consultants can use second opinions to test the acceptability of the procedure or action both in the eyes of the community and the reaction of fellow professionals. Acceptability as the term is now applied in medical ethics constitutes "judgments by lay persons, clients and others whether the procedures proposed for treatment are appropriate, fair, and reasonable for the problem and the client" (Kazdin, 1980, p. 259). Consultants should consider adopting such approaches in their own practices—especially when considering actions that they believe are legitimate but at a later time may be questioned.

Finally, consultants should involve clients in the decision-making process. Establish practice standards that let clients decide what is in their best interest. Work with them to decide what information is important to collect, how it might best be protected, and how it should be destroyed. Following the dicta of other professions, consultants should make informed consent the hallmark of their ethical practices.

By informed consent, we are referring to the right of individuals in a professional–client relationship to make an informed decision about what is in their best interests (Meisel, Roth, and Lidz, 1977). Barring mental incompetency, the client has a right to be educated, in lay language, to a point where he or she can determine what is or is not a desired course of action. First, the consultant insures that the client is in a position to make an informed choice. The client should be educated to a position of relative parity. To do this the consultant may have to involve other professionals such as attorneys. The client needs to understand and know about the risks, the costs, and the benefits of alternative courses of actions, including doing nothing. The consultant through informed consent, places the decision-making process in the hands of the client. If the client elects to make a decision

which the consultant views as unethical, illegal or dangerous, the consultant has the duty to withdraw and/or refer the client elsewhere. By adapting the procedure, consultants can foster client autonomy and reduce the possibility of breaches.

## VII— Summary

In this article, the authors introduced consultants to some of the legal and ethical issues related to client privacy. We have provided a brief history of the concept of privacy, discussed how tort law and recent trends in international law may affect consultant practices and require new practice standards. In conclusion, we have discussed how consultants can act to reduce the risk of privacy breaches through the use of professional-legal concepts such as acceptability and informed consent.

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**105—**  
**Organizational Change as Applied Art:**  
**Blending Pace, Magnitude, and Depth**

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**I—**  
**Introduction**

The practice of organization development (OD) as an art form depends largely on three intuitive dynamics that are best understood through years of experience and careful study. Pace, magnitude, and depth become the basic features of organizational change as they reflect the speed, breadth, and intensity of the intervention and its strategic intent. Like three primary colors for an artist these special qualities are used to create an infinite variety of change initiatives. The hope for success in a change process, however, depends on the artful blend of timing, size (as in how much to attempt and in how much intensity), and the expected depth of involvement in the process. With organizational art, as opposed to the kind of art produced by an individual, the creative act becomes much more challenging. This collective process requires leadership and coordination at a highly developed level. In order to help an organization learn, all three concerns must be balanced and blended effectively by a leadership group that itself is learning how to change. The crucial element for success in practicing OD in this manner is not to see this as a paint-by-numbers programmatic approach but to have the core values deeply embedded in the leaders and the teams that will influence the organization. In this way a true transformational experience occurs as the artist (change agent), the organization, and the process are all changed (i.e., transformed) by the activity as a new learning community emerges.

In the ideal scenario, task performance and enhanced learning occur together and reinforce each other in building the high-performance organization. In this way organizational change becomes understandable and leaders and participants in the change process can identify with and discuss their change progress in meaningful ways. Common language about the process aids leader briefing and enhanced negotiation of the change parameters by all those involved. This creates greater involvement and deeper understanding of the change process.

In two recent cases the author of this chapter has assisted health care organizations through major change projects. In one, a 500-bed hospital was engaged in a major reengineering of its operation. Throughout this process the senior leadership group was continually tracking the change process in the three modes of pace, magnitude, and depth. The project was kept on track by using this framework and management found this form of analysis to be quite helpful. The second and more recent case has further developed the framework as a weekly monitoring and debriefing tool used in order to keep the executive director informed about the progress of the change project. In this case five performance teams were developed to look into and lead changes in critical areas of the medical group's operations and to help in a transition to new and more effective systems and procedures. In this case both the senior executive in charge of the overall change and the five team coordinators are being assisted in examining their change assumptions and processes in terms of

the same three basic dynamics. The process is made more understandable in this way and in several situations changes have been introduced or change strategies rethought based on the assessments of how well the change was occurring in all three areas. The common language of pace, magnitude, and depth has helped in building a shared terminology for the change process. The focus on these three basic dynamics has also made it easier to coordinate among all five teams and for the teams themselves to look at their own change progress. The executive director is pleased with the use of a simple and informative debriefing tool that he receives each week in the form of an E-mail file summarizing each team. This also aids in the face-to-face debrief, helps focus the analysis, and has served to help keep the project on track with time schedules and costs.

II—

**Pace:**

**Timing Is Nearly Everything**

As experience keeps teaching, the timing of a change intervention is often the most crucial element and at the same time usually the most difficult to teach. Timing the entry to match the open window of receptivity and to start the first essential conversations about change is a highly intuitive process. All the sensing and data collection possible are required to know the right time to begin this process. Something else also moves the action in this initial stage of change. That something else is the artistic understanding that the human relationships that must be built in order to begin preparing the canvas of change are crucial. This relationship building process will be the guide to the OD activity in that the organization will only be served when it is fully engaged and begins owning the change process. The organization is engaged only through its members, and the fate of the whole effort will depend upon those relationships and involvements across the organization and with the appropriate stakeholders. The faster the pace of this change process the more relationship support is needed for people to take on these major change responsibilities.

Rushing the process also risks uncertain or tentative buy-in and opens the door for later confusion and critical questioning. Moving too quickly compounds the already stressful life of work organizations in which haste indeed is laying waste to many human lives and forcing out any time for a reflective process and careful planning.

Table 1 illustrates various indicators of the appropriateness of pace.

Moving at too slow a pace may risk buy-in from the senior decision makers and also alienate potential leaders who continually operate at a faster than human speed. The issue of timing in this age of global competition and instantaneous information exchange is problematic, and the perceived pace will never please everyone. The key issue is to be fully aware of what the pacing does to the process and to openly discuss the needs of the many different groups involved.

To decide on the right pace and the timing of the intervention is a joint decision, with the organization fully engaged and helping to balance the trade-offs of speed and potential delays in other actions needed to sustain the organization. The crucial element is to keep the decisions about pace open and continually check with those most involved about where the participants are and what environmental factors are operating to either force a faster pace or that allow time for more learning and reflection on what is occurring. One helpful suggestion is to frame the process not as a short-term program of change but as a long-term learning process underpinned with core values

**TABLE 1** Pace: Timing Is Nearly Everything

Pacing is too slow	Pacing appears about right	Pacing is too fast
Energy level is low, difficult to focus on change issues, loss of both support and leadership. Rush of other events overtakes change idea. Some support from fast-paced leaders is at risk or in doubt.	Movement occurs and internal buy-in is high. Time to reflect on results and people move forward to get involved. Timing as an issue is openly discussed and ideas shared in seeking consensus.	Expectations are being built too high, people are feeling confused and left out but don't feel they can ask to slow process down. Diffusion can't easily occur and expectation for new program grows.

of how to treat people as the process of change unfolds. With these core values clear and a realistic multiyear plan in place, timing is not overly susceptible to crisis-oriented calls for quick action and immediate results. This is particularly important in a case in which developing change skills and organizational sustainability is the issue and not some quick-fix program that will soon be forgotten or become, even worse, the source of increased employee cynicism.

### III—

#### Magnitude:

#### Change Breadth and Scope

Three factors—needs, skills, and resources—require careful attention in designing the magnitude of the change intervention. As a wonderful theoretical idea, whole system change should if at all possible be the focus of all OD activities. Few organizations, however, have the skills or other resources to step up to such a large challenge without some preparatory work. The goal that the whole organization changes is seldom possible. Again, the notion of total system change tends to appeal broadly, but the reality is that essentially most changes occur in a less exciting fashion.

Table 2 presents a useful overall perspective on the magnitude of change.

In terms of core values of OD we know that the effort should err on the side of inclusion. Change in this form appears as a more focused initial activity that can later broaden. By choosing to begin with a focused effort on a single division or unit there is a greater chance to engage all the members of that group. A full system change process will test the skill and resource capacity of any change leadership team. Considerable lessons exist from change efforts that have missed the target by either going too broad or being too narrowly defined. In this concern for size or breadth a thoughtful plan pays off in preventing such a diffusion of resources and attention that no critical mass occurs. It is preferable to have full engagement of a limited system than to try to get all the key actors of a larger system to take full responsibility for everything. It is easier to ratchet up to larger-scale change than to back off an overly broad approach. The important point is starting the necessary organizational learning. It is far better to learn from limited successes and then move toward larger projects using the increased experience.

Too broad a change plan unrealistically raises expectations while too narrow an approach will not create enough energy to carry the process far. Are these subtleties difficult to judge? Yes, they often are. The artistic and intuitive side of knowing these limits comes from experience. Action research is derived from this trial and error process and the important lesson is to help the organization learn quickly so that errors can be reduced as soon as possible. Learning these organizational limits pays off as the lessons are used in planning future change initiatives. The key is building the change lessons into the organization's thinking and using each action as a research project whereby the results are shared widely.

The magnitude or size of the intervention first responds to the needs as identified in the question—Why change? These needs are based on pressures for change being created from the external environment and the marketplace, as well as the changing culture. Of primary concern is this impact on the future viability of the organization.

Second are the forces for change that are felt to be internally driven, those demanding more effective or efficient ways of operating. Both needs often emerge in parallel and are different forces

**TABLE 2** Magnitude: Change Breadth and Scope

Magnitude is too narrow	Magnitude is workable	Magnitude is too broad
Focus is so limited that impact cannot be identified with. Too few people involved to create real change and lasting impact. Limited lessons to be learned and narrow focus loses support.	Engagement with the workforce occurs, interest is kept up, and impact is seen. Work is possible to achieve and lessons learned and shared. Size fits strategic thinking and environment.	Overwhelming sense of responsibility intimidates people. Results are too diffuse to see any impact and pieces do not seem to fit. Momentum is hard to keep up, too much change action.

to deal with, but each can be used to help scope out the size of the change intervention. The size or magnitude of the intervention will also be very dependent upon how much experience and change leadership skill exists in the organization. Here the continual learning about change can be considered an investment. The more knowledge and skill gained over time becomes a competitive advantage in guiding future change responses.

The third critical factor is in how much of a cushion of available resources the system possesses. When everything is stretched to the point of breaking, any investment in learning change skills is likely to appear impossible. That means the future of the organization is at risk. Because this so often is the case, a "lean and mean" staffing philosophy may *not* be in the long-term best interests of the organization. To develop OD and organizational learning around change cannot be done on the cheap, nor is it an easy process managed by outside contractors. How much can be accomplished and how fast it can be accomplished are critical strategic questions that require careful study and analysis. Each change decision plays a pivotal role in planning for the organizational change process, and each interacts with the other.

In addition, the third primary dynamic of how deep or intense the intervention also calls for a highly intuitive sense of how these three should be managed. Again using the artist metaphor the three colors must be blended and matched to create the full spectrum of potential change interventions. This is an active process demanding relationships that allow for gathering timely information about feelings and beliefs that are often very emotion based. To paint these change pictures requires an experienced eye and a large amount of empathy for all of those going through the change process.

Each system is unique, and in this art there is no standard material or canvas to paint on; the form constantly changes. Here the intuitive process is essential. Nowhere is that more important than in the subject of the depth or intensity of the intervention. Magnitude and pace set the stage, but the depth or intensity of the change brings out the vibrancy of the color or the life and spirit in the change process.

#### IV—

#### Depth:

#### Emotional Intensity and Ownership

The depth of the change process is determined by the kind of personal and interpersonal investment and commitment the changes require. Significant and lasting change requires far more depth than a process that simply reorganizes or restructures work flows. For an intervention to be very deep it needs to go beyond the often very superficial level of human relationships in many work organizations. It also requires a serious reexamination of the basic precepts of the organization and often includes major role and relationship changes.

Table 3 provides a summary perspective about "depth."

The problem with much of the more programmatic-led changes involves the very limited discussions of what we really feel and value about our work. The emphasis on the so-called bottom line serves to divert attention to those things much closer to matters of form than those of substance. Such changes are often measured by simple scoring results that leave much out of the equation of

**TABLE 3** Depth: Emotional Intensity and Ownership

Depth is too shallow	Depth is appropriate	Depth is too intense
Superficial issues fail to really engage people. The whole approach is treated as one more program of change with very little ownership. Lacks authenticity as concerns true organizational values/culture. Critical information is not surfaced and dealt with.	Engagement is at real level and personal investment is high. People get into the process and share true feelings. Conflict is not avoided but dealt with openly and just resolution occurs. Fits developmental paths of interpersonal relationships.	Takes people well beyond their skill levels and promotes too much risk taking given organization leadership and culture. Time has not been devoted to developing high-involvement work contracts that support values of interpersonal intensity.

why we work. Change activities that require personal investment and interpersonal connections demand much more of us than those typical programs of change in which we walk through the steps with total attention to the mechanical elements and technical functions. As the intensity of the involvement increases, both the speed of the process and the magnitude are reduced, at least initially. On the other hand, higher involvement builds much more ownership and allows the design to fit the local situation. Intense change projects rely on intrinsic motivations to create the energy to break old habits and create better ways of doing things and creating some form of work community.

Intensity increases involvement and can build ownership. The limits and costs of this are in terms of the time it takes and the risk that some individuals who feel uncomfortable will choose not to participate. Opening the door to deep and honest feelings has to be seen again as a long-term investment and a way of building the internal change skills for the organization. Surface-level commitment may be all that is necessary for one more program of change that focuses on the short-term performance issues, but if the organization is to become a learning organization around change a deeper and more intense experience is necessary.

The crucial question always goes back to the initial inquiry of: Change for what purpose? Hopefully it can be seen that a shallow or superficial change agenda—and that can be a very legitimate need—is very different from the kind of change that we normally associate with OD, which is both large and deep. Here the change process is much more important.

Organization Development as it helps to create culture change is a long and demanding process. High levels of ownership, particularly in this North American setting, require careful thought and attention regarding how to gain high levels of investment and build ownership. This type of change is not immediate or shallow, and because of its attention to the broader concept of organizational culture change it is eventually very broad and inclusive. It may not always start that way, but the overall goal will direct it toward a larger and larger magnitude, and that will require a reasonable pacing with attention to building the involvement needed for it to succeed.

Tables 1–3 combine all the lessons of change as can be summarized from the prior discussion. This format has proven to be quite useful as a briefing tool for those involved in the change process. The template can also be used to provide feedback for the client or sponsor of the change activity by simply using the cells of the matrix to report on the pace, magnitude, and depth of each particular change team, division, or area of the change process. The three categories are useful groupings of diagnostic information for the change leadership.

V—

### **Organizational Change As a Collective Process Is Much More Difficult**

In order to develop an organization the behavior of the collective becomes more crucial to success than the behavior of any one individual. Here is where the art metaphor is challenged and the focus shifts beyond the lone artist in search of a new reality and becomes a concern with the creation of social realities in the constructionist tradition. How is the sense of what the organization is—and can be—to be created? Many of us believe that it is accomplished through the act of conversation and the use of language to both describe and develop the idea of the organization we are willing to work toward creating together. We share our sense of meaning as to what the organization has become and then we set out to describe the organization we want to become. This is at the heart of the learning organization and the essence of what it means to create the capacity for organizational change. If this is to work it requires the core values of OD and the acceptance of shared responsibility throughout the system.

Cogenerative and constructionist models of OD are not as readily available to the practitioner as are the more traditional change models, but the work of Bill Torbert at Boston College, Peter Reason from the United Kingdom, and Max Eldon in Norway are becoming available to wider audiences interested in new paradigm-based models. Participatory action research and other ways of engaging the workforce in the change process demand careful attention to the issues described here. The challenge is to build decision processes about pace, magnitude, and depth with a fully



engaged leadership group that accurately reflects the diverse views and values within the organization and can still make effective decisions that engender support.

## VI—

### **The Nature of This Type of Change Process Is Truly Transforming**

Transforming in this situation refers to the capacity for all of those engaged to change and be changed by the process created. The requirement for this is the ability to stay open to change and to have faith and belief in the process of organizational change. This change model builds from the assumption that the members of the organization as human beings are already empowered to act but they need organizational structures and routines that promote that belief. These assumptions and the creation of the social reality built from them can then form a most natural antidote to the fatal disease of cynicism that has been spreading rapidly in many organizations that have been trying to change by using a series of externally driven programs. In carefully assessing change from the three perspectives offered, the core values of OD are to be maintained, but many of the traditional assumptions of how these changes occur are updated to reflect the lessons we are learning from years of social experimentation. These new ideas can be further explored in the works cited in the Bibliography.

The challenge facing the field of OD itself is to reflect on its own state of change readiness and receptivity and ask many of the same questions. What is the pace of change that OD is experiencing? Is it appropriate to a developing profession? Has the magnitude of our concerns grown so large as to be unreasonable or have they atrophied into simple concerns of short-term performance? What about the commitment and investment in the profession and its need to change? Are we involved or too busy with other issues to care deeply for how the field of OD changes? These questions offer action research lessons that hit very close to home.

### **Bibliography**

This is a most difficult list to compile in that a review of many of the more popular OD-based books and reference materials made little or no mention of the issues of pace, magnitude, depth, or the many other words that would reflect similar ideas. Why this is so is very baffling but the model shared here is one built more from my twenty plus years of doing OD work and in particular the role I took on during a major change project I was asked to advise. In that large systems change activity, as the sole external consultant I found myself continuously advising and helping to determine the answers to the three critical questions raised here. The system had extremely capable management and a very competent and loyal workforce, but needed to better manage its own ability to change. By focusing on the issues of pace, magnitude, and depth, the leadership group was able to help the rest of the organization take charge of its learning about change and help develop the organization it needed to be able to stay competitive in a most dynamic environment. In this experience most of the suggestions offered here were formulated, but none would have been possible without a long and continual involvement with the literature of OD and working with many other OD consultants over the years. As an applied art, changing our own profession should also be an expanded area of learning. The need for greater apprenticeship training in our profession is also obvious. It is the major limitation of most OD educational programs and the one area work organizations should take more seriously as they attempt to build their internal change capacity. Our OD profession's partnership in the change process is in high demand and the future looks very good in such a vulnerable world.

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106—

**Process Consulting Guidelines for Development Assistance, with Case Study**

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I—

**Background**

Over the last several years a new way of looking at development assistance has been rapidly emerging. Following a number of studies and reviews of technical cooperation and consulting practices, consensus is forming that a process consulting model of development assistance has much to offer as an innovative alternative to the traditional models of development assistance.

This process model rejects the basic assumption that a development expert or agency can know the conditions and needs of a host country well enough to prescribe a set of activities (projects) or strategy (program) to help the country develop. A number of significant failures in technical assistance combined with an increasingly critical concern over development dependency make it necessary to carefully examine and reform the ways in which assistance is offered.

Process approaches, which have over 40 years of research and experimentation in management and organization development theory (e.g., Schein, 1969; 1987), are providing important alternative development methodologies. Process models attempt to more effectively integrate the tasks of development into the social and psychological environment surrounding the individuals and institutions responsible for carrying out these tasks.

Some writers attempt to define process models by contrasting them with the expert model. See also the other contribution in this volume by the present author— "Process Consulting: Moving Beyond the Expert Role to Empowerment." Here, the client (patient) normally does little beyond describing his or her problem to the doctor (or, in the case of development, the engineer, economist, or management consultant) and then the expert goes about fixing it or prescribing a specific set of remedies that must be followed. This quick-fix, expert approach is not working; it is seldom effective in the long run and, moreover, its social and political consequences are such that either considerable disruptions occur or the aid recipient becomes more deeply mired in a dependency relationship with the outside expert and donor agency. In this model the recommended remedies for curing the traditional development illnesses are based predominantly on outside expertise, which is too often unaware of local conditions, insensitive to deeply rooted cultural values, and ill-informed about the existing managerial and institutional capacity to implement development.

To counter these inherent limitations of the expert model, process models are built on the assumption of equality between the host country official and consultant. Here the client or host country in the development case is not a sick patient but a fellow professional who brings to the situation the resources of knowledge, experience, and local responsibility. The role of the process consultant is to help the client develop the self-help capacity to effectively utilize the financial and

human resources available, both internally and via external assistance. In this way the local ownership of the development activity is enhanced and sustainability more assured.

This process approach reduces the dependency assumption and is used to help empower the aid recipient so that more active and assertive local teams are encouraged to take increasingly more of the responsibility for their country's development. Full ownership of the development tasks can be achieved only if the outside development agent or agency steps away from the expert role and takes on a facilitative or a process role. Sustainability of a development project or program is more likely if it is not perceived as donor-driven or as an outside expert's prescription. Of course, this in no way assumes that the clients are capable of immediately managing all aspects of their own development. It instead starts a dialogue regarding what kind of assistance is really needed and for what purpose. Process models work from an acceptance of current conditions and are grounded in the belief that only the client or host country can best determine what it needs or what the end points or goals of development are. Very often in a process approach the issue becomes how the outsider can be helpful in assisting the host country to organize itself in order to determine what it desires and how it should go about preparing itself for the development tasks it must perform.

The process model is based on the belief that as valid information is surfaced and as free and informed choices are provided, the resultant decisions and actions will be owned and accepted by those involved and responsible. Actual examples of these conditions can be seen in the case described below as part of the author's experiences in East Africa in 1989.

A—

***Case Example:***  
***Country X***

In one of Africa's poorest and most troubled nations the request for development assistance went out from the president's office. The Management Development Program (MDP) of the United Nations Development Program received this request for special help in improving the management of its development directly from the president following a meeting with the local UN representative. Country X was increasingly being dismissed by most professionals as an impossible place to work and as the classic "basket case" country where virtually every development experiment had been tried and, over time, nearly every one had failed. The MDP in New York set about recruiting four consultants to respond to the country's official request as endorsed by the country's resident mission. From London, Montreal, Manila, and Florida a team was assembled.

In country X all the major donor agencies were represented in the capital city, but few had many activities operating more than 100 km beyond the capital. Externally funded and project-driven development had created job opportunities for the most capable local managers while the public sector bureaucracy was left to deteriorate. Official monthly salaries for public employees wouldn't even meet living expenses for a week and the situation was continually worsening. Morale and work discipline were so low that it was very rare to see anything actually accomplished without massive outside assistance. Political instability was increasing as the economic situation worsened. The only basic supporting factor to assist a public sector management improvement program was that several major donors were threatening to leave the country. This factor seemed to be pressuring the government to ask for special assistance in undertaking a management improvement program for the total state bureaucracy.

These conditions were documented in a recently prepared desk study written by one of the four consultants requested to assist the government in its improvement efforts. Another of the consultants on the team also had recent first-hand experience with the country and knew all too well the serious nature of the problems the team was to face. In addition to the written analysis of country X's situation, the consulting team had access to files, documents, and interviews with a number of country experts both in the UN office in New York and in the capital city in Africa.

Four days prior to the consulting team's arrival, a senior retired ex-colonial official from Britain had met with the president and the senior ministers to introduce the mission and to clarify along with the UN resident representative the purpose of the consultants' visit. This allowed the consulting team to go to each of the ministries (finance, planning, labor, industry, and to the Management Development Institute) to begin forming a local team of top officials. A request was made and approved by the government that this team consist of either the director general or his deputy from

each ministry (and two from finance to represent the revenue and expenditure side), plus the Management Institute director, and be designated an action committee with responsibility for developing, with the consultants' assistance, a program of action for public sector administrative reform. An agreement had been made earlier to have this special group chaired by the ministry of planning because of its central coordinating responsibility, and because of the overall high esteem given its director general. Unfortunately, this individual was in New York and Washington along with the minister of finance for all but 2 days of the 4-week mission. His able and respected deputy performed the role of chairman of the action committee, and thus the group of local officials from every critical position (except revenue) met with the outside consultants to develop an extensive set of detailed action plans.

Meetings were conducted off-site in a large and relatively comfortable hotel suite in order to avoid any distractions and to help the committee develop as a team in its own neutral territory. On many days meetings were held both in the morning and in the evening. In spite of heavy pressure from their jobs and extensive demands on their time, the group of officials met and worked long hours without a single discussion of any pay or benefits for them personally. This was particularly noteworthy since the average civil servant pay had so deteriorated that it was possible for an individual to support a family only for a few days on a month's salary.

The country X team was dedicated and devoted to the task of preparing *their* program of action. The consultants played the role of facilitators and providers of information as well as a bridge to the donor community. The working meetings were conducted primarily in the local language at the insistence of the consultants who asked only that summaries of discussions be translated or that the group occasionally listen to them in English to prepare the structure of the discussions and the final report. The process model consultancy goal was to empower and assist this local group so that what emerged was a local solution for a unique country X situation. In this country, that process approach had never been attempted before.

After many days of effort and the consultants' recording of the agreed-on conclusions, a report emerged. In this report the background description of the situation was written primarily by the consulting team. The most important section of the report was a "program of action" consisting of over 30 separate action plans with responsible parties identified, resource needs listed, and expected dates of completion as proposed by the local team. This element of the report was sent upward for higher-level review and approval.

These separate plans of actions were developed in subgroups composed of a consultant and the government officials responsible for carrying out the actions. Each subgroup then reported their recommendations to the whole action committee; after discussion and modification as necessary they become part of the overall action program. The resultant program of action was broad and comprehensive. It recommended immediate action where possible, further study where needed, and top-level policy review when required.

The strength of the program was that it was locally designed, developed, and, most importantly, owned by the responsible government officials.

The process model of identifying, assisting, and empowering a group of local officials to create the plans and programs to improve their country's public sector and parastatals was a most impressive process to watch. This was even more impressive given that country X was in such a difficult period in its history and that donor support was declining. The local team that accomplished this task of developing the plans and programs had the most to gain. Their gain cannot be measured in donor resource flows, since with increasing instability they continue to decline, but they can be measured as the skills and experiences of a group of local officials who learned that there is a great deal they can do for themselves as the needs arise. They have gained skills and abilities in working together to plan and lead their country's development process. What they have also learned from this experience with a process approach is that they can accomplish a lot more if outside experts don't try to do it for them. Donor assistance and support can be used, but what it really comes down to is the fact that if they can't work together and take the necessary actions on their own, then development will not occur.

The process approach used in country X helped to empower a team of local officials to take responsibility for creating an overall strategy for public sector management improvement. The pro-

cess also assisted them in being able to recommend to their country's political leadership over 30 specific action plans that clearly identified the local officials responsible as well as the resources they needed to make the overall program of management improvement work. This was not a development approach where external experts left behind their own recommendations in a dust-gathering report. The report in this case represented a thoroughly discussed and debated set of recommendations coming from local officials with outside consulting assistance. A country that many development experts had written off as one incapable of managing its own development had, in less than 3 weeks, worked day and night to put together a major administrative reform program. As an effort to increase the local ownership and responsibility for country X's development, the project was successful. As a major reform program, only limited expectations are realistic, given that there has been over 20 years of donor-driven development activity. In this unusual case where expectations of local officials were so high, the payoff was as much in skill-building as in the creation of a total reform program. The process approach was designed to help develop the abilities of country X to manage its own development. In the case just described there is evidence that this did occur.

## II— The Consultant's Role

As the responsible individuals who will initially have the most comprehensive point of view and access to information in all areas (central office, field office, the professional literature, and the country itself), the consultant's role is critical. If the consultant does not understand and appreciate the process approach, as well as remain fully aware of his or her own feelings about using the process model, the approach is not likely to succeed. The consultant is the catalytic agent that helps to bring to the surface the needs, goals, and aspirations of each member of the process and then helps develop a process for achieving these desired ends.

Before any efforts at using a process model unassisted (it is often the case that one picks up process skills working closely with those more experienced), a serious program of study should be pursued. As listed in the Bibliography, one should be very familiar with process model approaches, the theories and philosophies underlying them, and the collective experiences of using these models as described by many development writers. Psychological self-assessment is also critical. Professional associations exist which conduct regularly scheduled self-awareness workshops as well as training programs in process skills and organization development.

One of the reasons these activities are important is that a high level of self-awareness and self-acceptance is essential for building trust relationships with others. The fundamental component of process work is the ability to fully accept others for who they are. It is also fundamental to be aware when this full acceptance is impossible. This recognition of acceptance (or the lack of it) allows consultants to realistically determine which clients they can and cannot work with effectively. This is a crucial element in cross-cultural work that comes both with experience and from an effort to study a culture deeply enough to know whether one can accept and work within it. If self-acceptance, trust, and respect for others' values are not a strong part of the consultant's constitution, the process approach will likely raise those issues and eventually limit the results.

The consultant who serves as a process professional is one who can effectively perform the following functions:

1. Identify and help surface a great deal of information about the situation, the setting, the needs and aspirations of the participants, and the overall environmental context from both the client and donor agency perspective.
2. Create conditions where people will own, accept, and admit as their own the surfaced data and help form individual and shared responsibility about what to do with the information.
3. Help people create options and choices about how to respond to the information identified.
4. Facilitate the development of strategies and specific action plans to transform information into action.
5. Help develop requests, proposals, and/or methods for generating the internal and external support necessary to see that the proposed actions are initiated.

6. Assist in designing follow-up and supportive mechanisms through which the people directly involved can be assisted in their responsibility for assuring that successful action is taken. These mechanisms should also indicate where aid can be sought and how to effectively use such outside assistance.
7. Develop process skills in others so that they can use action research principles in order to continuously redesign, update, and modify the activities and plans as required for future success.
8. Step away from the action when the skills used to facilitate and develop the client's actions are established in the client system itself. This final step of leaving behind the skills used to facilitate the process of client empowerment is the highest ethical commitment of a process consultant.

In essence, these eight functions broadly define the process consulting approach. How one goes about setting up the conditions and moving through these steps is described more specifically in the chapter on process consulting guidelines (see Chap. 109). What has been discussed here is the international development context for a process consulting model. The United Nations Development Program and many other development agencies are continuing to move toward this process model of development. Their most serious constraint in doing this is a severe shortage of professionals with process consulting expertise and experience living and working in the countries requesting assistance. This resource limitation is not likely to be alleviated soon and for the foreseeable future there is both a challenging and rewarding career for those few with process consulting skills and a dedication to international development work.

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## 107— Techniques for the Management of Organizational Change

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### I— Introduction

The management of organizational change is becoming recognized as a major and critical managerial task. Recent research has focussed upon some of the problems associated with major organizational changes, and case studies of change have begun to identify patterns which seem to characterize effective changes. More specifically, three areas have been identified as keys to effectively managing organizational changes:

1. Management of the organization's political system and shaping the political dynamics to support a change;
2. Motivation of individuals through communication and rewards to react constructively towards the change; and
3. Management of the transition state to ensure continued organizational control throughout the transition period.

The rationale for these implications and the theoretical basis for them is outlined elsewhere (Nadler, 1981). In general, effective changes seem to be characterized by 12 action areas, pursued in a specific sequence ("Sequence for the management of organization change," 1982). The purpose of this chapter is to build on the 12 action areas. Each action area will be explained in greater detail, and a list of illustrative techniques associated with each area will be discussed. As such, the chapter is intended as a guide for consultants and managers who are planning and implementing changes, and for implementation or transition teams involved in managing change. These action areas, issues, and techniques are listed in Tables 1A–1C.

### II— Action Areas for Shaping Political Dynamics

The first set of practices have to do with the organization as a political system. Any significant change usually involves some modification of the political system, thus raising issues of power. The implication is *a need to shape and manage the political dynamics prior to and throughout the transition*. This concept relates to four specific action areas.

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Reprinted from the Organizational Change Series, "Techniques for the Management of Organizational Change." New York: Delta Consulting Group, Inc., copyright 1980, 1983, pp. 1–7. Consultant Nadler has elaborated on these basic ideas in *Champions of Change*. San Francisco: Jossey-Bass, 1998, esp. pp. 92–108.

**TABLE 1A** Shaping Political Dynamics

Action	Purpose	Technique
Get support of key power groups	Build internal critical mass of support for change	<ul style="list-style-type: none"> <li>• Identify power relationships               <ul style="list-style-type: none"> <li>-Key players</li> <li>-Stakeholders</li> <li>-Influence relationships</li> </ul> </li> <li>• Use strategies for building support               <ul style="list-style-type: none"> <li>-Participation</li> <li>-Bargaining/deals</li> <li>-Isolation</li> <li>-Removal</li> </ul> </li> </ul>
Demonstrate leadership support of the change	Shape the power distribution and influence the patterns of behavior	<ul style="list-style-type: none"> <li>• Leaders model behavior to promote identification with them</li> <li>• Articulate vision of future state</li> <li>• Use reward system</li> <li>• Provide support/resources</li> <li>• Remove roadblocks</li> <li>• Maintain momentum</li> <li>• Send signals through informal organization</li> </ul>
Use symbols	Create identification with the change and appearance of a critical mass of support	<ul style="list-style-type: none"> <li>• Communicate with:               <ul style="list-style-type: none"> <li>-Names/graphics</li> <li>-Language systems</li> <li>-Symbolic acts</li> <li>-Small signals</li> </ul> </li> </ul>
Build in stability	Reduce excess anxiety, defensive reactions, and conflicts	<ul style="list-style-type: none"> <li>• Allow time to prepare for change</li> <li>• Send consistent messages</li> <li>• Maintain points of stability</li> <li>• Communicate what will not change</li> </ul>

The first action area concerns getting the *support of key power groups within the organization in order to build a critical mass in favor of the change*. The organization is a political system with competing groups, cliques, coalitions, and interests, each with varying views on any particular change. Some favor the change. Some oppose it. Some may be disinterested. But the change cannot succeed unless there is a critical mass of support; and building that support is a key problem. There are a variety of steps or techniques that can be employed. The first step is identifying the power relationships as a basis for planning a political strategy. This step may involve identifying the key players in the organization or the individual and/or group stakeholders—the individuals who have a positive, negative, or neutral stake in the change. Frequently, drawing a diagram or creating a stakeholder or influence map may be useful in thinking about and conceptualizing these relationships. This map should include not only the various stakeholders, but their relationships to each other—who influences whom, and what the "stakes" are for each individual.

Having identified the political topography of the change, the next step is to think about approaches for building support. There are several possible methods. The first is participation, which has long been recognized as a tool for reducing resistance to change and gaining support. As individ-

**TABLE 1B** Motivating Constructive Behavior

Action	Purpose	Technique
Surface/create dissatisfaction with the current state	Unfreeze from the present state; provide motivation to move away from the present situation	<ul style="list-style-type: none"> <li>• Present information on:               <ul style="list-style-type: none"> <li>-Environmental impact</li> <li>-Economic impact</li> <li>-Goal discrepancies</li> <li>-How change affects people</li> </ul> </li> <li>• Have organization members collect/present information</li> </ul>
Obtain the appropriate levels of participation in planning/implementing change	Obtain the benefits of participation (motivation, better decisions, communication); control the costs of participation (time, control, conflict, ambiguity)	<ul style="list-style-type: none"> <li>• Create opportunities for participation               <ul style="list-style-type: none"> <li>-Diagnosis</li> <li>-Design</li> <li>-Implementation planning</li> <li>-Implementation evaluation</li> </ul> </li> <li>• Use a variety of participation methods               <ul style="list-style-type: none"> <li>-Direct/indirect</li> <li>-Information vs. input vs. decision making</li> <li>-Broad vs. narrow scope</li> <li>-Expertise vs. representation</li> </ul> </li> </ul>
Reward desired behavior in transition to future	Shape behavior to support future state	<ul style="list-style-type: none"> <li>• Give formal rewards               <ul style="list-style-type: none"> <li>-Measures</li> <li>-Pay</li> <li>-Promotion</li> </ul> </li> <li>• Give informal rewards               <ul style="list-style-type: none"> <li>-Recogniton/praise</li> <li>-Feedback</li> <li>-Assignments</li> </ul> </li> </ul>
Provide time and opportunity to disengage from current state	Help people deal with their attachment and loss associated with change	<ul style="list-style-type: none"> <li>• Allow enough time</li> <li>• Create opportunity to vent emotions</li> <li>• Have farewell ceremonies</li> </ul>

uals or groups become involved in the change, they tend to see it as their change, rather than one imposed upon them.

Participation, while desirable, might not be feasible or wise in all situations. In some cases, participation merely increases the power of opposing groups to forestall the change. Thus, another approach may be bargaining with groups or "cutting deals." In this case, those favoring the change get the support of others by providing some incentive.

A third step is isolation. There may be those who resist participation or bargaining, and who persist in attempting to undermine the change. The goal here is to minimize their impact on the organization by assigning them to a position outside the mainstream.

The final step, in the extreme, is removal. In some cases, individuals who cannot be isolated or brought into constructive roles may have to be removed from the scene through a transfer to another organization, or by outplacement. Obviously, the first two—participation and bargaining—are more desirable and leave a more positive aftermath. However, it would be naive to assume that those first two methods will be successful in all cases.

An important consideration in creating the political momentum and sense of critical mass is

**TABLE 1C** Management of Transition

Action	Purpose	Technique
Develop and communicate a clear image of the future state	Provide direction for management of transition; reduce ambiguity	<ul style="list-style-type: none"> <li>• Develop as complete a design as possible</li> <li>• Generate impact statements</li> <li>• Communicate <ul style="list-style-type: none"> <li>-Repeatedly</li> <li>-Multiple channels</li> <li>-Tell and sell</li> </ul> </li> <li>• Describe how things will operate</li> <li>• Communicate clear, stable image/vision of the future</li> </ul>
Use multiple and consistent leverage points	Recognize the systematic nature of changes, and reduce potential for creating problems during transition	<ul style="list-style-type: none"> <li>• Use all 4 organizational components</li> <li>• Anticipate poor fits</li> <li>• Sequence changes appropriately</li> </ul>
Use transition devices	Create organization arrangements specifically to manage the transition state	<ul style="list-style-type: none"> <li>• Appoint a transition manager</li> <li>• Provide transition resources</li> <li>• Design specific transition devices (dual systems, back-up)</li> <li>• Develop a transition plan</li> </ul>
Obtain feedback about the transition state; evaluate success	Determine the progress of the transition; reduce dependence on traditional feedback processes	<ul style="list-style-type: none"> <li>• Use formal methods <ul style="list-style-type: none"> <li>-Interviews</li> <li>-Focus groups</li> <li>-Surveys/samples</li> </ul> </li> <li>• Use informal channels</li> <li>• Use participation</li> </ul>

the activity of leaders. Thus, a second action area is *leader behavior in support of the change*. Leaders can greatly shape the power distribution and influence patterns of an organization. They have the potential to mold perceptions and create a sense of political momentum by sending out signals, providing support, and dispensing rewards.

There are a number of specific things that leaders can do. First, they can serve as models. Through their behavior, they can provide a vision of the future state and a source of identification for different groups within the organization. Second, leaders can serve as important persons in articulating the vision of the future state. Third, leaders can play a crucial role by rewarding key individuals and specific types of behavior. Fourth, leaders can provide support through political influence and needed resources. Similarly, leaders can remove roadblocks and, through their public statements, maintain momentum. Finally, leaders can send important signals through the informal organization. During times of uncertainty and change, individuals throughout the organization tend to look to leaders for signals concerning appropriate behavior and the direction of movement in the organization. Frequently, potent signals are sent through minor acts, such as patterns of attendance at meetings, or the phrases and words that are used in public statements. By careful attention to these subtle actions, leaders can greatly influence the perceptions of others.

The third action area concerns usage of *symbols associated with change*. Symbols, such as language, pictures, symbolic acts, etc., serve to create a focus for identification and the appearance of a critical mass within the political system of the organization. Symbols are employed by public and social movements, and are similarly relevant to dealing with the political system within the organization. A variety of devices can be used, such as names and related graphics which clearly

identify events, activities, or organizational units. Language is another type of symbol; it can communicate a different way of doing business. People who want to function effectively need to learn new terms or expressions; by doing so, they create the perception of broad-scale support. Symbolic acts can be important. For example, a particular promotion, a firing, the moving of an office, or an open door, all can serve to create and send important signals. Finally, small but visible signals by the leaders (as mentioned above) can be important in providing some symbolic sense of political movement.

The final action area is that of *building stability*. Too much uncertainty can create excess anxiety and defensive reaction, thus heightening political conflict to a counterproductive level. The organization must provide certain "anchors" to create a sense of stability within the context of the transition. This can help limit the reverberations of the change and dampen counterproductive political activity. A number of steps can help, such as preparing people for the change by providing information in advance. This buffers them to a degree, against the uncertainty that will occur. Secondly, some stability can be preserved—even in the face of change—if managers are careful to maintain the consistency of messages they convey to the organizational members throughout the period of change. Nothing creates more instability than inconsistent or conflicting messages. Thirdly, it may be important to maintain certain very visible aspects of the business, such as preserving certain units, organizational names, management processes, staffing patterns, or keeping people in their same physical location. Finally, it may help to communicate specifically what will not be different—to mediate the fears that everything is changing, or that the change will be much greater than what actually is planned.

In summary, the four action areas focus on identifying the political system and then developing a political strategy. Specific action includes using leadership and related symbols to maintain the momentum and critical mass in support of the change, and building stability to prevent the counterproductive effects of extreme anxiety.

### III—

#### **Motivating Constructive Behavior**

When a broad and significant change occurs in the organization, perhaps the first question many people ask is, "What's in it for me?" or "What's going to happen to me?" This is an indication of the anxiety that occurs when people are faced with the uncertainty associated with organizational change. Anxiety may result in a number of different reactions, ranging from withdrawal to panic to active resistance. The task of management will be to somehow relieve that anxiety and motivate constructive behavior. This is done through a variety of actions. Some actions are aimed at providing much needed information: communicating the nature, extent, and impact of the change. Others are focused on providing clear rewards for required behavior, recognizing and dealing with some of the natural anxiety. Again, there are four specific action areas.

The first action area is to surface or *create dissatisfaction with the current state*. Individuals may be psychologically attached to the current state, which is comfortable and known, compared to the uncertainty associated with the change. A critical factor, then, is to demonstrate to people how unrealistic it is to assume that the current state has been completely good, is still good, and will always remain good. The goal is to "unfreeze" people from their inertia and create some willingness to explore the possibility of change. Part of their anxiety is based on fantasies that the future state may create problems, as well as fantasies about how wonderful the current state is.

Techniques for dealing with this problem involve providing specifics of information, such as educating people about what is occurring in the environment that is creating the need for change. In addition, it is useful to help people understand the economic and business consequences of not changing. It may be helpful to identify and emphasize discrepancies: the discrepancy between what the situation is, versus what it should be. In critical cases, it may be necessary to paint a disaster scenario in which people can see what would happen if the current state continued unchanged. It may be helpful to present a graphic image of how the failure to change would affect people. One manager, for example, talked very graphically about what would happen if the division did not become successful within eighteen months: "They'll pull buses up to the door, close the plant, and

cart away the workers and the machinery." This presented a highly graphic image of the consequences of not making the change.

An alternative to management presenting this kind of information may be to get organization members involved in collecting and presenting their own perceptions. Participation in the collection and discovery process in this task may make the information more salient and believable since it comes from peers in the workforce.

It is important to stress that in this action area, and in many to be discussed below, there is a need to over-communicate. Anxiety, in the extreme, impairs normal functioning; thus, people may be unable to truly hear and integrate messages they receive the first time around. Therefore, it may be necessary to communicate key messages two, three, four, and even five times through different media and methods.

The second action area for motivation is *participation in planning and implementing change*. Participation of employees in the change process yields proven benefits. It tends to capture people's excitement. It may result in better decisions because of employee input, and it may create more direct communications through personal involvement. On the other hand, participation also has some costs. It takes time, involving giving up some control, and may create conflict and increase ambiguity. The question, then, is to choose where, how, and when to build in participation. People may participate in the early diagnosis of problems, in the design or development of solutions, in implementation planning, or in the actual execution of the implementation. There are many options. Different individuals or groups may participate at different times, depending upon their skills and expertise, the information they have, and the need for their acceptance and ownership of the change. Participation can be direct and widespread, or indirect through representatives. Representatives may be chosen by position, level, or expertise. Using some form of participation usually outweighs the costs of no involvement at all.

The next action area is to visibly *reward the desired behavior in both the future and the transition states*. People tend to do what they perceive they will be rewarded to do. To the extent that people see their behavior as leading to rewards or outcomes they value, they will tend to be motivated to perform as expected.

It is important to realize that during implementation, the old reward system frequently loses potency and new rewards do not get set up as an early step. This results in a situation in which an individual is asked to act in one way, but has been rewarded for acting another way. Sometimes people are punished by the existing measurement system for doing things that are required to make the change successful. Management needs to pay special attention to the indicators of performance, to the dispensation of pay or other tangible rewards and to promotion during the transition. In addition, there are informal rewards, such as recognition, praise, feedback, or the assignment of different roles; and it is important to carefully manage these during the change period to ensure that they are used to support constructive behavior. It is equally important to clearly reestablish an appropriate reward system for the future state.

The last action area directly affects individual anxiety. It is the need to provide time and opportunity to disengage from the current state. People feel a natural attachment to the way things are. They frequently feel a sense of loss associated with having to change. It is predictable that they will go through a process of "letting go of" or mourning the old structure. Management, knowing that this is essential, can greatly assist it to occur. A number of specific techniques are possible. One is to provide the appropriate time for letting go, while giving people enough information and preparation to work through their detachment from the current state. Another technique may be to provide, through something similar to a wake, the opportunity to vent emotions. This can be done in small group sessions or discussions, in which people are encouraged to talk about their feelings concerning the organizational change. While this may be seen as promoting resistance initially, it can have the opposite effect. People will undoubtedly talk about these issues, either formally or informally. If management can recognize the concerns and encourage people to express their feelings, it may help them let go of those feelings and move into constructive action. It may also be useful to create ceremony, ritual, or symbols such as farewell or closing-day ceremonies, to help give people some psychological closure on the old organization.

Thus, these are four action areas. One concerns helping people detach themselves from the

current state. The second concerns the rewards for moving toward the future state through participation and tangible rewards. The final action area has to do with helping people let go of their psychological attachment to the present situation.

#### IV—

#### Managing the Transition

The third area concerns the actual and explicit management of the transition state. The transition state is that time period between the current state and the future state when the change process is underway. It is frequently characterized by high uncertainty and problems of control because the current state is being disassembled prior to when the future state becomes fully operational. Managers *need to manage the transition* with the same degree of care, the same resources, and the same skills as any other major project. To do this, there are four specific action areas.

The first action area is to *develop and communicate a clear image of the future state*. The ambiguity of change without a focus produces major problems. It is difficult to manage toward something when people don't know what that something is. In the absence of a clear direction, the organization gets "transition paralysis" when activity grinds to a halt. This is caused by uncertainty over what is appropriate, helpful, or constructive behavior. Several specific practices are relevant here. First, there is a need to develop as complete a design as possible for the future state. This may not always be feasible, but to the extent possible, it is important to at least get a vision articulated ahead of time. Secondly, it may be useful to construct an impact statement that identifies the impact the change will have on different parts of the organization and on people. Thirdly, it is important to maintain a stable vision, and to avoid unnecessary or extreme modifications or conflicting views of that vision during the transition.

Finally, there is a need to communicate. As indicated above, it is important to communicate repeatedly and to use multiple channels or media, be it video, small group discussions, large group meetings, or written memos. It is critical to think of this communication as both a telling and selling activity. People need to be informed, but they also need to be sold on why the change is important. This may necessitate repeated explanations of the rationale for the change, the nature of the future state, and the advantages of the future. Finally, the future state needs to be made real, visible, and concrete. Communications should include information on future decision-making and operating procedures. How this is communicated can help shape the vision of the future. For example, one company showed television commercials, both inside and outside its organization, to demonstrate the specific types of customer service that it was attempting to provide. This gave people a clear, graphic, and memorable image.

The next area is the *use of multiple and consistent leverage points for changing behavior*. This issue relates to the organizational model underlying this approach to the management of change. An organization is a system made up of tasks, individuals, formal organizational arrangements, and informal organizational arrangements. During a transition, when certain aspects of the organization are being changed, there is a potential for problems arising from a poor "fit." An organization works best when these elements fit together smoothly. Managers need to think about modifications that need to be made in the work, the individuals, the formal structure, and the informal arrangements. Secondly, there is a need to monitor and/or predict some of the "poor fits" that may occur when changing any of the organizational components. It is necessary to plan the change to minimize the mixed messages or the inconsistencies that may be created among different elements in the organization.

The next action area involves *using transition devices*. The transition state is different from the current and future states, and there may be a need, therefore, to create organizational arrangements that are specifically designed to manage the transition state (Beckhard and Harris, 1977). These may include: (a) a transition manager; (b) specific transition resources, including budget, time, staff, etc.; (c) using specific transition structures, such as dual management systems, backup support, etc.; and (d) building a transition plan. All of these can be helpful in bringing needed management attention to the transition itself.

The final area is to *build feedback and evaluation of the transition state*. The transition is a

time when managers need to know what is going on in the organization. There is usually a breakdown in the normal feedback devices managers use to collect information about how the organization is running. This is particularly serious during a period of change when there may be high anxiety and people are hesitant to deliver bad news. Therefore, it becomes critical to build in different channels to obtain feedback. Formal methods may include individual interviews, various types of focus-group data collection, surveys used globally or with select samples, or feedback gathered during normal business meetings. Informal channels include senior managers meeting with individuals, having breakfast with groups, informal contacts, or field trips. Finally, feedback may be promoted through direct participation by representatives of key groups in planning, monitoring, or implementing the change.

In summary, the emphasis in managing the transition is initially on identifying the future state towards which one will move. Secondly, there is a need to pay attention to the changing configuration of the organizational system, and to develop—where needed—unique organizational arrangements to manage that transition period. Finally, there is a need to monitor progress through the development of feedback systems. All of these are important elements in managing a transition.

V—

### **Summary**

Managing transitions requires the time, effort, and attention of senior managers. Too often these tasks are delegated, or seen as unimportant details to be "cleaned up." Experience indicates that this is far from true. Senior management has a significant and, indeed, critical role to play in bringing about the effective implementation of complex organizational changes.

The research being done in the field has indicated that there are patterns to effectively manage changes. It has identified specific action areas that can guide managers. In this chapter, we have attempted to spell out these action areas and provide more specific guidance for individuals. It is difficult to lay out a set of universal principles, general guidelines, or global prescriptions for action. Each situation may change and differ considerably. What may work well in one situation may not work in another. Therefore, in the actual process of implementing change, diagnosing the political system and the nature of the change is an important first step in determining which of the techniques to use. With this choice though, the task of effectively managing the change, while not becoming any simpler, perhaps becomes a more feasible and attainable goal.

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## 108— The Production of Usable Knowledge

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Turning data—numbers, symbols, stories, words, and observations—into information useful to decision makers in the development and implementation of policy and programs presents a continuous challenge for consultants. Figure 1 illustrates this transformation. Data are converted into information. Information then produces knowledge that when utilized results in either discernable action or additional planning and strategy development. The simplicity of the figure belies the complexity of the transformation processes. Stumbling blocks that reduce the odds of data utilization exist at each stage. The transformation is often further complicated by the conflicting needs of multiple end users.

This chapter discusses the processes necessary for transforming data into usable knowledge. The introductory section defines concepts related to the creation of knowledge. The second section presents a three-part framework to assist consultants in the transformation of data into usable knowledge. The final section identifies the various roles consultants can play in the transformation process: expert, evaluator, facilitator, disseminator, and futurist.

### I— What Is Usable Knowledge?

Charles E. Lindbloom and David K. Cohen's use of the term usable knowledge focused on social science knowledge and social problem solving. Their purpose was to influence the processes of "contemporary 'practical' investigation" (1979, p. 4). The concept of usable knowledge when applied to organizational problem solving is thus the foundation for information-based action.

The primary component of usable knowledge is data, the set of figures and facts from which information is drawn. Data can take many forms, including statistics, words, sounds, images, stories, situations, perceptions, and narrations. Information, then, is the arrangement of data into useful patterns. As described by Davis and Olsen (1985, p. 20), "Information is data that has been processed into a form that is meaningful to the recipient and is of real or perceived value in current or prospective actions or decisions."

The intended result of the data transformation and information dissemination processes is knowledge, which is defined as the utilization or productive use of information. The creation of knowledge requires that the resultant information be read, valued, applied, or demonstrated. In a sense, knowledge is information that has been "internalized"; that is, it has been integrated into an individual's social construction of how the world works or should work and may be relied upon by the individual to guide future decision making. At the same time, knowledge may serve only as a temporary response to an immediate problem that is discarded when the problem is no longer perceived as needing attention. In this sense, knowledge is "externalized."

Many factors affect knowledge utilization. Decisions that lead toward utilization are highly subjective, the result of social processes, and open to continuous revision (Dunn and Holzer, 1988).

Data → Information → Knowledge → Utilization

Figure 1  
Transforming data into usable knowledge.

As Backer (1991) suggests, the creation of knowledge that can and/or will be utilized is complex, challenging, and difficult to evaluate. Consequently, client perceptions of useable knowledge are transitive, fragile, and temporal, offering both challenge and opportunity for consultants interested in facilitating the transformation process.

## II— A Framework for Transforming Data into Knowledge

Consultants are often charged with the pivotal task of transforming data into usable knowledge. The three crucial stages that frame the consultant's ability to succeed are examined in this section: project design, data collection and analysis, and presentation of information. The discussion of project design emphasizes the project's purpose, its development as well as completion processes, and its structure. The data collection and analysis discussion is concerned with the validity, availability, timeliness, comparability, and accessibility of the data. Finally, the section closes with a discussion of the importance of information presentation. Presentation effectiveness requires a focus on the project's purpose, knowledge of the target audience, and the creation of understandable and credible communication media.

### A— *Project Design*

Project design guides the transformation process. Project design plays an important role in shaping the conversation between the consultant and client so that all parties involved have agreed-upon expectations of processes and desired end results. At the same time, the consultant must be flexible in order to adapt the design as situations or learning opportunities arise. Rigid adherence to a design and favored methodologies may result in missing important accidental learning.

Further, experienced organizational and managerial consultants recognize that the anticipation of simple causal connections between programs and outcomes, managerial actions and employee responses, or organizational strategy and results marginalizes the complexity of the transformation processes needed to create usable knowledge. The importance of the project design process in supporting the production of usable knowledge cannot be overstated. The project design should explicitly identify the purpose(s), structure, and development/completion processes for the project.

#### 1— Project Purpose

A clear understanding of the project's purpose(s) is essential in directing the consultant's efforts and in developing a meaningful product. Clear specification of desired results is essential to the project design. In our experience, projects are most successful when the design focuses on key client goals and priorities rather than events or personal agendas. The project design articulates the set of questions that will be answered by the project. Concepts should be operationally defined, while recognizing that some revision will occur as the project evolves.

The consultant must emphasize the need for a shared understanding of the "why" of the project. A skillful leader in the client agency committed to clear organizational goals simplifies the clarification of purpose. Typically, however, the consultant's expertise at this stage is an important resource for assisting clients in the articulation of their needs in a precise and unambiguous manner. Planned inclusion of important stakeholders (e.g., staff from all levels of the organization, volunteers, funders, clients) in early design stages and at the appropriate times throughout the project is key to achieving desired results and avoiding controversy or sabotage.

#### 2— Project Development/Completion Processes

The process component of project design delineates the "who, what, when, where, and how" of the project, thus defining the work plan. This stage defines the methods of data collection, analysis,

report development, and dissemination. A central concern is the collection of data, an expensive but essential part of any information project. Early in the design process attention goes to targeted data collection strategies. Again, the consultant's expertise is essential in selecting methods that are efficient, valid, and reliable. Data analysis techniques should be driven by the project's purpose but also documented and explained in a manner accessible and understandable to the client. Similarly, report design should be client-centered. Early identification of key users of the project's final product(s) allows proactive incorporation of an effective dissemination plan in the project design stage.

Various strategies, such as PERT and GANTT charts, are useful in the management of the project once these decisions have been made. These strategies aid in setting measurable objectives, time lines, assignments and responsibilities, schedules of reports and meetings, and budgets. As the project becomes more collaborative in nature, such project management tools are essential.

Effective project design creates a shared understanding of all of the elements composing the project. The design provides the framework for successful completion and therefore warrants significant time and effort in the initial stages of the project.

3—

### **Project Structure**

The structure of the project refers to the relationship between the consultant and client, further operationalizing the design. Will the consultant act alone with little ongoing input from the client organization or will a team of staff (and possibly volunteers in the case of a nonprofit agency) be used? Intra- and interorganization collaborative projects are occurring more frequently, particularly in public and nonprofit settings, both enhancing project quality and heightening the complexity of project design.

In a collaborative or team approach, the composition of the working group is critical. Most important, members should be qualified and interested in the topic. Examples of possible members include users of the end product, data providers, policy developers, and researchers. The level of participation by individual members can vary as the project unfolds, but the consultant will require strategic access to key leaders of the client group.

B—

### **Data Collection and Analysis**

The second element of transformation centers on data, the essence of most projects. While a plethora of data is available from a range of sources, problems relating to validity, availability, timeliness, comparability, and accessibility create potential roadblocks to project success.

Issues of validity are primary for any data-oriented project. Validity questions can take three forms: internal, external, and programmatic (Sylvia, Sylvia, and Gunn, 1997). Internal validity questions whether the desired concepts are addressed by the methods used. External validity focuses on the generalizability of results or products, specifically the replication of methods and appropriateness of inference. Programmatic validity emphasizes the utility of the results to the intended audience. These crucial issues should be addressed through careful project design as well as during each stage of project execution.

The second data collection problem centers on data availability. Rarely are the specific data sought by the consultant available. The proper collection of primary data is expensive and time consuming. Instead, the consultant generally must rely upon secondary data, data collected by a source other than the user. Secondary data have their own set of limitations, particularly related to content validity. The use of secondary data, however, is often a necessity for projects with limited resources. Using various statistical techniques, consultants can create new, reliable, and valid data sets relevant to the project. Since secondary data are typically collected for purposes other than the immediate project, consultants must be clear about the assumptions they draw as they make the data fit the project at hand.

An even greater challenge, however, is when no data exist related to a specific project topic. For example, in states without an official birth defects registry, data regarding birth defects are limited to what health-care providers enter on vital statistical records. Consultants must then identify other data or research available in comparable locations or situations that may prove sufficiently reliable and valid.

The timeliness of the data can also be a concern. Data collected by government agencies at the federal, regional, state, and local levels typically have at least a two-year lag time from the year of collection to publication. Consequently, data collected in 1996 may not be available until 1998 due to collection, analysis, and reporting processes. This lag time means that the data face questions about their validity for decision making. Even more troublesome is the vast amount of federal data appropriate to many research topics collected by the U.S. Census Bureau each decade. These data are often used as the baseline for projections until the next decade data set is available. As the decade progresses and the data become more dated, the potential for gross inaccuracy increases.

The use of the Internet for data dissemination offers great promise to remedy issues of timeliness and accessibility (discussed below), but has yet to reach its potential. For example, data available in July 1998 on the state of Tennessee Department of Health Web pages was collected in 1994. Issues regarding data reliability and accuracy, especially when Web page maintenance is separated from data production are other possible limitations of the Internet as a dissemination strategy.

The remedy for the timeliness challenge is twofold. First, the time factor should be introduced as a problem and explained clearly as a limitation of the analysis and any resulting conclusions or recommendations. This is particularly important for those users unsophisticated in data analysis. Second, the date of data collection should be clearly stated as a part of the presentation format such as in column headings: "Low Birthweight Infants, All Races, 1996."

Comparability problems, the third data challenge identified, stem from the wide range of sources that provide pertinent information. Each of the agencies, most of which are government agencies, collects data to meet its own requirements with little concern about standardized definitions of variables, collection time frames, or measurement format. Comparability and benchmarking are complicated further when data collection crosses state and regional boundaries; nevertheless, data can be effectively presented with notations describing their limitations, sources, and collection dates, and the statistical methods used.

Accessibility is the final challenge related to data. While technology has increased the availability of data, issues of proprietary rights, privacy, and control constrain access to data. Regardless of the shared desire for information, individual data owners may not be willing to provide institutional or client-level data. Often the consultant can serve both as a neutral facilitating party in negotiating access to data sets and as an advocate for the mutual value in making the data available for analysis. A consultant's access to data, with agreed-upon privacy and confidentiality agreements, can often help alleviate concerns about releasing the data.

C—

### ***Presentation of Information***

The presentation of data and recommendations or conclusions in report form, the typical final product of a project, provide the foundation for transforming information into knowledge and action. Three principles guide the effective presentation of information:

Focus on the project's purpose.

Know the target audience(s).

Create an understandable and credible presentation.

Maintaining focus on the purpose of the project is crucial for the consultant, for both efficiency and quality reasons. One project cannot possibly examine all aspects of an issue. Further, all elements of the presentation should work toward meeting the agreed-upon purpose. Appropriateness to the project's purpose, then, sets the standard for information included in the presentation, and also may serve as the presentation's organizing medium.

Knowing the target audience(s) focuses the consultant on user preferences for receiving information, such as formal vs. informal, written versus oral, or technical versus lay. Most information has multiple audiences, both primary and secondary, each with a unique set of questions, experiences, and perspectives. The consultant must be sensitive to the varying and often conflicting needs of these multiple users. For example, some users want depth of description regarding data analysis, and some simply desire an overview. Users also have varied expectations for the application of the

information presented. The consultant's job is to provide a roadmap to assist each user in receiving the information he or she requires.

The presentation format and style should be interesting and understandable, while continuing to highlight the essence of the project. Two essential decisions guide information dissemination: how best to organize the information, and which presentation format(s) will be most accessible to the target audiences.

Although many sources address the various techniques for creating a professional presentation (see, e.g., Graber, 1992; Morris, Fitz-Gibbon, and Freeman, 1987), the bottom line is creating a valid, reliable, and usable product. Consultants must tailor their selection of reporting techniques to the substance and context of the project and the targeted audience. General considerations in developing a clear and understandable presentation, whether oral or written, include the following:

Is the information presented in a logical order?

Is the information appropriately indexed (e.g., table of contents, index)?

Are both qualitative and quantitative types of information provided?

Are varied reporting techniques (e.g., text, graphs, charts, tables) used and explained appropriately?

Is the product's appearance professional and attractive (e.g., consistent font, descriptive headings and subheadings, effective use of white space, varied use of formatting techniques, including bullets and borders)?

Are implications and conclusions explicit?

Presentations can take many forms, including personal briefings, technical reports, policy papers, videotapes, computerized presentations, storyboards, graphics, legislative testimony, board presentations, press releases, and executive summaries. Although format choice is often left to the discretion of the client, the consultant may find that the use of multiple formats will best reach the intended audience(s) for the creation of knowledge.

Also essential in presentation credibility is the explanation and documentation of information. This includes defining terms and concepts, documenting sources of information, explaining statistical techniques and formulas, and detailing data and analysis limitations through footnotes, endnotes, and appendices. Additionally, more sophisticated statistical techniques may require more lengthy explanations to make them understandable to the audience.

Finally, care must be exercised in editing and proofreading final written documents. The presentation should: minimize the use of jargon and technical language, unless suitable for the audience; emphasize active voice; and rely on short, succinct narratives. Findings should flow clearly from the analysis and be relevant to users.

### III—

#### **The Consultant's Evolving Role in Knowledge Utilization**

The consultant's goal is the effective and responsible transformation of data into information that is the basis for usable knowledge. In our experience, effective knowledge creation involves not only the client's perceptions about information quality and usability, but also the appropriateness of the transformation processes. Consequently, creating usable knowledge requires an integral understanding of the information context, a philosophy of inclusion, and a reflexive sense of confidence, perspective, and humor. The effective consultant performs many important roles in the transformation process, including expert, evaluator, facilitator, disseminator, and futurist.

The consultant in the expert role brings relevant knowledge and experience to the situation. Expertise, a critical resource for the client, can be in the form of substance, context, or process. In most situations, advice and counsel on all three are needed. Substance refers to the consultant's knowledge of the problem area from theoretical, analytical, and practical perspectives. Understanding context allows the consultant to assess internal and external environments relevant to the problem area. Process expertise requires interpersonal and group dynamics skills in order to diagnose and resolve impediments to effective interventions.

Additionally, with his or her experience, skills, and reputation, the expert brings legitimacy to the project. The advantage of expertise can be negated by reliance upon standardized techniques, however. Ideally, the consultant as expert emphasizes sensitivity to the client's implicit and explicit needs.

The evaluator role focuses on the inquiry process. The consultant must be concerned with the integrity of data collection, data management, and data analysis, encouraging the triangulation of methods and the incorporation of both qualitative and quantitative data. Ultimately, the consultant must assure that findings are reliable and valid, that they accurately report significance, and that they have utility. As evaluator, the consultant is developing credibility and legitimacy as well as assuring ethical practice.

As a facilitator, the consultant helps the project unfold, beginning as soon as the client-consultant relationship is formed and continuing through completion. The first contacts are critical in reaching a shared understanding of the project design, including the project's purpose, structure, and processes. The facilitator role is essential in assuring *continued* shared expectations. As a facilitator, the consultant neither dictates what should occur nor abdicates responsibility for guiding, educating, and leading the process. Consequently, facilitators balance their expertise with a posture of openness to the situation.

The consultant in the role of disseminator links data and information with potential users. Regardless of the final product's format, the consultant plays a central role in actually placing information in the heads and hands of target audiences. At times the consultant extends the disseminator role by taking on a more proactive role. As an information evangelist, the consultant is selling the project's purposes and findings to external sources, such as boards, local government councils or commissions, and funders.

In the futurist role, the consultant brings the organization's external environment into internal decision making. As futurist, the consultant scans the external environment for trends, placing the organization's mission and programs in a social, economic, political, and demographic context. The futurist encourages decision makers to examine innovative, creative options, as well as to look beyond short-term results for long-range impacts.

Throughout the transformation process, the consultant often plays these roles concurrently, with one or more roles dominating. For example, when the project's findings reflect negatively on the client agency, the consultant often seeks to support the client in moving beyond defensive resistance to a more formative posture. In this case, the consultant uses all five roles, with the facilitator role dominating.

These various roles emphasize that the productive consultant-guided transformation process is not the result of adherence to a rigid set of generic rules; rather, the understanding of data, information, and knowledge are imbedded in situations. As expert, evaluator, facilitator, disseminator, and futurist, the consultant's role is critical in managing the process of transforming data into usable knowledge.

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## 109— Process Consulting in a Content Field

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### I— Abstract

Process consulting to management about corporate strategy needs to be buttressed by both business and strategic knowledge; i.e., content cannot be ignored. Selling engagements, client expectations for expertise, and high-stake situations, among other factors, tend to seduce consultants away from being process consultants. Nevertheless, client ownership of the strategic challenge and prescription suggests that a Socratic process consultancy is vitally useful.

### II— Introduction

George Homas warned: "The problem with the social sciences is that we keep getting hung on the horns of false dichotomies." Worse, most dichotomies are part true and part false, as in the distinction between content and process in consulting within the strategy field. Consultants have historically sought competitive advantage by selling either a singular command of strategic business "content" or a uniquely effective strategy formulation process.

More recently, competitive advantage among strategy consultants has turned to helpfulness in implementation, not just in strategy formulation (O'Connell, 1989). To hear many strategy consultants speak, one would think that generating a strategic design had become a commodity skill; effecting strategic change was the trick. In the knowledge that a sense of ownership in the design enhances commitment to change, strategy consultants sought out the determinants of client ownership.

The literature shouts the consensus view that ownership comes from client involvement and control from the beginning and throughout a consulting engagement. Only a process approach to consulting leaves the client as owner of the strategic challenge, the strategic analysis, and the prescription for strategic change. No wonder that the era of strategic implementation prompted many consultants to hang out the process consultant shingle!

### III— Schein's Process Consulting

Many of the process consultants currently practicing in the strategy field have taken inspiration indirectly or directly from the seminal piece by Ed Schein (1969) and by his updates (1987, 1988, 1990). In that first decade of organization development the synthetic, first-person-singular style of Schein made the arcane more accessible. Budding process practitioners did not have to submit to

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**TABLE 1** Schein's Models of Advice-Giving Applied to Strategy

	Expert	Doctor	Process consultant
Identifies the need for strategy or strategic change	Client	Consultant	Client w/consultant
Analyzes the determinants of strategy	Client	Consultant	Client w/consultant
Selects and specifies strategy	Consultant	Consultant	Client w/consultant
Implements	Client	Client	Client w/consultant

analysis or join a fervid cult. The process technology became transparent and, in a real sense, a populist application of the Socratic method. Professionals in whatever field bought into the rejection of the "expert" and "doctor" models of consultation in favor of process consultation, which called for client/consultant collaboration in diagnosing problems, weighing alternatives, and acting to improve organizational effectiveness. The expert, assuming that clients know their own problems, provides solutions for the client to implement. The doctor provides both the diagnosis and the prescription. "It is a key assumption underlying process consulting that the client must learn to see the problem for himself, to share in the diagnosis, and to be actively involved in generating a remedy" (Schein, 1969, p. 7) (Table 1).

By analogy in the strategy field, the process consultant first leads the client to discover his or her need for strategic direction (rather than for operational control, for instance) or the need for strategic change; second, the process consultant intervenes collaboratively with the client in the analysis of the determinants of strategy; and finally the process consultant in strategy assists the client in choosing and effecting the new direction in the client system.

Schein in his organizational consulting work targeted the full range of organizational processes (e.g., communication, influence, conflict resolution) and therefore had a double reason for labeling his practice "process consulting." He focused on process events in organizations (i.e., how things are done in human systems) and he employed a process intervention style which avoided client dependence and assured client ownership. It is this latter which has migrated across to other content fields like marketing, production, strategy, etc. In strategy practice the process consultant may incidentally target other organizational processes, but by and large focuses narrowly on the direction-taking process—at once a very creative and highly political process.

#### IV—

##### **Process Consulting in Strategy**

In the strategy field the consultant who chooses to employ a process approach enters a collaborative relationship with the client (typically a top management team) in which his or her value added is a method for stepwise movement through formulation/implementation. Most often, the consultant has proprietary "software" and the process skills to mentor a group in the application of the software. The process consultant in strategy adds value by the quality of both the pre-planned questions and the spontaneous questions which set the tone of bold exploration, penetrating inquiry, rich analysis, wide-ranging search for alternatives, and respectful confrontation of ideas. The skillful application of the socratic software within the group draws the process consultant into the four types of interventions Schein identifies: agenda-setting, feedback, coaching, structural (Schein, 1969, pp. 102–103). Just as in Schein's practice in organization development, the process consultant in strategy displays a mix of more directive (e.g., the instrumented software) and the more non-directive process management roles. Somewhere along the line, many consultants confounded non-directive counseling with process consulting. A re-reading of Schein will reveal the central role for pre-programmed activities done in a logical sequence. He makes it clear up front that the consultant must "be an expert in how to diagnose and how to establish effective helping relationships with clients" (Schein, 1969, p. 8).

#### A—

##### **Pure Process Consulting?**

Does the consultant not use his or her content expertise? Schein admits to using his expertise as a social psychologist in providing the client group with "theory memos" (Schein, 1969, p. 105) or,



on an exception basis, in actually telling the client how to design a survey feedback data gathering method (Schein, 1969, p. 119). Schein originally considered such examples of this latter form of "structural" intervention as rare and dangerous. Even recently he stated: "The consultant must be an expert in human relations, particularly the process of establishing and maintaining a helping relationship. If it is then discovered that special expertise in marketing, finance, or other aspects of business is needed, the consultant should help the client to locate a specialist to provide that expertise" (Schein, 1987, p. 31). Thinking in original Schein terms, not to bring in the expert would seem to expose the consultant to (a) breaking the psychological contract which rejects client dependence, (b) risks that the client not learn how to think strategically, or (c) causes the client to lose ownership in the solution. However, the latest article on process consulting by Schein (1990) challenges the consultant to make real time, online decisions about when during an engagement he or she should play the role of expert, doctor, or process consultant. Schein argues that an engagement must start with process interventions, but that "as we glean some insight into what is going on, we must shift into and out of the expert and doctor roles according to the client's needs and a realistic assessment of our own expertise" (Schein, 1990, p. 64). Is this latter day process consulting model of Schein's realistic for the process consultant in strategy? Can he or she really become a polyvalent Socrates on skates, gliding in and out of content and process or in and out of doctor, expert, and process consulting roles? The touchstone for responding to these questions is whether the client remains independent and in full ownership of the strategic results with the "advisor" displaying such a consulting role repertoire (see Figure 1).

What makes strategy consulting different? It would be easy if process consultants in the strategy field provided the technology for the client's top management team to massage their own content into a new or revised strategy. In the real world clients often do not understand their own strategic challenges or options and may not know what kind of help is available or useful in taking strategic next steps. As we examine an engagement more closely in both its sales and delivery phases, a more complicated picture appears. The process consultant has to be positioned along each of the continua. More formally than Schein, the process consultant in strategy moves up to the "instrumented" level in the Process Management dimension, taking that position early in the engagement and consistently throughout the engagement. The process consultant in strategy has more difficult choices in the other two dimensions. Schein argues that ignorance is the most important asset,

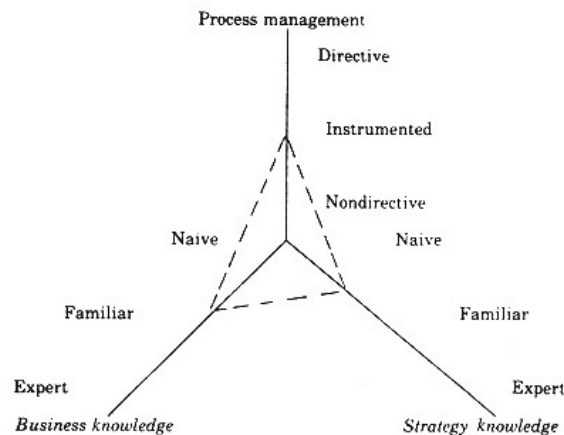


Figure 1  
Content and process in the strategy engagement.

especially in the beginning of an engagement (Schein, 1990, p. 61). In strategy the process consultant seems destined to display at least familiarity with the client's business (scope of products and markets, recent performance and standing in the industry, etc.) and familiarity with the language, concepts, alternative models, research findings, etc., of the strategy discipline.

An examination of the flow of an engagement makes the point. In strategy the process consultant sells the engagement and in so doing will certainly have to show familiarity both with the client's business and with the strategy discipline. The consultant/salesperson will have done homework to position the prospective client in the industry as part of the effort to qualify the lead in terms of readiness to buy consulting service. The sales "pitch" would reasonably show sensitivity to the consultation offerings of competitive vendors. Indeed, the process consultant will argue the unique advantages of his or her process approach, but the context will likely be rich in both business and strategy content. Since the sales target is most often the CEO, one would reasonably expect him or her to employ some litmus tests on the business savvy and strategy sophistication of the consultant. The "who have you worked with?" question suggests client expectations. The manner in which the consultant presents staff credentials reflects an awareness of the trigger value of certain content-revealing demographics. At least with the CEO, the process consultant takes early positions rather far along the Business Knowledge and the Strategy Knowledge continua.

As the client buys the process consulting proposal rather than one of the services of a general management or content boutique firm, the articulated reasons will most often be the attraction of the client strategy team's owning their own strategy at the end of the process and of their having internalized a strategy process. However, in the early selling and set-up encounters, through whatever exchange of signals, the consultant will have crossed the threshold of business savvy and strategy sophistication. These early contacts with the client smack much more of expert or doctor roles than process consulting roles which Schein advises for the opening gambit when the psychological contract is being drafted.

After agreeing to an engagement, the consultant typically enters a data gathering phase. In the Kepner Tregoe practice this pre-meeting phase involves individual interviews with the strategy team as well as written questionnaires from at least the strategy team members. In no way could the consultant enter the group meeting phase of the engagement pleading ignorance of the business, but at least he or she can deflect the "independent expert" label with the defense that his or her business knowledge depends on what the strategy team has provided.

Also, as the consultant does individual interviews and begins work with the strategy team in group sessions, challenges to the consultant's legitimacy often come in the form of not-so-subtle tests: "how well does he know our business?" or "is she familiar with my strategic guru's latest book?" At this moment the protocol advances the consultant in the Process Management role with the Socratic software but positions the consultant closer to a naive, questioning posture than an expert posture in Business Knowledge and Strategy Knowledge. In reality, the psychology of the moment invites show-and-tell forays with Business Knowledge and Strategy Knowledge to buy into the group.

In the delivery of the process itself, the consultant makes a strong content statement in the character of instrumentation employed. It's not likely that a client will buy something as nonsubstantive as the traditional SWOT (strengths, weaknesses, opportunities, threats) analysis from the policy course. In the instrumentation, definitions will be adopted, emphasis directed, sequence of deliberation fixed, etc. The instrumented "macro" is itself a conceptual scheme which utilizes some content and rejects other content, finds merit in some empirically researched conclusions and ignores others, etc. The recent analysis by Mintzberg (1990) reveals just how much theory is embedded in what he calls the "design school" of strategy formulation—the category into which he assigns the Kepner Tregoe strategy process. Within the macro, the process consultant will undoubtedly contribute in real time to the process facilitation by skillful interventions to energize, gate keep, manage conflicts, break through barriers, challenge reasoning, etc. The micro process management skills are part of the field-independent endowment of the process consultant. At this stage, dare the process consultant risk expert interventions by displays of Business Knowledge or Strategy Knowledge? Undoubtedly, the seduction to move aggressively along these two dimensions grows as the process moves along.

With such a high status group as a strategy team, in a setting so politically charged with career-

long investments by individuals who have survived as the fittest, with such mind-blowing up-side possibilities and down-side risks, is it likely that the consultant will be able to maintain content naivete? Good intentions of the consultant aside, won't the client expectations seduce the consultant into normative postures with either business or strategy involvement?

Unlike some other business decision processes, the strategy process (as practiced by the Strategy Group of Kepner Tregoe—see Tregoe and Zimmerman, 1980 and Tregoe et al., 1989) does not slowly cumulate to one grand crescendo and eureka. Rather, the strategy team confronts a predetermined sequence of chained decisions which lead from design to implementation. Very early on in the process, the client faces crucial forks in the road where the strategy team could reach out for the expert hand of the consultant. "What do you think fits us best, the products offered or the markets served driving force?" "What do other companies like us use for variables on the market side of the segmentation matrix?" "Doesn't Michael Porter say there are only two bases for competitive advantage?" "Doesn't PIMS research show that ROI declines as capital intensity increases?" The experienced process consultant may be able to fend off such seductive invitations to play expert or doctor by reverting to Socratic drawing out of the wisdom within the client group itself. The pressure for playing expert becomes intense as early as the end of the second day of what is typically a six-day activity (in three two-day sessions). To relent, as Schein would appear to suggest, and move toward the expert position on the Business Knowledge and Strategy Knowledge dimensions may be an irreversible tactic. Client dependence may grow and the client may psychologically become a junior partner in ownership of the new strategy. In turn, the commitment to implementation may weaken, jeopardizing the underlying comparative advantage of the process consulting approach.

**B—**

### ***Back to Roots?***

Strategy consulting is so unique that Schein's most recent advice about playing mixed roles may fit the audience to which Schein addressed those remarks (the American Psychological Association) but not the process consultant in strategy. Just how unique is strategy consulting?

1. The strategy engagement begins with the sales phase, not with the data gathering or diagnosis phase as assumed by Schein. The consultant has to live with the consequences of "expert" or "doctor" posturing he or she may have done in the course of selling the engagement.
2. The typical process consultant in strategy faces different entry dynamics than Schein, who probably has to cope with the pedestal effect his reputation causes among clients. Less well known process consultants in strategy face the challenge of earning acceptance and legitimacy with the group. Keeping to process consulting as an opening gambit in a strategy engagement leaves the client to meet the consultant through the software of instrumentation. Being seen as a form distributor and time keeper condemns the process consultant to the lower status at the periphery of the group. Experts and doctors are more easily socialized.
3. In most cases the Socratic software used in strategy consulting directs the client more overtly than the process consultant in the typical O.D. engagement. The software in a strategy engagement also carries more of the content of the strategy discipline than much of the relatively neutral instrumentation used in O.D.
4. The task of the strategy engagement is more intimately and obviously tied to the knowledge of the strategy discipline than is the task of the typical O.D. intervention described by Schein. His best work occurs in a group whose task may be new product development, for instance, which lies at some distance from his field of social psychology where Schein might play expert or doctor. The process consultant in strategy walks the tightrope where his or her knowledge of strategy has obvious relevance all during the engagement. No one expects Schein to be a product development expert. A process consultant naive in the strategy discipline probably couldn't sell the engagement.
5. Depending on the strength of the CEO and the robustness of the group dynamics in the strategy team, the team members may well look to the process consultant for expert inter-

ventions as they realize how high the stakes are in decisions to be made very early in the engagement. The strategy team finds itself "betting the farm" in ways not often encountered in O.D. interventions. Not surprisingly then, they may reach out for help that could water down their ownership.

All these differences about process consulting in strategy sum to the need for resolute commitment to the non-judgmental, non-prescriptive, non-expert behavior of the process consultant. By its very nature, strategy consulting is already front-end-loaded with content in ways unknown in standard OD consulting. Despite Schein's advice to mix expert and doctor roles after the initial process consultant behavior, the strategy consultant probably fights from the beginning to avoid client expectations that deprive both the client and consultant of the benefits of process consulting. From the pre-engagement wooing, through the socialization process and the software instrumentation of heady decisions, the seductions to play expert or doctor lie left and right. If client independence and ownership remain so crucial for implementation, the process consultant would be well advised to go back to the roots of Schein's twenty-year-old process consulting model and struggle to behave as a purist Socrates in strategy.

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**110—  
A Burnout Workshop:  
Design and Rationale**

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The specific goals of every burnout workshop are somewhat different, depending on the needs of the organization and the needs of the participants.\* Nevertheless, four general goals can almost always be agreed on.

1. Explain what burnout is, describe its symptoms and costs for the individual and the organization, and enable participants to diagnose their own levels of burnout.
2. Provide participants with an opportunity to identify the common burnout-causing stresses in their own work and note the relationship between those stresses and their shared goals and expectations.
3. Improve participants' ability to distinguish between stressful work features that are under their control and can be modified, and those that are an inherent part of the work and must be accepted as such.
4. Examine and expand participants' use of various individual, social, and organizational coping strategies.

While the specific content of the burnout workshop differs according to the composition and needs of the participants, the basic workshop I will be describing can and has been used successfully with such varied groups as organizational consultants, managers, people in sales, the military, medicine, nursing, dentistry, all levels of mainstream and special education, and law enforcement.

The workshop is best suited for an 8-hour workshop, but it can be shortened to half a day (which includes only the introduction and one experiential exercise) or expanded to 2 and even 5 days. In longer workshops, after going through the process of the 1-day workshop, participants have a chance to explore in depth their own individual issues.

The workshop can be used with groups as small as eight people and as large as 500 because most of the experiential exercises are done in groups of four. Even though the feel of the workshop is very different for the participants, it doesn't matter much for you as a workshop leader how many such parallel groups you have.

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\* In preparation for the workshop it is important to gather information about the organization (its goals, attitudes toward employees, openness to change, etc.), about the participants (What characterizes them? What are the typical reasons that made them choose their particular career?), and about their work (What are the most stressful as well as the most rewarding aspects of their work?).

## I—

### Participants

The workshop can also be modified to fit different kinds of participant pools and their relative homogeneity. One variation is an open-enrollment workshop for anyone who experiences, has experienced in the past, or wants to avoid experiencing burnout in the future. In such a workshop participants learn to appreciate the universality of the underlying dynamic of burnout and thus break their own "fallacy of uniqueness." The following is a common response of participants at the end of such a workshop: "In the first evening when people were introducing themselves, I said to myself: What could they possibly know about my problems? Now I realize that many of their issues and stresses are very similar to mine."

Another type of workshop is for employees from different organizations in similar work roles or facing similar work stressors. In such a workshop participants can discuss the stresses and rewards unique to their position and can establish support systems with people outside their own organization. These workshops can be particularly helpful for those high-ranking managers or officers who, because of their position, feel unable to confer with others in lower position or rank and thus cannot develop a support system within their own organization.

These occupation-specific workshops can help adjust the unevenness of feedback and rewards in hierarchical organizations. Many social service workers, for example, expect all their rewards to come from management; they rarely look to their coworkers for feedback. As a result, they feel unappreciated and demoralized when management does not reward them or provide them with adequate feedback. During a workshop, an effort can be made to change this pattern by teaching the workers themselves how to become an effective support system for each other.

The third type of workshop is for the employees of a single organization. Such a workshop can be especially useful where lack of communication, hostility, competition, and lack of cooperation are affecting the office's proper functioning. Sometimes participants in such workshops come from different levels of the same organization, but more often only one level of the organization is included.

There are costs and benefits to each approach. If management is not included, the major benefit is a greater feeling of ease and comfort. Participants can talk freely, uninhibited by fear of possible reprisal by a manager who was hurt by their criticism. On the other hand, if management is included, the workshop is more likely to bring about changes in stress-producing organizational policies and management behavior that trigger the participants' complaints.

## II—

### Format

The workshop moves through three stages. The initial stage involves a formal presentation (what is burnout and how to recognize it). The second stage contains a series of structured exercises that help participants discuss their work stresses in a supportive atmosphere. The third stage involves an open discussion of participants' individual issues. The progression from structured (ego enhancing and safe) to more open-ended exercises makes resistance unlikely.

If the group includes fewer than 30 people, it is important to start with participants introducing themselves, the reasons for their interest in burnout, and their expectations from the workshop. This process gives group members an idea of the human resources available to them in the workshop. Ask participants, as they listen to each other, to consider who seems to be struggling with issues similar to their own and with whom they may want to work during the workshop.

In addition to serving an important function for the participants, the process can give you invaluable information about participants' expectations, so you can direct the workshop as much as possible to fulfill their needs.

The only problem with this process is that it can be rather time consuming. You should definitely take the time to do it if you have 2 or more days, and you definitely don't have the time to do it in a half-day workshop. In the 1-day workshop you should limit people to 1-minute presentations.

### III— Theoretical Background

The workshop is based on an existential view of burnout (Pines and Aronson, 1988; Pines, 1993). It assumes that the root cause of burnout lies in our need to believe that our lives are meaningful (Frankl, 1963), that the things we do are useful and important. This belief is our way of dealing with the angst caused by facing up to our own mortality. As Ernest Becker argues so convincingly in *The Denial of Death* (1973), all human beings have a need to feel "heroic," to know that their lives are meaningful, that they matter in the larger, "cosmic" scheme of things. In previous eras, religion filled this purpose. For people who have rejected the religious answer to the existential quest, one of the frequently chosen alternatives is work. People who choose this path are trying to derive from their work a sense of meaning for their entire life. When they think they have failed, they burn out.

The existential view of the burnout process is represented in the burnout model (Figure 1). (In addition to a slide or transparency, it is helpful if participants have a copy of the model in their package of handouts.)

The basic assumption of the model is that only highly motivated individuals can burn out. In order to burn out, one has to be on fire first. A person who has no such initial motivation can experience job stress, alienation, depression, but not burnout. Saying this at the beginning of the workshop helps remove the negative connotation associated with burnout and enables workshop participants to admit to it more easily.

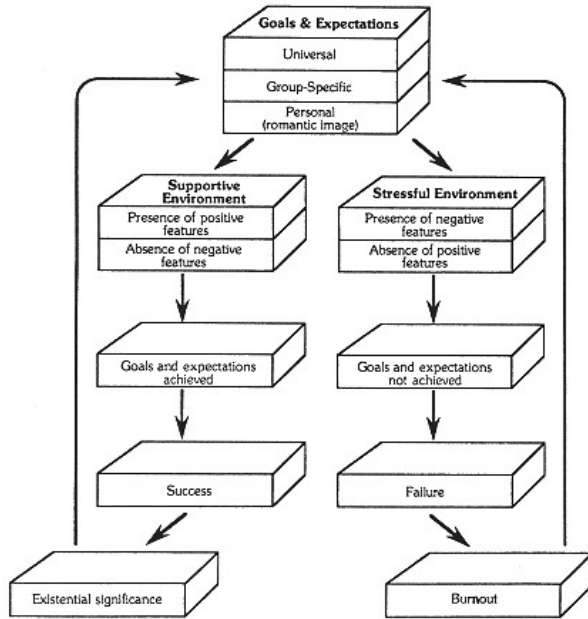


Figure 1  
The burnout model.

Highly motivated individuals enter their work with very high goals (for themselves) and expectations (of the things their work will provide). Some of these expectations are universal (e.g., to do something significant, to have impact, to be successful and appreciated). Some of the expectations are profession-specific. In the human services, for example, they usually include helping people and making the world a better place. Other expectations are personal, based on an internalized "romantic image" of the work that is modeled after an important person or an event. Combined, these expectations relate to how and why work will give one's life a sense of meaning.

When in a supportive environment—one which maximizes positive features such as support and challenge, and minimizes negative features such as bureaucratic hassles and administrative interference—highly motivated individuals can reach their goals and achieve their expectations. Success provides a sense of existential significance which, in turn, increases the original motivation for the work.

When the same highly motivated individuals enter a stressful work environment—one which maximizes negative features and minimizes positive ones—they can't get the opportunities, resources, or authority they need to achieve their goals. The result is failure. For individuals whose egos are tied to their performance, and who are trying to derive from their work a sense of existential significance, failure is a powerful cause of burnout.

The presentation of the model has the most impact and relevance to the participants when discussion of the positive and negative work features that either cause or help prevent burnout includes features that exist in their own work environment.

After the presentation of the model comes the time to define burnout. Burnout is a state of physical, emotional, and mental exhaustion caused by long-term involvement in situations that are emotionally demanding. It is accompanied by an array of symptoms such as physical depletion, helplessness, hopelessness, disillusionment, and negative attitudes toward the work.

Once participants understand what burnout is and how it is experienced, you can discuss the high cost of burnout to the individual and to the organization (e.g., low morale, absenteeism, tardiness, high turnover, poor performance). You can find additional information about the definition, symptoms, and costs of burnout in chapter 1 of the book I coauthored with Elliot Aronson, *Career Burnout: Causes and Cures*.\*

Next, it is important to give participants an opportunity to diagnose their own level of burnout. The self-diagnosis instrument presented in Figure 2 takes about 15 minutes to complete, and it can be given to the participants at the end of the first introductory session (that usually takes about an hour to an hour and a half) with the instruction to fill it out during the break.

When the participants return, you can discuss the meaning of their scores: A score between 2 and 3 means you are doing well, a score between 3 and 4 is a danger sign of burnout, a score of 4 means burnout, a score higher than 5 indicates an acute state and a need for immediate help.

If the workshop involves people from one organization or department, you can pass around a sheet of paper and ask everyone to write down their individual scores. You can then add up those scores and divide the total by the number of participants to discover the group's burnout score.

#### IV—

#### A Four-Stage Experiential Exercise

In preparation for the next four-stage exercise, ask workshop participants to write down their goals and expectations when they started their job, what current stresses contribute most to their burnout, and what coping strategies they find most useful in dealing with these stresses. The questions can be presented on a single page of their handouts in the following manner:

1. What were your goals (for yourself) and expectations (from the organization) when you started your current job?

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\*Pines, A., and Aronson, E. *Career Burnout: Causes and Cures*. New York: Free Press, 1988.



2. What are the three current stresses that contribute most to your burnout?
3. What are the coping strategies you find most useful in dealing with these stresses?

For the next stage of the exercise you need to divide the participants into foursomes. If the total group is small, people can choose three individuals who seemed from their introductions to be struggling with issues similar to theirs. When the group is large you can divide it into subgroups. For a mixed group that may mean sending managers to one corner of the room, educators to another corner, etc. If the group is from a single organization you might place top managers in one corner, middle managers in another, and direct-service providers in a third. Then, you ask each subgroup to form several foursomes.

There are two reasons for dividing the participants into foursomes, and not into either dyads or groups of five or six. First, listening to three other people is as much as most people can do without losing interest. Second, the material from four people typically provides a sufficient sense of both the variety of human experiences and their universality.

**How often do you have any of the following experiences related to your work?  
Please use the scale:**

1	2	3	4	5	6	7
Never	Once in a great while	Rarely	Sometimes	Often	Usually	Always
_____	1. Being tired					
_____	2. Feeling depressed					
_____	3. Having a good day					
_____	4. Being physically exhausted					
_____	5. Being emotionally exhausted					
_____	6. Being happy					
_____	7. Being "wiped out"					
_____	8. Feeling "burned out"					
_____	9. Being unhappy					
_____	10. Feeling rundown					
_____	11. Feeling trapped					
_____	12. Feeling worthless					
_____	13. Being weary					
_____	14. Being troubled					
_____	15. Feeling disillusioned and resentful about people					
_____	16. Feeling weak					
_____	17. Feeling hopeless					
_____	18. Feeling rejected					
_____	19. Feeling optimistic					
_____	20. Feeling energetic					
_____	21. Feeling anxious					

**Computation of score:**

Add the values you wrote next to the following items:  
1, 2, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 21 (A) \_\_\_\_\_

Add the values you wrote next to the following items:  
3, 6, 19, 20 (B)\_\_\_\_\_, subtract (B) from 32 (C) \_\_\_\_\_

A and C (D) \_\_\_\_\_.

Divide D by 21 \_\_\_\_\_. This is your burnout score.

Figure 2  
A self-diagnosis instrument.  
(Copyright 1988 Ayala Pines, Ph.D., and Elliot Aronson, Ph.D.)

The people in each foursome are instructed to introduce themselves to each other, describe for about 3 minutes each their goals and expectations, and find those which all four of them share. If a goal or an expectation was mentioned that someone who spoke earlier forgot or thought too obvious to mention (such as wanting a job that is interesting), it can be added during this process. The list of goals and expectations shared by all four of the group members is presented by a spokesperson of the foursome to the rest of the workshop participants, and is written on the blackboard.

When the group is from one field of work (organizational consultants, managers, nurses, teachers, social workers) the shared goals and expectations reveal the "profession-specific motivation (see Figure 1) that the participants share. For organizational consultants this almost always includes being able to work independently and have a significant impact on the organization. Managers usually share the expectations to be able to run the organization the way they think it should be run; nurses expect to ease the pain of sick people, and teachers expect to educate and enlighten.

For almost all groups there is an added, "universal" goal and expectation to be successful and appreciated. Both the profession-specific and the universal goals and expectations reflect the sense of existential significance that work was expected to provide.

After the first two or three foursomes have presented their lists, usually the rest of the foursomes just repeat items that are already on the board. When that happens, a mark is put next to the item mentioned. The result of this process is a list of goals and expectations with frequency marks next to each of them. You can survey the list with the participants, see if there are any items that can be combined, and note what it says about the motivation that the participants brought to their work when they started. You can also note as an introduction to the next stage of the exercise that, as they will see shortly, this motivation is a good predictor of the causes for their burnout.

In the second stage of the exercise, instruct the participants to go back to their foursomes and share with each other the three most stressful aspects of their work, and discover the stresses they all have in common. These shared stresses are once again presented by the spokesperson of the foursome to the whole assembly and written on the board. As in the case of the goals and expectations, after the first two or three foursomes present their lists of stresses, most of the items the other foursomes mention probably will already be written on the board and will only need to be marked as repeats.

Now you have two lists on the board: a list of goals and expectations and a list of stresses. Each list includes about 10 items, and next to each item the number of times it was mentioned by other foursomes.

In the third stage of the exercise participants examine the two lists and note any relationships between them. What becomes very obvious is that there is indeed a direct relationship between the goals and expectations participants had when they started working and the stresses they are experiencing at the present time. In almost every case, the stresses reflect frustrated hopes and expectations. For organizational consultants, whose goals are to work independently and have a significant impact on the organization, the most frequently mentioned stresses include not having enough autonomy and influence on the organization and being caught in conflicting pressures that reduce their freedom and impact. For managers, whose goal was to be able to run the organization the way they think it should be run, the most frequently mentioned stresses are administrative limitations in power and resources that make it difficult for them to manage the way they think they should. For nurses, whose goal was to ease the pain of sick people, the most frequently mentioned stresses are those aspects of hospital work that make it difficult to ease effectively the pain of their patients. For teachers, whose goal was to educate and enlighten, the most frequently mentioned stresses are the discipline problems that make it difficult to educate.

What the comparison between the goals and the stresses clearly demonstrates is that the most stressful, burnout-causing aspects of work are those that prevent people from getting a sense of existential significance from their work.

This is an important conclusion that has far-reaching implications for coping with burnout. It implies that in order to be effective, coping strategies need to focus not on the stresses, but on people's goals and expectations. Ultimately, in order to prevent burnout, participants need to dis-

cover new ways to achieve their goals and expectations and thus get a sense of meaning from their work.

The "goals vs. stresses" comparison can be described as the first and essential step in coping with burnout—the recognition that the aspects of the work that we find most stressful are a result of something in us—our hopes, ideals, goals, expectations. While it may be easier to blame the organization, the service recipients, or the boss, a recognition of the fact that we choose (by our goals and expectations) what will cause our burnout can free us to cope with stresses in a more creative and positive way.

The comparison between the goals and the stresses provides a transition from the first stage of the workshop (which focuses on what burnout is and what causes it in the work of the participants) and the second stage of the workshop (which focuses on coping). This is also a natural place to take a lunch break.

## V— Coping with Burnout

For the rest of the workshop (whether it is a 1-day or a 5-day workshop) the focus is on coping. Ask the participants to go back to their "support groups." You may explain that by now in most cases, the foursome has become a support group, and that the process they have shared—talking about goals, stresses, and coping—is one way to build a support group.

Participants are to discuss in their foursomes the coping strategies they use and find effective in dealing with the stresses they discussed earlier (this is the third part of their written assignment). Each foursome is asked to pool their best coping strategies and make three lists: one for coping on the *organizational level* (e.g., how to deal with administrative interference and bureaucratic hassles), one for coping on the *social level* (e.g., how to get support, appreciation, and challenge from coworkers), and one for coping on the *individual level* (e.g., how to be more assertive on the job, have a balance between work and home, and find time for physical activities that one loves to do).

On the board or on flip charts, participants will list these individual, social, and organizational coping techniques. Note how the coping techniques are related to the goals and the stresses. Emphasize the distinction between stresses that are under the control of the individual and can be modified, and those that are an inherent part of the work and have to be accepted as such. (The three levels of coping are discussed in part three of our book, *Career Burnout*.)

In a 1-day workshop, discussions of the individual, social, and organizational coping strategies take most of the afternoon, leaving time only for a final wrap-up and feedback session. In longer workshops there is time to focus on individual issues of the participants. One effective way to do this is by role-playing a stressful scene or encounter and asking participants to suggest alternative ways of handling it.

Ask participants to think about a recent event that demonstrates the kind of stress that most contributes to their burnout, and to write a brief description of it. Invite volunteers who will be willing to analyze the incident with the group. Remind participants that anything said in the group is confidential, and assure them that whatever their individual issue is, chances are that many of the group participants have had a similar experience at some point in their career.

After the volunteer describes the incident and the way he or she handled it, ask him or her to choose a person in the group who can role-play the other person or persons involved. After role-playing the situation the way it happened, ask for volunteers who can play the role of the person who described the incident, but play it differently, so that the outcome of the encounter is different. After several participants role-play their alternative ways of handling the situation, the person who actually experienced it can try out the alternative that seems most appropriate to him or her. Once other participants see how helpful this process is, they are much more likely to volunteer.

I would like to mention two more exercises for a longer workshop. The first one is called "best and worst client." Ask participants to think about their two favorite clients (or employees or service recipients), the two they enjoy most working with, appreciate, and trust. They then make a list of

the characteristics these two have in common. These characteristics are likely to include such things as intelligence, positive energy, appreciation, ability to grow, and openness.

After writing these personal lists, ask participants to share some of the items on their list. Write those items on the board under the heading "best client." Once you have about 10 characteristics, ask participants for a show of hands indicating how many of them agree that each characteristic also describes their best clients. What they usually discover is that their best clients are not unique. Rather, there are common characteristics that describe the "universal best client." Repeat the same process to identify the characteristics of the "universal worst client."

Ask participants to compare the two lists and see if there are any dimensions that the best and worst clients share. Inevitably, there will be such dimensions. If the best client is intelligent, the worst client is dumb; if the best client exudes positive energy, the worst client is negative; if the best client is appreciative, the worst client is not; if the best client is able to grow, the worst client is unable to change; if the best client is open, the worst client is closed-minded.

Next question: Is there any relationship between the shared dimensions of the best and worst clients and the participants' own goals and expectations? A moment's reflection is usually enough to make it clear that there is an obvious connection. The characteristics of the "best" client are those that enable the participants to achieve their goals and acknowledge their professional success. The characteristics of the "worst" client are those that prevent them from achieving their goals and contribute to their feelings of failure. In other words, the most important dimension is our personal efficacy. We perceive and evaluate the people we work with according to the degree to which they fulfill our need to get a sense of significance from our work.

The second exercise is especially effective with a large group. It is a sociodrama that addresses the basic conflict workshop participants deal with in their work. In the case of human service professionals, for example, this conflict can be described as "detached concern"—the conflict between emotional concern and involvement with service recipients, and the need for objective distance from them.

Draw an imaginary line across the room. At one end of it is the extreme "concern" position—in order to be effective, you have to be in your clients' shoes and see the world through their eyes. At the other end is the extreme "detached" position—in order to be effective, you have to be detached. You will not be able to help if you are in the ditch with your clients.

Ask two volunteers to present these two extreme positions with conviction. After both of them make an opening statement, they have an opportunity to respond to each other. Next, invite other participants to join these two extreme positions and elaborate on the points made by the first two speakers. Following that, invite people who want to take less extreme positions along the line, and speak for the idea of a "detached concern" balance. Usually, many participants (when the group is small, all of them) will place themselves along the continuum. If participants are persuaded by something that was said, they can change their position on the line. The lively sociodrama brings out the various issues involved in the basic conflict workshop participants deal with in their work and legitimates different responses to this conflict.

The last exercise, before the summary and feedback session, involves a discussion of resolutions for improved coping. The long-term effectiveness of the workshop depends on participants' ability to apply whatever insight they gained in the workshop in their life and work. Ask participants to write down a list of resolutions they plan to implement in order to improve their coping with burnout. Back in their support groups, participants take turns reading out their lists. The other members listen and urge the person to make concrete plans when those seem too vague. Whenever possible, members of the foursome should exchange phone numbers and agree on the date to check with each other on their progress with these resolutions.

## VI—

### **Workshop Impact**

Unsolicited feedback of workshop participants immediately following the workshop, both written and verbal, is usually very positive. Several attempts to evaluate this feedback more systematically produced similar results. In one department of public health and welfare, for example, 80 participants

rated it "excellent," 41 rated it "very good," 11 rated it "good," 0 rated it "poor," and 0 rated it "very poor."

In another department of social services, 6 months after a workshop, participants were asked to rate its effectiveness in defining the problem of burnout and in combatting it. All 30 of the participants who responded to this postworkshop questionnaire rated the workshop very high on both of these effectiveness questions: the average response to both questions was "very good." Two years after this, a second burnout workshop was conducted with the same participants. During this second workshop it was discovered that social support systems that were established during the first workshop were still functioning and effectively combatting burnout 2 years later.

An evaluation study that used a nonequivalent control group design investigated the short- and long-term impact of a 1-day burnout workshop (Pines and Aronson, 1988). This design involves an experimental group and a control group who are both given a pretest and a posttest.

Fifty-three social service employees from two different offices—similar in location, size, clients, and performance—participated in the study. Twenty-three employees in one office were randomly chosen to be the experimental group which participated in the burnout workshop. Thirty employees in the second office were the control group.

All 53 employees responded to a pretest questionnaire that included the burnout measure, questions about work features and work attitudes, as well as satisfaction and stress involved in various work activities. They responded to the same questionnaire two additional times: 1 week after the workshop (short-term posttest) and 6 months after the workshop (long-term posttest). In addition, the experimental group completed a short feedback questionnaire at the end of the workshop.

Results indicated that a week after the workshop employees who participated in it reported lower levels of burnout and significantly better personal relations at work. They reported greater satisfaction with their coworkers and were more satisfied with their supervisors as well as their contact with the public and clients. Employees in the control group did not show this consistent positive attitude change. The workshop had negligible impact on such work features as variety, autonomy, and overload, which are part of the reality of the job, and as such are beyond the control of the individual.

In the experimental group, following the workshop, more work features were correlated with burnout. In the control group there was no such change. This suggests that as a result of the workshop, employees became more aware of the relationship between such variables as overload, feedback, personal relations, and the work's significance, and their own experience of burnout. This increased awareness is also evident in the correlations between burnout and the various work satisfaction measures. The correlation between burnout and satisfaction from clients and from the department increased significantly between the pretest and the posttest for the experimental group. These changes reflect an increased awareness on the part of the employees who participated in the workshop of the association between their satisfaction from different aspects of work and their burnout.

Six months after the workshop, the two groups responded to a second posttest to assess the long-term impact of the workshop. Preworkshop and short-term posttest responses to the questionnaire were compared to the second posttest responses. Results indicated that some of the impact the workshop had, though weakened, was still in evidence even after 6 months. For the experimental group, satisfaction from personal relations at work and from coworkers, clients, and the public remained higher 6 months after the workshop than it was prior to it. The correlations between the various work features and burnout also remained higher, indicating a continuous awareness of the relationship between work stress and burnout.

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In addition, many books and articles have been published about burnout in different professions. A movie on burnout (A. Pines, consultant) is available from Coronet/MTI Film and Video, 108 Wilmot Rd., Deerfield, IL 60015.

111—

**Burnout in Organizational Consultation**

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What are the work stresses that cause organizational consultants to burn out? Forty organizational consultants (29 men and 11 women) from Israel, Europe, and the United States took part in an exploratory study that attempted to address this question.

Most organizational consultants are highly motivated individuals who start their careers with high goals for themselves and high expectations of the things the organization and the consulting work will provide. When asked what their goals and expectations were when they started their career as organizational consultants, the participants in the study most frequently mentioned the following:

- Work independently
- Have an overview of the organization
- Bring about change in the functioning of the organization
- Have influence on the organization
- Improve the functioning of the organization
- Do significant work
- Be important and popular
- Be successful
- Have professional power, professional influence
- Be able to do the work the way it should be done
- Have interesting, complex, and varied work
- Have contact with a wide range of people and situations
- Have opportunities to continue to learn and grow professionally
- Have an opportunity for self-actualization
- Receive adequate appreciation and rewards
- Achieve economic independence

Some of these goals and expectations organizational consultants share with other professionals (such as to do significant work and be successful). Some of them are profession-specific (such as to have an overview of the organization and work independently). Together they represent an internalized "romantic image" of organizational consulting.

When highly motivated individuals can't achieve their goals and expectations, they experience tremendous stress. When asked what were the most stressful aspects of organizational consultation, participants in the study most frequently mentioned the following:

Not enough information  
 Constant struggle with organizational power centers  
 No influence on organizational policy making  
 Organizational unwillingness to change and improve things  
 Constant battle against resistance  
 No organizational support  
 Constant need to "sell yourself"  
 Time pressures, deadlines, overload  
 Too many different projects involving too many different people  
 Not enough time to be creative, too much time wasted by nonsense  
 Unrealistic expectations from clients  
 Professional isolation, no cooperation or support from colleagues  
 No feedback about success, only about failure  
 Recognition and rewards very small compared to effort invested  
 Economic pressures

If we look closely at each one of these stresses, we can see that it reflects a disappointment in some goal or expectation. Not having enough information disappoints the expectation to have an overall picture of the organization. Struggles with organizational power centers disappoint the expectation to have professional power. Having no influence on organizational policy making disappoints the expectation to have professional influence. Organizational unwillingness to change and improve things disappoints the expectations to change and improve the functioning of the organization. No feedback about success, only about failures, disappoints the expectation to be successful. The lack of recognition and rewards disappoints the expectation to receive adequate appreciation and rewards. Economic pressures disappoint the expectation for economic independence. Time pressures make it difficult to do the work the way it should be done. Having too many different projects involving too many different people shows that having work that is too complex and varied can be stressful, and having contact with too wide a range of people is not always satisfying. Professional isolation is the price of work as an independent. The constant need to "sell yourself" disappoints the need to be important and popular. Not having enough time to be creative disappoints the expectation to have an opportunity to continue to learn and grow professionally. Spending too much time on things that are trivial disappoints the expectation for self-actualization in consultation work. The ultimate disappointment is in the aborted expectation to do work that is significant.

When individuals who have high expectations of themselves and of their work don't get the opportunities, resources, or authority they need to achieve their goals, the result is stress and a sense of failure that when excessive and chronic can lead to burnout.

Burnout is a state of physical, emotional, and mental exhaustion caused by long-term involvement in situations that are emotionally demanding. It is accompanied by an array of symptoms, including physical malaise; sleep problems; mental depletion; feelings of helplessness, hopelessness, and disillusionment; and the development of negative attitudes toward work, the organization, one's service recipients, and oneself (Pines, 1992; Pines and Aronson, 1988).

The root cause of burnout can be found in our need to believe that our lives are meaningful, that the things we do are useful and important (Pines, 1993). When highly motivated and highly committed individuals who are trying to derive from their work a sense of existential significance think they have failed, they burn out.

In order to measure burnout, the 21-item Burnout Measure (BM) was used (Pines and Aronson, 1988). It is a unidimensional measure, easy to administer, and is highly correlated with the emotional exhaustion subscale of the Maslach Burnout Inventory (MBI) (e.g., Enzmann and Kleiber, 1990; Hallsten, 1990; Schaufeli and Enzmann, 1998; Schaufeli and Van Dierendonck, 1993).

In addition, participants in the study responded to a series of questions about various aspects of their work. Some of these questions were open-ended (e.g., What were your goals and expectations when you first entered your career as an organizational consultant?). Most of them, however,



were forced-choice questions, each with its appropriate 7-point scale (e.g., How much autonomy is there in your work? That is, to what extent does your work permit you to decide for yourself how to go about doing things? 1 = no autonomy, 7 = very high autonomy).

Analysis of the responses to the forced-choice questions showed these significant associations:

1. The extent to which the bureaucracy, administration, or organization interferes with achieving one's important goals was associated with burnout ( $r = 0.51, p < 0.001$ ). As we saw earlier, obstacles to goal achievement are a powerful cause of burnout.
2. Feelings of guilt, anxiety, or hopelessness, knowing that you will never be able to fully meet all of your responsibilities, obligations, and goals, were positively correlated with burnout ( $r = 0.65, p < 0.001$ ). The reason is obvious—the less one is able to achieve one's goals, the more burnout.
3. Having to share duties, responsibilities, and obligations with others was associated with burnout ( $r = 0.58, p < 0.001$ ). For organizational consultants, independence is clearly very important.
4. The more autonomy, the less burnout ( $r = 0.51, p < 0.001$ ). For individuals who chose organizational consultation because of the independence it promised, not having autonomy is very stressful.
5. The more bureaucratic hassles such as paperwork, red tape, and communication problems, the more burnout ( $r = 0.46, p < 0.002$ ). For individuals who are motivated by a desire to do significant work, having to waste time on such trivial things as paperwork is stressful and contributes to burnout.

Being part of clients' organizational bureaucracy was also correlated with burnout ( $r = 0.31, p < 0.02$ ). For individuals who hoped not to be involved in the organizational bureaucracy, being forced to do it can be very stressful.

6. Pressures and difficulties in decision making resulting from lack of proper information, lack of time to think, or lack of adequate skills were correlated with burnout—the more decision stress, the more burnout ( $r = 0.40, p < 0.006$ ). Why is it so stressful for a highly motivated organizational consultant to make a decision with not enough information or time? Because that consultant identifies with the work and wants desperately to make the right decision.
7. Overload, as a result of having too many tasks or tasks that are too difficult, was correlated with burnout ( $r = 0.37, p < 0.01$ ). Overload makes it impossible for the consultant to do the work the way it should be done within the time allowed for it. The result is a feeling of failure—the main cause of burnout.
8. Having too many commitments, obligations, and deadlines leads to burnout ( $r = 0.60, p < 0.001$ ). The reason is that one feels unable to perform according to one's high standards.
9. Doing the same work ("repeating the same tasks over and over again") was also correlated with burnout ( $r = 0.56, p < 0.001$ ). This suggests that it is not too much work that makes overload so stressful (otherwise underload wouldn't be stressful), but as noted earlier, the fact that the work cannot be done appropriately. Underload is stressful because it takes the challenge out of the work, and with it the opportunity for feeling successful.

An opposite of overload and having too many commitments is an ability to take "time out"—to get away when under unusually high stress. The more time out, the less burnout ( $r = -0.32, p < 0.023$ ).

10. The better the personal relationships consultants had with people, the less burnout ( $r = -0.38, p < 0.009$ ). When asked specifically about the quality of their relationships with superiors, subordinates, and colleagues, only the latter were significantly correlated with burnout. The better the relationship with colleagues, the less burnout ( $r = -0.37, p < 0.01$ ).
11. Having unconditional support when facing a difficulty and getting help in working out difficulties—without being criticized or being asked to do something in return for the support—was negatively correlated with burnout ( $r = -0.32, p < 0.025$ ).

12. Sometimes people around us are not a source of support but an emotional drain. Feeling overextended emotionally (i.e., feeling that other people are demanding too much emotional energy and resources) was correlated with burnout ( $r = 0.56, p < 0.001$ ).
13. Not surprisingly, the quality of the organizational consultants' relations with their clients was also correlated with burnout—the better the relationship with clients, the less burnout ( $r = 0.38, p < 0.035$ ).
14. Feeling caught between conflicting demands by different people (each of them important, and each one of them deserving of time and attention) was also correlated with burnout. Interestingly, the correlation with the stress imposed by conflicting demands of people in one's family ( $r = 0.48, p < 0.001$ ) was higher than the correlation with the stress imposed by people in one's work ( $r = 0.35, p < 0.015$ ).
15. When asked about the extent to which there is an overlap between work and life outside of work in different areas, only an overlap in stress was correlated with burnout ( $r = 0.61, p < 0.001$ ).
16. A conflict between the demands of work and home was correlated with burnout ( $r = 0.54, p < 0.001$ ). These findings document the importance of home as a source of either support or stress.
17. Environmental pressures such as noise, extreme temperatures, pollution, and an uncomfortable work setting were correlated with burnout ( $r = 0.35, p < 0.014$ ).
18. Not getting enough credit for successes and being blamed for failures were correlated with burnout ( $r = 0.35, p < 0.014$ ). For highly motivated individuals, this reflects a disappointment in the expectation of being appreciated for work well done.
19. Similarly, lack of feedback about the work, and especially about work successes, was correlated with burnout ( $r = 0.27, p < 0.05$ ).
20. A continuous demand to prove oneself at work (i.e., the feeling of being constantly tested in work situations) was also correlated with burnout. The more testing, the more burnout ( $r = 0.30, p < 0.034$ ). The continuous demand to prove oneself gives a feeling that one's success is inconsequential, that one's efforts have no lasting impact.
21. On the other hand, the feeling of success was negatively correlated with burnout—the more success, the less burnout. It is important to note that a general feeling of success in life and work was more highly correlated with burnout ( $r = -0.63, p < 0.001$ ) than success in work alone ( $r = -0.28, p < 0.043$ ). This finding points again to the importance of life outside of work as not only a source of conflict and stress, but as a source of positive rewards such as a feeling of success. Feeling successful is the antithesis of the feeling of failure that leads to burnout.
22. In an area unrelated to work, one's physical condition was negatively correlated with burnout—the better your physical shape, the less likely you are to be burned out ( $r = -0.53, p < 0.001$ ).

It is worth noting that there was no difference in burnout levels between the Americans, Israelis, and Europeans in the sample. There was also no significant sex difference in burnout. This suggests a similarity among people who choose a career in organizational consultation, independent of the country in which they practice or their gender. Moreover, the findings suggest a major similarity in the stresses organizational consultants experience. The occupational identity of organizational consultants is enhanced by the homogeneity of the people who choose it as a career.

The nature of organizational consultation acts as a screening device, attracting people with particular personality attributes. From the analysis of their responses to the questionnaire, organizational consultants appear to be people who need autonomy, authority, and influence in their work. They value independence, self-expression, and professional (rather than hierarchical) power, together with a good relationship with their clients. It is important to them that their work provide variety, complexity, and opportunities for innovation and self-actualization. Like other highly motivated professionals, they also want to be successful and have significant impact.

Results of the statistical analyses and responses to the open-ended questions concur in sug-

gesting that the most stressful, burnout-causing aspects of organizational consultation are those that prevent consultants from achieving a sense of significance in their work.

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112—  
**Managing Organizational Change:  
 A Primer for Consultants and Managers**

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Managers are fond of saying that "change is the only constant" in their work. Either we manage change or we are managed by change. Managers of organizations today face a demand for change in their organizations if only because change is so pervasive in the world around them.

Managing change is defined as the planning and organizing of a sequence of activities (staff meetings, informal conferences, memos, retreats, etc.) that promote administrative and staff interactions which move toward desirable changes in policies, programs, organizational culture, physical environment, procedures, or relationships. Such change in organizations may lead to more efficient and cost-effective operations, better morale, or improved services (Bennis et al., 1976; Braeger and Holloway, 1978). Examples of change include:

1. Introducing a training program for supervisors to improve their knowledge of organization policies, or skills in group decision making, public speaking, or fund raising
2. Modifying the physical environment (e.g., eliminating a physical barrier in the dining room of a group home so that young residents can interact more with each other or erecting one so that they can interact less)
3. Changing word- or data-processing activities to upgrade clerical functions, improve staff morale, and speed the work
4. Reducing, increasing, or eliminating a department for reasons of changing demand, cost, poor quality, or duplication

All of the above are examples of organizational changes initiated by managers and sometimes facilitated by consultants in for-profit and not-for-profit organizations. These organizational changes are often conducted intuitively, notwithstanding the rich lore of existing practice wisdom which could serve as a guide to the initiation and management of these organizational change projects. This chapter will identify assumptions, conditions, and dimensions of this practice wisdom which will be of use to managers and consultants interested in initiating or facilitating organizational change. In addition, five principles of organizational change will be discussed to guide consultants and managers in the oversight and execution of planned changes.

I—  
**Assumptions**

One assumption often made by managers is that workers resist change. Mogeson, an industrial psychologist, clarified the limitations of this notion by suggesting that workers do not necessarily resist change, but "resist *being changed*" (Myers, 1978). Low- and middle-echelon personnel often have useful ideas about what needs changing in their workplace, but they are rarely given the oppor-

tunity to suggest or make changes themselves (Patti and Resnick, 1972). Instead, changes are often "done to" them, leading to a tendency to resist these changes—to resist being changed. If workers were asked more often about what changes they wished, this assumption about resistance might wither away in the face of the utility and innovativeness of their ideas (Kantor, 1983).

A second incorrect assumption is that the *planning* of a change in one's department or organization can be kept separate from the *implementation* of that change (Weatherly and Lipsky, 1977). Managers often assume that the planning of an organizational change is best done by upper echelons of management while implementation is best performed by lower echelons. Many managers have learned the painful lesson that those who implement change, i.e., lower echelons, often have sufficient resistive power to block the best of management's planned changes. This is especially true if the change doesn't meet their (perceived) self-interests, or if it upsets the work equilibrium, which they have established over years in their work habitat (Weatherly and Lipsky, 1977). Managers of organizations must learn how to invite workers in the lower reaches of the organization to become *partners* in the change process, bringing them in *prior* to the implementation phase of a change project and involving them as *early* as possible in the planning phase (Patti and Resnick, 1972).

The belief that a change process can be managed effectively regardless of the organizational context of that change is a third erroneous assumption (Weissman et al., 1983). If, for example, an organization's recent history includes many changes, then workers and management may be so overloaded that no matter how sound or important the new change might be to all concerned, they will be reluctant to support it. Or if there is a climate of fear or distress in the organization's recent (or not so recent) history, change ideas may be met with active resistance or indifference or both. Such potential problems in the organization must be seriously considered and efforts made to deal with them directly and openly before a change project is mounted. Change projects that are otherwise well founded and appropriate may be sabotaged because of these historical experiences.

These are only some of the assumptions that may affect how managers position themselves as they address organizational change.

## II— Conditions for Change

Five conditions for change are cast here in ideal terms, although few organizations or administrations can achieve perfection in all (or even in any) of them.

1. *Widespread need*: The sense in the organization that a particular problem exists and should be solved. For a change to be accepted and implemented, many levels of the organization typically experience this felt need. Otherwise, managers may be talking about an organizational problem about which they alone feel strongly—with all that this implies for resistance among middle or lower echelons of the organization.
2. *Leadership*: The presence of a top administrator who is motivated to work on a given change and who feels that the change is important both for the organization and for his or her self-interest. The literature refers to "champions," usually people within the command structure who often use the help of an inside or outside consultant to advocate for change and push it toward the top of an organizational agenda.
3. *Trust*: A climate of trust between and among organizational members. Probably no other factor so powerfully and so adversely affects the management of change as a lack of trust between staff and management. Trust may be difficult to maintain in organizations, and it requires much work, energy, and risk taking by management and staff. But trust is possible even in today's restrictive economic climate. Unfortunately, however, trust tends to be unstable whereas distrust is more stable.
4. *Resources*: Two kinds are discussed—funds and expertise.
  - a. *Funds*. Resources will be required for a training program if, for example, the change goal is improving supervisors' capacity to work in a more participatory way. To alert the supervisors to a need for change in their skills and then not provide them with the help to remedy this is surely a way to build cynicism about change.

b. *Expertise*. At a minimum, three kinds of expertise are needed: (a) skills on the part of management to persuade, motivate, and lead work groups involved in a change process; (b) knowledge of the dynamics of organizations and how they work during periods of change; and (c) a special knowledge of informal groups and networks in order to assess their potential as positive or negative forces in change.

5. *Positive organizational history, especially with respect to change*. Too many changes in the organization history can lead to disillusionment or exhaustion, even if an upcoming change effort is perceived positively by organizational members. If there have been too many inflated promises about what change can bring, this too can result in cynicism about change. Both exhaustion and cynicism in an organization are forces that often prevent staff from supporting further change efforts, no matter how good, reasonable, or well conceived these change ideas are.

### III—

#### **Dimensions of the Change Process**

Secondary to conditions that ought to be present when managers are planning to initiate a change, several dimensions of the change process itself can positively (or negatively) influence a change effort (Zaltman et al., 1973).

#### A—

##### ***Relative Advantage of the Proposed Change***

Relative advantages that may influence a change effort can take the form of:

1. Greater efficiency. For example, a change project that results in a new procedure that is easier or quicker to perform than the current procedure may meet with less resistance from, or facilitate acceptance by, organizational members.
2. Reduced conflict between, for instance, departments or between the financial manager and the assistant director.
3. Increased job satisfaction. If, for example, the counseling staff at a university is asked to shift from doing individual orientation interviews of new students to group orientation interviews, and if they have received training in group skills, then the opportunity to use their newly learned skills may increase their sense of satisfaction with their work.

#### B—

##### ***Impact of a Proposed Change on Social Relationships***

Many beneficial changes planned by administrators may be strongly resisted by workers not because of the change idea itself but because of the powerful impact of these changes on worker relationships. For example, establishing a clerical pool for word processing may be cost-effective but if secretaries lose favorable and prestigious relationships with administrators, then this is a change that they might resist. Or when workers who have developed strong and effective working relationships with fellow workers are asked (or told) to change jobs, even with an increase in pay or responsibility, they may resist because it requires a move from a comfortable or enjoyable set of relationships to an unknown set of relationships.

#### C—

##### ***Magnitude of a Proposed Change***

The more a change effort lends itself to implementation on a limited scale, the easier it will be for managers to accept and support the project. Changes requiring major alterations obviously imply greater difficulty in gaining acceptance, regardless of the need for the change or the goodness of fit of the proposed change. The magnitude of some changes may overwhelm their acceptability. This in no way should be taken to imply that major changes aren't sometimes needed and shouldn't be tried, but rather to recognize the extent of resistance one can anticipate if the change effort is a substantial one.

**D—  
Reversibility**

Change projects differ in the ease with which they can be rejected or stopped after they are introduced. The fewer the permanent consequences of stoppage inherent in a given change project, the more likely that the change will be accepted.

**E—  
Complexity**

The more complex a change is for organizational members to understand, implement, or utilize, the less likely is its acceptance. Changes which are more readily understood and which are easy to implement and utilize stand a better chance of getting accepted and receiving support.

**F—  
Wage and Salary Loss or Loss of Job**

If workers sense that they will lose (or gain) money, position, or status, they will resist (or support) such a change, other things being equal. Even if the change will not lead to job or salary loss, workers often assume the worst and behave accordingly. Full information about job security is critical.

**IV—  
Principles of Successful Change**

One of the most difficult and painful realities of change in organizations—and all social systems—is a tendency to "backslide," to revert to previous levels or modes of functioning (Lewin, 1947). This tends to happen after pressures for change are relaxed or ended. For example, an executive team consisting of a CEO and five assistants experienced an organizational intervention at a 3-day retreat, helping them to be less competitive and more trusting among themselves. But after a month or two of pressures from the board, decline in market share, and competition from other companies, they began to slide back to the old climate of suspicion, competition, and back-biting.

The following principles of organizational change, if successfully implemented, may reduce the tendency of a system to backslide or regress.

**A—  
Principle 1**

*To change a unit or some aspect of a unit, relevant aspects of that unit's environment in the organization must also be changed (Monane, 1967).*

An example from industry illustrates the point. A group of workers on a mass production line suggested to their supervisor (a new person on the job) that the speed of the manufactured product coming through be increased in the morning and decreased in the afternoon. This recommendation was made because workers felt fresher in the morning and able to handle the speed, and more fatigued in the afternoon, requiring a slower pace. The supervisor made the changes and to his surprise not only did productivity improve, but absenteeism, turnover, and tardiness were reduced.

The silver lining had a dark cloud, however. Workers in other sections of the factory heard of this modification and requested similar changes in their sections. Their supervisors, who were old-timers, refused to alter product speed and, at the same time, attacked the supervisor of the changed section as a weak troublemaker. Because of the furor, the plant manager returned the production line speed back to the old uniform rate. Many of the workers quit, as did the supervisor, and productivity went down to the old rate.

*The principle for change-oriented administrators: Think in systemic terms. Making a "permanent" change in one unit within a larger organization may require change throughout the larger organization.*

**B—**  
**Principle 2**

*To change behavior at any one level of an organization, it is often necessary to achieve complementary or reinforcing change in organizational levels above and below that level.*

In the example of private secretaries versus clerical pools, the secretaries might resist the change because of the loss of prestigious and personal relationships with supervisors or managers. But another source of resistance could well be the managers themselves who, on one hand, would support such moves for efficiency but, on the other hand, might resist the loss of a valuable personal service. The change agent in this case must work not only with the secretaries to help them to accept the change, but with their bosses as well.

In the military a number of years ago, top officials tried to change the role of the sergeant from a tough-driving, autocratic leader of men who demanded unquestioning obedience to a more supportive counseling squad leader. Top brass's reasoning for initiating this change was rooted in their recognition that they were dealing with a more highly educated and modern soldier who would probably resist the traditional, arbitrary, and autocratic leadership more strongly than previous recruits. However, when attempts were made to change the sergeant role, it was discovered that the second lieutenant role at the next higher level also had to be altered. No longer could the second lieutenant use the authority of chain of command in the same way as before. Just as the sergeant could no longer expect unquestioning obedience to his orders, so the second lieutenant could no longer depend on the sergeant to pass orders down unquestioningly. If the new role of the sergeant was to be realized, then the second lieutenant role would have to be revised as well. In addition, the roles of personnel at levels below the sergeant, the corporal and private, would also have to become targets of change. This principle is equally applicable to governmental organizations where a change in the role of the unit supervisor would require a change in the role of top management as well as in that of lower echelon workers.

The principle is clear—a significant change in one level of an organization may require a corresponding change at levels above and below that level for the change to be rendered workable and permanent.

**C—**  
**Principle 3**

*Both the formal and the informal organization of an institution must be considered in the planning of any process of change.*

Besides the formal structure, every social system has a network of cliques and informal groupings. These informal associations often exert such strong restraining influences on changes initiated by management that, unless their power can be harnessed in support of a change, no enduring change is likely to occur. The informal groupings often have a strong influence on an organizational member's rate and quality of work—a stronger influence sometimes than the supervisor's. Any worker who violates the group norms established by his or her peer group invites ostracism, a consequence not many workers are willing to face. The approval of their peer group is often more important to the staff than the approval of their supervisors. To involve these informal groups in the planning of changes requires ingenuity, sensitivity, and flexibility on the part of managers and consultants.

**D—**  
**Principle 4**

*The effectiveness of a change is often directly related to the degrees to which members of an organization take part in addressing in a meaningful way four basic questions (Resnick, 1980):*

1. What is the problem situation which needs change?
2. What would the desired situation look like if the problem were solved?
3. What mechanism or process should be used to solve that problem?
4. What should the implementation plan look like to help that mechanism or process become implanted (i.e., accepted and used)?



In addition, management needs to consider who is going to be hurt or helped by the proposed change, and what can be done to mediate the harm or capitalize on the benefits.

Sometimes it is not possible to involve organizational members in these four steps or decisions. When that is the case, managers need to be straightforward with them about why they were not involved in the early phases of the change project and accept the consequences of late or minimal involvement (i.e., commitment). When staff are involved in all four major decisions of the planning process, their commitment and trust will very likely be much higher, with all that implies for successful implementation to the change plan.

E—

### **Principle 5**

*Select an aspect of the organization for change where there is widespread dissatisfaction with the status quo among workers.*

Managers should resist initiating change in an area if *only management* thinks that area needs fixing. The place to begin change is in those parts in the system where it is generally agreed that stress and strain currently exist, giving rise to a general dissatisfaction with the status quo.

This principle suggests that the manager has a choice when thinking about what to change in his or her unit or organization. For example, if nurses have been complaining about receiving inadequate information about patient or resident needs being passed on from day shift to night shift, then hospital management can provide leadership for a change process and have reason to expect staff to accept and support this change. Because it reduces their pain and stress, staff will be motivated to become engaged in the change process. The payoff for management in responding to staff's need for change is the creation of a climate conducive to further change, perhaps encouraging a positive response to management's next perception of what needs to be changed.

To summarize, managers can make use of the following concepts to improve the effectiveness of their change efforts:

1. Being open to suggestions for change offered by workers
2. Providing sufficient time for staff to digest the details of management-initiated change
3. Offering opportunities in *small* group formats to discuss, critique, and possibly modify organizational changes proposed by management
4. Involving staff *early* in the planning phase of an organizational change, not bringing them in *after* the major decisions have been made
5. Sharing hidden agendas about the proposed change, if possible
6. Making explicit the kind and amount of resources available for a given change project

Such behaviors can go a long way toward reducing what may appear to managers to be a generalized resistance to change on the part of staff.

V—

### **Conclusion**

Managers of organizations and their consultants are increasingly called on to respond to market or other societal changes by initiating appropriate improvements/modifications in their organizations. Management of these changes can be guided by principles developed by researchers and practitioners. These principles not only help increase the effectiveness of given change efforts, but also can have the additional advantage of contributing to an ongoing organizational climate that is receptive to change.

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113—

**Employee Assistance Programs and Workplace Consultation:  
Change, Opportunities, and Barriers as We Enter the Twenty-First Century**

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I—

**Introduction**

Employee assistance programs (EAPs) originated in the early 1970s, and thus have passed their third decade of existence. An analysis of how EAPs have changed over this period is confounded by their own growth, occupationally and organizationally. In turn, larger forces have changed occupations and professions as well as organizations, particularly via the tension between the identities and dominant cultures of organizations and the professionals working within them. In many ways, EAPs seem to have grown and evolved, and in other ways they seem to have generated new problems.

Most organizational specialists understand EAPs as mechanisms to provide assistance to employees with behavioral health problems. Such a mechanism implies certain values and motives on the parts of employers and managers. A fundamental "core value" underlying EAPs is that employers should provide assistance to troubled workers rather than "externalize" them back into the community (Roman and Blum, 1988). This core value has been impacted over the past decade by a reorganization of the management of the American health care system.

The new *bête noire* to emerge out of this reorganization is "managed care," which is the introduction of controls that seek to reduce medical care costs for those who are paying for them. Because of the unusual American system of health care financing, the patient or client typically has a minor role in paying for health care, with the consequence that decisions that limit such care can be made by others (the payers or the payers' agents), with the patient or client having minimal leverage in effecting these outcomes.

Managed care has had a major impact on limiting the provision of services for behavioral health problems, probably a much greater impact than on other sectors of the health care system. Since EAPs are part of a linkage between troubled employees and behavioral health care, EAPs have felt

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strong impacts from managed care. In other words, most EAP operatives can no longer expect that their clients will be able to receive the types and levels of behavioral health that are called for by their diagnoses.

While seemingly simple, the linkage between EAPs and managed care is made more complex by the fact that EAP operatives have been called upon to actively participate in creating, designing, and implementing systems of managed care that impact their own practices. This in turn reflects the implicit conflict in EAP activity; it is structured in many ways to resemble a service for the client but in fact it is implemented and reimbursed as a service for the employer.

Managed care is not the principal concern of this chapter, but insights into EAP dynamics may be gained by examining the reasons why behavioral health care has been unusually vulnerable to the introduction of the service constraints represented by managed care. The reader should note the remarkable synergy among these four explanations.

1. In contrast to "physical" problems of illness and disease, behavioral health problems are newcomers to medical care systems, and thus are at the margin of importance in the perceptions of many in the public, the medical profession, and legislatures.
2. Relative to other arenas of medical intervention, the technology of treatment involved in behavioral health care is remarkably "low" and simple. "Talking therapies" seem readily accessible to the layperson and embed fewer opportunities for face validity than the mystified "high-tech" practices in other arenas of medicine.
3. Part and parcel of the level of technology is the extent to which behavioral health care treatments are delivered by predominantly nonmedical personnel in the forms of counselors and social workers. This both emphasizes the marginality of these treatments and offers lower-cost substitutes to managed care decision makers.
4. A final reason is a notable irony. EAPs have served to mainstream behavioral health care into the general arena of medical care (Roman and Blum, 1987) and have "educated" workplaces about the credibility of behavioral health care interventions, but this visibility has had a cost. EAPs are gatekeepers affecting employers' payments for behavioral health care of troubled employees. When HR managers looked about for ways to reduce the outflow of health care payments, EAPs were thus "sitting ducks" for manipulation and change.

As we examine EAPs today in the context of consultation, we look at how they have responded to these forces. It might be expected that EAPs would have successfully implemented new strategies to continue to legitimize themselves within workplaces. This does not yet appear to be the case.

Our main concern is the emphasis upon individual-level interventions versus managerial-level consultation within EAPs. Whereas EAPs were initially intended to serve as sources of consultation for supervisors and managers in how to deal with employees with behavior disorders, a number of factors inherent in EAPs have served to sidetrack such an emphasis. In addition, several trends have emerged in the 1990s that have further eroded the possibility of EAPs ever fulfilling their consultative potential on a large scale. Instead, this consultative potential is greatly overshadowed in most EAPs by an emphasis on providing direct services to individuals. In this chapter we identify some of these factors and discuss at some length the impact of other emerging trends.

While many do not, some EAPs occupy unique vantage points for observing organizational trouble spots through a mapping of the sources of referrals and through insights gained in employee client interviews. This can set the stage for EAP participation in macro-level organizational consultation. Elsewhere (Roman, 1991) we have initiated discussion about the opportunities and pitfalls for EAP personnel in such consultation. While this plays into the present chapter, most of our focus is on EAP consultation provided to managers and supervisors.

Our observations stem from a research program originated by the first author and stretching back several decades. This research has included numerous on-site qualitative interview investigations as well as a large number of surveys of representative samples of EAPs, EAP practitioners, employees in work sites covered by EAPs, and EAP clients. Observations in this chapter are summaries of

portions of these experiences and observations. Included are references for the reader interested in more empirical detail supporting some of our conclusions.

To set the stage for discussing consultation, we first describe the nature of EAPs and their core functions and technology.

## **II— Definition of an EAP**

Employee assistance programs provide the workplace with policy-based steps for dealing with employees' persistent problem behaviors that affect their job performance. In this context, "problem behaviors" refer to the abuse of alcohol and other drugs, psychiatric disorders, and marital and family problems. As the scope of behavioral health problems has expanded over the past decade, some EAPs also emphasize help for trauma victimization, codependencies, gambling, and financial and legal difficulties that impact employees' well-being.

Key to the successful operation of an EAP is the availability of individuals who are expert in managing employees' attempts at behavioral change within the context of the workplace. Employee assistance programs were originally staffed by organizational employees, typically placed within the medical function (Trice and Schonbrunn, 1981). In the mid-1970s the concept of externally based programming was developed. External EAP contracting arrangements vary from the contractor placing full-time personnel on-site in the workplace so that the program appears "internal" in practically all aspects, to the other extreme, in which employees are provided with a telephone number to call in order to access information about how to deal with a personal problem. Most external programs provide a service pattern between these extremes, typically with the contractor's personnel on-site part of the time but available to employees during working hours by telephone or personal visits at an off-site location.

Because of the staffing flexibility it affords in times in which the creation of new positions is typically difficult, external contracting is the dominant form within the overall population of EAPs. A recent national survey found that of work sites with EAPs, 81.1% were externally contracted (Hartwell et al., 1996). This datum needs to be qualified, for the EAPs most likely to be publicized are internally based and in large corporations. While far from a perfect correlation, there is a significant tendency for organizational size to be positively related to the presence of an internal EAP (Blum and Roman, 1989a; Hartwell et al., 1996).

The basic activities of EAPs include clinical assessment of employees' problems, selection/suggestion of appropriate community resources to assist the employee, aid in accessing such services, follow-up of the employee at the workplace following service use, and training/consultation available to supervisors and managers about the appropriate use of the policy and procedures. Employee assistance programs offer supervisors focused consultation in how to deal with subordinates whose performance is affected by problem behaviors. They also provide for employee self-referral. It is the tension between providing supervisory consultation and servicing the needs of self-referrals that pulls EAPs in multiple and often contradictory directions.

To analyze this tension, we need to look closely at the ways in which EAPs operate and the potentials that they offer to human resource management (HRM) in work organizations. A straight-forward description of the essence of EAPs lies in their core functions and their core technology, derived from our field research (Blum and Roman, 1985; Roman, 1988; Blum and Roman, 1989a, b; Roman and Blum, 1989). Since their derivation, these cores have become central in organizing the formal process of certification for EAP workers.

## **III— EAP Core Functions**

The functions served by EAPs may be categorized as supervisory management functions and benefits management functions. In the first category are the following:

1. Retaining employees in whom the organization has a substantial training commitment, with such retention based on recognition of the employee's commitment to the organization
2. Reducing or eliminating supervisory and managerial responsibility for counseling troubled employees
3. Providing due process for those employees whose personal troubles may be affecting their work

Those classified as benefit-management functions are the following:

4. Helping control employers' cost of employees' health care usage associated with behavioral and personal problems
5. Providing a gatekeeping function to guide or direct employees' use of health care services for substance abuse, psychiatric, and family problems
6. Adding an employee benefit to improve employee morale and perhaps to enhance the employer's position in collective bargaining

**IV—**

#### **EAP Core Technology**

Our use of the term technology here refers to the knowledge and techniques used in a system's transformation processes (Perrow, 1967). Thompson (1967) introduced the concept of core technology to describe the central activities of organizations that they strive to protect from contingencies in the external environment. Employee assistance program core techniques are those to which the EAP specialty can legitimately "lay claim." They can serve boundary maintenance functions so that EAPs may be integrated into, but not be absorbed by, HRM activities.

As with the core functions, the eight techniques comprise two categories, supervisory management techniques and benefits management techniques. Those in the first category include the following:

1. Identifying problem employees via documented evidence of impaired job performance rather than on the basis of observed symptomatology
2. Providing consultative assistance to supervisors and managers in how to implement EAP policy by the specialist designated to coordinate and operate the EAP
3. Implementing constructive confrontation as a means to motivate employees to deal with their personal problems and bring job performance back to an acceptable level

The benefits management techniques include the following:

4. Creating a micro-linkage between employees and community resources most appropriate to assisting with their personal problems, taking into account the nature of their work situation
5. Creating and sustaining long-term, macro-level linkages between workplaces and the service provider systems in the community
6. Translating into organizational culture the concept that the workplace can provide constructive and positive assistance for dealing with substance abuse and other personal problems
7. Using the workplace as a setting for effective follow-up of employees after they have received community-based treatment assistance
8. Focusing the evaluation of EAPs on the job-related performance and behavior of employees who have been referred to the EAP. This is an alternative to evaluations based on clinical standards or employee turnover. It also recognizes that performance rather than wellness is central to the employment contract, and that employee turnover may be a desirable outcome of EAP consultation and service provision

V—

**EAP Diffusion**

The importance of EAPs is underlined by the speed with which they have diffused through American workplaces over the past three decades. Prior to the 1970s, a handful of major corporations had industrial alcoholism programs, with these efforts serving as prototypes for EAPs (Roman, 1981). In 1971, the federal government, working through the funding mechanisms of the newly founded National Institute on Alcohol Abuse and Alcoholism (NIAAA), launched a national promotional effort to diffuse the EAP concept as a means for addressing alcohol abuse problems among the "respectable" elements of society; that is, the employed population (Roman and Blum, 1987).

Data from a series of surveys of Fortune 500 corporations collected in 1972, 1974, 1976, and 1979 that were analyzed by the first author indicated that about 25% of these major companies had some approximation of an EAP at the beginning of the series, and 58% had one at the end of the series (Roman, 1982).

In 1993 the Research Triangle Institute conducted a nationally representative survey of 3200 private, nonagricultural work sites with 50 or more employees. This study found that 33% of organizations with 50 or more employees had an EAP (Hartwell et al., 1996). National survey data collected under the present authors' direction from a representative sample of full-time employees in 1997 indicates that 57.8% of the U.S. workforce employed in both public and private organizational settings are covered by some form of EAP (Roman, 1998). Part of the difference between these two sets of findings stems from differences in sampling and data collection; Hartwell and his colleagues sampled organizations, whereas we sampled employees. In any event, there can be little doubt that EAPs have spread very rapidly and are found in all types of work settings.

Concomitant with EAP diffusion, the number of personnel working in this specialty has increased dramatically. As of 1998, the major occupational association, the Employee Assistance Professionals Association, had about 7,000 members. Employee assistance program personnel tend to be drawn from counseling and social work backgrounds, although substantial numbers have HRM experience and training (Blum and Roman, 1989a; Blum, 1988). In 1986 formal processes of individual certification were developed under the aegis of the Employee Assistance Certification Commission. Skill development is centered on continuing education programs and freestanding seminars, including attendance at sessions of the parent association's annual meetings. Standardized institution-based training and degree programs centered on EAP skills are yet to emerge.

VI—

**Bases for EAP Adoption**

In addition to their well-known heritage from industrial alcoholism programs, EAPs may be linked to several other historical precursors that have been centered on different approaches to counseling employees and helping solve their personal problems. These include the "housemothers" at Metropolitan Life at the turn of the century, the paternalistic sociological department at Ford Motor Company in the teens, the counseling program founded in the 1930s at Western Electric, and a range of activities with vague parallels to EAPs such as industrial chaplaincy, industrial psychiatry, and industrial social work.

Management history has largely ignored these practices, which deserve discussion and analysis for a better understanding of the motives for and contemporary survival of welfare capitalism (e.g., Brandes, 1976; Jacoby, 1991; 1997). Numerous features of EAPs distinguish them from these antecedent interventions. Perhaps their most significant contrast with earlier parallels is that EAPs have diffused widely, as described above. Further, the outcomes of this diffusion show a substantial degree of uniformity, with EAPs in widely divergent workplace settings sharing many common features. An examination of EAPs' antecedents indicates that none of them showed any significant degree of transfer to other workplaces, suggesting that they represented unique adaptations to a particular context of perceived organizational needs.

Why have EAPs proven so popular as workplace adoptions? As is typically the case when an innovation diffuses in an unplanned and rapid manner, we do not have an unequivocal basis for explaining the high degree of organizational receptivity to EAPs in U.S. workplaces that marked

the late 1970s and the 1980s. One of the goals of this chapter is to provide insights into the functions that EAPs may and may not serve in different types of organizational cultures, but what explains this rather remarkable wave of adoption?

1. Much of the heritage of the EAP community can be traced to the social movement directed at medicalizing alcohol problems and mainstreaming their management into the American health care system (Roman and Blum, 1987; 1991b). While this movement gained considerable attention during the 1950s and 1960s, major momentum came from the federal government's proactive support through the establishment of the NIAAA. This led to the eventual cooptation of much of the movement through the government's provision of substantial financial and legislative support for what has ultimately emerged as an alcoholism treatment industry. The foundation of this industry is third-party health insurance coverage for such treatment, much of which came about through legislative mandates that were in turn the results of NIAAA-supported lobbying (Roman and Blum, 1991a; Peele, 1990).

EAPs' initial identification with alcohol problems has coincided with a rapid growth in popular and political attention to substance abuse in American society through the 1970s, 1980s, and 1990s. This has included substantial popular attention to the alcohol- and drug-abusing worker.

2. There is little doubt that largely by default American workplace management has become deeply involved in dealing with issues of employee health and personal welfare. Early commitments to provide health insurance coverage for workers have mushroomed into fiscal responsibilities and strains for employers that probably have a significant impact on the global competitiveness of American firms.

As health-oriented programs, the introduction of EAPs was consistent with the role of employers in dealing with employee health issues. As health care cost containment has emerged as a matter of great urgency and importance, the efficacy of EAPs as part of overall cost containment strategies has been emphasized. Depending on the placement of the EAP and the extent of its mandate, it can have a central role in guiding the usage of most or nearly all of an organization's behavioral health benefits.

3. The history of the numerous efforts called "welfare capitalism" (Brandes, 1976; Jacoby, 1991; 1997) shows that most of these interventions in the first quarter of this century arose in the presence in the labor force of substantial numbers of immigrants and former farm workers. Neither of these categories of workers was perceived as particularly well socialized to the requirements of order and discipline in American manufacturing plants. Programs such as the broadscale efforts at the Endicott Johnson Shoe Company (Zahavi, 1988) demonstrate how employers coped with socializing immigrant and rural workers through interventions that many today would view as cynical and excessively controlling, yet at the same time some of these programs created loyalty and commitment on the part of these workers over several generations.

Employers may have perceived some parallel needs during the past three decades. The makeup of the U.S. labor market has undergone many changes during this century, any one of which may be cited as particularly important for some set of social changes. Of interest here are two labor force changes that gathered momentum during the 1970s and 1980s, coinciding with the rapid adoption of EAPs. These are the increased participation of women in the U.S. labor force and the increased opportunities for minority participation that is the intent of affirmative action interventions in all levels of the labor force.

Since 1970, the percentage of females in the labor force has increased from 43.3% to 59.3% (U.S. Bureau of the Census, 1997). For females aged 20 to 54 (roughly the childbearing/rearing years) participation approaches 75%. Given the apparent widespread nature of role conflicts between family and job demands experienced by women employees (Watkins and Subich, 1995) as well as the greater likelihood of reported psychiatric distress among women (Veroff et al., 1981), the relatively high rate of family and marital problems in EAP caseloads (Roman and Blum, 1989) may reflect the roles of EAPs in responding to the needs induced by changing workplace demography.



Furthermore, research in the early 1970s indicated a widespread workplace perception that minority group members were considerably more likely than others to be users of illegal drugs (Trice and Roman, 1978; Roman and Blum, 1991a). This perception of problematic substance abuse among workforce entrants was later coupled with the entry into the workforce of veterans of the Southeast Asia conflict and of cohorts of young workers who had matured during the early 1970s and were exposed to the lifestyle innovations (including illegal drug use) of that period. In a global sense, one can see that through the 1970s and 1980s EAPs might have parallels to early twentieth-century welfare capitalism, offering means of dealing with lifestyles thought to be contrary to the needed discipline of the workplace, as well as helping to deal with some of the pervasive problems presented by the increased presence of women workers.

4. There are misperceptions about an influence that is widely perceived as a major impetus for the adoption of EAPs. As part of its overall "war on drugs," the Reagan administration in 1984 succeeded in encouraging congressional passage of the Drug Free Workplace Act. This legislation essentially required that the transportation and electrical utility industries, together with workplaces that perform contract work for the federal government, undertake concrete actions to curb illegal drug use by employees such as preemployment drug testing and drug-use surveillance. These initial emphases had strong deterrent and punitive tones. In the latter part of the 1980s, the provisions of this legislation underwent several modifications, and its guidelines eventually suggested that EAPs may constitute one aspect of an appropriate organizational response to employee drug abuse.

While this legislation might be considered as the principal explanation for the observed speed of EAP diffusion, there is no evidence that EAPs per se were viewed by workplaces as a singular or primary solution to responding to the legislative requirements, nor is there any evidence of attempted enforcement of Drug Free Workplace legislation in which EAP absence was cited as evidence of nonconformity to the legislative provisions. On the basis of survey data collected at several points prior to the enactment of this legislation, it is clear that the rate of diffusion of EAPs already was on a steady upward curve, but the Drug Free Workplace legislation likely added momentum to this diffusion and adoption (Roman and Blum, 1991a).

5. With the exceptions mentioned above, EAPs are not required by law and thus their diffusion has occurred primarily through voluntary adoption. Such adoption has, however, been spurred by deliberate marketing of EAP services by a wide range of "external providers" of EAP services (Blum and Roman, 1989). From its earliest days this marketing has been based on projected cost savings. Originally such projections were centered on the costs exacted from the organization by various types of troubled employees. More recently the emphasis has shifted to health care cost containment that can be generated from directing the health care selections made by individual employees and their families for dealing with behavioral and personal troubles.

It is difficult to gauge the impact of this marketing on program adoption, for organizational decision makers tend to repeat the reasons used in marketing rather than cite the marketing experience itself. Given the investments that appear to have been made in marketing external provider services, it appears that this impact has been substantial.

6. Finally, it is important to note that the most recent waves of EAP adoption are likely "mimetic"; that is, explained by conformity to normative organizational behavior. Employee assistance program adoption may have achieved a critical proportion of coverage sometime during the past decade, whereby subsequent adoption has been a function of conformity to the behavior of others rather than entailing an intraorganizational linear model of adoption decision making (Rogers, 1962).

Employee assistance programs thus, have very rapidly "come of age" in the American workplace. Among those cataloged above, no single reason stands out as most important in explaining why this rapid adoption has occurred. From our own research experience, it is evident that employers

rarely have clear and concise explanations for why their organizations adopted an EAP. This might suggest that a combination of forces supports such a decision, recognizing also that such decisions are not independent of the marketing of EAP concepts by a variety of entrepreneurs.

## VII—

### The Problematic Identity of EAPs

With the exception of the Employee Assistance Professionals Association (EAPA), few formal mechanisms exist for defining the role of the EAP. As a result, the structure of EAPs is highly variable, ranging from nothing more than a phone number publicized to employees to an internal EAP staffed by clinically trained certified employee assistance professionals (CEAPs).

The internally staffed EAP was the original program prototype, but has become the minority program type, as three independent forces help explain. First is corporate downsizing, and the "last in, first out" syndrome in setting priorities for cost cutting. Second is the splintering of large corporate worksites, formerly staffed internally, into numerous smaller worksites that cannot be efficiently staffed by EAP workers employed by the company. Third is the amalgamation of managed care services with EAP services within external organizations, which have in turn aggressively and successfully marketed these "packages" of services to employers, promising cost reductions that are typically accomplished by service reductions.

In addition to structural differences, EAPs are highly variable in terms of the breadth of services. While some EAPs focus exclusively on identifying and aiding individuals with substance abuse and/or mental health problems, others offer a wide array of services to individuals, ranging from stress reduction to drug testing. The trend among external providers is to expand the variety of individual-level services offered in order to become more attractive to potential organizational clients.

Because of this wide variation in structures and services EAPs have struggled to attain an identity. We observe in our field studies two potentially conflicting emphases within EAP activity that continue to compete to build its identity. The first emphasis is the provision of counseling and advice to employees who need help with personal and behavioral problems. The second emphasis is providing assistance to supervisors, managers, and other organizational components in matters involving troubled employees and strategies for their appropriate management. This second emphasis can extend further to include macro-level consultation about organizational change.

This distinction is more complex than it appears. On the surface it may look like a conflict between using organizational resources to provide direct services to individuals and using resources to assist others to become involved in these tasks. The "choice" seems obvious. The notion of empowering others to perform needed and important activities is a well-seasoned idea in organizational development. It would appear that such an emphasis would be ideal and that efforts should be directed toward moving EAPs toward such an identity.

The "choice," however, becomes complex when placed in the context of the rather radical notion of using the workplace as a setting within which to deliver behavioral and mental health services to employees. While radical when compared to typical employer practices of the recent past, it is also reactionary in that it recalls the period of the most intense employer paternalism, in which employees' personal needs received direct employer attention from cradle to grave. Whether viewed as radical or reactionary, such a concept is fraught with potential legal difficulties in terms of employers' liability and employees' civil rights. The question is thus centered on the appropriate definition of the scope of employer concern about the personal and behavioral problems of employees.

A first definition is that such concern is appropriate only when these problems interfere with employees' abilities to perform their jobs.

A second definition is that such concern is appropriate when employees express a need for such assistance.

A third definition is that employers have a right to be concerned and involved with issues involving employees' use of behavioral and medical services if the employer is paying for all or part of this service use.

At present our research indicates that the second definition governs the activity of most EAPs, with considerably less emphasis on the first. Recent organizational and societal-level trends, however, particularly the rise of managed care described in the opening of the chapter, lead us to believe that the third definition is quickly emerging as the dominant mode of directing EAP activity. Among EAP workers, this is the source of much controversy and concern since it may be seen as subverting both the first and second definitions. The sections below describe in some detail the pressures inherent in organizations and in the backgrounds of employee assistance professionals for adhering to an emphasis on a client-driven program design. We also discuss the aforementioned trends, their influence on EAPs, and why we believe the third definition will supersede earlier definitions of employee assistance.

We believe, however, that there are insights in conceiving of EAP work as organizational consultation. An examination of the EAP core technology described above shows a strong emphasis on "middle-level" organizational consultation. The first three techniques in particular describe how employees might be "readied" for receiving treatment assistance by documentation of the performance consequences of their problems. The EAP worker should provide the supervisor with advice as to how to proceed, and aid the supervisor and other levels of management in conducting a confrontation. The goal is to demonstrate the seriousness of management's position that behavior change must occur.

Establishment of interorganizational linkages, as well as promoting change in the internal organizational culture such that substance abuse is viewed in a constructive rather than an adversarial context, are both examples of consultative activity. Likewise, program evaluation is consultative. The processes of recommending the most appropriate treatment linkage and postservice follow-up stand out as the two direct service elements within the core techniques, neither of which approximates "therapy" in any generic sense.

### **VIII— Why an Emphasis on Direct EAP Services?**

Given the emphasis on consultative activity within the core technology and given the EAP field's confirmation of the core technology, why do we find that most EAP activity is centered upon services to individuals rather than on consultation to supervisors and managers?

1. In light of their backgrounds, many if not most EAP personnel desire to be involved in direct service delivery, and they naturally tend to emphasize this role. Further, there may be considerable receptivity to this "clinical" definition rather than support for an image of a secondary "consultant."

This was not inevitable, however. In contrast to the "liabilities" of newness described in the organizational literature (Stinchcombe, 1965), there may be "assets" of newness within emerging occupations that have received little parallel attention. One of these is "role shaping." Where there has been no previous incumbent in a newly created role, the initial occupants have the opportunity to shape role performances and to varying degrees to shape others' expectations of what the role incumbent will do.

In many instances EAPs are adopted without a precise set of expectations; there are expectations, but they are broad and general. In our research experience in talking to managers who are an organizational step or two away from the EAP itself, goals for the EAP are stated in nonmeasurable and barely operational terms, such as "give help to employees," "provide training about troubled employees," "get out information about the new EAP policy," "get people well," and "get our employees to the help that they need."

There is no doubt, however, that most of the initial perceptions of the EAP center on the direct provision of help to employees who need it, often (and sometimes regrettably for the EAP specialist) intractable chronic cases of substance abuse or psychiatric disorder who have been "kept on" for many years. With the novelty of this kind of professional assistance at the work site and the possibilities that it creates for constituency building it would make little sense to suggest that new EAP incumbents attempt to create images that their primary activity is to "help" supervisors and managers help troubled employees. At

this initial stage, it's clear to everyone who needs help, and it's not management. All parties clearly desire "results." These can best be achieved by direct service delivery, or at the very least, by creating the image that one is accessible for moving troubled people toward direct service delivery.

2. Proponents and staff of any new activity in the workplace desire to build a constituency that will not only support its continued existence but that will also undergird its request for additional resources. Such constituency building may occur through communication of experiences with the program by those who have benefited from the services received. It may be suggested that consultation in EAP work offers fewer opportunities for building constituency support than does a concentration on direct services. Supervisors or managers who receive consultative advice from the EAP may not share this experience with their peers; indeed, the fact that they needed such help may be an embarrassment. This is especially likely in an organizational culture emphasizing "macho" behavior on the parts of (male and female) supervisors.

Aside from these factors, supervisors may be reluctant to share their experience with peers in order to protect the identity of the troubled subordinate. Further, confidentiality regulations may actually forbid the sharing of information that might lead to revealing the identity of an employee who had received treatment for substance abuse or psychiatric problems.

3. Because of the clinical backgrounds of many EAP personnel and the direct service image of many EAPs, consultation activities do not easily lend themselves to "counting" as a means of evaluating program performance. This is best illustrated by the comparison of consultation experiences with the flow of clients into an EAP. Common sense leads us to evaluate any service program by the number of people who are directly served. Given the great variability in time requirements of consultation and the range of individuals who may be provided with information, parallels of "consultation events" to "case counts" are rendered difficult, if not impossible. Even more problematic for "counting" is where the EAP worker successfully equips supervisors to solve their own problems, rendering an EAP role in the process practically invisible.

4. Given their typical concentrations in direct service delivery to troubled employees, EAP personnel may not have the confidence to engage in consultation activities with managers. These consultation relationships likely involve "upward" dealings with higher-status individuals, or at best lateral or ambiguous symmetry. In contrast, clinical training allows that most of them feel very comfortable with the "downward" symmetry in the direct service delivery relationship.

5. One of the attractions of the EAP role of receiving self-referrals is the prestige of the cultural image that is triggered. The client-oriented EAP practitioner may resemble a physician in general practice, available to offer healing wisdom to those who perceive that they need it. Through tapping such an image, the EAP worker may gain "courtesy prestige," a contrast to Goffman's (1961) notion of "courtesy stigma" that redounds to professionals who work with stigmatized categories of deviants. Unlike this "Doc" image, the EAP worker providing managerial consultation may not access a high-status cultural image. Proffered consultation by an EAP worker may indeed tap a negative image of a bumbling staff meddler attempting to interfere with line management functions.

6. Where EAP services are obtained through contract, the externally employed EAP specialist may possess little information about the organization and its culture. This reduces the likelihood that supervisors will call upon the EAP specialist for consultation, and may render such specialists ineffective if they attempted to provide such assistance.

This is not to suggest that external providers cannot offer top-quality EAP services. A study of the EAPs developed by a sample of such providers indicates that EAP quality is significantly linked to the nature of the provider organization, especially the resources allocated to EAP development and the extent to which EAP quality control monitoring is in place (Blum and Roman, 1989b).

7. Even with well-qualified internal EAP specialists, supervisors and managers may have little interest in working with the EAP in a consultative capacity to learn how to deal properly with a troubled employee. They may see the EAP as a great opportunity to get the troubled subordinates "off our backs," thus avoiding the EAP's efforts to provide consultation.

8. EAP-supervisory encounters may be uncomfortable for both parties. Supervisors may resist dealing with staff functionaries, and in the case of EAP personnel, may find their language and concepts especially foreign. In a clinical encounter with a troubled client, the EAP functionary typically has the "upper hand" as the professional, and the encounter with supervision may typically place the EAP person at a status disadvantage, a notably uncomfortable and stressful circumstance that few persons would be expected to repeatedly seek.

#### **0IX—**

#### **Payoffs of EAP Consultation**

What is the importance of EAP consultative functions in contrast to direct service delivery? Particularly prominent are some of the payoffs of supervisory/managerial consultation.

1. Dealing with evidence of performance problems, isolating possible causes, and confronting employees where appropriate are legitimate roles and responsibilities of supervision. Such experience and related training can enhance supervisory skills over the long run.
2. By directing supervisors toward subordinates' deteriorating job performance (and away from guessing about their symptoms), the EAP specialist urges a performance diagnosis (i.e., cataloging and possibly eliminating job-based causes for the employee's performance decline). Such a diagnosis may lead to problem resolution and preclude the necessity of an EAP referral.
3. Consultation permits the EAP specialist to describe the relevant aspects of the EAP policy and "coach" the supervisor in proper policy use, avoiding conflicts, grievances, or litigation "down the line." Through consultation with supervisors who might use the EAP, the EAP specialist can assure appropriate linkage to the organization's labor relations policies and other aspects of due process accorded to employees under the labor-management agreement or other company rules.
4. Consultation with the EAP specialist can also address the "troubled supervisor" syndrome (Phillips and Older, 1977). This describes supervisors who become so enmeshed in trying to deal with troubled subordinates that they fail to perform their assigned jobs. They essentially become troubled employees themselves. Supervisors deeply concerned about doing the "right" thing for their subordinates while abiding by company policy can receive appropriate support and assurance from the EAP specialist. Supervisory consultation can also break up the ineffective and time-consuming counseling process that may be underway between the supervisor and the troubled subordinate.
5. Constructive confrontation is linked to the careful documentation of deteriorated performance. Subsequent repercussions about its use can be avoided through very specific coaching of supervisors by the EAP coordinator. Effective confrontations also may require the involvement of several levels of supervision, another consultative duty for the EAP worker.

#### **X—**

#### **Potential Costs of Direct Service Emphasis**

To complete this analysis of consultative versus service emphases in EAPs, let us look at some of the negatives associated with a direct service emphasis.

1. The workplace is not a community mental health center. The workplace's provision of counseling for employees' self-defined life problems (which are not necessarily related to the job) should not replicate services available in the community through many different channels. While providing employees with more accessible services for personal problems may be laudatory and even valuable, it should not be equated with an EAP, the principles

of which direct it toward job performance outcomes that are impacted by personal problems of employees. While some will stretch these definitions on the presumption that a personal problem could "eventually" impact job performance, care needs to be taken in the definition of service boundaries.

2. When the EAP opens its door with strong encouragements to all self-referrals, it runs the risk of having its resources overwhelmed by these self-referrals, even if the EAP personnel have the explicit intention of spending much of their time in providing organizational consultation. In those instances in which the EAP offers short-term counseling to self-referrals, there is further loss of control over the caseload and a greater likelihood that little or no time will be available to provide consultation. This relates back to the principle noted in item 1 above, but demonstrates the difficulties of establishing boundaries around what is and is not an appropriate EAP counseling issue.

3. Heavy reliance on self-referrals does not allow the EAP to preselect its caseload. By allowing the workforce to be the locus of defining problems needing EAP attention, the EAP cannot discriminate between those problems that are or are not "important."

4. Where the EAP offers short-term counseling to self-referrals, there is no convincing evidence of cost-effectiveness as compared to promptly referring employees to a source of help in the community that may be covered by third-party payments.

5. When the EAP offers short-term counseling to self-referrals (and thus the employer is providing direct counseling services to employees), there are fundamental conflicts of interest. The employer's concern is "getting the work out." If this is true, then employer-sponsored treatment should be focused on getting employees back to work rather than a holistic emphasis on their long-term well-being. This issue is reminiscent of age-old concerns with the practices of in-house medical departments (Walsh, 1987). Further, if the employer offers some form of counseling or treatment to employees, there is an implicit suggestion that the treatment will work, or the employer could be liable for its ineffectiveness. In other words, if the employer presses the employee to receive employer-provided treatment, then the employee cannot be sanctioned for continuing poor performance on the grounds that the treatment did not work.

What has been described is a relatively complex dilemma. The advantages for organizations of emphasizing consultation seem to outweigh the benefits of sole concentration on providing client services, but it is very clear there is a formidable barrier to such a program design because of the combination of the attractions of direct services to EAP personnel and the lack of built-in supports for consultation. Our research observations indicate that those EAPs most involved in consultative functions are those that are the oldest programs. This suggests a substantial need for self-study within the EAP occupations, perhaps leading to enforceable program standards and subsequent quality control.

## XI—

### **The EAP in the Twenty-First Century**

As alluded to earlier, several organizational and societal-level trends at the end of the century may have a significant impact on the future structure and focus of EAPs. These trends point to both increased status of EAPs within work organizations and to adverse impacts on EAPs in general. These two sets of trends and their impact are enumerated below.

## A—

### ***Organizational-Level Trends***

1. Perhaps one of the most innovative and controversial movements within organizations during the past 15 years has been the replacement of the vertical organizational hierarchy with work teams. The concept of the work team fundamentally alters and displaces the relationship between supervisor/manager and employee.

The presence of work teams rather than the traditional supervisor/employee relation-

ship need not affect the role of the EAP as consultant. In fact, EAP workers may find an increased demand for their consultative services. Because each member of the work team is more or less everyone else's equal, workers may be uncomfortable confronting another whose work performance has suffered due to a personal problem. On the other hand, social psychological experiments have demonstrated that intragroup conflicts and confrontations can escalate far beyond what might be expected in a disagreement between a supervisor and a subordinate, thus the processes of exclusion and revenge that can emerge in teams may need their own management.

For these reasons, members of work teams may be more likely than supervisors to seek advice and/or assistance from an EAP worker. Furthermore, while EAP workers may have been uncomfortable in interactions with supervisors, the EAP workers' status as "experts" should make interactions with work teams more relaxed.

2. Two other 1990s phenomena that are interrelated are organizational downsizing and outsourcing of services. Our own 1997 national survey data collected from a representative sample of full-time employees found that nearly one-third of those surveyed had in the past two years been employed by an organization in the process of downsizing. Of those, 13% were themselves victims of that organization's downsizing (Knudsen, Roman, and Martin, 1998). These data also indicate a residual of negative feelings among those who are the survivors of downsizing. Ongoing downsizing and related threats to employment security are likely to increase the number of self-referrals to the EAP as workers are affected emotionally as a result of their co-workers being downsized or by the fear that they will be among those downsized.

Frequently downsizing is associated with outsourcing, the practice of contracting out for services previously performed within the organization. Accumulating experience is indicating that the EAP is a likely candidate for outsourcing. It is reasonable to expect that the proportion of externally based EAPs will continue to increase. In this chapter, we have addressed the difficulties associated with external EAPs and the provision of consultation, suggesting the possibility of even more pressure toward direct service emphases.

3. In a widely publicized book *Behavioral Risk Management*, Yandrick (1996) advocates workplace innovation centered on an all-encompassing alternative to EAPs in which a behavioral risk manager and staff oversee a program focused on the prevention and early intervention of a wide array of behavioral risks that are potentially costly to the organization. While a few organizations have adopted this approach, this movement is still in its infancy. This type of approach, while vastly expanding the influence of the EAP worker's role in HRM, opens up a number of opportunities for intrusiveness and the potential abuse of power.

Yandrick's proposition is that organizations that implement behavioral risk management would conduct ongoing assessments of their employees' potential problems. This would include everything from fraud to substance abuse to violence. Next, the organization should identify any organizational-level factors that may be contributing to or exacerbating these problems. In addition, a health risk appraisal would be performed on each employee to identify any habits that might be detrimental to the employee's health. Following these assessments, Yandrick suggests the behavioral risk manager construct a database containing employee attendance records, medical records, safety records, legal actions by employees, health care utilization data, health risk appraisal and so on. Using these data, the behavioral risk manager and staff are supposed to take a preventive and/or early intervention approach to behavioral risks.

Herein lies the potential for abuse. The behavioral risk management team represents the organization rather than the employee. This team is charged with reducing the organizational costs associated with employee behavioral problems, thus the creation and use of this comprehensive database opens up the possibility of identifying the "troubled" employee long before any job performance problems manifest themselves. These employees may then be the targets of interventions that could be unwanted, unwarranted, or both. While the behavioral risk management approach thus opens up numerous opportunities for consultation with other departments within the organization, this all-

encompassing system could come at the expense of employee rights. It must be noted, however, that such a system is not inconsistent with the various mechanisms of employee surveillance that have been introduced in the American workplace over the past several decades.

**B—**

### ***Societal-Level Trends***

1. There can be no question that the marketplace of the twenty-first century and beyond will be global. Increasingly intense competition may bring the costs of all HRM practices under fiscal scrutiny, and in so doing may press EAPs to demonstrate the efficacy of their cost containment function in order to survive. Feeling the pressure from above for immediate results, EAP workers may seek to demonstrate cost savings by increasing the percentage of employees receiving in-house counseling services with no outside referral. In this way they eliminate the costs incurred when employees receive treatment from an outside source. Yandrick (1996) reports that one external employee assistance provider used a brief therapy model that reduced the number of outside referrals to 20% of EAP clients. These changes raise the specter of the consequences of employer-provided health services that was discussed earlier.

2. Finally, managed care is a societal-level trend that has become increasingly influential during the 1990s as employers have attempted to reduce the costs associated with employee health insurance. Again, EAPs are likely to be pressured to serve as gatekeepers to behavioral health services in order to reduce health care costs. They will have to continue to demonstrate their value to the organization in carrying out this function. Part of the demonstration of value may rest on assessments of EAP outcomes unlike those of the past. Whereas EAPs have tended to grade their own success on the basis of posttreatment employee retention, increased cost-consciousness in the future may suggest evaluation more tightly focused on exactly how these employees perform after they have received services. In such a context, there may be positive assessment placed on the resignation or dismissal of employees who have had behavioral health problems that have led to some combination of substandard work performance and expensive service utilization. Such a trend in turn could alter the attractiveness of the EAP for self-referrals.

**XII—**

### **Conclusion**

In conclusion, it remains unclear what organizations want from EAPs. The rapid diffusion of them without a central core of quality control has produced many programs called EAPs that vary greatly in the scope of their services.

Much of the payoff that could be achieved from emphasis on the consultative aspects of EAP activity has not been realized because organizations are such poorly educated consumers of EAP services (Roman et al., 1987). Ironically, it seems that many EAPs produce a high degree of low-impact visibility that is centered upon serving client needs through self-referral processes. It may appear politically dangerous to alter such service delivery when it appears to be satisfying a visible group of employees, who in turn are more or less visible to management.

The most likely route to change in the direction of emphasizing the consultative payoffs of EAPs is through the education of HRM leadership about what EAPs can do and how they can complement other goals of HRM. To date, the EAP community is primarily visible to HRM specialists through marketing and promotion. Education of HRM decision makers so that they can objectively evaluate their EAP investments and knowledgeably interpret audits of EAP activity will require objective spokespersons from the EAP community whose counsel will be taken seriously by the HRM community.

Employee assistance programs that are provided through external contractors continue to grow as the dominant form of program, but as we have discussed, they are less likely to be integrated into organizational functioning. They are thus less likely to be an effective resource for supervisory and managerial consultation. One potential outcome of "consumer education" that yields increased



awareness of the potential value of EAP consultation is a demand for such activity by organizations that rely on external EAP providers. Such demands would require that external providers become more knowledgeable about and involved in the HRM functions of the organizations that they serve. This would likely increase their on-site visibility and thus their access to supervisors and managers.

Because of their clinical heritage, the evaluation of EAPs tends to follow a model of case counting and "success rates" that exclusively address the individual case. One way to enhance the use of the consultation function in EAPs is to assure that it is clearly represented in EAP's management information system and used in evaluating the EAP. Such a thrust could change the focus of evaluation from caseload characteristics to the pattern of time expenditure by EAP staff, leading to inclusion in program evaluation of input from supervisors and managers who have been users of consultation services.

We also reiterate a theme repeated throughout this chapter. As long as HRM specialists remain relatively uninformed about choices that can be made in their EAP's operation and as long as there is an emphasis on direct service delivery to self-referred clients, EAPs may be vulnerable to cost containment as the theme defining their proper scope (e.g., direct supervision, monitoring or supplanting of employees' use of behavioral and medical services where the employer has in the past paid for all or part of this service use). It seems a relatively short step from a client-driven EAP that performs short-term counseling to an EAP that essentially supplants the organization's prior provision of outpatient counseling and treatment opportunities. Under such conditions, the only organizational support for outpatient care for personal and behavioral problems could be through counseling directly provided by the EAP. Such an outcome will be encouraged by the continued growth in costs of outpatient services that only a short time ago had been offered as the cost-saving alternative to inpatient services. While it is unlikely that many workplaces will directly provide high-tech medical care for their workforces, the attraction of potential cost savings via low-tech counseling services appears to be irresistible.

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114—

## Tailored Management Development As a Vehicle for Strategy Implementation

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In this era of global competitiveness, increasingly scarce resources, and rapid, often discontinuous change, strategic planning has been extolled as the primary organizational "tool" for sound management (cf. Bryson, 1988; Gray, 1986; Mintzberg, 1990; Pfeiffer et al., 1989). It offers a well-defined (and now well-known) systematic process for assessing an organization's mission, values, and environments, identifying strategic issues, and developing implementation plans. As summarized by James O'Toole (1987), author of *Vanguard Management: Redesigning the Corporate Future*, an eminent feature of all vanguard organizations is their ability to develop a strategic plan that (1) realistically assesses their environment and the context in which they will be operating in the future, (2) articulates an appropriate yet flexible strategy for functioning in a changing environment, and (3) involves full employee participation in carrying out the plan. Similarly, in evaluating the not-for-profit sector, John Bryson (1988), author of *Strategic Planning for Public and Nonprofit Organizations*, concludes that "the most effective public and nonprofit planners no doubt are now, and will be increasingly in the future, the ones who are best at strategic planning." As asserted by one chief executive officer, "Either you get good at it, or you do it poorly and suffer the consequences" (Gray, 1986).

I—

### Effectiveness of Strategic Planning

Traditional conceptualizations of strategic planning highlight two distinct processes: strategy formulation and strategy implementation. The former emphasizes analytical capabilities (e.g., SWOT analysis, financial projections, GAP analysis) and the construction of logical strategies and tactics for achieving an envisioned future, while the latter focuses on managerial action taking (Nutt, 1984; Simon, 1982). It is now widely accepted that at the implementation stage many plans fail (Alexander, 1985; Gray, 1986; Schultz and Slevin, 1975).

Researchers have sought to understand this phenomenon. Gray (1986), for instance, in a study involving 300 questionnaire respondents and 216 seminar participants, noted the lack of involvement during implementation and concluded the following:

One can then look with approval on strategy development and with disapproval on strategy execution. This allows developers to view themselves as the victims of the poor work of implementers lower down in the organization and to overlook the crucial role that strategy development plays in determining whether a plan can be implemented.

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\*Deceased.

He also identified several other preimplementation factors (e.g., poor preparation of line managers, vaguely formulated goals) that resulted in actual implementation difficulties, while others found the lack of managerial involvement throughout the strategic planning process to be related to unsuccessful implementation efforts (Freeman, 1990; Van de Ven, 1980; Wooldridge and Floyd 1990). A study of 93 firms by Alexander (1985) added such factors as poor coordination, lack of managerial skills, and unanticipated organizational problems and time demands to the most frequently cited implementation problems.

From another perspective, discussions of implementation generally examine three factors which management can manipulate to achieve the operational modifications needed to support business strategies—structure, control systems, and individual commitment (Steiner et al., 1986). As noted by Hussey (1989), both structure and control systems have received considerable attention from top management, but only recently has concern shifted to the "people" component. As concluded by Guth and Macmillan (1986), managers with low (or negative) commitment to organizational strategies will not only fail to contribute to those strategies but may purposely create significant roadblocks to their implementation (a notion they term *countereffort*).

From these studies, we conclude that most descriptions of strategic planning are overly simplistic, often ignoring the ongoing emergence of implementation concerns and the need to address these potential problems prior to the completion of the strategy formulation process. In this chapter, we propose the use of tailored management development programs as a vehicle for overcoming these problems and increasing the chances of successful implementation.

## II— Emergence of Human Resources

With increasing frequency, both academicians and practitioners stress the importance of the human resource function in supporting the formulation and implementation of business strategies. As explained by Miles and Snow (1984):

Many U.S. corporations are giving renewed attention and according added status to human resources functions and specialists . . . as a means of restoring the competitive position of their companies in an increasingly challenging global marketplace . . . .

Human resources specialists have begun to stake a claim on the strategic planning process, arguing that participation in the "front end" of business planning is essential to meeting the long-run needs of the enterprise.

Elaborating, Moody (1990) postulates that a collaborative human resources (HR) development and strategic planning effort can identify the contextual knowledge and competencies of managers, thus facilitating both the strategic planning process and individual development programs. Even more expansively, Rhodes (1988) contends that corporate and HR missions should be identical, that business strategies should "drive" all HR-related activities, and that there should be a "hard link" between business strategy and HR systems.

Beyond these assertions, recent studies highlight the increasing connection between human resources and strategic planning. In surveys of CEOs and senior managers conducted by Executive Development Associates (*Training*, 1986) and Columbia University–Korn/Ferry International (Fredrickson et al., 1989), respondents indicated that HR planning must become an intrinsic part of corporate strategy, training, and development vis-à-vis strategy development, implementation must be emphasized for all managers, and upper management should be actively involved in selecting, designing, and delivering the training. These results strongly supported Bolt's (1985) earlier review of executive development–strategy implementation programs at Federated Department Stores, General Foods, Motorola, and Xerox. Buller (1988), in a study of eight large firms recognized nationally for their excellence in management, suggested that overall corporate success may be related to how well the level of strategic planning–human resources integration "fits" the corporate external environment—the more dynamic the environment, the higher the level of integration needed. Other findings highlight the importance of management education in encouraging and implementing innovation strategies (Grossi, 1990), the need to include HR executives on the strategic

planning team (Burack, 1986; Fredrickson, 1984), and the difficulties in establishing formal working relationships between corporate and HR planners (Burack, 1986).

In summary, then, a consensus is emerging around the current status of strategic planning and the requirements necessary to increase its overall effectiveness:

1. Strategic planning has become bifurcated into two distinct processes—development and implementation—with executive management focused almost exclusively on the development feature. There is a need to reestablish the linkage between the two components and to involve executive management more fully in implementation.
2. The implementation of strategic planning has centered on the technical aspects, often ignoring the importance of employee commitment as a critical factor. There is a need to develop a sufficient level of personal commitment in those individuals responsible for carrying out the strategies.
3. The HR function has frequently been excluded from the strategic planning process, despite its potential role in educating and training employees. There is a need to align HR activities and strategic planning activities.

### III—

#### **The Management Development Intersect**

During the past 6 years, we have had the opportunity to consult with very diverse organizations, in both the private and public sectors, on strategy development and implementation. Throughout this period, we were able to discuss the ideas sketched above with executives, line and staff managers, and strategic planning and HR personnel and consultants. From these conversations, we concluded that strategy implementation must be linked to each organizational unit's bottom line (critical success factors) and that a formal management development program (a standard HR function) directed toward these indicators offered a pivotal tool in enabling management to obtain focus and commitment.

Why management development? U.S. firms now spend approximately 1% of their total revenues—a significant amount at both the individual firm level and as an aggregate—developing their managers. These management development (MD) programs have traditionally concentrated on building and upgrading a set of generic management competencies (e.g., interpersonal skills, financial analysis) that many managers and HR specialists believe to be "portable" across organizations, industries, and sectors of the economy. Simply stated, these MD programs are only loosely linked to top management's long-term objectives and increasingly difficult to cost-justify (Hussey, 1986). We believe, however, given the fact that these MD programs are inextricably woven into current management practice, that a shift in focus would provide HR specialists with an excellent vehicle for integrating strategy development and implementation and for inducing individual commitment.

### IV—

#### **The Tailored Management Development Program**

Tailored MD programs are specifically conceived to address the particular needs of an organization, yet often contain the same critical elements in different organizations (Bolt, 1985). In this section, based on our experience, we offer four distinctive but interrelated elements for MD that can enhance strategic planning implementation. These elements, as illustrated by the accompanying examples, place individuals within a new MD framework, thus advancing the notion that the most effective way to change behavior is to impose a new context and role responsibilities and relationships on the participants (Beer et al., 1990).

### A—

#### ***Communicating Executive Management Vision, Mission, and Strategy: Establishing the Psychological Contract***

Our experience and research suggest that managers are often unclear on the organizational vision, mission, and strategies as perceived/interpreted by executive management and that this occurrence

tends to surprise executives. This is attributed in part to the (1) natural filtering, distortion, and blockages that take place as a communication cascades down through the chain of command; (2) insufficient information on underlying or changing top management assumptions pertaining to such factors as customer needs, economic projections, or competitive behavior and their concomitant impact on strategic positioning; and (3) typical lower-level focus on immediate short-term objectives that results in goal displacement and parochial considerations overriding strategic interests.

We have found that executive management involvement at the earlier stages of a management development program provides the most effective approach for handling this phenomenon. This usually includes earnest participation in the design phase to ensure well-defined/highlighted linkages (regardless of content focus) to the organization's strategic plan as well as attendance at the onset of the MD program by key executives to convey personal commitment and to answer questions. From these exchanges, managers gain a broader understanding of the direction of the organization and the strategies they must implement, the reasons for the development program and, perhaps most important, the "spirit" behind executive decisions.

A comparison of two organizations highlights the importance of executive participation in linking MD to strategy implementation. In one organization, the president was actively involved and concluded his discussion with the attending managers by forcefully stating, "I know you are all very busy and you might feel that coming here is not the most productive use of your time. Let me assure you that *there is nothing more important that you could do for the next 3 days*" (his emphasis). In the second, the president chose not to aid in the design, delegating it to staff training personnel, nor did he "push" the MD program. Although the response of the managers to the program was quite favorable, typical comments included, "It's too bad Sam [the president] can't hear this," "This all sounds great, but I don't think Sam will go for it," and "Is Sam going to attend any of these programs?"

Follow-up interviews with people from both organizations approximately 6 months later indicated significantly different long-term results. The managers from the first organization believed that notable progress had occurred in attaining managerial focus and performance improvements, which signalled that the culture was more receptive to forthcoming strategic changes. In the second, managers reported little or no change and that the entire MD process had been a "waste of time." Similarly, John Murphy (1989), Director of Executive Education, GTE Management Development Center, illustrates the importance of this linkage:

As we worked with the SBUs [strategic business units], however, we found the real payoff was in using the course as a vehicle to help the executive team articulate the company's quality strategy in plain English and communicate to the managers and employees. The experience then aligns the effort of all teams with that strategy.

The implications from these examples are that MD is not a separate, parallel process. Executive management must be involved in its design and integration into the overall strategic management process. Only executive management has the long-range perspective and total organization view-point needed to adequately articulate the firm's strategic vision and adequately explore mutual expectations.

Foresight or skill are required to make MD an effective strategic communication channel. Exhibit 1 describes how Frances Hesselbein employed the executive development process to redefine and strengthen the mission of the Girl Scouts of the USA during a critical period of transition.

***Exhibit 1—***

***Communicating Mission:***

***Frances Hesselbein at Girl Scouts of America***

When Frances Hesselbein became National Executive Director of the Girl Scouts of the USA in 1976, it was the world's largest voluntary organization for girls with a membership of 2.8 million, including one out of every four girls in the United States between the ages of six and eight. Behind these impressive numbers, however, the organization was experiencing a steady decline in membership and an inability to attract the superior staff and volunteers needed to manage day-to-day operations (only 1% of the 780,000

adult members are paid staff). Moreover, the organization was being criticized for its white middle-class image in an increasingly diverse population.

When Frances Hesselbein stepped down in 1989, the organization (1) was in a period of unprecedented growth, (2) had become more diverse and pluralistic, with ethnic minorities having grown from 5 to 15% of membership, and (3) had achieved greater cohesion within its volunteer workforce. During her tenure, Hesselbein had become a strong supporter of management development as an instrument for communicating the mission of the Girl Scouts—"to help each girl reach her own highest potential"—to the staff and volunteers. She referred to her approach as "managing for the mission."

At the Girl Scouts of USA, MD is designed to reinforce the mission and values of the organization. A favorite phrase of Hesselbein's is that these programs are "mission-focused, values-based, and demographics-driven." According to Hesselbein, "At the Girl Scouts, we begin with our mission, strategic goals represent the desired vision, and that in turn drives [management] development." To strengthen these programs, local-level training is an ongoing requirement for volunteers. In 1989, 2235 adult volunteers completed top-level seminars on such topics as service marketing, financial planning, and property management.

The actual design of the MD programs involved the Girl Scouts' top 50 managers, with support and leadership from the Human Resources Department. Specifically, these managers, in task groups of 10–12 persons, identified strategic priorities and developed integrated program learning opportunities based on these priorities. To build additional support at the council level, local executives and volunteers were invited to the Girl Scouts' National Headquarters in New York City to provide inputs on priorities and to offer program design ideas. After the programs were established, top executives remained actively involved, both teaching and participating in class sessions. "Modeling is critical in this culture" was Frances Hesselbein's recurring counsel to her executive staff.

In reviewing her experiences, Hesselbein firmly believes that if she could have done anything differently it would have been to initiate change and a supportive MD program even faster. She is convinced that MD must be a significant component of the organization's strategic design and that unless the developmental programs closely match the organization's culture and top management vision, they will not achieve their purposes.

Perhaps the greatest testament to Hesselbein's belief in the importance of MD as a means for helping organizations achieve their strategies is the direction she chose after leaving the Girl Scouts. Today, she is President and CEO of the Peter. F. Drucker Foundation, an organization founded to help the leadership of not-for-profit organizations to achieve excellence in the pursuit of their objectives through the use of teleconferences, seminars, and other management and leadership resources in both print and video. Much of this activity is implemented through a network of volunteer consultants.

**B—**

***Strategic Alignment of Managerial Behaviors and Skills:  
The Customized Program***

In addition to fostering a "new" understanding between executives and their managers, the tailored MD program can be instrumental in introducing the behaviors and skills needed to successfully implement the developed strategies. For example, soon after the banking industry deregulated, several leading California banks designed new grand strategies that offered innovative financial services to existing and potential customers. Unlike the past, when banking was a sturdy "old boys" business, the changed environment required both local branch aggressiveness and special assistance to customers in marketing these services. From our work and observations, banks such as Security Pacific, First Interstate, and Wells Fargo did extremely well in meeting the new competitive challenges by quickly introducing marketing practices and selling techniques into their MD programs for branch managers. This improved the ability level of managers in an area identified as critical to strategy implementation. Equally important, as noted by Guth and Macmillan (1986) in their application of expectancy theory to strategy implementation, managers need to have confidence in their abilities to execute strategy; to the degree that tailored MD concentrates on strategy and related skills (as opposed to generic management skills), both ability and confidence can be strengthened.

Similarly, when Bob Cremmens took over the Personal Insurance Division of Metropolitan Life, his vision included dramatic sales growth. He immediately recognized that this would require

upgrading the skills of his managers, especially in the areas of recruiting, selection, coaching, and retention. To accomplish this, he brought in a staff of specialists from outside the organization to design and deliver an MD program that would address these issues. A "design board" made up of regional executives helped determine the content, and designs were customized to reflect differences between the head office and field sales groups. The seminar "As a Manager" was designed around the Personal Insurance Group's specific needs as well as Bob Cremmens's overall objectives. Case studies and exercises were created to reflect Metropolitan Life's unique requirements. The result has been a significant growth in sales and marked improvement in workforce retention, both important strategic goals identified by Cremmens originally.

The greater the change in strategy, the more critical it is for people's behavior to support that change. Exhibit 2 describes how the BellSouth Corporation realigned behaviors and developed new managerial skills to meet the challenges of a new, more competitive business environment.

**Exhibit 2—**

***Aligning Managerial Behavior and Skills:  
Jim Moore at BellSouth***

BellSouth is the largest of the seven regional holding companies created in the AT&T breakup and the second largest utility (after GTE) in the United States. The impetus for executive/management development at BellSouth stemmed from Chairman and President John Clendenin who envisioned an organization that would aggressively pursue new technologies (e.g., cellular communications) in a deregulated environment.

According to Jim Moore, Director of Employee Development, BellSouth's future business success required four critical changes that would lead to a different managerial "mindset."

A movement from the traditional, previously successful, control-oriented environment to a more participative alignment in which responsibility for decisions occurred at the lowest possible levels.

Institutionalization in the day-to-day decision-making process of the set of values developed by Clendenin.

Identification and development of needed skills to enable managers to succeed in a more ambiguous, unpredictable environment.

Increased credibility of senior managers among employees by improving consistency between policy statements and management behavior. In the internal jargon of BellSouth, senior executives needed to be seen as "walking their talk."

Based on this assessment, Jim Moore and his team developed programs that explained to managers how deregulation had forced the company (and industry) to change its financial focus from "book rate of return" to "shareholder value" and the accompanying need to measure performance differently. Then they offered skills-oriented workshops to help managers redefine goals, reexamine structural and role relationships, reallocate resources, and reorder rewards to support newly desired behaviors. Other workshops tailored to the specific needs of operating in a different strategic environment included media relations and organizational ethics.

A second area for MD stemmed from the strategic decision to downsize due to increasing competitive pressures. To aid their managers (and dispel the "entitlement attitude" legacy of the past), Moore's staff provided a series of courses on career planning, early retirement, and personal financial planning.

Jim Moore is quick to note that the success of BellSouth's program was due to strong support from the top and the fact that *all* managers participated in the same set of training activities. Senior management, including the chairman, vice-chairman, and other executive-level managers served as positive role models through their active involvement and willingness to explore their behaviors. Today, for many subjects, BellSouth is providing the same material to supervisors as it is to the company's officers.

Finally, Jim Moore also cites several lessons from the BellSouth experience that he believes are applicable to any large organization embarking on a management development effort: (1) It must be related to specific business issues/directions and it cannot be viewed as a quick fix for problems. (2) It requires continual refinement and top-level support to remain current and credible. (3) It requires multiple learning modes, including didactic, skills-based, and experiential components designed to complement and reinforce



one another. (4) It must evolve with changes in the organization's environment. As summarized by Moore, "learning is the important mindset which no organization can do without."

C—

### ***Providing Strategy-Related Feedback***

While many forms of MD incorporate some personal feedback components (e.g., self-instrumentation and/or subordinate assessments of leadership, decision-making, and problem-solving styles), few tailor the process to ensure that the data provided are relevant to strategy implementation. This failure to link developmental feedback data to the participants' operational responsibilities lessens its perceived value, thereby reducing the likelihood that the data can become the impetus for a more in-depth self-assessment and possible change. By comparison, we have found that by directly linking personal or team feedback to overall success in strategy implementation, dramatic positive changes can ensue.

As an aside, broad organization wide survey data are less useful in an MD setting, since individuals or groups can easily deny its applicability by attributing the problems to "others." By being as data-specific as possible, denial becomes more difficult.

When using tailored feedback, it is important to follow certain guidelines: (1) Feedback, to be truly developmental, must remain confidential. If recipients are going to "work" with the data, they cannot perceive it as threatening. (2) Feedback must lead to constructive change, often necessitating an individual/team action plan for improved performance in areas suggested by the data. (3) The action plan should be linked to the individual's or team's formal appraisal process, thus providing a follow-up assessment.

The effectiveness of this approach can be illustrated by the experience of one of Apple Computer's regional sales areas. As part of the strategy for increasing business market penetration, the area director used a feedback-based training program to improve the people-management skills of sales managers. Following the first round of feedback, each participant prepared a personal action plan based on his or her feedback data. A follow-up survey 6 months later showed no significant change in aggregate performance—some individuals improved while others declined. At that point the area director (on the advice of an external consultant) asked each manager to once again prepare a personal action plan based on their data. This time, however, participants had to discuss their goals and action steps with their immediate supervisor. The data themselves remained confidential; only the plan was shared. These plans then became part of their "MBOs" and were included in their subsequent performance appraisal. The next follow-up survey showed dramatic improvements, especially in those areas most targeted by the personal development plans. During this same period, the area also experienced a sharp increase in sales, an increase that was significantly better than for other sales areas.

Exhibit 3 describes how an organization wide feedback process helped the American Red Cross manage change and accept that their humanitarian mission and not-for-profit status did not exempt them from the same management problems faced by other organizations.

***Exhibit 3—***

### ***Providing Management Feedback:***

#### ***Dick Schubert at American Red Cross***

In 1984, after one and one-half years as President and CEO of the American Red Cross (ARC), Dick Schubert concluded that managerial performance needed improvement; traditional sources of revenue were declining and the organization was experiencing difficulties in its efforts to become more customer-driven. As noted by Schubert, like other nonprofit organizations, the ARC had to reorganize and retool to meet changing demands.

Based on some earlier experiences at Bethlehem Steel, where he became aware of the potential strength of survey feedback, Schubert asked Alan Rhoda, Vice President for Human Resources, and several external volunteer consultants to design an MD program that made extensive use of performance feedback. The resultant program, entitled "Personal Excellence," was piloted during the summer 1984 with all senior management, including Schubert, participating. It is believed by Schubert that this was the first time that

a major not-for-profit organization used tailored MD and survey feedback to redirect strategy and facilitate reorganization.

The program was initially met with resistance due to some intense internal rivalries at ARC headquarters and ongoing "tensions" between large and small chapters. Also, members could not reconcile incongruities between purpose and performance. As summarized by Schubert:

The organization was permeated by an "us" and "them" mentality and most members of the paid staff, as well as volunteers, shared a feeling that the American Red Cross was different from other organizations, especially those that were for-profit. How can we be inept or incompetent if we are so sincere about our goals and our mission was a typical reaction when the issue of improving organizational performance was raised.

For these reasons, the program was also designed to help individuals realize that they were not noticeably different from peers in other organizations.

This increased awareness occurred through the administration, prior to each program session, of an individual feedback instrument that provided each manager with a report on his or her performance in strategically critical areas as perceived by direct reports and peers. The reports remained strictly confidential and only aggregated data were provided to executive management. In Dick Schubert's opinion, the feedback process was the most valuable component, helping executives and individual managers focus on the key success factors necessary for the ARC to achieve its mission. This then facilitated the reorganization.

One particularly notable finding from the feedback data was that communication and decision making within the ARC was extremely hierarchical, reflecting the influence of the many retired military officers who worked at ARC headquarters. This had stifled needed diagonal communication and resulted in perceived inflexibility, slow decision making, and poor coordination between different groups. This finding was inconsistent with ARC's proclaimed openness and would have to be improved to meet current challenges.

Prior training efforts had not been tied in any way to strategic direction and this new approach proved decisive in helping the organization weather the difficulties of reorganization. For example, during the early stages of reorganization, Schubert requested the resignation of all headquarters personnel and had each reapply for a position within the new structure. The Personal Excellence program helps accept the need for this approach.

Seven years later, Dick Schubert has no reservations about the contribution of the tailored MD program in remaking the ARC. As noted by Schubert: (1) soon after the program's introduction, demand for the program far exceeded the capabilities of the internal staff and external consultants; and (2) the organization developed a much greater sensitivity to customers; prior to 1984, members of ARC objected to the use of the term, now the primacy of the customer is part of the culture. Since 1984, nearly 4000 paid staff and volunteers have participated in these MD programs and have received follow-up training and additional feedback.

**D—**

#### ***Upward Communication or Promoting Bottom-Up Change***

As noted at the beginning of this chapter, strategy formulation and strategy implementation tend to be managed very differently. Formulation occurs at the executive level, usually accompanied by active managerial involvement and extensive two-way communication, while implementation tends to be a line management function with each level of management simply communicating directions downward to the next level and minimal upward feedback. Consequently, when implementation problems occur, there is often no channel or forum for lower-level line managers (i.e., the implementers) to raise emergent difficulties; moreover, there is often fear that higher-level management will blame them for the "failures" and "shoot the messenger." The result is that few ideas for improving implementation filter up to executive levels, further exacerbating the separation between formulation and implementation.

One approach we have used is to provide an arena for these implementation issues within the structure of a tailored MD program. Using aggregate feedback data and strategy formulations as background information, small groups are formed and given the assignment of identifying key implementation problems and of developing alternative solutions to those problems. The results are put into a formal report which is reviewed by top management for action. For this approach to work,

management must make an a priori commitment to seriously consider all recommendations and to pursue those changes that are most viable. If used correctly, this technique not only provides upper management with valuable information and ideas, but also builds commitment by involving managers at all levels in modifying the implementation process.

Exhibit 4 shows how one division executive at Wells Fargo Bank used an upward communication process to identify implementation problems and to involve managers in developing solutions for those problems.

***Exhibit 4—  
Encouraging Upward Communications:  
Karen Wegman at Wells Fargo Bank***

In recent years, the banking industry has been characterized by a competitive and dynamic environment. Banks throughout the United States have had to adjust to new technologies, new products and services, and an increasingly diverse workforce. Karen Wegman, Executive Vice-President of Wells Fargo's Customer Transactions Division, wanted to improve her managers' skills in adapting to these changes and at the same time build commitment to her organization's values and strategies. She also recognized the need to increase decision-making responsibility and entrepreneurial behavior among the lower-level managers. In her words, she wanted people to "run it like they owned it."

Although these were perceived as difficult goals in a banking culture, several factors provided a positive climate for their accomplishment. First, Wegman had a reputation throughout the bank as a manager who was responsive to feedback and willing to try new ideas. Second, the division already conducted quarterly "communication meetings," where managers from throughout the division devoted one day to discussing a specific management issue. At one meeting, for instance, they focused on the use of positive recognition and a guest executive from the Disney Corporation attended and described how his organization used positive recognition to motivate people and improve performance. These meetings were universally viewed as productive and reflective of Wegman's management philosophy.

In 1989 the Customer Transactions Division had put together a series of training programs called the "Leadership Series." One workshop focused on the division's values and strategic goals, and included as a key feature an upward communication process which became known as the "organizational planning activity." Specifically, on the last day of the program, each class was broken into groups and given the assignment of identifying critical implementation problems they faced and proposing alternative solutions to those problems. Each group then presented their findings to the class for additional comments and suggestions. Afterward, these reports were compiled by an external consultant and copies were distributed to Karen Wegman and each member of the class that produced it. This was repeated in every class until all managers in the division had participated.

Because Karen Wegman had made a commitment during the design phase of the program to implement any recommendations that were both feasible and cost-effective, it created a high degree of motivation in the groups which often competed among themselves to come up with the best of recommendations. Moreover, some individuals took responsibility for initiating recommendations themselves. As an example, one individual established a "managers' network" so that middle managers could meet periodically to discuss common problems and share ideas for solving them. The results of the organization planning activity was a better understanding by managers of implementation problems and a commitment to solving them.

***V—  
Summary***

In this chapter, we contend that MD programs can effectively link the strategy formulation and strategy implementation processes. We submit that resources expended on MD are most effective when they focus on achievement of business objectives as well as individual development and therefore must be treated as a strategic investment, not as an expense. The challenge for both practitioners and consultants is to expand their horizons to view both strategic planning and MD as integral components of the same process.

Based on our experience, we have identified four ways in which tailored MD can make important contributions to strategy implementation:

1. Management development can help establish and reinforce a psychological contract between the individual and the organization; program sessions can provide a useful forum for executive management to clearly articulate their vision, underlying assumptions, strategies, and intent to managerial participants and to candidly respond to participant concerns and questions.
2. Management development can introduce and reinforce the specific behavioral and technical skills managers need to implement their organization's business strategies; program sessions can improve managerial understanding of the relationship between these skills and expected performance outcomes.
3. Management development can provide participants with developmental feedback; program sessions can use "hard" data to help managers assess their performance on strategy-relevant skills and behaviors and to develop personal action plans to change/improve in areas that are most pertinent to organizational goals.
4. Management development can offer a channel for upward communication of problems and potentially creative solutions related to strategy implementation; program sessions can direct what might otherwise be managerial frustration and resistance into a resource for executive management.

Our findings and experience strongly suggest that underlying the success of these tailored MD programs is the need for executive management to be active participants in both the design and implementation activities. Also, to generate lower- and middle-level management commitment to the organizational strategies, the MD sessions must be focused on strategy-related learning and information exchanges.

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115—

## **Models of Consultation: What Do Organizations of the Twenty-First Century Need?**

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I—

### **Introduction**

The concept and process of "consultation" can best be analyzed by 1) describing the range of services that are offered by various consultants to various clients in individual or organizational contexts, 2) classifying them into three distinct models of consultation, 3) identifying the different assumptions on which the models rest, and 4) showing why process consultation which focuses on building a "helping relationship" with the client will increasingly become necessary (Schein, 1999). My analysis will be based on clinical data, by which I mean events observed in the actual client-consultant context, where services are being delivered for fees (Schein, 1987).

II—

### **Types of Consultation Services**

A—

#### **Model I: Consultants As Content Experts**

1—

#### **Information Services**

Consultants provide information that clients want, and they gather that information through research, testing, assessment, polling or surveys, or in some cases by activities more akin to gathering intelligence information. Some examples are interorganizational salary surveys to enable companies to determine pay ranges that will not be too out of line with the competition, market surveys, morale and opinion surveys of employees, political and economic analyses of areas into which a firm may be moving, technology-oriented surveys, psychological assessments of employees, and sponsored academic research in exchange for periodic briefings by the researcher.

A prime purpose of this kind of information gathering is "benchmarking." Organizations do not want to be out of line with what their peers and competitors are doing. Another purpose is internal diagnosis, in that senior management does not want to lose touch with the attitudes and opinions of its employees yet feels that it cannot gather such information directly.

The gathering of intelligence information is a bit more subtle than surveys, but is one of the main services delivered by some strategy-consulting firms under the label of "competitor analysis."

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Here the consultant uses sophisticated observational and analytical tools to provide the client information that could not otherwise be obtained. For example, it is considered legitimate to pay consultants to figure out what the competition's actual costs are by having them hang around the competitor's plant counting how many employees it has, and to go to local bars to befriend employees in order to get data on span of control and supervisory methods.

Also common is the use of telephone surveys to obtain information from others in the industry without revealing the true purpose of the information. In the dog-eat-dog world of business, such information is valuable enough to override ethical concerns, but I have watched with some dismay as young research associates in consulting firms struggled with their own consciences as they telephoned competitors and ingeniously evaded the truth about the purpose of their call.

Of course, another part of this picture is that the service is being sold as more than raw data. The consultant adds value by using sophisticated analytical techniques to develop recommendations. This model is obviously highly successful and has pulled many a failing business back onto a path of survival and growth. Unfortunately I also hear from many of my own clients that they either found the recommendations off target and ignored them, or worse, followed them and got into trouble. Sometimes the analysis proves to be wrong, or more likely, the recommendation is too difficult to implement in the way that the consultant intended.

For this version of the expert model to be successful several assumptions must be met.

1. The client must know what kind of information is really needed, which presumes that the client has correctly diagnosed his or her own problem.
2. The client must be able to correctly identify who has that expertise.
3. The client must be able to communicate to the consultant the nature of his or her need.
4. The client must be able to understand what the consultant has provided, and must be able to act on it.
5. The client must believe that the diagnostic consultation process will itself not influence the state of the system in a negative way.
6. Both the consultant and client must believe that there is an external reality that can be studied and interpreted independent of the cultural and psychological realities in which the client is embedded.

In essence, in this model the client is totally responsible for the initial diagnosis of what kind of help will be needed and who will be able to provide it, and for the consequences of gathering the information. If the client is wrong and purchases the wrong information or irrelevant analyses, or if the information-gathering process actually makes the situation in the organization worse, it is entirely on the client's own shoulders. Most clients cannot do all of this without the help of process consultation, which requires that the consultant and client jointly share responsibility for the diagnostic process and jointly accept the responsibility for the interventions that are involved in gathering the data. Process consultation will therefore increasingly become a necessary *prerequisite* to the use of experts in gathering and analyzing information and developing appropriate action plans based on it.

2—

### **Management Services**

A second category of expert services, still in model 1-type consulting, defines consultants as teachers/trainers, assistant managers, or actual management surrogates. Such services are provided in the area of accounting, in the area of personnel, when, for example, outside appraisers are hired to evaluate employees or managers, in R&D, when an outsider is temporarily hired to work on product development, and so on. Sometimes experts are brought in under the aegis of training to teach employees to do performance appraisal, sell products, or learn to use an electronic mail system.

In the field of organization development such activities are sometimes labeled "educational interventions" to make it clear that something more is going on than just passing on information and skill (Beckhard and Harris, 1987). Such training or educational processes are often designed

to unfreeze the organization, to create an awareness of problems that the client may not know exist and thereby to lay the groundwork for more extensive change programs.

An extension of this idea that may become even more popular in this age of part-time and contract work is for the consulting firms to let clients hire consultants as actual managers for limited periods of time to do jobs that need to be done and for which the company has no internal candidates. In other words, the concept of the "temp" has reached the executive suite. How one handles the problems of proprietary information with temporary managers is, however, a mystery, unless those managers have a high level of professional training and a plausible set of ethical standards.

Obviously, for these services to be useful, the previously stated assumptions have to be met, and furthermore, there has to be a congruence between the teaching content, the teaching method, and the existing cultural assumptions (Schein, 1992). When the present culture of the organization is ignored, the consultant intervention is often subverted. And, of course, the deciphering of the culture usually involves process consultation, as we will see.

Looking ahead to the twenty-first century it is likely that the need for experts of all sorts will increase but they will not be well utilized and will not provide the help that clients really need unless their services are combined with process consultation.

**B—**

**Model II:**

**Consultants As Doctors**

Consultants are sometimes brought into organizations in order to investigate a given department, division, or even the entire organization in order to check its overall health or to identify why certain things aren't working the way they should. The client makes an initial diagnosis based on symptoms observed such as morale problems, declining sales, excessive turnover, or strikes, decides that there is a problem to be investigated, and then empowers the consultant to figure out what is wrong and what to do about it. This role goes beyond the expert role previously described in that it empowers the consultant to dig into the workings of the organization and to combine information-gathering expertise with psychological and sociological knowledge of organizations such that a deeper and client-relevant diagnosis can be reached. In this model the client becomes much more dependent upon the consultant not only to provide information but to figure out what the problem is and what to do about it. Two versions of this model can be identified.

**1—**

**Diagnostic and Prescription Services**

If the client is having difficulties figuring out what is ailing the company or wants help in diagnosing some aspect of the organization's functioning, the consultant who specializes in organizational and/or strategy analysis can be called in. The consultant's investigation can be very general and strategic or it can be very specific and tactical, as when a consultant is brought in to analyze the information system of the company, its sales strategy, its employee involvement system, or its technical capabilities.

Implicit in this process is the assumption that the consultant will not only make a diagnosis based on special skills that presumably only the consultant possesses, but will then use the diagnosis as a basis for a prescription, a set of recommendations detailing what the ailing client is to do. In this model, as in the above one, the client remains quite passive while the consultant does the work.

Once the consultant has done the diagnostic work, one of several paths is followed. Sometimes the consultant shares the diagnosis as a basis for collaborating with the client in searching for a joint solution. Sometimes the consultant makes specific recommendations then withdraws. And sometimes the consultant makes recommendations and remains on hand to help with the implementation of the recommendations. But in each case the consultant is the expert on diagnosis and the client only gets involved in implementing the prescription.

This process can be very helpful if the assumptions on which it rests hold up.

1. The client must have made a correct preliminary assessment of the symptoms and the locale of the "sickness." If a given department has been identified as the target of interviewing, the diagnostic process itself may damage that department's self-image, or the interviews



may reveal that the real problem is with the client who called the consultant in the first place.

2. The consultant chosen must have the necessary diagnostic skills.
3. The climate must be such that the people in the "sick" areas will reveal information necessary to the diagnosis. All too often, once they have been targeted, they will either hide information in order not to be defined as sick, or will exaggerate the symptoms because they feel that finally someone is listening to them.
4. The client must be able to understand and correctly interpret the diagnosis and be willing and able to implement whatever prescription is offered.
5. The diagnostic process itself must be viewed as helpful, not disruptive. For example, if many managers and employees are to be interviewed, this very intervention must be viewed as constructive by the client or the problem may be made worse.
6. The client must be able to overcome dependency on the consultant and continue to function in a healthy, independent way after the consultation project is over.

As in the case of the use of experts to provide information, it should be noted that the only way one can really test whether or not these assumptions hold is by a process of engaging the client in some preliminary discussion. Such preliminary discussion requires the skills of process consultation, and is therefore increasingly a necessary part of *all* forms of consultation.

2—

### **Surgical and Reconstructive Services**

The consultant's diagnosis may reveal or confirm the need for radical change in the organization and the client may feel incapable of making such changes. A specialist can then be called in to actually manage the major change effort, as when a bank or financial service firm is called in to manage major financial restructuring or a human resource consulting firm is called in to install a new compensation system or, more and more commonly in recent times, an information technology consulting firm is called in to install a new information and control system or electronic mail.

Probably the commonest version of this service is the "organization study" conducted on behalf of top management by the general management consulting firm. This process often has as its hidden agenda the identification of redundant managers and employees but provides, through the mechanism of a proposed reorganization, a face-saving way to get rid of those people. The consultant in these instances not only influences the organization directly, but also provides training to members of the organization on how to use new concepts, methods, and tools so that they continue to be applied after the consultant leaves.

The most prevalent version of this approach today is the technology and accompanying philosophy of "organizational learning" (Senge, 1990). One key presumption of this philosophy is that if enough members of a given organization learn the tools necessary to increase their own learning capacity, and if the right kind of leadership is present, the organization can reinvent itself and begin to function according to a set of values that increase productivity, creativity, and human satisfaction. What places this approach into the surgical/reconstructive category is the assumption that the consultant has the right set of tools and that the teaching of those tools will not only produce the desired results in the learners but will also meet the organization's need for higher productivity and innovation.

The major issue in this form of consultation is the likelihood that the diagnosis and prescription will be incorrect or irrelevant if the consultant fails to understand the cultural nuances that determine how the organization actually functions. The organization assumes that it will be able to manage the new recommended structures and processes—that it will be able to do what the consultant advises and/or teaches no matter what. However, if the organizational culture is not congruent with the new approach, much time, effort, and money can be wasted, and the organization can be worse off after the consultation. Before this approach can work, therefore, one needs methods to assess organizational culture and subcultures, and to determine how they would aid or hinder a given prescription or surgical intervention. As twenty-first-century organizations become more global, they will involve many more cultures and subcultures, which will increase the likelihood of consultant misdiagnosis.

To put this another way, if the consultant as doctor is not sensitive to process and does not involve the client in gaining an understand of the client's culture or subcultures, the chances of achieving a valid diagnosis and an implementable prescription are low. Furthermore, the process of allowing the client to become dependent during the diagnostic period sets up a psychological dynamic that is hard to overcome later. The client may continue to be dependent and adopt recommendations that are not workable in the long run. In the worst case scenario, failure to involve the client in the diagnosis may cause the consultant to misdiagnose what the real problems are. That leads us to the third model, in which the process of building a helping relationship and joint responsibility for all interventions is the primary consideration.

C—

**Model III:**

***Process Consultation—The Consultant As Helper or Therapist***

The critical difference between this model and the other two is that the consultant's expertise lies in his or her ability to involve the client in defining the problem and in structuring the relationship such that the help provided is genuinely relevant to the client's needs. This model rests on the central presupposition that problems in organizations are so complex, and the information relevant to their diagnosis is so concealed, that a correct diagnosis can only be achieved if the client is fully involved in the diagnostic process itself.

Furthermore, this model assumes that one cannot really separate diagnosis from intervention, that the diagnostic process is itself an intervention, and that the client therefore must take responsibility for such diagnostic interventions and fully understand their consequences. The expert and doctor model both assume that one can gather information without influencing the organization, but if some of that information comes from members of that organization as in employee surveys, the survey itself clearly has an impact on employees long before the data are even analyzed.

The issue for the process consultant, then, is how to structure the relationship and the helping process to ensure that the client and the consultant will become a team, both fully considering the consequences of different diagnostic interventions and both working on figuring out how to gather information and interpret it correctly. Since relevant diagnostic information will often involve data that are deliberately concealed or defensively repressed, this joint diagnostic work can become quite complicated and may take more time than was originally conceived by the client. But to shortcut this process by using expert tools and to risk thereby misdiagnosing the real problem is, in the end, more costly than to take time up front creating a relationship and a climate that will allow the real problem to surface.

The process consultant assumes that a full understanding of the problem will not be achieved until hidden and possibly unconscious elements are lifted to awareness and until the client feels secure enough in the relationship to reveal what is really going on. Furthermore, since most organizations have evolved cultures, only members of the organization will be able to determine what kinds of remedies would fit in their culture. These points can be summarized by stating the following assumptions that underlie the model:

1. Clients know when they are hurting, but they generally do not know what the problem is, and therefore need help in defining the problem.
2. Clients often do not know what kind of help is available and which consultant might be best able to provide it.
3. Clients have constructive intent and are motivated by goals and values that the consultant can accept. This process does not work if the client is manipulating the consultant or using her or him for political ends.
4. Clients are capable of solving their own problems, want help in figuring things out for themselves, and learn from this process to work more effectively when such problems arise again.
5. In the case of most organizational problems, clients benefit from participation in the diagnostic process because they learn how to diagnose problems that may arise in the future.

6. The client owns the problem and is therefore the only one who ultimately knows what form of remedy will work.

From this perspective, the main role of process consultation at the beginning is to help the client become sufficiently aware of potential problems to decide what kinds of expert information or doctoring may be needed. As areas are identified where expert or doctor help is needed, process consultation then helps the client to obtain that help.

Once the expert or doctor is on board, the process consultant role may or may not continue, depending on how complicated the relationship is between the client and the expert or doctor. As organizations face ever more complex problems, it could be argued that process consultation should continue to help in managing the evolving relationship between client and expert and should therefore be part of the skill set of the doctor or expert. Such additional help becomes especially relevant when new procedures or ideas are to be implemented or when the organization launches into major change programs, since process consultants tend also to be expert in the management of change. The best examples illustrating the need for both expert and process resources come from projects where information technology systems are installed. If the technical experts do not have process consultation skills the projects typically fail.

To summarize so far, I have argued that the ability to focus entirely on the helping process is essential in any form of helping. I am also proposing that all activities under the label of consultation must include at various times some form of process consultation to ensure that the client is on board, that the right problems are being worked on, that the diagnostic interventions make sense to the client, and that the information or recommendation for solution provided is relevant and workable in the culture of the client's organization.

What this implies is that all consultants need to be able to move comfortably across the various roles described so far or to know their own limitations well enough to refer the client to someone else when necessary. The minimum implication of this proposal is that any consultation should begin with an emphasis on process and the building of a relationship that will allow the real problems to emerge. At the most it means that certain kinds of problems must be handled throughout from a process consultation perspective, especially the analysis of organizational culture.

### III—

#### **An Example of the Dynamics of Consultation**

To illustrate the interplay of the models and roles described, let me give a concrete example. In a financial services institution I was called in to help a senior division manager, Jones, to implement some of his ideas. He sensed that his organization could be improved and he wanted to talk about the tactics of how this could be done.

Jones told me at our initial meeting that he had, over the last several years, launched a whole series of initiatives on strategic planning, quality control, productivity, and most important, a complete redesign of the work of the unit to take advantage of new information technology tools. For each of these initiatives he had hired "expert" and "doctor" consultants, and each was pursuing his own program with vigor. Jones complained that his organization was not responding enthusiastically to these efforts, so my immediate task was to find out why this might be. He wanted me to adopt a doctor role, to talk to his subordinates to find out what was wrong and then report back to him with suggestions for how to fix the problem.

From a process-consulting point of view, I felt I had to spend more time with him to help him to figure what might be going on before I went off to talk to his subordinates. He was quite impatient with this approach and exhibited behavior with me that provided a first clue as to what might be going on in these programs. Specifically, his behavior demonstrated that he was very good at launching things, but then disengaged himself as quickly as possible and expected the consultant to take over. We discussed this behavior and speculated on the possible impact of it on the subordinates. Once we had a joint decision on what we were looking for and I felt Jones "owned" this decision, we agreed it was time for me to talk to the subordinates to find out how they felt about the programs and Jones's handling of them.

I felt that Jones had to own this intervention. This meant two things: 1) he had to commit himself to meeting regularly with me to continue to discuss my findings and his own behavior; and 2) he had to decide how to structure my entry into his organization. What would he tell his subordinates, how would he introduce me, how would he handle questions about why he was calling in an outsider? Jones had to recognize that he was not only gathering information; he was actively intervening in his organization by bringing in a consultant and gathering reactions to his own prior decisions.

I helped him to think through the alternatives on how to introduce me, but he had to decide in the end how to do it. He decided to have me come to a regular staff meeting at which he described his goals and provided an opportunity for his staff to ask me questions. I also had a chance to tell the group my own goals and how I would work with them and with Jones. From the process consultation perspective, it was essential to get across the idea that I was viewing the whole group as my client, not just Jones, and that my goals were to improve the functioning of the organization as a whole.

During the initial interviews that were set up over the next several months, it was revealed, as expected, that the subordinates felt totally overloaded because all of Jones's initiatives were perceived to be extras on top of the regular work. They also perceived clearly that their boss seemingly wasn't really committed to any of these programs because he physically disappeared once projects were launched. So the first restructuring of the problem had to do with the role of the boss in creating the condition that the consultant was supposed to fix. The combination of work overload and a seemingly uncommitted boss made it easy to ignore the new programs Jones had imposed.

A second important issue surfaced. The expert consultant working on task restructuring had done a thorough survey of employees, and had determined that there was some readiness for a new and more efficient work technology. He was busy redesigning the work when it became evident that the new work system as planned would 1) cost less by automating work, 2) improve customer service and increase marketing opportunities, and 3) make many of the present employees redundant or unemployable because they lacked either the requisite skills or the motivation to use the new technology.

Design teams met to set up retraining programs for those who did want to convert to the new system, but the question of what to do with the surplus was not faced. Also not faced was the fact that the managerial role became ambiguous in the new system because each employee would be operating more as an autonomous professional. Finally, it was discovered that Jones's boss had a firm and inflexible policy of no layoffs, a policy congruent with the total corporation's espoused philosophy.

These several factors brought the work-restructuring program to a dead halt, and the thousands of hours spent by the consulting firm involved in that project were more or less wasted. The deeper problem that now emerged had to do with my client's inability or unwillingness to confront his own senior management around the issue of what to do with surplus labor. It turned out that there were strong norms in the organization about no layoffs, and these norms could only be challenged under conditions of crisis.

Jones was not in a crisis mode, so he felt he could not proceed, but he needed to have insight into what his real problems were before he could constructively reassess how to implement his other ideas. Based on these insights he figured out he could do several things: 1) he abandoned those projects that did not fit the larger organization at this time; 2) he attempted to integrate the other projects with each other, or at least define some priorities among them; 3) he gave more personal attention to the programs he really cared about, while at the same time becoming more sympathetic to the overload that he was imposing on his subordinates; and most important, 4) he opened up the issue for discussion at group meetings and got advice from his subordinates on how best to proceed, which in turn motivated them to commit more to the projects because they now owned them as well. These were interventions I helped him to develop, but because they were his, they worked.

It should also be noted that as this process went on, it became apparent that a specialist was needed in the area of the impact of information technology on the human organization, so we jointly brought in such a specialist, who has continued to work as an expert, a doctor, and a process consul-

tant with various parts of the organization. The important point was to arrive at a joint diagnosis with Jones where he himself could define with my help his need to bring such an expert into the organization.

#### IV—

#### **Process Consultation in the Analysis of Culture**

For some problems process consultation is needed throughout, especially where culture is involved. I have argued that expert information or diagnoses based on doctors often prove irrelevant because they do not consider the organizational culture. Even if the diagnosis is correct or the information pertinent, cultural assumptions can prevent the implementation of appropriate next steps in solving the problem. Probably the commonest example I have run into is where consultants recommend a change in management style from autocracy to employee empowerment, or the reverse, from very loose egalitarian structures to tightly managed disciplined structures. Stylistic differences in these areas usually reflect deeply held shared assumptions about human nature and the role of the manager as a controller, so introducing a new style is not likely to become anything more than an espoused value. It will be touted but not practiced. Similarly, the touting of "teamwork" and the frequent use of "team-building" interventions ignores the deeply held individualistic assumptions built into most organizations, as exemplified by the fact that incentive, reward, career, and control systems are all built on individual accountability assumptions.

In the meantime, culture has itself become a hot issue with mergers and acquisitions, joint ventures, turnarounds, and various productivity, total quality, and reengineering programs. Clients today have available to them the full range of consultant services from buying a questionnaire or interview survey that will allegedly reveal their culture to them to having a culture doctor diagnose and reconstruct their culture along allegedly desirable lines.

All of these are likely to be unhelpful because of the nature of culture itself. First of all, culture is by definition the way that the members of a given group have learned to see, think about, and feel about their own world (Schein, 1992; 1999). It is the assumptions they make about the world and themselves in it that give meaning and purpose to their daily lives, and these assumptions are the product of a long period of learning. The odds that a questionnaire or interview process could capture such a subtle process are extremely low.

But beyond this, even if one could describe a culture adequately from an expert outsider perspective, it is unlikely that the members of the client system would respond favorably to the description. I have been in several companies where I have been asked to study the culture and provide feedback, only to find resentment, defensiveness, and denial by some members. Others assured me in private that I was right on target. But, even if one gets it right, culture is seen to be a valued and in a sense sacred property of the group, not to be shared easily with outsiders, even paid consultants, and not to be aired in public.

How then should the consultant tackle culture? What has worked very well from a process-consulting perspective is to provide a structure for analyzing culture, but to let the client fill in the content. I provide a model that suggests that culture exists at three levels: 1) the observable level of artifacts, 2) the espoused level of values, and 3) the hidden taken-for-granted level of basic assumptions. A representative group from the client organization is then asked to provide the data for each level. I play the role of recorder and gadfly, throwing in questions, telling the group when I don't understand something or find it inconsistent, and in other ways facilitating their own deciphering of their own culture.

I can then raise the question of how their analysis impacts the goals and strategies they have for their organizations and help them to assess different cultural assumptions they hold in terms of whether they are an aid or a hindrance in achieving those goals and strategies. By this process they stay in control, they continue to own the problem, and the solutions they generate are more likely to be implemented because they have invented those solutions. This entire process can be completed with an organizational unit in a day and then can be redone in other units as the client prefers.

From a process consultation perspective, just describing a culture is not only impossible because it is too vast and complex, but also useless. Information is only useful if it is relevant to some

problem we are trying to solve. A cultural analysis, therefore, is only useful in relation to some problem the client has, and in the end what matters is that the client get a better appreciation of her or his culture, even if the consultant does not understand the culture at all.

This same logic applies to all forms of so-called data gathering. Employee surveys, market surveys, salary surveys, and the many other kinds of information that clients want only are useful if the data gathering itself is oriented to the client's problem, and that means some preliminary work with the client to figure out what the problem is before we rush off and gather data. In the case of employee surveys an additional issue arises in how the data are fed back. From a process consultation perspective each echelon's data should be fed back to that echelon before any higher or lower level in the organization sees it so that the providers of that information can be involved in correcting it, elaborating it, and deciding ultimately what to do with it. The traditional process of collecting all of the data and then "cascading" it down through the organization not only makes it difficult to interpret what the data mean but disempowers the employees who provided the data in the first place. In the upward feedback model each echelon not only owns its own data but is invited to discover what problems have been identified that should be solved at that level. Higher levels then only get data that pertain to issues that they can do something about. Problems get worked on as they are identified instead of awaiting some interpretation of the entire data set before anything else is done. The overarching principle which derives from the process consultation philosophy is that each echelon owns its own data and is responsible for doing something about it—fixing those problems it can fix and feeding upward those problems it cannot fix.

V—

### **Summary and Conclusions**

Let me now summarize and pull my argument together. As the world becomes more complex and diverse, as the pace of technological, economic, and sociopolitical change increases, the problems that organizations will face will become harder and harder to decipher. Experts and doctors will be needed in all of the current functional areas, and new areas will evolve as technology evolves, but the correct matching of those expert services with actual client needs will not occur unless clients get help in diagnosing their own problems. And new solutions to those problems will not be implementable, unless clients get help in figuring out what will and will not work in their particular organizations. Such help will not come from the technical expert or doctor; it will require the process consultant role.

The more complex the problems, the more important it will be for the clients to stay fully involved with consultants in diagnosing what is going on, what is needed, and what will work. Therefore, some form of process consultation will have to be integrated with other forms of consultation in all projects, and especially at the front end of a project. In addition, the greater the complexity and diversity of the problems that organization will face, the greater the level of anxiety they will experience. The management of surprise and perpetual change is increasingly identified by most organizational clients as one of their primary areas of concern. What is particularly difficult to conceptualize and make operational is the notion that change will be perpetual and will itself become a way of life.

Anxiety will be a bigger issue because perpetual change leaves members of the organization perpetually insecure. At the same time technologies are becoming more complex and the cost of operational errors therefore becomes higher. More managers and employees will be dealing with operational issues where physical safety and organizational survival will depend upon doing the right thing under time and economic pressure. Roles will be more fluid, requiring more self-management and responsible judgment at all levels.

If one reasons along these lines, there are several implications for the consulting process itself. The big questions is whether or not experts can deliver relevant information, and whether or not doctors can make diagnoses and give prescriptions around issues such as these. My sense is that all consultants will have to become more able to deal with process issues and to play therapeutic helping roles even in the process of being experts and doctors, because only through such shared

diagnostic work will they be able to identify what kind of expert advice or solutions will really be needed and what kinds of anxieties will have to be dealt with.

In an ideal world clients should seek out process help in identifying what their problems are before they buy information or diagnoses or prescriptions. Clients should welcome a situation in which the consultant will not take the problem off their shoulders but will help them to own the problem, because only then will solutions really work. We as consultants and professionals must think this through ourselves and help clients to appreciate what kinds of help they need and what kinds of help will really be helpful.

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## 116— Time Management Hints

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After facilitating more than 200 time management workshops, it is clear that most North American managers have similar time management problems, regardless of the type of industry or level of the manager. In virtually every case, the solutions to these problems involve simple common sense, which almost everyone could understand—but which few people follow.

In virtually every case, the solutions are far less technically complex and more easily understood by the "average person" than the day-to-day technical background needed for many jobs. However, most people repeat the same time management mistakes, day after day. In short, if the solutions to these problems are so simple, why is it that so few people change?

The most common time management problems are:

1. Misscheduling days and weeks
2. Interruptions
3. Procrastination
4. Telephones

Before looking at the solutions to these time management problems, it is important to reiterate how simple some of the solutions are, by investigating a coffee break problem.

### I— A Simple Problem: Long Coffee Breaks

An example of the "simple" time management mistake is that of a company department which identified long coffee breaks as a major problem involving an hour each morning and an hour each afternoon. There were about 45 people in the department. The peer group practice was to flip for coffee each morning and each afternoon. The last person who failed to flip a "heads" had to pay for all 45 people. The result was that coffee breaks took an hour each morning and each afternoon with all the bantering, pressure-packed flips, and a long line-up at the company cafeteria.

How long had this practice occurred? The consensus was about 5 years. That is rather mind-boggling. These very intelligent, well-educated people had found a way to throw away a total of at least 45 man-hours each day, a total of 10,000 man-hours per year, and an aggregate of 50,000 man-hours over five years.

When asked about possible solutions to this problem, that group (and many other people) developed the following alternatives:

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These notes are abstracted from Dr. Schulz's forthcoming book, *Time Management Tips*.



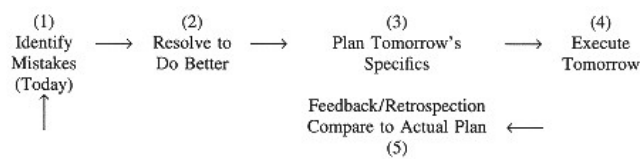
1. Decentralize the coffee, so that people can get their own coffee and don't have to travel far (with the "pay cash," "checkmark," and "free" options).
2. Have a coffee wagon go by each office in both the morning and afternoon (again with the "pay cash," "checkmark," and "free" options).
3. Encourage people to get (and pay for) their own coffee at the company cafeteria, but on their own timetable.
4. Encourage a few people to drop out of flipping, so that the practice gradually disappears.
5. Tell people to bring their own coffee.
6. Send the "normal," power-laden memo from the "boss," saying that long coffee breaks and/or flipping for coffee should end.

There might well be more or "better" solutions than these six. Any of the first four would be better than the current situation. Attempting the last two suggestions might reduce morale. Any of the first four suggestions would likely reduce coffee breaks by one hour per day per person for a total of 10,000 man-hours per year.

As stated before, in somewhat different words: *Good time management appears to involve using simple, common sense—but that is not what most people do.*

## II— Feedback Loop

The first step in developing solutions to time management problems is to identify the problems. The second step is to have a generalized approach, at the end of each day, as in the following five-phase diagram.



How many people do this? Based on 5000 workshop participants, about 10% say they use a similar, but informal, process. About 10% say they use a formal to-do list. Further analysis indicates that less than 2% of the office population use a model for time management review more than 25% of the time.

## III— "All You Need Is Five Minutes"

A time management hint is to *spend 5 minutes at the end of each day in order to analyze that day's time management and to plan the next day.*

It is interesting that with so many people spending "zero" minutes on time management, some of these people think that "overshooting" and spending an hour per day is required. Five minutes is plenty of time to plan tomorrow. Most people's days are so fragmented that any more time spent on planning the next day's activities is useless—and a waste of time.

Some people try to plan each day in the morning rather than at the end of the previous day. Such an approach tends to drag on, minimizes the feedback and retrospection aspects related to planning on the afternoon of the previous day, and seems to involve a different thinking process than executing. In short, some people get stuck on planning in the morning and never get going. Besides, with discipline it is easy to complete a few simple tasks at the end of today rather than planning to do these small tasks tomorrow.

**IV—****To-Do Lists**

There is a continuum of how people plan the next day. With estimated percentages for people who work in offices, the range is:

1. No list of things to do tomorrow (60%)
2. List, but no times (30%)
3. List, but times add to around 40 hours for tomorrow (5%)
4. List, but time for tasks adds to 8 hours for tomorrow (4%)
5. List, realistic times written for each task, and a realistic total (1%)

In order to reduce procrastination, a time management hint is to use the most advanced technique, which is to *utilize, as part of the 5-minute "today" plan for tomorrow, a list of tasks to be done, with realistic times for each, which adds to a realistic total.* A realistic total number of hours to complete planned tasks is between 2 and 4 hours per day for most people. That is, after subtracting out the formal planned meetings, informal necessary meetings, telephones, mail, and interruptions, there are often only 2 to 4 hours per day available to complete planned tasks. This is important to recognize in matching the tasks to be done (and estimated time for completion) with the time available.

Another consideration is that most people find it impossible to plan exactly when they will be working on a particular task. However, it is important to recognize that we have to "hustle" in the time that is available. If the work is not completed during the "windows," it certainly won't get completed some other time.

**V—****Matching Energy Level and Task**

A time management hint is that *it does not matter whether a person is a fast morning starter or a slow morning starter. It does matter that a person matches the type of work to be done with their energy level.* A related time management hint is to *DO HIGH-ENERGY WORK IN HIGH-ENERGY TIME.*

Like most other time management hints, these admonitions involving the linkage of energy level and tasks seem simple. However, most people do exactly the opposite, doing all their low-energy tasks during high-energy times and then getting nowhere on high-energy tasks until there is a crisis. Such an approach promotes procrastination.

**VI—****Misplanning Meetings**

In addition to misallocating the task–energy linkages, most people unwittingly misplan their days and weeks. For example, most people when telephoned to schedule a meeting ask "when?" But "when?" is exactly the wrong question. Rather, a person should use the time management hint to *ask "why" a meeting is needed.* Asking why eliminates about half of the scheduled meetings for most people. The business can often be settled quickly on the telephone. Sometimes, people will not be ready for a meeting. Sometimes, documents can be sent via FAX or courier rather than having a meeting. In short, getting business "done" without having a meeting saves about 1 hour per meeting. This amounts to about 50 hours per year, merely by asking why rather than when, and bypassing just one unnecessary meeting per week.

Once it is determined that a meeting is needed, the next question not to ask is "when?" Once again, "when" is the wrong question. A person should use the management hint to *ASK "HOW LONG" A NECESSARY MEETING WILL LAST.* There are a few reasons why the planned length of a meeting is important. First, Parkinson's law states that work expands or contracts to fit the time available. Second, most people will mentally calculate their estimate of how long a similar meeting takes—and then divide by 2. That is, if someone thinks a meeting will last for an hour, they say "Oh, a half-hour should do." Or, if someone expects a meeting will last for a half-hour, they will estimate that 15 minutes should suffice. Third, most meetings do not have an estimated

length, but only a starting time. With an undetermined estimated length, it is not surprising that many meetings last indeterminately.

Once the meeting length is determined, the next important question still is not "when?"—as in what time to start. Rather, the next question—or mental calculation—is another management hint, which is to *Ask "when do I want this meeting to finish?"* The finish time is important, because it provides a "bail-out" time or a predetermined finish time that everyone knows. If a meeting is dragging along, most people who attend a meeting will speed up the process so that the meeting finishes on time.

As well, anyone who leaves "on time" does not feel guilty. The people left in the meeting usually feel guilty because the meeting lasted longer than expected. This is a good example of guilt reversal, because anyone leaving "early" from a meeting which had no prescribed length (or finish time) usually feels guilty and is made to feel guilty by those people still meeting.

Another aspect related to expected length of meetings is that less time does not mean less discussion or worse decisions. Indeed, most meetings consist of people saying the same thing three or four times, usually louder each time. Thus, asking the previous questions regarding meetings will help manage everyone's time better.

## VII— Misscheduling Meetings

Linking the time management analysis concerning energy levels and the analysis regarding misplanned meetings, the next step is to attack misscheduled meetings.

The most common day for meetings appears to be a victim of compromise. Most people say that the next week is "clear." They add [Monday + Friday], divide by 2, and schedule the first meeting for Wednesday.

The most common time for scheduling meetings also appears to be a victim of compromise. Most people say that the day is "clear," and pick the morning over the afternoon, because the morning comes first. Next, the time compromise consists of adding [8 a.m. + noon], dividing by 2, and scheduling a meeting for 10 a.m.

Subsequent meetings are scheduled for 10 a.m. or 2 p.m. on each day of the week. The net result is a scheduled checkerboard, which minimizes the opportunity for any individual work to be accomplished.

Consider that most people "warm up" each day with social discussion for one-half hour to an hour, check the mail, and return yesterday's phone calls. They attend a 10 a.m. meeting which "conveniently" ends at noon. Lunch is supposed to last from noon to 1 p.m., but stretches to 1:30 p.m. After a half-hour of checking the mail and returning phone calls, a 2 p.m. meeting follows. This meeting slides into a coffee break which ends at 3:30 p.m. Between 3:30 and 4:30 (or 5:00), most people try to get all of the day's work completed, as well as returning all the phone calls.

For a fast morning starter, there is little possibility that anything meaningful will be accomplished after 3 p.m. Even a slow morning starter will have to exert considerable effort to accomplish tasks at the end of the day, due to the "extra" things that came up in the meetings.

Further, why anyone schedules meetings during high-energy time for the entire office is a mystery. But that is what a "10–2" meeting checkerboard does. Thus, a time management hint is to *never schedule meetings for 10 or 2.*

Planning day and weeks properly beforehand sets up increased work productivity. A time management hint is to *match the meeting purpose with high- or low-energy times. Try not to schedule meetings between the hours of 10 and 3.* A related time management hint is to *schedule meetings back-to-back or have a "bail out" time. Do not "checkerboard."*

## VIII— Revised Telephone Protocol

Greater productivity is likely to result with revised telephone protocol. When "Hi! How are you doing?" is followed by "Fine. Can I help you?" telephone calls take less time. Most people usually get down to the business aspects of the call—without offending the other person.

There are other variants of "Can I help you?" for telephone calls, including:

1. "What can we do for you today?"
2. "What's up?"
3. "What's happening?"
4. "What do you have for me today?"

All of these phrases are examples of a time management hint to *not answer telephones with "Hi! How are you?"*, but with a phrase such as *"What can we do to help?"*

Even if your first efforts at using a key phrase (which feels "comfortable" for you) does not work, just repeat the key phrase and the phone call will move along.

**IX—**

### **"Moving Along"**

In the middle of a phone call, most people repeat themselves, usually unnecessarily. Therefore, a key phrase such as "That's settled" or "I've got that" or an emphatic "Yes" will likely move the call ahead.

**X—**

### **Hanging Up**

Most telephones have a relatively easy hang-up protocol. However, some calls drag on and seem to have no quick end in sight. Among the coping strategies which some people use some of the time to end phone calls are:

1. "My boss is waiting."
2. "Someone's in my office."
3. "I've got to go to a meeting."
4. "I really have to go."
5. Getting the secretary to ring the intercom.
6. Playing with the touch-tone buttons and generating the illusion of the call-waiting feature on telephones.

It is not recommended that someone use a technique to end a phone call which is not consistent with their personality. For example, some people see the previous actions as acceptable, but other people see them as "lies." Nonetheless, everyone should be aware that other people may use these techniques. In fact, the most common household approach to end a long telephone call is to say "There is someone at the door" or to get a child to ring the doorbell.

**XI—**

### **"Telephone Tennis"**

One of the most frustrating aspects of telephone calls is the increasing likelihood that your first call will not be answered by the person you are calling. First, many more people are screening incoming phone calls and batching outbound phone calls. A time management hint is to say *"This is Bob Schulz, returning X's phone call."* By identifying yourself and the fact that you are returning a phone call increases the probability of talking to the other person. Many secretaries/receptionists are instructed to "say I'm in a meeting, unless it is someone returning my call—or the boss."

Another time management hint is to leave as much information as possible when returning a call. This reduces the telephone volleys if you are unavailable for the return call.

## **XII— Interruptions**

There are two types of personal interruptions—"social" and "business." The social interruptions are quite predictable and usually involve one or more of the following:

1. Sports—"Did you see the game last night?"
2. Weather—"Gosh, it is really cold out there."
3. Vacations—"Where/when are you going this summer?"

## **XIII— Office Arrangement Mistakes**

Most interruptions, particularly the social interruptions, are caused by the arrangement of most offices. The best way to maximize interruptions is to have a desk in the hallway. The second best way to maximize interruptions is to arrange an office in the same manner as about 65% of the people who work in offices. That is, position the desk in the middle of the office and look out the door.

The most common cause of interruptions is eye contact. Few people behind a desk can resist looking up when someone walks by. Few people walking down a hallway can resist looking into offices with open doors. Once there is eye contact, there likely will be an interruption.

## **XIV— Reducing Interruptions**

The easiest way to reduce interruptions is to utilize a time management hint to *position the desk so as to face away from the door. This reduces eye contact and reduces interruptions.*

A second related way to reduce interruptions involves the door. A wide-open door invites interruptions. A closed door generally reduces morale of colleagues and makes the person an outcast. However, leaving the door open just 1 to 3 inches (if physically possible) produces the best of all worlds: minimal eye contact, minimal interruptions, and equivalent morale.

Therefore a time management hint is to *close the office door, but not all the way, so as to reduce eye contact—and reduce interruptions.*

## **XV— Reduce the Length of Interruptions**

Once an interruption has occurred, reducing the length of the interruption is important. The most significant factor affecting the length of interruptions involves whether at least one person is standing. If so, the interruption is likely to be short. If not (everyone is sitting), the interruption is likely to be much longer.

A time management hint is to *reduce the length of interruptions by reducing the probability that the person who interrupts will sit down.*

There are various ways to do this, including:

1. Having paper (memos, mail) on the seat of each side chair
2. Having paper stacked on the floor, so that people have a difficult time entering the office.
3. Having no side chair
4. Having uncomfortable, hard side chairs

There are also a variety of techniques used by different people to shorten and/or end a particular interruption. Remember that the following examples are not necessarily recommended, but have been used by different time management workshop participants. The tactics which some people use to get someone out of their office include:

1. Just say you are busy.
2. Ignore the other person.

3. Say you have a meeting coming up.
4. Make a telephone call.
5. Hope the telephone rings.
6. Look out the window.
7. Look at your watch very often.
8. Stand up.

**XVI—  
Game Plan**

Each person needs to develop their own game plan for better time management. The best approach is to identify two or three simple, but important, time management hints which are easily accomplished.

Of all the time management hints, the most significant are the daily 5-minute review/plan and—when under time stress—asking the question "How else should I have done this?"

Finally, remember that good time management looks simple, but why are so many people making so many mistakes?

117—

## **Creating the Learning Organization: Beyond Mechanisms**

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Organizations as adaptive rational systems that learn from experience is a view that was first proposed 35 years ago by Cyert and March (1963). Sociotechnical system scholars articulated organization design principles that intend to foster the organization's ability to learn. (e.g., Emery and Trist, 1965; Cherno, 1976; Pasmore, 1994; Taylor and Felton, 1994). Senge defined a learning organization in terms of continuous development of knowledge and capacity (1991), yet over the last three decades relatively little has been written about the specific organizational learning mechanisms that enhance the organizational capacity of learning. Among the few exceptions are the works by Lipshitz, Popper, and Oz (1996), Popper and Lipshitz (1998), and Wick and Leon (1995), which investigated the structural and cultural aspects of organizational learning.

Over the past decade the pressures to better utilize "human capital" as organizations are faced with tougher competitions increased the interest in the phenomena of "organizational learning." Recent literature identified organizational learning as a source of competitive advantage. Furthermore, two different kinds of learning processes in organizations, *learning how* (organizational members engaging in processes to transfer and improve existing skills or routines and learning) and *learning why* (organizational members diagnosing causality) represent distinct organizational strategic capabilities (Edmondson and Moingeon, 1996). The managerial challenge rests in the development of processes that fully utilize human capital and organizational learning capabilities.

The intense interest in organizational learning has been documented in many recent articles in management journals and books. Some argue that the wide range of recent publications have helped place "the study of organizational learning firmly on the map of theory and good practice" (Garratt, 1994), yet from an organizational management consultancy point of view, the knowledge about fostering the creation of a learning organization is limited. This chapter attempts to provide a synopsis of what is known about organizational learning and the "learning organization," explores alternative mechanisms that foster organizational learning, and discusses some of the challenges that managers and consultants face as catalysts in the process.

I—

### **Learning Organizations and Organizational Learning**

Our research indicates that surprisingly, a wide variety of definitions of learning organization and organizational learning can be found in the literature. While a review of the different definitions is beyond the scope of this chapter, we are building on a few of them in order to propose two well-

rounded definitions. A learning organization is an organization characterized by a particular culture, climate, managerial pattern, and capacity that enables the entity to improve itself systematically and over time. As such, learning organizations are entities that have the skills of creating, acquiring, and transferring knowledge and have demonstrated the ability to continuously improve their products, services, and financial results and to change themselves as required by the actual and anticipated demands of the marketplace. The intensity and direction of the changes derive directly from the vision, goals, and operating policies of the organization.

Organizational learning is a system of principles, activities, processes, and structures that enable an organization to realize the potential inherent in its human capital's knowledge and experience. According to Senge (1991), organizational learning incorporates all the activities and processes taking place on the individual, team, and organizational levels. According to Schein (1993), there are at least three distinctly different types of learning: knowledge acquisition and insights (cognitive learning), habit and skill learning, and emotional conditioning and learning anxiety. The concept of a learning organization, then, appears to focus more on the "what," while the concept of organizational learning concentrates more on the "how."

By their very nature, organizations as social systems are environments in which learning takes place (Argyris and Schon, 1978; DiBella, Nevis, and Gould, 1996). Nonetheless, organizations that can be termed learning organizations share a number of common features. A learning organization is first and foremost an organization that encourages and emphasizes sustained and active learning, one in which organizational learning constitutes an integral part of its business strategy. A learning organization is one whose managerial processes generate an organizational culture that allows for quick response, flexibility, integration, initiative, and innovation. In a learning organization, learning stems from and is based upon the organization's past experience and accumulated knowledge; that is, on what is commonly termed "organizational memory." These learning features enable the organization to develop a dynamic and competitive strategy, formulate a shared vision, institute orderly and permanent systematic thinking, incorporate mapping systems activities, and create an effective mechanism for adapting to the changes and constraints that arise from operating within a turbulent environment. Organizations with the foresight to adopt the conceptual foundation of organizational learning and to implement it through appropriate procedures have reported significant positive results over time. Such organizations as General Electric, ABB, Rover, and Honda have developed internal mechanisms that facilitate skill development, surface and integrate knowledge within and outside the organizational boundaries, and become adept at translating the new knowledge and insight into new organizational forms and actions.

Following are two snapshot examples of companies that after having adopted the organizational learning philosophy have reported improved business and organizational results over time. In 1991, Sir Graham Day, the president of the British company Rover, declared that organizational learning will be the foundation of any company's ability to survive and succeed over time. Indeed, Rover's transformation into a learning organization led to results that speak for themselves: between 1992 and 1996, the company doubled its sales, cut costs of automobile production by half, won every British and European award for quality, and reported a significant increase in employee satisfaction. (For additional information on Rover as a learning organization, see Marquardt and Reynolds, 1996.)

In 1990, the management of Kaiser-Permanente (KP), an American company specializing in health products and services, proclaimed that their ultimate goal was to transform the company into a learning organization. As a result of implementing organizational learning techniques, KP has reported that since 1991 the number of service customers has risen by an average of 10% annually while the number of customer complaints has dropped by an average of 7%. (For more information regarding the learning organization at KP, see Stebbins and Shani, 1995.)

## II— The Structural Mechanism of Organizational Learning

The experience of the past several years indicates that the idea of organizational learning has captured the imagination of managers and scholars alike (Edmondson, 1996). Furthermore, an increasing number of organizations and executives are predisposed to understand and adopt the learning organi-



zation concept. Some also see this comprehensive concept as a window of opportunity for assimilating advanced managerial approaches, yet a follow-up study of leading U.S. organizations attempting to assimilate new managerial approaches reveals some failures among those that did not have the foresight to construct a suitable mechanism for organizational learning that incorporated processes, tools, and work patterns (Edmondson and Moingeon, 1996). Moreover, the published literature does not provide sufficient knowledge regarding implementation (Edmondson, 1996; Popper and Lipshitz, 1998). The structural mechanism for organizational learning is viewed as a formal configuration within the organization whose purpose is to develop, improve, and assimilate learning (Bushe and Shani, 1991; Schein, 1993). Just as there are many types of formal organizations, there are also various structural forms of organizational learning.

This chapter proposes a continuum of structural learning mechanisms with an integrated mechanism on the one end and a parallel mechanism on the other. The pure integrated learning mechanism is viewed as an orientation that takes full advantage of the existing structural configuration by channeling its focus to learning. The pure parallel learning mechanism is based on the orientation of creating a new microcosm-based structure that focuses on learning. Table 1 provides a comparative summary of the two organizational learning mechanisms along the following dimensions: focus, basic assumptions, implementation mechanisms, system developers, and a partial list of organizations that implemented the approach, while Table 2 attempts to outline their strengths and weaknesses.

### III—

#### **The Integrated Learning Mechanism**

The integrated structural mechanism for organizational learning is an organizational structure that is fully integrated with the existing formal structure in the organization. The integrated learning structure is based on the notion that a learning structure gets created and added into the existing structure. The mechanism responsible for organizational learning is established within the existing formal structure. Usually one of the deputy CEOs or vice-presidents is appointed to head the organizational learning unit. The organic teams and units functioning within the organization operate alongside this unit. These teams take on additional activities and responsibilities for improving learning processes within the organization.

SAAB, the Swedish automobile company, established an integrated learning structure that included the following components: a primary steering team headed by the vice-president of production, quality circles within the permanent work teams on the production floor, and process improvement teams within the organizational units. Information flowed to and from all the teams and was processed and tallied by the steering team. This organizational learning led to significant changes and improvements in work processes, managerial mechanisms and procedures, data processing, and hiring and training procedures. (For more details regarding SAAB as a learning organization, see Shani and Stjernberg, 1995.)

### IV—

#### **The Parallel Learning Mechanism**

The parallel learning structural mechanism is based on establishing an organizational structure that operates parallel to the existing formal-bureaucratic structure and constitutes a microcosm of the existing organization. The parallel structure comprises a central steering team and several learning teams. The members of the parallel organization (the steering team and the learning teams) continue to be part of the formal organization as well as to fulfill their managerial and professional roles. In addition, they devote 10% to 25% of their time to the parallel organization.

Signetics, a semiconductor manufacturer, set up a parallel learning structure in order to increase effectiveness and enhance innovation and initiative within the organization. The steering team that was set up constituted a microcosm of the organization's managerial structure. Once the primary objective was formulated and approved by the formal executive body, two 13-member learning teams representing a microcosm of the entire organization were established. One team focused on analyzing the existing organizational structure and work procedures in order to develop and propose

**TABLE 1** Integrated Learning Structure and Parallel Learning Structure: A Comparative Analysis

Feature	Integrated learning structure	Parallel learning structure
Focus	Taking advantage of the potential inherent in the organization's knowledge and experience by using the existing formal structure in order to achieve ongoing improvements and to adapt to the changing business environment	Taking advantage of the potential inherent in the organization's knowledge and experience by setting up a parallel organizational structure in order to achieve ongoing improvements and to adapt to the changing business environment
Basic assumption	Implementing organizational learning is an inseparable part of existing organizational-management activities	Implementing organizational learning requires establishing a structure and creating processes beyond existing organizational-management activities
Implementation mechanism	Executive decision to implement organizational learning  Appointing the CEO or one of his deputies responsible for organizational learning, with executives serving as the steering team leading the process  Developing an organizational structure in which learning processes are carried out primarily by organic teams (departments) and improvement teams operating within the organization	Making executive decision to implement organizational learning  Establishing independent steering teams that constitute a microcosm of the formal organization to lead and guide the organizational learning process  Establishing separate learning teams that constitute a microcosm of the organization
System developers	Reliance on existing processes, structures, and tools for learning  Kano and Lillrank, 1989; Imai, 1986; Senge, 1991	Initiating possible development of new processes, structures, and tools for learning  Zand, 1981; Kilman, 1982; Bushe and Shani, 1991
Implementing organizations (partial list)	Knight Ridder, Honda, Saab, Fiat, General Electric, Erickson	Komatsu, Rover, ABB, Algoods, Blue Shield of California

organizational learning procedures for improving organizational performance over time. The second team sought to develop and propose organizational learning procedures for improving and enhancing levels of creativity and innovation. In the 10 years since learning procedures were instituted in the organization, the company has reported on a sustained increase in efficiency and a rise in the number of patents registered at the U.S. Patent Office. (Further details regarding the results of organizational learning at Signetics can be found in Shani and Sexton, 1996.)

Learning procedures developed in each individual organization must be compatible with its specific goals and specialities. Because of the wide variety of tools, techniques, and processes available for organizational learning, every organization can "tailor" the most convenient and appropriate learning structural mechanism. It can do so while taking into consideration the strengths and weakness of the structural mechanisms available for implementing organizational learning, as outlined in Table 2.

Despite the differences between the "pure forum" of the structural mechanisms for organiza-

**TABLE 2** Strengths and Weaknesses of Integrated Learning Structure and Parallel Learning Structure

Feature	Integrated learning structure	Parallel learning structure
Strengths	Takes advantage of the organization's existing knowledge and experience by expanding the existing formal organizational structure.	Takes advantage of the organization's existing knowledge and experience by creating a new organizational structure and processes that are not dictated by the existing formal-hierarchical structure.
	Focuses and channels efforts for improvement within the organization.	Involves the active participation of many members of the organization in designing and adapting learning within the organization.
	Integrates learning as an integral part of regular organizational activities.	Opens channels for initiative and innovation and develops alternative methods of thinking.
	Improves the effectiveness of the existing formal structure.	Creates a means for implementing cooperation and removing barriers between existing departments.
	The implementation process is likely to be rapid.	The implementation process and the ensuing changes develop gradually and are likely to be slow.
Weaknesses	The change is initiated and led mainly by executive personnel. The level of commitment and involvement of all members of the organization is relatively low. Sometimes the level of active executive involvement is also low.	The change is initiated by executive personnel, but their level of involvement and commitment is likely to be low. Learning procedures proposed by the parallel learning structure require executive approval.
	The weak points of the existing formal structure have repercussions and implications on the learning processes.	There are difficulties in securing the commitment of the existing formal organizational structure to learning processes and changes developed by the parallel learning structure.
	Results are difficult to measure and evaluate relative to the learning process.	Results are primarily long-run.

tional learning, they do share a number of core processes: (1) establishing a special structural mechanism for learning; (2) developing principles, tools, and procedures for systematic data collection, orderly information flow, and uniform data analysis; (3) creating channels that enable the organization as a whole to collect and analyze its shared "organizational memory" based on firm failures and successes; and (4) providing legitimization for all members of the organization to take advantage of the knowledge and experience accumulated at the individual, team, and organizational levels. Use of these core processes leads to development of operational methods and solutions to ensure business success over time.

A review of recent studies on structural learning mechanisms that evolved in organizations reveals a wide variety of mechanisms on the continuum between the "pure" parallel and the integrated one. While overall the number of reported studies is small, most of the studies focus on descriptive case studies about the creation of the learning mechanism and their key features. An interesting finding reveals that in some of the cases the learning mechanisms that began as parallel evolved into more of an integrated one (e.g., Stebbins et al., 1998) and in others the integrated structural mechanisms evolved into more of a parallel one (e.g., Mitki, Shani, and Meiri, 1997).

V—

### **Creating a Learning Organization: Some Challenges**

In a recent interview published in the *Harvard Business Review*, John Browne, the CEO of British Petroleum, discussed with Steven Prokesch his views on "unleashing the power of organizational learning" (Prokesch, 1997). Browne argues that organizational learning is the key to "being able both to identify opportunities that others might not see and to exploit those opportunities rapidly and fully." According to Browne, since learning is at the heart of a company's ability to adapt to a rapidly changing environment, facilitating the generation and the diffusion of knowledge must be on the top of the list for managers at every level of the organization. As such, the transformation of the organization into a learning organization becomes a top priority for management. This section identifies and discusses some issues that need to be addressed by managers and consultants: creating a "safe" learning environment; developing an action research-based learning orientation; assessing the organizational learning capability; rethinking the role of managers and consultants in the knowledge transfer process and as the coaches of the learning process; and exploring alternative learning mechanisms.

A—

### **Creating a Safe Learning Environment**

The challenges in the creation process of a learning mechanism are many. Schein (1993) states that he is "struck by how little we really know about the dynamics of organizations and social systems, and how little we know about the learning process." Michael (1985) has observed that we have too much information, limited cognitive abilities to think in systematic terms, and an unwillingness to violate the cultural norms that leaders must always appear to be in control and have solutions for all our problems, so while the mechanics of creating learning organization mechanisms might be relatively simple, the most potent and most difficult issues to deal with have to do with what Schein termed "learned anxiety."

In this day and age, most employees have been through several traumatic reorganizations that may have involved restructuring, downsizing, and the like, most of which have been painful events. Painful experiences produce feelings and anxieties that are not easy to overcome. Managing the anxiety of change is critical if we attempt to foster learning. Schein (1996) advocates a few elements that can help establish a "psychologically safe environment": opportunity for training and practice; support and encouragement to overcome the fear and shame associated with making errors; coaching and reward for efforts in the right direction; norms that legitimize making errors; and norms that reward innovative thinking and experimentation. Managers as coaches of the process shoulder the responsibility of nurturing such an environment, which is crucial for the creation of learning organization.

B—

### **Developing an Action Research-Based Learning Orientation**

The concept of a learning organization is embedded in most of the organization development literature, without the actual use of the label (Watkins and Golembiewski, 1995). A careful examination of the OD literature reveals that the roots for the focus on learning can be traced to the early work on action research (Lewin, 1946). For action research to hold true to its historical roots, it must be concerned with using knowledge derived from inquiry. The basic logic of action research (as formulated by Lewin, 1946; Foster 1972; Clark, 1972) is to give the learner access to a much deeper level of data about organizational processes by the closeness to the process that comes from being an active participant and contributor. Action research orientation is viewed as an inquiry process in which behavioral and organizational science knowledge is integrated with existing organizational knowledge and applied to address real organizational problems. It is simultaneously concerned with bringing about change in organizations, in developing self-help competencies, in organizational members and in adding scientific knowledge (Susman and Evered, 1978).

As such, action research orientation advocates clear focus on a specific issue, involves collaboration and inquiry, involves the learners first hand in the process, involves mutual education, involves the development of self-help competencies, strives for system development, generates valid knowl-

edge, and lays the foundation for a learning system (Shani and Pasmore, 1985). At its most basic level, action research orientation involves unlocking information or data trapped in the minds of organizational members, generating shared understanding of the data, and applying the data effectively toward organizational issues.

As such, the learner, manager, and consultants put themselves in a position of being accountable to both the system in which the changes are taking place and the wider community for which the knowledge should be developed and transmitted. The resulting documentation, analysis, and development process of theories in use (i.e., existing learning mechanisms) rather than espoused theories (e.g., Bushe and Shani's view of parallel learning mechanisms) may potentially lead to a better "fit" between the chosen learning mechanisms and the organization as well as to a major contribution to knowledge.

**C—**

#### ***Assessing the Organizational Learning Capability***

Since organizations (1) learn from experience, (2) develop the ability to deal with problems and survive, and (3) create core competencies and distinct culture, understanding the organization's learning capability and orientation is likely to be one of the first tasks of the newly formed learning mechanism. This understanding is likely to provide the basis for designing activities, programs, and change programs that will increase the organizational learning capability. The action research orientation provides a scientifically based learning process that, beyond helping to provide an accurate assessment of the organizational learning capabilities, facilitates the creation of a learning system.

In order to build mutually satisfactory relationships of a collaborative nature, the researchers (action researchers) must spend time educating the other learners in theories of organizational behavior and change and methods of organizational research. At the same time, organizational members must spend time educating the researchers in important aspects of the system, its environment, and its people. Beyond generating a better understanding of the system, the mutual education process between the learners in the learning process while collaborating on studying the current organizational learning practices and capabilities, is likely to result in the further development of organizational learning competencies.

**D—**

#### ***Rethinking the Role of Managers and Consultants***

Managers and consultants play a critical role both in the knowledge transfer process and as the coaches of the learning process. Organizations must examine their business goals and core processes frequently and adapt them to changes in the environment and to customer needs. Business success for an entire organization in an environment characterized by rapid changes, technological and otherwise, is dependent upon its ability to develop and utilize the maximum potential inherent in its human and technological resources.

Accordingly, it is incumbent upon the CEO and the other executives to endorse organizational learning as the central component in creating a competitive advantage over time. A critical component of such support is the creation of a clearly articulated vision of a learning organization, one that the members of the organization can understand, identify with, and feel committed to. The executive role is to nurture an atmosphere of openness, cooperation, creativity, and support for designing new patterns of thinking. Furthermore, it is important to attempt to alleviate fears and suspicions and to contend with those who object to change. The commitment of the CEO and the senior executives should be expressed through their willingness to invest the necessary resources of time, money, and so on, in creating and operating the organizational learning mechanism. This mechanism, to be adapted to the character, culture, and goals of a specific organization, will be based on a variety of learning and feedback structures and processes.

**E—**

#### ***Exploring Alternative Learning Mechanisms***

Based on their assessments of the organizational learning capabilities, organizations may choose to change their orientation or improve some factors that facilitate organizational learning. Some argue

that to enhance learning requires a fundamental change in culture (Ulrich, Jick, and Von Glinow, 1993). Others argue that it is not necessary to change the corporate culture in order to facilitate learning. Organizations may improve their learning capabilities by improving what they already do well (DiBella, Nevis, and Gould, 1996; Garvin, 1993). The latter approach may be less threatening and less anxiety-provoking.

The designers of the effort are faced with few choices as they determine the direction, scope, and structural learning mechanisms to be developed. They may choose to build on existing capabilities and build their own learning mechanism, they may choose to build a new mechanism that seems to have worked elsewhere (e.g., creating the parallel learning mechanism), or they might choose any combination of the above. The critical issue is not so much which choices were made but the learning process that was followed in making the choices. Managers and consultants shoulder the responsibility of not ignoring existing capabilities, in carefully examining "what" and "how" the organization learns, and in conducting an in-depth study of existing learning mechanisms and the assessment of potential match and mismatch between the organization culture and the different learning mechanisms.

Our research indicates that organizations that have a strong management commitment to creating a learning organization have followed an action research orientation, worked at creating a safe learning environment, started by a careful study of their existing learning capabilities, systematically explored alternative learning mechanisms, and managed to fully utilize their learning potential.

Achieving the optimal fit between the organizational products, services, culture, structure, processes, learning capability profile, and learning mechanism is a complex learning process. While the benefits of action research orientation are attractive, attaining them is not easy and certainly never guaranteed. The complexity of action research has long been recognized, nevertheless if managed well this complexity has the potential of yielding the desired outcomes. Our study illustrated the complexity of the process of creating a learning organization and the difficulty of doing it well, and recognizes that there are few if any shortcuts.

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## 118— Creating Work Cultures with Competitive Advantage

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The world of work is the scene of much innovation and change. Some Weyerhaeuser Company employees, for example, are on temporary assignment to work at customer companies. At Tektronix's Forest Grove plant, a group of technicians met with technicians from a supplier and jointly solved a nagging quality problem involving particulate matter contamination.

1. After redesigning their jobs, workers at a General Electric plant set production schedules 50% higher than those previously established by management.
2. A packaging team at the Procter & Gamble Company's soap plant in Lima, Ohio redesigned, installed, and started up an innovation in packaging that was based on the insight of one team member who persisted with an untried idea in the packaging of liquid products. Initially, engineers at the plant were not interested in the idea.
3. After self-managing work teams were introduced into the policyholder services area at Shenandoah Life Insurance Company, the employee-to-supervisor ratio changed from 7 to 1 to about 37 to 1, service improved, and complaints and errors declined.
4. Digital Equipment's factory in Enfield, Connecticut has no supervisors.
5. Ford's car assembly plant in Hermosillo, Mexico has only one job classification for all assembly workers, who do all their own quality control and on-line maintenance. When necessary, the workers can stop the assembly line. During their first year, they established a lower defect rate than most Japanese automobile makers.
6. At Aetna Life's new benefits claim office in Rocky Hill, Connecticut, each 12-person team handles all the various claims-handling functions that used to be done in several different departments. They also manage their own work flow, scheduling, overtime, hiring, and performance evaluations.
7. At a new General Foods plant in Iowa, the corporate business team manager personally visits the plant and briefs each new group of employees on the product, market, competition, and business plan.
8. For more than 15 years, the Gaines Pet Food plant in Topeka, Kansas has had an open storeroom, and employees have keys to the main doors of the plant.
9. Over a four-year period at Dana Corporation, the corporate staff was reduced from nearly 475 to less than 100, and the number of levels of management was reduced from about 14 to about 6. During this time, sales increased fourfold.



These are examples of some of the creative approaches to work in high-performance, high-commitment work systems. They are planned work cultures designed to achieve competitive advantage. This article describes what these work systems are, how they are designed, and why they successfully yield competitive advantage.

## I— Historical Perspective

During the 1980s, two major changes have occurred in industry: First, most markets have become genuinely international in scope, and second, as a result, various attempts have been made to gain or regain competitive advantage through productivity improvements. However, as Wickham Skinner observed in "The Productivity Paradox" (*Harvard Business Review*, July–August 1986), "The very way managers define productivity improvement and the tools they use to achieve it push their goal further out of reach." Skinner's research shows that attempts by managers to squeeze ever more out of the same production systems are doomed to failure because of the narrowness of their vision. While engineers usually look to efficiencies for solutions, mainly by reducing direct labor or by adding new technology (automation, robotics, computer-integrated manufacturing, and so forth), others seek keys to productivity gains in "people management" through goal setting, training in excellence, quality circles, employee involvement, or various other quality-improvement and performance-improvement programs. Both efforts at improving efficiencies and employee-centered approaches are too limited in their perspectives.

Since Thomas J. Peters and Robert H. Waterman, Jr.'s book *In Search of Excellence* (Harper and Row) appeared in 1982, management has pursued the quest for excellence with vigor and, apparently, with good reason. Peters and Waterman's ideas are useful and have commonsense appeal. However, I believe that organizations can only go so far by doing more of what they are already doing or by doing it better. Instead, they have to do some things *differently*. Management needs to rethink how work itself is designed and how people (including management and staff support roles) are organized to get their jobs done. I want to call attention to two major levers for enhancing both productivity and the quality of worklife in the workplace: the *design of work* itself and the *structure of work organizations*. I will also show how these levers have been used to create planned and successful work cultures with competitive advantage—work cultures characterized by energy, learning, and quality.

People exhibit *energy* (or enthusiasm) when work is challenging and significant and continuous *learning* is both stressed and rewarded. Pride in producing the highest *quality* products or services is an inherent part of such a work system. I will outline an approach to the design or redesign of a work organization to create a high-performance work culture in which the basic management strategy is to engender high commitment from all parties, whether in operating, staff-support, or management positions. In such a high-performance, high-commitment work system, the culture itself is an asset that is valued and maintained. The basis for sustained competitive advantage is provided by a competent, committed, and flexible workforce.

Most attention will be given to manufacturing organizations because most of the literature on high-performance work cultures has focused on innovative manufacturing systems, such as the Sherwin-Williams' paint plant in Richmond, Kentucky and the Gaines pet food plant in Topeka, Kansas. However, high-performance work cultures might also be created by restructuring a staff department, installing a new information system technology, or redesigning office work (as at Aetna, Kemper, Lincoln National, The Travelers, and Shenandoah Life, for example). Although redesigning an established and traditional work organization is more complex and presents some significantly different challenges, the same fundamental principles and the same basic approach apply as those used in creating a new plant or a new division.

Since the industrial revolution, most manufacturing has relied on highly engineered technologies that call for workers to be paid as much as necessary (yet as little as possible) to get them to do routine, repetitive, unchallenging jobs requiring only modest skill. A classic example of this approach to the design of work is the General Motors Corp. assembly plant in Lordstown, Ohio, which began making Vega automobiles in 1971. The promise of the Lordstown plant was a highly

engineered assembly process designed to enhance productivity. However, the plant did not deliver the anticipated levels of productivity and quality because its designers failed to consider the people who would work there. All the workers got was more money and faster-paced work. Around the same time as the Lordstown plant opened, researchers began to write about the "blue-collar blues," pointing out that high hourly wage rates are not enough to ensure the commitment necessary to operate a factory effectively.

Until management changes its views about people, traditional approaches to engineering have taken us about as far as they can in our quest for competitive advantage. Organizations will continue to be limited by the limits of technology unless management changes its views about people and about the design of work. Most approaches to productivity improvement have tried either to increase efficiency or to develop skills and awareness (for example, statistical process control). In doing so, these approaches have, according to Skinner, detracted "attention from the structure of the production system itself."

Today, in many organizations, tasks have been divided into small enough pieces that the workers require little training. To ensure reliable output, these organizations have created elaborate control systems with large numbers and several levels of supervisors and staff managers as well as accounting and management information systems. Richard E. Walton calls this approach to the design of work a "control strategy" of workforce management. In his article "How to Counter Alienation in the Plant" (*Harvard Business Review*, November–December 1972), he says that this approach is obsolete as a contemporary management choice. Moreover, he writes that any approach "that assumes low employee commitment and that is designed to produce reliable rather than outstanding performance simply cannot match the standards of excellence set by world-class competitors."

When management thinks of people principally as a variable cost (which can almost always be reduced), then it is mostly likely to seek changes in technology or in work methods (resulting in less labor input) as ways to control costs. However, if management views people as both resources and collaborators in the competitive marketplace, it is more likely to seek ways in which everyone's commitment, competence, and intelligence can be aligned behind the company's purpose. Management's challenge shifts from "How can we do it our way better?" or "How can we all work harder?" to "How can we create the conditions for commitment to a common purpose and provide what it takes to get there?"

Perhaps the first step is to question the belief that the future lies exclusively in ever more highly developed technology. Management needs to seek and accept modifications in technology that offer employees more central roles in using and managing the production process. I am not simply suggesting yet another human relations program but rather a new way of understanding the role of people in the workplace. Management must recognize people as resources that can add value to the production process. The creative challenge is to link people and technology in ways that optimize both the potential of the technology and the contributions of people. The search is for a balance between an emphasis on technology and an emphasis on people.

## II—

### **Characteristics of a High-Performance, High-Commitment Work Culture**

In its most developed form, a high-performance, high-commitment work culture has five defining characteristics: delegation, teamwork across boundaries, empowered people, people integrated with technology, and a shared sense of purpose.

1. *Delegation* entails giving responsibility for decisions and actions to the people who have the most relevant and timely information or the most appropriate skills.
2. *Teamwork across boundaries* means involving the right people at the right time. Everyone in the organization must be integrated in the service of the product and the customer rather than focused mainly on their function or discipline. This includes the controller, purchasing, engineering, maintenance, manufacturing, materials control, quality assurance, R&D, personnel, and training. In conventional organizations, staff functions often keep themselves

separate and insulated by departmental boundaries, thereby creating an inward-looking orientation. When staff members reach outward, their intent frequently is to control or audit the performance of others.

3. Providing opportunities and valuing contributions *empowers people*. Organizations need to empower *all* people and no longer limit the roles and contributions of women and members of minority groups. No jobs or levels are suitable only for "appropriate people." Moreover, everyone is *expected* to accept and exercise the responsibility necessary to get their jobs done as well as to help others accomplish tasks. No one in the organization feels free to say, "I can't do my job." Limiting an employee's responsibility to a specific task or area is also not acceptable. No one feels free to say, "It's not my job" or "It's not your job."

4. *To integrate people with technology*, they must be able to exercise initiative and creativity on the production floor, in the office, or in the laboratory. They are in charge of the technology. With this understanding, the limits of productive capacity go beyond the simple limits of the technology to include contributions of resourceful and stimulated workers. As Japanese labor expert Haruo Shimada has said, only people can "give wisdom to machines."

5. *A shared sense of purpose* entails sharing a vision that is based on a clearly stated set of values describing both the organization's mission (purpose) and the methods for realizing it. An organization's vision provides energy and direction. It is a beacon by which everyone aligns themselves toward a common purpose. It empowers individual employees and forms the basis of a planned culture. All practices, policies, and symbols of a high-performance, high-commitment organization are congruent and point in the same direction (toward the vision). Just like the U.S. Constitution and Bill of Rights, an organization's vision is a state *and* a process toward which people continuously strive. It is inspirational and offers a standard against which people measure how well they are doing.

In workplaces with the above characteristics, there is *energy, learning, and quality*. The work itself is a source of enthusiasm. The customer receives value—high-quality products (or services) within promised delivery schedules. Management gets reliable output with low absenteeism. Unions gain employment stability for their members. Employees find their work a source of expanded self-esteem. Vendors are viewed as essential parts of the work system, and they become collaborators in the service of the customer. These work systems are successful in the competitive marketplace because they are competent, committed, and flexible.

### III—

#### **What a High-Performance, High-Commitment Work System Is Not**

A high-performance, high-commitment work system is not based on management that is more "people-oriented," that "listens more" to employees, or that is "nice to people." It is not focused primarily on quality of worklife or on organizing people into teams. It is not the latest version of participative management or situational leadership.

Moreover, a high-performance, high-commitment work system is not another attempt to copy contemporary Japanese practices. The Japanese have taken scientific management about as far as it can go. Although Japanese companies enjoy enormously high commitment from their permanent workforce, the contributions of workers are structurally limited by their narrowly defined jobs. Japanese workers may make a lot of modest suggestions, but as Andrew Weiss reported in his article "Simple Truths of Japanese Manufacturing" (*Harvard Business Review*, July–August 1984), most suggestions yielded an average saving of about \$40 per year. High-performance, high-commitment work systems seek substantial contributions from resourceful people—contributions exceeding those usually made in quality circles.

Furthermore, a high-performance, high-commitment work system is not just another "personnel program." All managers know what eventually happens to personnel programs: They come and they go. In its most developed form, a high-performance, high-commitment work system is a workplace in

which everyone is viewed as a resourceful and creative partner in the business. Employees in these workplaces continuously strive to find better ways and to seek quality in everything they do. They are always reaching. They believe they are special—because they are special people in a workplace that is both engaging and demanding.

#### IV—

#### A New Way of Thinking

To bring about this form of partnership, management must change its ways of thinking—principally, in three areas: its ways of viewing people, its ways of viewing work, and its ways of viewing the role of management.

#### A—

#### *People*

One notion that has to be abandoned is that there are two classes of people in the world of work: managers and workers (or nonexempt, blue-collar, or hourly paid personnel). Instead, management should accept the idea that, provided the opportunity, most people want to do the best job they can most of the time. Most people do not go to work with the attitude, "I'm going to do a lousy job today!"

People are resources that need to be developed and trusted; they are not just variable costs to be controlled. Management should therefore focus its attention on enlisting people's *heads* (intelligence) and their *hearts* (caring) as integral parts of the work process and not just expect their *hands* to be extensions of the engineering technology. To manage a company inefficiently takes lots of supervisors and levels of hierarchy. When employees care and have the resources/skills they need to get their jobs done, a large part of the fixed overhead allocated to supervision is no longer required and the functions of management shift, as described below.

#### B—

#### *Work*

Management's view of work must also change. Work is not simply a job or a collection of jobs but rather a *system* in which people come together with a technology, in which disciplines are integrated to produce a product, and in which work can be designed both to optimize the best of the technology and to elicit significant contributions from people. In an integrated work system, all design elements reinforce each other and send similar and consistent messages to employees. Orientation and initiation programs, job definitions, recognition and reward systems, performance appraisal methods, training opportunities, communication systems and the information they provide, organizational structure, work rules/company policies and how they are made/enforced, management's role and modeling by key executives—all of these elements of the system reinforce the notion that each employee is highly valued as an asset and that individual performance is central to the success of the business. This is what it means to create a work culture.

It is also important that similar and consistent messages are sent to all major constituencies—that is, customers, suppliers, staff departments at corporate headquarters, families, and the local community.

Another misguided notion is that work is necessarily something people avoid. Most people avoid anything boring, repetitive, unchallenging, unworthy, and punishing. In contrast, most people are drawn to things they find energizing, that provide them opportunities to grow, and that allow them to produce quality outcomes. The challenge is clear: Instead of designing jobs with simplicity and efficiency as the guiding concepts, management must begin to think in terms of designing work cultures (systems) that are characterized by energy, learning, and quality.

Obviously, neither creativity nor caring can be automated. However, managers no longer expect creativity or caring from most employees in most routine jobs. Consequently, they do not find it. When work is designed to engage the person, management should *expect* innovative thinking and a commitment to improve outcomes.

The traditional approach to the design of work is to assign engineers this responsibility. Supervisors make sure that everyone "does it right," while skilled maintenance personnel and engineers

keep it operating. In planning a high-performance, high-commitment culture, management needs to ask, "To whom should we look as primary resources in the design of work?" The answer is straightforward: "Those who are themselves closest to the work—the people who are doing the work now and who will do it in the future." Employees themselves should have larger roles in the design of their day-to-day worklife. In a planned culture, the process of work design is a collaboration between managers, engineers, and the workers whose jobs are being designed.

In a high-performance, high-commitment work system, the role of engineers shifts from designing work and solving technical problems to providing guidance and education. Engineers bring the concepts and procedures of science to the workplace and help workers design their own work and solve technical problems that arise day to day. The contribution of highly skilled engineers is to educate and empower others rather than to do it for them. They never cease to be engineers, but they become engineers in the service of the product and the people making it.

### C— *Role of Management*

The role of management in high-performance, high-commitment work cultures changes in several substantial ways. Moreover, as an innovative work system develops and employees become more competent and accept more responsibility, managers need to be flexible enough to change to meet the evolving needs of the new work system.

Managers must focus their attention outward rather than inward—that is, they must look outside the work process rather than attend to the inner demands of the work itself. The work itself is left to the people who do the work. Managers make sure 1) the input is appropriate to the needs of the work system, 2) the output meets the needs of the customer, and 3) the environment is managed in a way that employees get what they need to do their jobs with minimum interference from corporate policies, the hierarchy, and so forth. At some Procter & Gamble plants, for example, managers see themselves as "barrier busters"; the managers try to empower employees to take appropriate initiative to obtain what they need to do their jobs in spite of obstacles they face.

When the principal attention of management is outward, managers give up control over internal methods and details. Workers themselves are asked to manage their own work. This is the essence of employee involvement. Workers are members of self-monitoring work teams, and the role of management shifts to support and service functions—one of supporting the work system in the service of the customer. When managers step inside the work system, they serve as teachers or facilitators to the work of others—encouraging learning, suggesting new ways of problem solving (including conflict resolution), and stimulating creativity.

In addition to letting go of control, managers need to replace their orientation toward department, function, or specialty with membership on a multifunctional team. The first interest of this management team is the product or service to the customer and building/supporting a work culture to produce it. When the culture promotes performance and quality, the role of management shifts to supporting the culture rather than controlling the workforce. Consequently, the new work system often requires fewer levels of management. The reduction of management overhead, in turn, is one source of competitive advantage.

Furthermore, when management transfers control over the means or methods by which work is done to the people who do the work on a day-to-day basis, quality almost always increases. The result is a more reliable product with less management control. More self-control by people who share a common vision leads to greater system control. This paradoxical outcome sometimes puzzles traditional managers, who fear that moving from management control to employee commitment really means shifting from management-in-control to abdication or being out of control.

Nevertheless, a 20-year history of high performance and high commitment at Procter & Gamble's soap plant in Lima, Ohio as well as at a number of its paper products plants shows that more self-control on the part of a committed workforce leads to high-quality outcomes. Further evidence is provided by a high-commitment paper products plant in Mehoopany, Pennsylvania, where the product cost is as much as 35% less than that of its conventional-design sister plant in Green Bay, Wisconsin. The management-to-worker ratios at the two plants are 1 to 15 and 1 to 7, respectively.

Before the policyholder services unit was reorganized at Shenandoah Life in 1983, a form was

passed through the hands of 32 people and across nine sections and three departments of the company, requiring 27 days to complete. With the introduction of self-managing clerical teams, supervision was reduced by 80% and the same work is done within one group of six people. They handle 13% more work and complete it more rapidly with fewer complaints and errors.

Managers need to learn to trust the process of delegation and to provide the support and training necessary for delegation to succeed. Their sense of control under traditional work systems is at best illusory; it is a stalemate, with no one in control. For example, time cards are used in traditional work systems to control employees. However, employees simply wait in line until the appropriate time to leave the workplace, having stopped work earlier when they decided they had done "a fair day's work." The work culture always defines a fair day's work. The definition grows out of assumptions about work and the people who do the work.

After some period of adjustment, managers in more collaborative work systems often feel the need for fewer management prerogatives or symbols of status, such as separate and expensive dining facilities or reserved parking. They are less prone to use self-serving or arrogant language, such as "He or she works for me." However, accountability does not change. Managers remain accountable, while the responsibilities of the employees they supervise expand. Workers always make or break their bosses; this fact is true in either conventional or high-performance, high-commitment work systems.

V—

### **The Role of Leadership**

To gain competitive advantage, something new and significantly different is needed. When "business as usual" has not generated a competitive edge in the contemporary marketplace, "working harder" usually delivers only marginal returns. Therefore, to lead to competitive advantage a change has to be substantial; it has to be visionary. An effective vision provides guidance and serves as a source of energy. Leaders ensure that a vision is created. They also clarify goals, establish priorities, and enlist others in their support. In high-performance, high-commitment work cultures, leaders have major responsibility for three things: They are the primary keepers of the vision, they manage the environment, and they anticipate and manage the future.

Leaders themselves do not have to create the vision (mission and set of values describing how to reach the mission). However, they make sure the vision is formulated to provide the foundation for the planned culture. Leaders inspire the creation of a shared and compelling vision. Once a vision is established, leaders articulate the vision, keep it current, and enroll others in its vigorous support. Leaders themselves personify the (new) core values that are embodied in the vision and that form the basis for the planned culture.

Work provides people with many things; two of the most obvious are money and meaning. Vision supplies meaning, or purpose. The founding manager of Digital Equipment Corporation's plant in Enfield, Connecticut credits much of the plant's success to the "power of our vision" to mobilize people to work in new ways. An effective vision has the pull of a magnet, attracting the attention of everyone who works there and drawing them toward it.

Leaders also manage the social environment surrounding the new work system. In most cases, the social environment includes demands and expectations from customers, suppliers, corporate staff groups and hierarchy, unions, government, community, competitors, trade associations, and so forth. Leaders have the political insight and skill necessary to enlist key people in building a *coalition of understanding and support*. By consulting with the relevant constituencies and major stakeholders whose backing is required for success, leaders mobilize the energy and commitment necessary to get any innovative work system implemented.

Why do leaders need political awareness and skill? Introducing a work system designed to elicit commitment necessarily results in a redistribution of power. The organization's hierarchy and functional staff specialists must be willing to pass influence to the people doing the work (and to accept influence from them). Since few people start out with a willingness to extend power to others, people with power need to be convinced that sharing power increases the likelihood of reaching the desired vision. Political leadership is essential to convince key people to share power and influence.

The manager of Digital's Enfield plant also reported that the new plant's vision exposed him to challenges and criticism. Leaders persist in the face of such resistance and skepticism. Persistence is necessary because managers often view fewer hierarchical levels, reduced emphasis on symbols of status, and requirements that they consult with and develop work teams as losses of position and self-esteem. Many also believe these innovations simply will not work.

Leaders must learn to persist in the face of resistance at the workforce level, too. If workers are to accept more responsibility for their own work, for the shape of their workday, and for taking initiative to get what they need to do their jobs, they need training, support, patience, and clarity from leadership.

Most people are accustomed to being treated in authoritarian ways and as know-nothings by their parents, school systems (including universities), military, churches, and employers. They therefore require some time and experience before they can trust and grow into full-fledged members of commitment-based work settings. One company learned that new employees require about 18 months before they become self-starting and full-fledged members of a high-commitment plant. During those months of socialization, the new worker often tries to pass responsibility back to management.

Even more time may be needed when there has been an adversarial history between hourly workers and management. Basically, people *become what they do*. As they assume greater responsibility and take more initiative, people become responsible and self-starting.

The third responsibility of leadership in high-performance, high-commitment work systems is anticipating and managing the future. Focusing attention on the future provides the awareness necessary to keep up to date and remain sensitive and responsive to changes in market trends and demands.

The importance of holding a vision was demonstrated by the Wright Brothers in their early attempts to fly. In their first 147 attempts to fly, they failed. Yet from each failure, the Wright Brothers presumably learned something more about what would *not* produce successful flight. On the other hand to those with a different frame of reference (the prevailing wisdom of the day), each failure reinforced their own skeptical ideas that "if people were meant to fly, they would have wings."

The Wright Brothers held a vision of what was possible, while others "knew" they were foolish to keep trying. Similarly, leaders continue as keepers of the vision through the difficult times of getting a new work system in place. New methods seldom look successful when viewed from midstream. People become dispirited; supporters become silent; and critics shout for all to hear, "We could have told you."

Since vision is such a central and critical part of contemporary high-performance, high-commitment work cultures, two examples of visions are reproduced in Table 1. The first is from a manufacturing plant of a consumer products company. It was written by an eight-member plant leadership team and was based on broad input from more than 80% of the workforce through a series of visioning meetings. Involvement was also obtained from corporate-level employees, key customers, and suppliers. The second was written by a work system design team (nine hourly and six salaried members) for a new product using a new manufacturing technology in a unionized plant of a high-technology company.

Visions often are uplifting and inspirational to read. They also are empowering and ennobling to develop. When a vision has been established in a collaborative fashion and when it becomes an integral part of the work culture, it serves as a source of energy as well as a constant standard against which to judge how well the organization is doing.

In addition, the vision provides a common source of celebration when there are successes. At a food-processing plant in Chicago, for example, the last issue discussed at each meeting of the plant management team is the question, "Are the decisions we made in this meeting in keeping with our vision for this plant?" If not, either the decisions are changed or the vision is revised.

Vision statements often mention continuous learning, pursuit of quality "in all that we do," the supportive role of management, integration of people and functions around the product, and commitment to future renewal and continuous improvement. Each of these components is important for building competitive advantage.

**TABLE 1** Two Visions**From a consumer products company:**

We are the best at uniquely satisfying the needs of our customers, our community, our stakeholders, and ourselves.

We have achieved competitive advantage by developing in ways not easily copied by competition.

We cherish diversity of people and ideas. Our environment integrates people, technology, and strategy. Our close partnerships with customers, suppliers, and resources provide high value-added products.

We have not yet found the bounds of how much people can learn. Our environment of continuous learning leads to continuous improvement. The more we learn, the more potential we find. We have a culture that brings out the best in all people.

We relentlessly pursue quality in all we do. Our operation is recognized as the world leader in cleanliness and safety.

Living our principles unleashes our creativity. We continue to be challenged to create and understand our future each day. A spirit of discovery, opportunity, ownership, respect, and friendship prevails.

We strive to make each team member's unique contribution successful, appreciated, and rewarded.

Our information flows freely, empowering people for action. We are unsurpassed in the creative use of technology and statistical methods as supportive tools in achieving quality and reliability. While strong and self-sufficient, we are productively linked to other parts of the company.

We care for our environment and are valued for our contribution to the quality of life in the larger community.

We feel terrific about our remarkable achievements!

**From a high-technology components company:**

Our mission is job security and job satisfaction for all employees. To accomplish this mission and create new jobs, we manufacture world-class products using the following principles:

*Personal Responsibility*

1. Everyone is treated with fairness, respect, and dignity, regardless of position.
2. Ensure effective and meaningful training for everyone.
3. Everyone takes responsibility and pride in maintaining a clean, safe environment.
4. Each individual accepts ownership for the outcomes of their work and assists others to ensure the success of the company.
5. Every individual's principal goal is customer satisfaction. (Your first customer is the next person to receive the results of your efforts.)
6. Everyone measures their actions against this philosophy.

*Management's Role*

7. Provide the following:
  - Well-defined objectives.
  - Necessary resources.
  - Minimum interference.
  - Support self-management and organizational growth.
8. Support a work system in which:
  - Operating decisions are made as close to the point of action as possible.
  - Creativity and innovation are encouraged.
  - Customer needs are met in a flexible and responsive manner.

*Awareness*

9. Each individual is responsible for communications (both listening and talking) in an honest, open, and understandable manner.
10. High levels of commitment and individual responsibility are promoted through continuous sharing of information on all aspects of the business.
11. Trust and performance are enhanced by constructive and continuous feedback throughout the organization.

*Common Objectives and Teamwork*

12. All levels of union and management work together effectively to achieve common objectives.
13. All individuals and all functions that touch the product are committed to support the common objectives of this work system—forming a united team effort. In addition, each is committed to learning from the other.
14. Performance improvements are openly recognized and actively supported.
15. Rewards promote this philosophy.

*Follow-Up*

16. This living philosophy as well as the work design itself is continually measured, reviewed, and updated to ensure our success.



## VI—

**The Road to Competitive Advantage**

The logo of DOFASCO Steel in Hamilton, Ontario says, "Steel is our product, people are our strength." Competitive advantage is gained from this *dual* orientation: satisfying the customer and developing people.

1. Satisfying the customer means providing high-quality goods or services within promised delivery schedules. To continue to satisfy customers, an organization must be continuously responsive to changes in market demand through a flexible work system. In a world of rapidly changing markets, flexibility is the key to effective organizational design.
2. An orientation toward developing people can provide the flexibility necessary to be continuously responsive to changes in the marketplace. It can also provide the ability to attract and retain a workforce that is *competent* (multiskilled), *committed* (caring), and *learning* (continuously increasing its capacity and flexibility). Such a workforce is, in fact, an expanding asset base that usually has low absenteeism and low turnover.

For example, turnover at Zilog's wafer fabrication plant in Nampa, Idaho has been as low as 2% to 6%, compared with averages of 50% to 55% for workers producing integrated circuit chips in California's Silicon Valley during the same time period. In addition, the quality yield at Nampa has been 90% to 95% since start-up in 1978, compared with an industry average yield of about 75%.

Moreover, in high-commitment work systems, the potential exists in terms of skill, initiative, and caring for reducing unit costs. Although there is no guarantee, some high-commitment plants continue to reduce unit costs long after start-up. The Gaines pet food plant in Topeka, for instance, has an outstanding record. It has reduced the unit cost of its product almost every year for the 15 years since start-up. At Transtech's new office facility for issuing stock certificates in Jacksonville, Florida, employees were able to reduce both costs and administrative processing time by 50% from previous levels under AT&T's management.

Westinghouse Canada's redesigned manufacturing facility at Airdrie, Alberta reduced cycle time for made-to-order motor-control devices from more than 17 weeks to one week. Although the changes made under the redesign were wide-reaching in scope, one major solution for reducing the time required to make a product was to increase workers' authority. Instead of waiting for approval from others, production employees now talk directly with customers and suppliers, and they work directly with engineers.

At one Procter & Gamble soap plant, a third of the annual plantwide goals are stated as learning objectives. Management believes in investing in learning for competitive advantage. The plant has been an economic success and an example from which others in the corporation have been learning for years.

Tektronix in Vancouver has a toll-free number for customers to call if they have questions or complaints, and the telephone rings on the manufacturing floor. A similar concern with quality and customer satisfaction is found at Digital Equipment's high-commitment plant at Enfield, where they furnish a 100% guarantee through their customers' own assembly process for the tape drive components they manufacture. Of course, this guarantee also provides them with an interest in their customers' success.

During the four years following the redesign of Honeywell's circuit board plant in Chandler, Arizona, the quality yield went from 82% to 99.5%. At the same time, scrap decreased from 18% to 1.5%, unit cost was reduced to 46% of its original level, and output increased by 280%.

Today's competitive markets demand a high level of performance from everyone, not mere compliance to rules or obedience to supervisors. In every example of a high-commitment work system of which I am aware, the quality of work and the quality of the product or service are high without exception. For me, the conclusion is clear: Most people want to do the best job they can.

If people want to do quality work, then cultures should be designed to encourage high quality. The process outlined below was developed to create (or change) a work culture. Some people may argue that no one creates a culture, yet cultures do develop. They probably evolve from the views of founders, from assumptions that powerful managers make about work and about people, from reward and recognition systems, from critical precedents and examples, and so forth. However, the

origins of most organizational cultures are largely unplanned and uncontrolled rather than designed. Indeed, most people live their lives in unplanned cultures. Usually, no one is responsible for managing values, beliefs, roles, expectations, symbols, and rituals. There is no vice-president of culture or director of values and beliefs. The approach to organizational design discussed here is optimistic; it explicitly includes a systematic attempt to create a work culture in which all design elements send similar and consistent messages to people and reinforce each other.

If the culture can support and encourage desired outcomes such as an orientation toward the customer and quality goods/services, then the active design and promotion of such an enabling culture is a central concern of management. An organization's leadership becomes responsible for articulating and maintaining the organization's culture.

## VII— Establishing a High-Performance, High-Commitment Work System

Although there is clearly no one path for establishing a high-performance, high-commitment work system, the conception, design, implementation, and day-to-day management of this kind of work system requires consistent and continuous attention to five key elements: people (the social system/culture); technology (the means of production or delivery of services); political process (whereby major constituencies and key members of the organization are identified and mobilized into a coalition of understanding and support for the new work system); environment (both inside the plant/office/company and outside); and links between people, technology, political process, and environment (a *systems perspective* ensures appropriate links among the elements). A formal structure or procedure such as the one outlined in Figure 1 is not essential for the successful design of a high-performance, high-commitment work system. However, some kind of process is required to ensure that the five key elements identified above are considered systematically. At a minimum, four essential functions are necessary to design a high-performance, high-commitment work system: political and financial sponsorship (from a sponsor); a sanctioning, legitimizing, and supporting role (frequently provided by a steering team); the design and implementation activities themselves (often assigned to a design team); and educational input and challenges to the limits of the contemporary culture (usually offered by consultants).

Various forms of the procedure have been used repeatedly and successfully in the design or redesign and implementation of innovative work systems at such organizations as Cummins Engine, General Electric, General Motors, Goodyear, Polaroid, Rohm & Haas, and Syncrude. This approach is a synthesis of various actual design experiences. Each organization and each design process is unique in important ways. No standard "cookbook" for organizational design has yet been discovered.

1. The *sponsor* is a high-level executive who is sometimes a member of the steering team and who provides (a) the political leadership required for any innovative work system to be implemented and to survive. In addition, the sponsor establishes (b) the budget for the design team and assists in (c) buffering the new work system and in (d) maintaining communications with the remainder of the organization. Since power will be redistributed in any truly innovative work system, top management's understanding and support are essential if the new work system is to withstand the inevitable resistance and sometimes sabotage from those who believe they will lose status, prestige, and/or power because of the change. The sponsor serves as a *champion* and provides the support to absorb some of the risks that accompany the start-up of an innovative work system.
2. The *steering team* is a multidisciplinary group of key managers (and union officers) that (a) represents stakeholders whose support is essential for the success of any innovative new work system. The steering team (b) authorizes the design team and appoints its members. It (c) has the necessary authority to approve or modify the recommendations made by the design team. The steering team also (d) serves as a buffer to the new work system once it is implemented; that is, it acts as an umbrella protecting the innovative parts of the new organization from pressures to conform to standard corporate policies. In addition, the steering team (e) maintains communications with the design team and with the remainder of the organization.

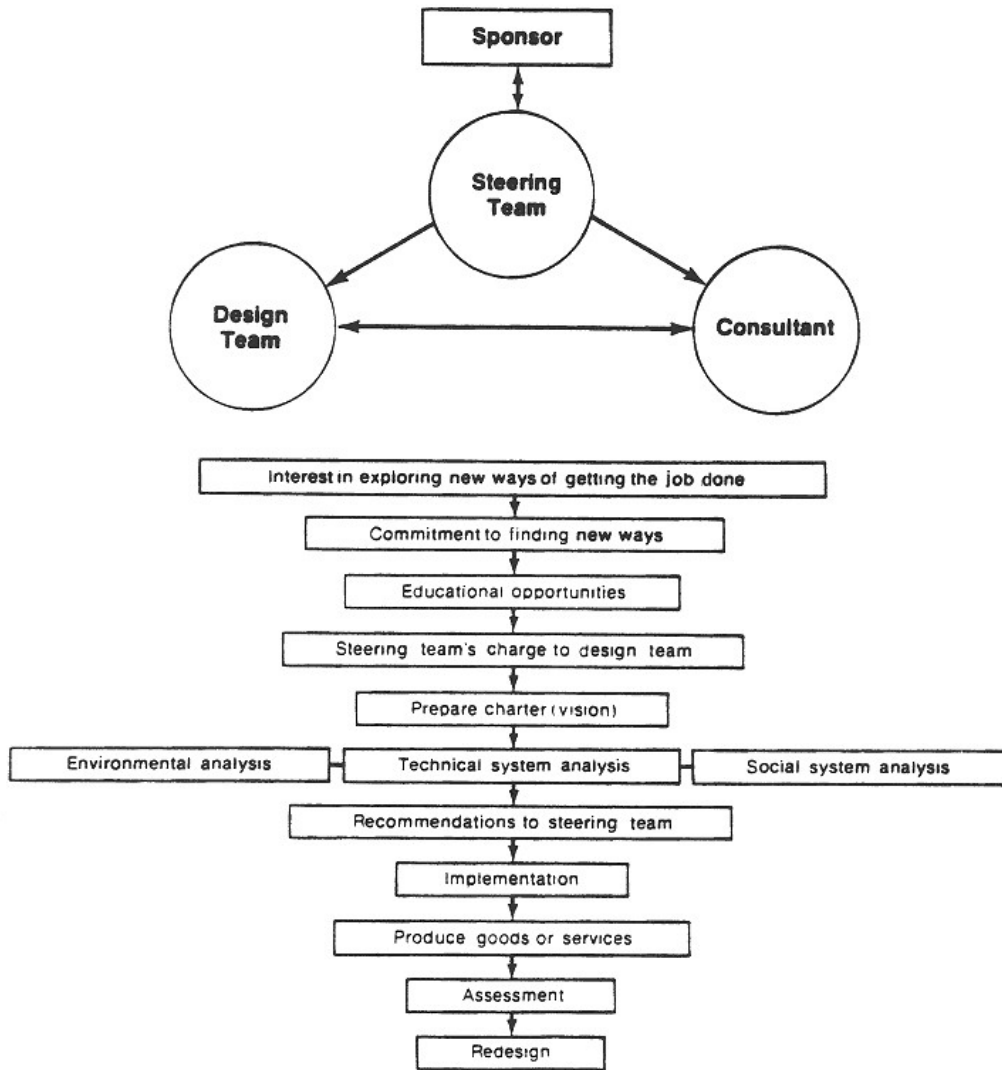


Figure 1  
A model for introducing change into work organization.

Not all members of the organization are personally involved in the work design or redesign process, yet everyone's understanding and support are needed during implementation of the new work system. Therefore, open and current communications must be maintained with as many members of the organization as possible. Since responsibility for communications is both extensive and difficult because of the demanding nature of the design process, all parties to the design process are usually given this responsibility.

If employees are unionized, union leaders should be involved as early as possible. Unions have a legitimate role in establishing goals, not simply implementing management's preferred outcomes. Union leaders should be involved in setting up the design team and steering team and be full-fledged partners in the creation of a high-performance, high-commitment work system.

In most cases, however, and for many reasons, union leaders have not usually been fullfledged partners with management in such endeavors. One example was the successful redesign of the Rohm & Haas chemical plant in Louisville, Kentucky; the Oil, Chemical and Atomic Workers International Union participated in that endeavor. Another was the partnership between the United Automobile Workers (UAW) Union and General Motors Corp. during the start-up of the Saturn car manufacturing project. The UAW also participated in the design of Buick's Factory 81.

At Weyerhaeuser Company's paper products plant in Manitowoc, Wisconsin, union and man-

agement have jointly shifted an adversarial relationship slowly and cautiously into a genuinely collaborative one. Output has increased 33%, and profits have doubled. The plant was named vendor of the year by one important customer. Today, plant personnel claim with pride, "We don't know our limits!"

Bold and innovative steps cannot be successful without the active participation of unions. If management proceeds alone or if unions refuse to become involved, only marginal changes can be expected. On the other hand, should unions choose to participate and then fail to see their members share any gains, they can be expected to return to a tough bargaining posture.

3. The *design team*, a multidisciplinary, multilevel group, (a) recommends the design or redesign of the work system, including jobs, work flow, and support/management functions. The team (or teams) often includes the managers who will be responsible for the plant or office together with representatives of first-level supervisors, the people who will be doing the work, and at least one member of the steering team. Most of the designers will also become the doers and will be responsible for putting their ideas into place.

Since the design team is responsible (b) for eventual implementation of the final design, it must become a political force to help create the conditions necessary to put into place the recommended design. Within the process outlined here, the design team plays the key role in creating a culture for the new work system. The designers are the architects working within the framework provided by the sponsor and by the steering team. As part of the process to promote acceptance, the design team must also (c) maintain close communications with the steering team and with the remainder of the organization (d) to ensure acceptance of the new work system by key corporate managers and union officers and also by the workers who are essential for its success.

In manufacturing organizations, engineers should be members of the design team. They provide educational and technical support during the study of work flow and technology. Furthermore, because engineers bring technical understanding and because they traditionally occupy positions of power and influence, the key engineer should probably be a member of the steering team.

4. A *consultant* to the design process can come from inside or outside the organization. In either case, to be of value the consultant must bring a fresh perspective and the willingness to challenge organizational assumptions as well as beliefs of powerful members of the organization. The consultant (a) suggests concepts and experiences to stimulate creative thinking; (b) recommends procedures within which the design team and steering team work; (c) challenges complacency, limits, and myths about how things are and must be; (d) develops internal resource people to ensure effective implementation and periodic renewal of the new work system; and (e) offers guidance to ensure that the methods used in the design process are congruent with the desired end state.

The design, implementation, and start-up of a high-performance, high-commitment work system require much planning and usually involve considerable pain and struggle. The design process itself needs to be collaborative, systemic, and competent (see Figure 2 and Table 2). The most frequently observed practices or outcomes of this design process are listed below. The list was compiled by a design team at General Motors after visiting 12 innovative work systems in the United States. The order of items corresponds roughly to the frequency with which they were observed (in descending order):

Formally stated organizational philosophy (vision) and mission

Sense of common purpose focused on the product (or service) among all disciplines, departments, and levels

Identification and control of problems (variances) within the technical process; that is, improvements in technology by the people who do the work

Strong sense of partnership between management and the workforce, including union leaders

Shared information on all aspects of the business (open information system), including future plans, market conditions, costs, and prices

Jobs with broad scope to include more decision making, planning, problem solving, responsibility for quality, for both operating and maintenance duties

First-level supervisors responsible for team development, facilitating team effectiveness, and

To design a high-performing work system characterized by energy, learning, and quality:

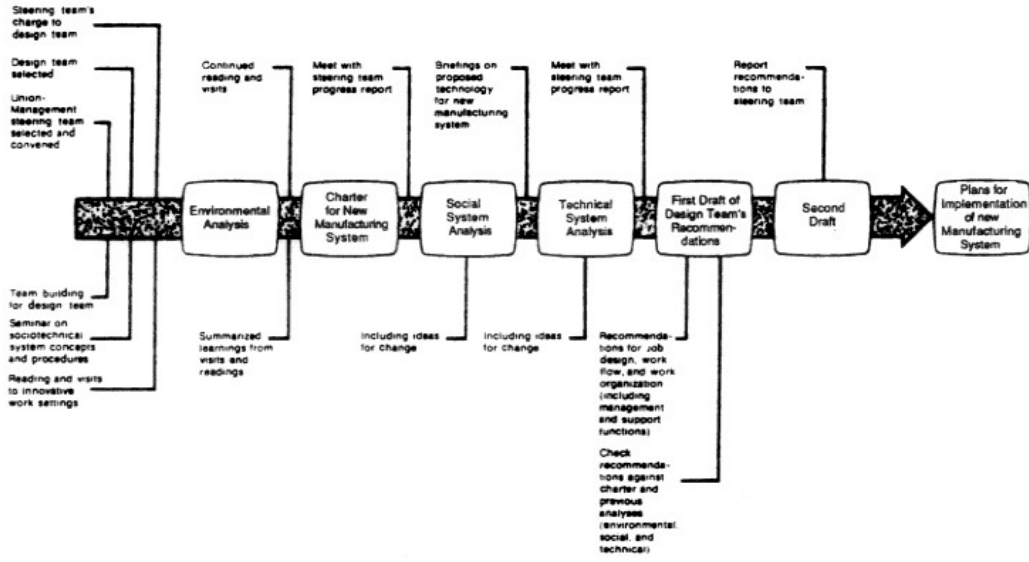


Figure 2  
Work design team.

**TABLE 2** A Model Design Process

The following is a *sample* series of action steps to create a planned work culture for high performance and high commitment. This is not the only way, but it is one way within which an organization can make choices that fit its own unique interests and situation.

1. The sponsor appoints a steering team.
2. The steering team prepares input for the design team:
  - a. Hopes and fears for the work of the design team
  - b. Constraints: Production constraints and timetables
    - Financial constraints
    - Staffing constraints
    - Other boundaries
  - c. Dates for periodic meetings between steering team and design team
3. Select a design team (including nonexempt employees).
4. Decide on a timetable.
5. Design team arranges educational opportunities for itself (and others):
  - a. Sociotechnical systems concepts and procedures
  - b. Team building
  - c. Visits to innovative work settings
6. Steering team's charge to design team:
  - a. Learn about innovative and high-performance, high-commitment work systems.
  - b. Develop a charter or statement of philosophy (vision) specifying the principles that are to govern the new work system.
  - c. Conduct an environmental analysis (what's expected from the new work system and who expects it).
  - d. Do a technical analysis of the proposed manufacturing system (focused on controlling unexpected problems at their source).
  - e. Analyze the culture or social system in terms of 1) what is to be preserved, 2) what is to be changed or left behind, and 3) what needs to be created to make the new work system truly one of high commitment and high performance.
  - f. Make specific recommendations to the steering team on the design of the new work system: 1) the design of jobs, 2) the work flow, and 3) the work organization, including supply, support, and management functions for the new plant.
  - g. Maintain communications with both the steering team and the remainder of the organization while working.
7. All parties (sponsor, steering team, and design team) need to understand and clarify their communication responsibilities and develop communication strategies and specific plans.
8. Design team meets periodically with steering team (as well as with other key members of the organization).
9. Design team prepares first draft of a design (6f above) for the new work system, which is reconciled against:
  - a. Constraints and limitations provided by steering team
  - b. Charter or philosophy statement (vision) for the work system
  - c. Environmental analysis
  - d. Analysis of the technical system
  - e. Analysis of the social system
  - f. Sociotechnical systems principles of work design (and also, traditional principles) provided by readings and consultants
10. Second draft is prepared and presented to the steering team for approval or modification where appropriate.
11. The design team oversees the implementation of the new work system.
12. The self-renewing work system *continues* to be revised with experience and with the input of new people.

linkages to other units (versus control, trouble-shooting, oversight, parts chasing, and discipline)

Knowledge of customers, competitors, and suppliers

Continual training and organizational improvement (growth)

High individual sense of responsibility and ownership of both product and process (that is, "the way we work together")

Organizational structure based on team concepts

Flat, lean organization with few levels and few job classifications

Realistic job previews—that is, a selection system reflecting work values and expectations

All-salaried pay plans

Skill-based wage payments

Equalitarian climate with few management perquisites

Decisions about pay increases, selection of new team members, training requirements, job assignments, and so forth made by work teams

Employment stability (from competitive advantage)

Representative governance or oversight groups

Few traditional prejudices (such as sexism or racism) that inhibit the full and effective use of all people

Active promotion of a planned organizational culture that supports and encourages these practices

## VIII—

### The Challenge Ahead

After returning from a trip to Japan, one executive noted that his company needed more effort from its people, more caring on their part, and more teamwork from everyone. My experience suggests different lessons. Organizations do not become high-performance, high-commitment work systems by seeking more effort from their people, by providing inspirational leadership, or by establishing teams. The necessary changes come mainly from *structural changes* in the way work is defined, such as assigning an entire final assembly process to a work group, and from *structural changes* in the way people are organized, such as engineers' desks located on the manufacturing floor (as is occurring at Tektronix and at General Motors). In addition, attitudinal changes are needed on the part of almost everyone. The structural changes need to come first; meaningful attitudinal changes (such as trusting people to control their own quality) follow from actual experience under new work systems.

The challenge for organizational leaders is to ask *themselves* these questions: is the creation of a high-performance, high-commitment work system a fundamental business decision we want to make? Are we willing to become systemic thinkers? Do we want to seek quality in everything we do? Are we ready to protect the new work system from inevitable pressures to conform to traditional policies and practices? If their answers are yes, then the organizational leaders need to understand that they are initiating a redistribution of power. Power is extended to the people who do the work. Thus the process of changing an existing organization becomes a political process and will be resisted by some influential members of the organization.

General Motors and the United Auto Workers decided to use the approach described here with their new Saturn car, but they chose to do so by creating a new organization outside the traditional GM/UAW framework. Saturn stands outside the familiar structure because key people from both sides would otherwise have said, "It will never work." They would have cited excuses such as "This is another management device to get more work from people," "We have to protect the skilled crafts," "People cannot maintain their own equipment," and so forth.

The design of a new plant or office or division or the redesign of an existing work organization is both a challenge in terms of the creative aspects of design as well as a political process in gaining the support of key members of the organization who can either expedite or block a move from

traditional arrangements. How else can management's reluctance to embrace and implement these concepts and procedures be explained? For two decades, some innovative plants within one consumer products company have produced substantially superior returns on investment, while other parts of the same company have generated explanations about why it could only happen with a certain product, or technology, or geographical location. It has been more than 15 years since the Gaines pet food plant opened in Topeka, Kansas. Yet, most of the parent company's other production facilities continue to be fairly conventional, as if the Topeka plant were an exception outside of the remainder of the business. In 1972, Walton published his classic study of "the Topeka system" in the *Harvard Business Review*, which is read by more than 100,000 managers. In addition, that particular article has been reprinted elsewhere many times. Management at the Topeka plant reports that unit costs have been reduced each year since the plant opened. Why hasn't the "rational manager" pursued these ideas and procedures with energy and persistence? An apparent answer is that the changes call for a redistribution of power.

These are not pie-in-the-sky ideas. This is not another human relations answer to tough management challenges to remain competitive in the marketplace. High-performance, high-commitment work systems are now in place and are productive at A. E. Staley, Digital Equipment, Exxon Chemical, General Motors, Goodyear, Honeywell, Procter & Gamble, Rohm & Haas, Shell, Sherwin-Williams, Tektronix, Zilog, and others.

Today, most conventional work organizations represent compromises between powerful staff departments. Each staff group wants to make a contribution to the product and in doing so overvalues its own input and undervalues integrative arrangements—and without doubt undervalues the people who do the work. The workers' intelligence is undervalued, their potential for learning is underutilized, and their interest in caring is ignored.

After 20 years of various attempts to involve people more in their work, we know how to do it at the level of the shop floor. What is called for in the next decade is to apply these or similar concepts and procedures to middle management, professional, and staff employees.

Although there is greater opportunity to introduce new ideas when a new plant or office or division is being planned, every year brings more examples of successful redesigns of conventional production and office arrangements. Three examples are Honeywell's plant in Chandler, Arizona; Rohm & Haas's facility in Louisville, Kentucky; and Tektronix's plant in Portland, Oregon. An opportune time to consider redesigning a conventional organization is at the time of another new event—a new product, a new technology, a new key manager, or a new union–management understanding.

On the other hand, it is always more difficult to attempt to change an existing organization. It takes leadership with more political knowledge and requires more skill to build the necessary coalition of understanding and support. It takes more time and therefore more patience and persistence. There will always be cynics and skeptics who have different assumptions about work and about people, who have vested interests in present arrangements, who are afraid to take risks, or who are uninformed and manage to remain uninformed in spite of evidence that is contrary to their views. Moreover, the skeptics and antagonists will always be able to point to evidence to support their views. They therefore must not be allowed to govern the critical choices.

Finally, it is important for the key manager (sponsor) to examine his or her primary motives for interest in high-performance and high-commitment work systems. For example, treating people as adults and valuing them as resources to the business do not follow from cost-cutting motives. Delegation of responsibility, expanding employees' roles, and sharing information about the business openly and widely do not follow from cost-cutting motives. If, on the other hand, the sponsor is ready to accept people as genuine resources to the business and as collaborators to achieve competitive advantage, then taking the steps necessary to design a work system characterized by *energy*, *learning*, and *quality* is an obvious choice that can be made with enthusiasm and conviction.

#### **Acknowledgments**

I would like to thank Nancy L. Brown and William A. Pasmore for their substantial contributions to my thinking and to this article. Several others have also made significant additions to this article:



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There is a brief and well-written history of this approach to the design of work and the restructuring of organizations in Eric Trist's, "The Evolution of Socio-Technical Systems—A Conceptual Framework and an Action Research Program" (Ontario Ministry of Labour, Toronto, Canada, Occasional Paper No. 2, 1981). William A. Pasmore and I have also edited a collection of articles, *Sociotechnical Systems: A Sourcebook* (University Associates, 1978). Pasmore's new book, *Using Sociotechnical Systems to Design Effective Organizations* (Wiley, 1988), presents both theoretical foundations and applications of these ideas.

A survey of various approaches to making changes on the people side of the enterprise is found in Edward E. Lawler's *High-Involvement Management* (Jossey-Bass, 1986). In my view, the best recent article on the need for management to change its role is Richard E. Walton's "From Control to Commitment in the Workplace" (*Harvard Business Review*, March–April 1985).

Several descriptions of successful introductions of high-performance, high-commitment work systems are available: 1) an account of the Sherwin-Williams paint plant in Richmond, Kentucky by Ernesto J. Poza and M. Lynne Markus, "Success Story: The Team Approach to Work Restructuring" (*Organizational Dynamics*, Winter 1980); 2) a description of the Gaines pet food plant in Topeka, Kansas by Richard Walton, "How to Counter Alienation in the Plant" (*Harvard Business Review*, November–December 1972); 3) the story of Shenandoah Life's redesigned offices by John B. Myers, "Making Organizations Adaptive to Change: Eliminating Bureaucracy at Shenandoah Life" (*National Productivity Review*, Spring 1985); 4) the case study of job enrichment at Citibank in New York by Roy W. Walters, "The Citibank Project: Improving Productivity Through Work Redesign" (in *The Innovative Organization*, edited by R. Zager & M. P. Rosow, Pergamon Press, 1982); and 5) "The Development of General Motor's Team-Based Plants" by Richard L. Cherry (also a chapter in *The Innovative Organization*).

On the other side, difficulties in implementing and diffusing these concepts and procedures are found in Pasmore's "Overcoming the Roadblocks in Work-Restructuring Efforts" (*Organizational Dynamics*, Spring 1982) and Walton's "The Diffusion of New Work Structures: Explaining Why Success Didn't Take" (*Organizational Dynamics*, Winter 1975). Wickham Skinner's "The Productivity Paradox" (*Harvard Business Review*, July–August 1986) suggests that managers need to look beyond engineering and technology for the essential productivity improvements they seek.

119—

## Essential Differences between Traditional Approaches to Consulting and a Collaborative Approach

John J. Sherwood

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A number of years ago, a partner in a national consulting firm shared with me a growing concern he had about his own work and that of his colleagues. While Harold and the firm were by most measures very successful in terms of client satisfaction and revenue, Harold was troubled by his increasing awareness that frequently his clients did little more than "appreciate" his recommendations. He often had contact with clients after his work with them had been completed, and at such times former clients typically expressed admiration for him and satisfaction with his contributions to their company or agency. He often heard a former client enthusiastically say, "You do fine work! We vigorously debated your first recommendation and we continue to be very impressed with the thoroughness of your report and with your understanding of our organization and our problems." When queried about what action was actually taken in light of his consultation, the response was often, "We're still considering alternatives. Some things have changed. I'll let you know what we finally decide." This left Harold feeling incomplete and believing he had not contributed as much as he could have to improve his client's effectiveness. While his client appears to be fully satisfied, the consultant saw little consequence from his work.

This is not an unusual occurrence. Many recommendations and insights of consultants are not implemented—or they are put into effect at a later time in another form. This chapter presents a simple and straightforward model to ensure meaningful action from organizational consultation, and it contrasts a collaborative perspective with more traditional approaches to consulting with organizations.

I—

### Two Traditional Approaches to Consultation

There are two traditional approaches to consultation with which both clients and consultants are familiar and comfortable. Either (1) the client presents the consultant with a problem for solution and the consultant provides a recommended solution or a set of alternatives; or (2) the client asks the consultant both to define the problem and to offer recommended solutions. This latter case is the physician's approach. The client presents a set of symptoms and the consultant first makes a diagnosis and then prescribes a remedy. In the first approach the consultant also offers a prescription describing what the client should do to solve the problem the client has set forth; for example, the consultant may design a new management information system or an inventory control procedure in response to a specific request from the client. The important thing to recognize in both traditional approaches to consultation is that the client is rather passive and dependent until the point at which

the consultant's recommendations require implementation, and then we wonder why solutions or recommendations do not always get fully implemented (Sherwood, 1988).

Today some physicians understand how important it is to create a *good patient* (i.e., a patient who will take an active role in their own healing process). I recently went to a physician with an ear ache, was examined, given a prescription for an antibiotic drug, and was told "take this and you will be okay; if you have any further problems come back to see me." I did and I did; that is, first the pain went away, then in about 2 weeks it reappeared, at which time I returned to the physician. He examined me again, gave me the same prescription, and said the same thing to me. Again, I returned after the pain reappeared, this time after about 4 weeks. On my third visit the physician told me to take the same drug. I said I have plenty on hand. He was surprised and told me I needed to take the drug for 14 days after I no longer had any pain because the infection was systemic. I had been taking medication only as long as I was experiencing pain. When the pain stopped, I stopped taking the drug. Once I understood that the pain was only a superficial symptom and the problem would not be solved unless I took the antibiotic even when I was no longer experiencing any problems with my ear, I could then take the drug in such a way that the underlying malady was treated appropriately. The physician had then enlisted me as an active agent in my own healing. It was unfortunate that it took three visits for the physician to explain my case to me so that I could act in my own best interests.

When the chief executive of an organization contracts with a consultant to provide an inventory control system with a certain set of characteristics, the consultant's recommendations are less likely to be fully and effectively implemented if they call for changes in customary behavior or roles which have proven useful to people in the past, or if they will result in a redistribution of influence whereby some persons have more control than they had earlier, or if a change in the organization's structure is required to implement the new inventory system effectively. The critical question is, therefore, how can a consultant ensure meaningful implementation where recommendations require changes in authority or in valued or customary practices? This is, in fact, the dilemma facing those organizations which are interested in cultural change or total quality management. Total quality concepts and processes have enormous potential to add to the success of most organizations; however, in order for them to be implemented a cultural change is necessary which calls for redistribution of power. Many managers are reluctant to give up control to those who could satisfy the customer more fully if they had the authority or opportunity to do so. A collaborative approach is probably essential for any successful cultural change to take place in most organizations.

## II—

### A Collaborative Model

In a more collaborative approach to organizational consultation, the client is the organization rather than the manager or boss (this has important implications, which are discussed below) *and* the client—that is, the organization—is active in all phases of the consultation: 1) identification of problems or a desired future; 2) conceiving solutions or actions; 3) implementation; and 4) follow-up. To say that the organization is the client means that the consultant works together with the manager to define a meaningful organizational unit (including the manager) with which the consultant will work. An organizational unit could be a department, division, plant, company, agency, or the manager and his or her key staff.

If the manager or boss could do it, it would be done by now! The reason the organization (or an organizational unit) is the client is that managers cannot implement most things on their own. If they could, they would have done so—probably without the assistance of a consultant.

A collaborative approach addresses two central issues found in any consultation (Argyris, 1970): 1) how to generate valid information and 2) how to ensure effective outcomes or implementation. When increased organizational effectiveness is the standard against which consultation is evaluated, the contributions of the consultation can be judged by determining whether it provided input to decisions that actually got implemented.

### III—

#### Three Essential Differences from Traditional Approaches

Collaborative consultation differs in three important ways from more traditional approaches. First, traditional approaches often assume that the client has already effectively identified the problem (or the desired future) *or* that it is the consultant's responsibility to decide the nature of the client's problem or to describe a desirable organizational future, whereas in a more collaborative approach, the consultant *works with* the client to arrive at a joint understanding of the problems facing that organization.

*Second*, traditional approaches frequently assume that sufficient information is already available to decide the direction the consultation will take. In a more collaborative approach, the first step is almost always to decide with the client what information needs to be collected and from whom. These questions are answered by learning whose support is essential for any meaningful change to occur or who has the information and resources necessary to identify the problems facing the organization in meeting its objectives, who will be able to generate the most useful solutions or outcomes required, and who will be able to carry out those plans most fully and effectively.

*Third*, traditional approaches usually assume that the consultant's report or recommendations should be given directly to the person in authority (the manager) to approve, modify, and implement. In a more collaborative approach, the consultant's findings are also reported *directly* to the people who provided information or input during the data-gathering phase. Reporting directly to the people who provided input is a critical step in the consulting process, because these same people are probably central to any plans for implementation or action (Nadler, 1977). Furthermore, their knowledge that the organization is the client and that they will receive the consultant's findings also increases the likelihood that they will provide valid information.

Where the consultant treats the organization as the client, the manager does not receive a special report, nor are evaluations made of individuals for the manager. More valid information can be collected where people think there is something in it for them to provide accurate and complete information. Where people believe that revealing concerns, problems, and dilemmas will help them get their jobs done better, they eagerly share information with the consultant. On the other hand, where people believe that after questioning them a consultant will tell their manager how their jobs should be changed, they are more likely to treat the consultant with caution; just as subordinates are often careful about what information they reveal to their manager (Nadler, 1977).

### IV—

#### A Common Mistake

A common mistake made by both clients and by consultants is to assume that the solution to the client's difficulties lies within the consultant. In a recent article advising potential clients how to use consultants, two practicing management consultants and a company president accepted the traditional view that it is "the consultant's plan of action . . . which must fit your company . . . remember, it's the consultant's solution. He's supposed to know what it takes to get the job done—especially in terms of judging your staff's ability to implement his program" (*INC.*, 1980). While the consultant may have an acceptable answer to the organization's problem, if the outcome of the consultation is to make an enduring contribution, then a better solution generally comes from the people who must make it work (Maier, 1973).

Effective managers usually realize or can easily be convinced how dependent they are on others both for information and for action. They also know that changes are made and decisions are implemented by subordinates, not managers. Furthermore, these executives understand how little they can do to solve the problems of their subordinates. Consultants need the same kind of humility as insightful executives in understanding that they will never know more about an organization than the collective wisdom of the people who work there. In any meeting of key personnel, there is almost always over 100 *years* of total experience with an organization present, whereas the consultant often has less than 100 *hours*. The consultant should help members of the client organization understand

that the real expertise resides in them, and it's the consultant's responsibility to help the client organization first generate, and then implement, effective solutions to its problems or begin a journey toward a desired future. Where a particular problem calls for the application of special technical expertise which is only possessed by the consultant, then the consultant is dependent on the client to help fit the expert solution to the realities of the organization which must make the solution work on a day-to-day basis. One objective of a collaborative approach to consultation is to leave the organization more capable of identifying and managing its own problems. In this way not only is the organization more likely to realize its objectives, but it will also have less need to call on consultative assistance from others (Miles and Schmuck, 1976; Steele, 1977).

The mistakes of consultants are not usually in offering inaccurate, absurd, or poorly conceived recommendations, but in not managing the consulting process adequately—that is, not providing sufficient direction and thereby letting the client flounder, or taking too much responsibility at critical points and thereby stifling the client's initiative or creativity. A consultant must learn when and how to offer recommendations most productively, so that his or her recommendations are neither 1) accepted naively and uncritically as coming from an expert, because unthinking acceptance often leads to subsequent difficulties in implementing such solutions; nor 2) rejected without appropriate consideration because they are viewed as not fitting the unique requirements of the particular client organization's culture. When the consultant's ideas are offered at the time when the client is struggling to decide what to do, the consultant's suggestions are more likely to be treated for what they are probably worth—as one more alternative which should be studied and considered (Argyris, 1970).

V—

#### **The Consultation Must Remain a Management Responsibility**

The consultant is often required to influence the client's expectations and behavior (i.e., "to produce a good client" who takes initiative and can challenge the consultant in contrast to passive respect for the expert with which clients frequently begin their work with a consultant). One trap for consultants is to accept exclusive responsibility for the success of the consultation. For an organization to meet its objectives more effectively, the consultation must remain a management responsibility and not be removed from the central management process of the organization. Responsibility for significant change should also not be transferred to a staff person or department, but must remain "part of doing business" within line management. Since there is always some degree of uncertainty surrounding any consultation (otherwise management would not have invited a consultant to work with them), management tends to cope with the anxiety stemming from this uncertainty by conceiving of the consultation as "the consultant's project." Whenever this occurs, the consultant must "lateral the ball back to management," and then help management manage its own consultation by coaching, jointly exploring alternatives, forming task forces, or establishing steering committees. The consulting work is reduced in priority and impact whenever a consultant permits management to define the consulting endeavor as "the consultant's" rather than accepting it as a management responsibility.

VI—

#### **Special Treatment for the Manager**

While the organization may be the consultant's client, the person in authority is usually the most important person within the client organization, and as such needs and should receive special attention. The chief executive needs to be kept abreast of developments and should participate actively wherever appropriate, because he or she can do more than anyone else to help or hinder what is being done. For this reason, the manager is given the consultant's report *before* it is given to others. Receiving the consultant's findings in advance is one way to help the manager work together with the consultant and subordinates in a less defensive manner.

An effective consultant builds a relationship with the chief executive because it is the manager who "sponsors" any consultation. The manager legitimizes the consultant's work as well as partici-

pates in it. In addition, the consultant insists on actively involving those persons who will be affected by outcomes of the consultation. The consultant solicits their input, then provides them a meaningful role in action planning and implementation. In a collaborative model, the consultant often works with task forces charged with studying particular problems, creating solutions, and making recommendations to top management. All the while the consultation and implementation remains a line management responsibility.

## VII—

### Continuous Concern with Implementation or Outcomes

In order for a consulting effort to make a sustained contribution to increased organizational effectiveness, the consultant needs to be continuously concerned with meaningful implementation and outcomes. The essential task of the consultant is to see that the problems people are having in getting their jobs done are adequately addressed. Therefore, the consultant continues to ask, "Am I speaking with the right people?" and "How will this information be useful?"

All consulting requires follow-up to ensure meaningful organizational payoffs, and an understanding of the importance of follow-up should be arranged in advance with the client organization. Periodic reviews, critiques, and reassessments are necessary, with alterations where appropriate, together with renewed commitments from both the client and the consultant. The effective consultant monitors follow-up activities to assure that the consulting endeavor produces successful consequences both for the client organization *and* for the consultant.

## VIII—

### A Final Caveat

When working within a collaborative framework, the consultant needs to continually clarify the expectations of the chief executive and other members of the client organization. The definition of "consultant as expert" is so widespread within this culture that even though the consultant may have been completely clear during initial conversations with all parties, traditional expectations often surface anew during the consultation. Therefore, a consultant who wishes to work collaboratively with clients must understand that clarifying the client's expectations is a continuous responsibility.

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120—

**Self-Awareness:  
An Essential Element Underlying Consultant Effectiveness**

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Bob Tannenbaum speaks simply and profoundly to his colleagues in this note to the profession. The selection first appeared under Craig Lundberg's editorship as a special issue of the Managerial Consultation Division, Academy of Management. Bob's views reprinted below have been widely circulated—both in the present form as well as in adaptations.\*\* [Robert T. Golembiewski]

Dear Colleagues:

I do appreciate your invitation to share with Academy colleagues some matters that I believe are central to consulting. What follows is based on my "learnings from experience" as both an academic and a practitioner for now over 45 years.

Effective consulting is fed by two complex and highly interrelated wellsprings: 1) the individual's integrated knowledge/wisdom relevant to his/her consulting task, e.g., values, theories, principles, research findings, available processes (including techniques and methods) and 2) the individual's internalized knowledge of self (centeredness, emotional maturity). Typically, most attention of academics and practitioners is given to elements in the first wellspring—and, certainly, these are of great importance to one's effectiveness. However, much less attention is given to the second wellspring (in spite of its at least equal importance), and it is on this part of the equation I want to focus.

In consulting, one's being is the processor and carrier of relevant knowledge/wisdom and the implementer of that knowledge/wisdom in given client relationships and situations. Thus, one's awareness of self—of one's being—in the consultant-client relationship is central to one's effectiveness.

A consultant gets into difficulty when she/he is not reasonably whole—when "the left hand does not know what the right hand is doing." To the extent that the individual is beset by unknown and/or known but unworked-on personal issues, those issues can often seriously inhibit or distort one's perceptions and actions. For example, I may feel anxious in the presence of my client (in reality, a quite accepting person), seeing her as a threatening figure (perhaps reminding me of my

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\*Retired.

\*\*For example: *Journal of Organization Change Management*, pp. 85–86, 1995; and *Reading Book for Human Relations Training*. NTL Institute, 1999, p. 221.

controlling, sometimes abusive mother). And with another, brilliant client, I may avoid confronting him on a key issue (although he could be helped by honesty from me) because of deep, gnawing feelings of self-doubt within me that inhibit my action.

In instances such as these, what I perceive and how I act are determined not by the reality of what is "out there," but rather by what is more or less unconsciously within me from my hidden-from-self past. I see what isn't there, and I act in a way inappropriate to what I face. I see and do things for the wrong reasons (thinking they are right) and do not see and do things for right reasons because my own (unknown to me) deeper needs get in the way. I become, as a consultant and as a person, my own worst enemy.

I have long counseled graduate students interested in consulting and interns moving toward O.D. work on the importance (in my view) of committing one's self to a lifetime of personal growth and development. I have often said that we have primarily only ourselves to use in our consulting work. We need, to the extent possible, constantly to get to know ourselves better in depth. In my experience, so many consultants give major attention to facilitating change in other individuals and in larger systems. In fact, we often call ourselves "change agents." When I wrote an article in the 1950s entitled "Dealing with Ourselves Before Dealing with Others," I meant it then—and I mean it now. If we expect "those others" to grow and change, we should be expected and willing to commit ourselves to the same process.

Sincerely,

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## 121— Values, People, and Organizations

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Growing evidence strongly suggests that humanistic values not only resonate with an increasing number of people in today's world, but also are highly consistent with the effective functioning of organizations built on the newer organic model.

We clearly recognize that the values to which we hold are not absolutes, that they represent directions rather than final goals. We also recognize that the degree of their short-run application often depends upon the people and other variables involved. We feel that we are now in a period of transition, sometimes slow and sometimes rapid, involving a movement away from older, less personally meaningful and organizationally relevant values toward these newer values.

*Away from a View of Man as Essentially Bad Toward a View of Him as Basically Good.* At his core, man is not inherently evil, lazy, destructive, hurtful, irresponsible, narrowly self-centered, and the like. The life experiences which he has, including his relationships with other people and the impact on him of the organizations with which he associates, can and often do move him in these directions. On the other hand, his more central inclination toward the good is reflected in his behavior as an infant, in his centuries-long evolution of ethical and religious precepts, and in the directions of his strivings and growth as a result of experiences such as those in psychotherapy and sensitivity training. Essentially, man is internally motivated toward positive personal and social ends; the extent to which he is not motivated results from a process of demotivation generated by his relationships and/or environment.

*Away from Avoidance or Negative Evaluation of Individuals Toward Confirming Them as Human Beings.* One desire frequently expressed by people with whom we consult is "I wish I knew where I stand with my boss (with this organization) (with my colleagues) (with my subordinates). I'd really like to know what they think of me personally." We are not referring to the excessively neurotic needs of some persons for attention and response, but rather to the much more pervasive and basic need to know that one's existence makes a difference to others.

Feedback that is given is generally negative in character and often destructive of the individual

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\*Retired.

\*\*Deceased.

instead of being focused on the perceived shortcomings of a given performance. It seems to be exceedingly difficult for most of us to give positive feedback to others—and, more specifically, to express genuine feelings of affection and caring.

When people are seen as bad, they need to be disciplined and corrected on the issue only; when they are seen as good, they need to be confirmed. Avoidance and negative evaluation can lead individuals to be cautious, guarded, defensive. Confirmation can lead to personal release, confidence, and enhancement.

*Away from a View of Individuals as Fixed, Toward Seeing Them as Being in Process.* The traditional view of individuals is that they can be defined in terms of given interests, knowledge, skills, and personality characteristics: They can gain new knowledge, acquire additional skills, and even at times change their interests, but it is rare that people really change. This view, when buttressed by related organizational attitudes and modes, insures a relative fixity of individuals, with crippling effects. The value to which we hold is that people can constantly be in flux, groping, questing, testing, experimenting, and growing. We are struck by the tremendous untapped potential in most individuals yearning for discovery and release. Individuals may rarely change in core attributes, but the range of alternatives for choice can be widened, and the ability to learn how to learn more about self can be enhanced.

Organizations at times question whether it is their responsibility to foster individual growth. Whether or not it is, we believe that for most organizations, especially those desiring long-term survival through adaptability, innovation, and change, it is an increasing necessity. Further, evidence suggests that to have people in process requires a growth-enhancing environment. Personal growth requires healthy organizations.

*Away from Resisting and Fearing Individual Differences Toward Accepting and Utilizing Them.* The pervasive and long-standing view of man as bad takes on even more serious implications when individual differences among men appear—differences in race, religion, personality (including personal style), specialties, and personal perceptions (definitions of truth or reality). A bad man poses sufficient problems but a strange bad man often becomes impossible.

Organizations and individuals are frequently threatened by what they consider questioning of or challenging to their existing values and modes, represented by the presence of alternative possibilities. And they choose to avoid the challenge and the related and expected conflicts, discomforts, and the like, which might follow. As a result, they achieve drabness, a lack of creativity, and a false sense of peace and security. We firmly believe that the existence of differences can be highly functional.

*Away from Utilizing an Individual Primarily with Reference to His Job Description Toward Viewing Him as a Whole Person.* People get pigeonholed very easily, with a job description (or expectations of job performance) typically becoming the pigeonhole. A cost accountant is hired, and from then on he is seen and dealt with as a cost accountant. One view is that people generally have much more to contribute and to develop than just what is expected of them in their specific positions. Whole persons, not parts of persons, are hired and available for contribution. The organizational challenge is to recognize this fact and discover ways to provide outlets for the rich, varied, and often untapped resources available to them.

*Away from Walling Off the Expression of Feelings Toward Making Possible Both Appropriate Expression and Effective Use.* In our culture, there is a pervasive fear of feelings. From early childhood, children are taught to hide, repress, or deny the existence of their feelings, and their learnings are reinforced as they grow older. People are concerned about "losing control," and organizations seek rational, proper, task-oriented behavior, which emphasizes head-level as opposed to gut-level behavior. But organizations also seek high motivation, high morale, loyalty, teamwork, commitment, and creativity, all of which, if they are more than words, stem from personal feelings. Further, an individual cannot be a whole person if he is prevented from using or is divorced from his feelings. And the energy dissipated in repression of feelings is lost to more productive endeavors.

We appreciate and are not afraid of feelings, and strongly believe that organizations will increasingly discover that they have a reservoir of untapped resources available to them in the feeling of their members, that the repression of feelings in the past has been more costly, both to them and to their members, than they ever thought possible.

*Away from Maskmanship and Game Playing Toward Authentic Behavior.* Deeply rooted in existing organizational lore is a belief in the necessity of efficacy of being what one is not, both as an individual and as a group. Strategy and outmaneuvering are valued. Using diplomacy, wearing masks, not saying what one thinks or expressing what one feels, creating an image—these and other deceptive modes are widely utilized. As a result, in many interpersonal and intergroup relations, mask faces mask, image faces image, and much energy is employed in dealing with the other person's game. That which is much more basically relevant to the given relationship is often completely avoided in the transaction.

To be that which one (individual or group) truly is—to be authentic—is a central value to us. Honesty, directness, and congruence, if widely practiced, create an organizational atmosphere in which energies get focused on the real problems rather than on game playing and in which individuals and groups can genuinely and meaningfully encounter each other.

*Away from Use of Status for Maintaining Power and Personal Standing Toward Use of Status for Organizationally Relevant Purposes.* In organizations, particularly large ones, status and symbols of status can play an important role. In too many instances, however, they are used for narrowly personal ends, both to hide behind and to maintain the aura of power and prestige. One result is that dysfunctional walls are built and communication flow suffers.

We believe that status must always be organizationally (functionally) relevant. Some people know more than others, some can do things others cannot do, some carry more responsibility than others. It is often useful for status to be attached to these differences, but such status must be used by its holder to further rather than to wall off the performance of the function out of which the status arises. An organization must be constantly alert to the role that status plays in its functioning.

*Away from Distrusting People Toward Trusting Them.* A corollary of the view that man is basically bad is the view that he cannot be trusted. And if he cannot be trusted, he must be carefully watched. In our judgment, many traditional organizational forms exist, at least in part, because of distrust. Close supervision, managerial controls, guarding, security, and sign-outs carry with them to some extent the implication of distrust.

The increasing evidence available to us strongly suggests that distrusting people often becomes a self-confirming hypothesis—distrusting another leads to behavior consciously or unconsciously designed by the person or group not trusted to "prove" the validity of the distrust. Distrust begets distrust. On the other hand, the evidence also suggests that trust begets trust; when people are trusted, they often respond in ways to merit or justify that trust.

Where distrust exists, people are usually seen as having to be motivated "from the outside in," as being responsive only to outside pressure. But when trust exists, people are seen as being motivated "from the inside out," as being at least potentially self-directing entities.

*Away from Avoiding Facing Others with Relevant Data Toward Making Appropriate Confrontation.* This value trend is closely related to the one of "from maskmanship toward authenticity," and its implementation is often tied to moving "from distrust toward trust."

In many organizations today there is an unwillingness to "level" with people, particularly with respect to matters which have personal implications. In merit reviews, the "touchy" matters are avoided. Often, incompetent or unneeded employees are retained much longer than is justified either from the organization's or their own point of view. Feelings toward another accumulate and at times fester, but they remain unexpressed. "Even one's best friends won't tell him."

Confrontation fails to take place because "I don't want to hurt Joe," although in fact the nonconfronter may be concerned about being hurt himself. We feel that a real absurdity is involved here. While it is widely believed that to "level" is to hurt and, at times, destroy the other, the opposite may often be the case. Being left to live in a "fool's paradise" or being permitted to continue with false illusions about self is often highly hurtful and even destructive. Being honestly confronted in a context of mutual trust and caring is an essential requirement for personal growth. In an organizational setting, it is also an important aspect of "working the problem."

*Away from Avoidance of Risk-Taking Toward Willingness to Risk.* A widely discernible attribute of large numbers of individuals and groups in organizations today is the unwillingness to risk, to put one's self or the group on the line. Much of this reluctance stems from not being trusted, with the resulting fear of the consequences expected to follow close upon the making of an error. It often

seems that only a reasonable guarantee of success will free an individual or group to take a chance. Such a stance leads to conformity, to a repetition of the past, to excessive caution and defensiveness. We feel that risk-taking is an essential quality in adaptable, growthful organizations; taking a chance is necessary for creativity and change. Also, individuals and groups do learn by making mistakes, and it takes courage to do so. It also takes courage and ingenuity on the part of the organization to foster such behavior.

*Away from a View of Process Work as Being Unproductive Effort Toward Seeing It as Essential to Effective Task Accomplishment.* In the past and often in the present, productive effort has been seen as that which focused directly on the production of goods and services. Little attention has been paid to the processes by which such effort takes place; to do so has often been viewed as a waste of time. Increasingly, however, the relevance to task accomplishment of such activities as team maintenance and development, diagnosis and working through of interpersonal and intergroup communication barriers, confrontation efforts for resolution of organizationally dysfunctional personal and interpersonal hangups, and assessment and improvement of existing modes of decision making is being recognized. And, in fact, we harbor growing doubts with respect to the continued usefulness of the notion of a task-process dichotomy. It seems to us that there are many activities which can make contributions to task accomplishment and that the choice from among these is essentially an economic one.

*Away from a Primary Emphasis on Competition Toward a Much Greater Emphasis on Collaboration.* A pervasive value in the organizational milieu is competition. Competition is based on the assumption that desirable resources are limited in quantity and that individuals or groups can be effectively motivated through competing against one another for the possession of these resources. But competition can often set man against man and group against group in dysfunctional behavior, including a shift of objectives from obtaining the limited resource to blocking or destroying the competitor. Competition inevitably results in winners and losers, and at least some of the hidden costs of losing can be rather high in systemic terms.

Collaboration, on the other hand, is based on the assumption that the desirable limited resources can be shared among the participants in a mutually satisfactory manner and, even more important, that it is possible to increase the quantity of the resources themselves.

As organizational work becomes more highly specialized and complex, with its accomplishment depending more and more on the effective interaction of individuals and groups, and as the organic or systems views of organizational functioning become more widely understood, the viability of collaboration as an organizational mode becomes even clearer. Individuals and groups are often highly interdependent, and such interdependency needs to be facilitated through collaborative behavior rather than walled off through competition. At the same time, collaborative behavior must come to be viewed as reflecting strength rather than weakness.

In organizations which have a high degree of interdependency, one of the problems people run into regarding the handling of this interdependency is that they look for simple solutions to complex problems. Simple solutions do not produce very good results because they deal with the symptoms rather than with the real problems.

122—  
**Defective Group Decisions:  
 Diagnosis and Intervention in Situations of Misguided Agreement**

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Our century has seen a dramatic transformation from paternalistic management to a more group-oriented style of decision making. Committees, task forces, work teams, quality circles, matrix designs, joint ventures, and so on—these are in vogue and show no sign of losing appeal. "Groupism" is supported by an assumption that groups make superior decisions and that membership in a cohesive group inspires confidence, sharing, coordination, and leads to higher motivation and identification. Decades of teambuilding consultants built a major industry on the concern of managers that group conflict is dysfunctional.

The time is past due for fine-tuning our use of teambuilding, for not all groups are alike and not all interventions are helpful. Here I emphasize that orthodox approaches to teambuilding will not only fail to prevent crises of agreement, but inadvertently might also lead to them. When many or all individuals within a group privately express doubts about the group's decisions or processes while publicly supporting them, *and* are unaware that their reservations are shared by many or all other group members, a crisis of agreement exists.

To complicate matters, I believe that there are at least three major variants of crises of agreement and that more than one can coexist in the same group. Although I will soon outline three "pure" crises of agreement, most crises of agreement probably are "hybrids." These situations are complex enough to perturb even the most renowned diagnosticians, and the prognosis for successful intervention is uncertain.

I—  
**Describing Three Crises of Agreement**

We do not know the full typology of crises of agreement, but I propose—to start this ball rolling—three types: Abilene, groupthink, and CREEP.

A—  
***Abilene***

The Abilene paradox was coined by Jerry Harvey to describe a commonplace, even trivial, experience. He, his wife, and his in-laws each agreed to leave the comfort of a shaded porch where they had been playing dominoes and drinking lemonade, in order to take a miserably long car ride in the scorching Texas sun for a substandard meal at a greasy-spoon cafeteria in Abilene. Later, each disgruntled family member confessed that he or she would have preferred to stay at home.

Abilene can be extrapolated to serious organizational crises. Harvey's paradox is that "organizations frequently take actions in contradiction to the desires of many of their members and therefore

defeat the very purposes the organizations are designed to achieve" (1988, p. 19). The conditions necessary to diagnose Abilene are clear. In general, group members as individuals are fully aware of the problems facing the organization and, unknown to one another, they often agree about the required solutions. Nonetheless, in group meetings they withhold their private feelings and allow other group members to believe that decisions are unanimously supported. The group makes defective decisions, producing the paradox. Individuals suffer frustration, irritation, anger, and feelings of impotence. They assign blame, choosing as targets themselves, the group, the task, or the organization as a whole. The organization begins to experience what Harvey calls "phony conflict" (1988, p. 29). More than likely, it also could plummet into a low-energy, low-motivation state best described by Golembiewski (1979) as "generalized malaise."

It is easy to see how Abilene can happen in group situations. Members can decide to withhold their true feelings about something in order to "keep peace in the family" or "make someone happy." How many times have we gone for a beer with coworkers when we really wanted to go home to bed? How many times have we agreed to eat at a restaurant we don't like rather than promote an alternative? In organizations, how many job candidates are hired even when the hiring committee is notably unenthusiastic and each member of the committee was conspicuously listless at the point the endorsement was reached? Abba Eban, foreign statesman for the state of Israel, once declared that "a consensus enables all of us to announce publicly what none of us support privately."

### **B— Groupthink**

The most famous variant of a crisis of agreement is described by Irving Janis in *Groupthink*. He offers mesmerizing accounts of defective group decision making leading to fiascoes such as the failure to foresee the Japanese attack on Pearl Harbor, the Bay of Pigs invasion, the Viet Nam conflict, and Watergate. The groupthink syndrome bears some superficial similarities to the Abilene paradox. The decision-making procedure is defective, with premature convergence on a single option and the closing-off of sources of alternative information and courses of action.

Groupthink's antecedent conditions are easily specified: the group is cohesive, insulated, homogeneous, and has neither a tradition of impartial leadership nor norms requiring a systematic information search. Defective decisions are triggered by provocative situational contexts, often involving high-risk and incomplete information. Faced with an elevated degree of uncertainty, individuals seek greater affiliation with the group as a protective device. This banding together produces overestimations of the group—that it is invulnerable, inherently moral, or superior. The group becomes closed-minded and develops defenses against both internal and external dissent. At this point, group members are prepared to make and support decisions they might not have made as individuals.

Fraternities and sororities are often accused of inculcating groupthink. Cults are also prime examples of the use of social engineering to produce groupthink. In our own behavior, we often think back to some decision we made as part of a group and wonder, "How on earth did I go along with it? Why didn't I see things more clearly?"

### **C— Creep**

I have taken the liberty of using the acronym from the Committee to Re-Elect the President (CREEP), formed to support Nixon's bid for the presidency, to describe the third variant of group dysfunction. Anyone who spent significant time watching the Watergate hearings on television, or who read the various memoirs of the Watergate conspirators, will recall the reptilian fascination characterizing the scrutiny given to the Nixon group.

This crisis of agreement arises when the stakes are high for individuals. Access to power is their intoxicant, and all alternative career opportunities pale in comparison to membership in the "inner circle." The group works on behalf of a leader who is capable of offering munificent rewards and who demands total loyalty from followers in the face of what he perceives as a largely hostile world. Members of the group vie with each other, and any weakness will be pounced on by other group members. A cult of machismo develops. The group is carnivorous in its willingness to destroy

outsiders who threaten it and also to devour the weakest members within the group. There is a zero-sum perception of rewards, so that any gain by one group member is a loss to another. As Raven describes the Nixon team, "The pressure . . . was increased by the competition between contending groups and factions, between individual young men who wanted to rise quickly and older men (like Mitchell) who did not want to fall" (1974, p. 313).

Feelings of paranoia reinforce CREEP, as does the avoidance of even hints of weakness. Such groups jealously guard access to their leader in an attempt to consolidate their own power. Their mistrust of outsiders and extreme reluctance to expose their decisions to external scrutiny leads to the development of a siege mentality. Because of the competitive nature of the internal team, members are also loath to trust one another. Here is a description, from Bernard Raven's work on the Nixon team, of how Nixon's men allowed themselves to be drawn into a crisis of agreement:

Dean later wondered why Mitchell had not taken a stronger stand against the outrageous plan of Gordon Liddy to use high-paid prostitutes, kidnappings, blackmail, and burglaries to help destroy the Democrats—a plan presented with six color charts in the office of the attorney general and in the presence of Dean, Mitchell, and Magruder . . . . All later in retrospect expressed profound shock at the proposal. Mitchell later said, "I not only should have thrown him [Liddy] out of the office; I should have thrown him out of the window." Yet none said anything more than suggesting that that was not exactly what they had in mind . . . . Any hesitancy in giving the Watergate burglars a go-ahead might be interpreted as a sign of weakness (1974, pp. 313–314).

Fear of exposing weakness leads group members to propose and endorse decisions that they know to be incorrect or even immoral by conventional standards.

This is a team that should be killed, not helped. Every aspect of this team is defective, beginning with selection and recruitment based on loyalty and/or sycophantic personalities, the vesting of a norm exemplified by Charles Colson's position that to elect the president "I would walk over my grandmother, if necessary" (quoted in Raven, 1974, p. 307), and the scorn for weakness and doubt among group members. The sickness runs too deep, and team euthanasia is a better solution than teambuilding.

II—

### **How to Tell One Group Dysfunction from Another**

In an earlier publication I listed nine conditions which interact to produce crises of agreement, and it should suffice here to state that this list is useful in spotting the preconditions leading to crises of agreement, but does not really help us determine which type of crisis we are dealing with (Taras, 1991, pp. 406–410). Intervenors must know how to identify a crisis as it unfolds. The discussion which follows argues that at each of five stages distinctions can be made among the three variants. The stages are initial attraction to the group, establishing norms and processes, endorsing a defective decision, exposing the defective decision and its causes, and intervening. A summary is provided in Table 1.

A—

### ***Basis of Membership in a Group***

All three situations begin with an individual's attraction to a group, so much so that he or she will express concurrence with a decision perceived to be the group's rather than voice dissent and suffer the real or imagined consequences. Elton Mayo (father of the Hawthorne studies) once wrote that "Man's desire to be continuously associated with his fellows is a strong, if not the strongest, human characteristic" (1945, p. 111). To be ejected from the group is too ghastly to contemplate, and most individuals will jettison opinions which would lead to censure or expulsion.

What draws the group together? Here we begin with the umbrella concept of cohesiveness, which has as many meanings to organizational behaviorists as fatigue has to physicians. Janis insists that cohesiveness is the single most powerful precondition for groupthink, and subsequent research on groupthink has confirmed this requirement. By cohesiveness, he means that the members respect

**TABLE 1** Differentiating Three Crises of Agreement

Stages	Abilene	Groupthink	CREEP
Initial attraction	To each other and harmony	To the group and prestige	To the leader and rewards
Norms and processes	Avoid conflict	Conformity to others and to the leader	Self-interest, meet needs of strong leader, fear, rivalry
Feeling when endorsing defective decision	Malaise	Euphoria	Anticipation of rewards
Feeling upon exposure	Relief	Shock, loss of prestige	Attempt at denial, desertion of group
Intervention	Interpersonal	Structures and processes	Team killing
Outcome	Restoration of positive relations	Rules for good decision making	Scrutiny of group selection mechanisms, leadership review

each other and value their membership in the group. Janis also speaks of homogeneity of values, shared outlook, and the prestige associated with membership.

Cohesiveness in the Abilene paradox, as it was first identified by Harvey and his family, seems more affect-oriented than groupthink. Members of the group like each other, and failing that, at least have an interest in not hurting each other. Not only do members silence their qualms about poor decisions in order to maintain membership in the group, but also to be sensitive to the feelings of other group members.

CREEP brings people together who are attracted to the resources of the group and have proven their loyalty to an autocratic leader. Each member may have a personal agenda to play out, and membership adds to the likelihood of realizing self-oriented goals. The affinity for the group as a whole is strong, though the sensitivity to specific members within it can be weak. A temporary cohesiveness develops which is based on fear, vulnerability, and a mutual interest in buffering the group from outsiders. Indeed, the defective decisions of the Stockholm syndrome (where hostages identify with their captors, even to the point of sabotaging rescue attempts) demonstrate that fear can act as a strong stimulant to cohesiveness.

**B—**  
***Establishing Norms and Processes***

All three variants are similar with respect to their major norms and processes. The earlier review of each of the variants presented most of the information necessary to understand the development of group norms and processes, and further repetition is unnecessary. In each case, there is a stifling of dissent, failure to survey alternative decisions, and a reliance on consensus as a decision-making procedure.

Groups which are especially prone to defective decisions are insulated from discordant opinion, usually because of their high position in an organizational hierarchy or the secretive nature of their task. Significantly, all Janis's cases of groupthink took place in meetings that were totally private, and the Nixon group was pathologically cloistered. Crises of agreement are more uncommon in fishbowl situations, where the group's processes and decisions are subject to surveillance by an attentive audience.

Especially in CREEP and groupthink, team leadership has a strong impact. In the former, the leader is authoritarian and the group is attracted to the rewards of his autocracy. In the latter, the leader is prestigious and the group is excessively deferential to his views. In either case, the preferences of the leader have disproportionate influence on the ultimate decision.



C—

***Endorsing the Defective Decision***

The consciousness of participants must be examined. Members of CREEP groups are aware that the world around them might condemn the decisions they make, but they manage to find justification in the knowledge that "the ends justify the means." Each member is also afraid to voice reservations for fear of retaliation by the others. The hope is omnipresent that the rewards of continued membership will make up for the temporary error committed.

Abilene riders each knowingly live a lie and feel oppressed by it. They experience the discomfort of having to put on a false face in order to interact with the group.

Groupthink situations lack this paradoxical element, where individuals want to do one thing but willingly do the opposite. In groupthink, the situation is not absurd until after the fog lifts. Not surprisingly, the strongest support for Janis's model is culled from the reflections and recriminations of group participants, in which hindsight is crystal clear. At the time they made defective decisions, however, they were often described as euphoric, enjoying high morale and a heightened sense of efficacy.

D—

***Exposing the Defective Decision***

There are really two subparts to this fourth step. First, how can we diagnose a crisis of agreement in order to expose it? Second, how do groups react to the exposure?

In the throes of groupthink, organizational members express satisfaction with the decisions and with the group itself. A diagnosis of groupthink can be made only by examining the structural and procedural characteristics of the group. There are many organizational climate surveys which contain questions relevant to diagnosing the conditions favorable to the emergence of groupthink. Satisfaction measures are useless here, but questions which deal with leadership styles, information dissemination, adequacy of role and task definitions, and so on can be helpful in penetrating the enigma of high cohesiveness in tandem with poor group decisions.

Like groupthink, CREEP requires a full investigation of structures and processes. Diagnosis is complicated by the fact that group members will band together to resist the probing examination of an outsider. Evidence of poor decisions is often hidden or destroyed as soon as the group is investigated. The extreme paranoia of the group is in itself a strong diagnostic of CREEP.

Jerry Harvey suggests the use of six simple questions to diagnose a crisis of agreement.

1. In general, how are things going in the organization?
2. What in particular is going well?
3. What are some specific organization problems which need to be solved?
4. What actions do you think need to be taken to solve them?
5. What problem-solving actions have you and others attempted, and what were the outcomes?
6. If you haven't taken action, what prevents your taking action to solve them? (See Golembiewski, 1989, chapter 6, exhibit 2.)

If the entire group suffers from an Abilene paradox, then the questions will reveal the crisis of agreement, and an intervention can begin.

Unfortunately, Harvey's diagnostic questions are framed only to produce confessions of Abilene riders, not the defective group processes which generate groupthink or CREEP. A hybrid crisis of agreement will give the unwary diagnostician confusing signals. Because this is probably a common occurrence in groups, Harvey's questions should be used in tandem with a thorough examination of structures and processes.

Exposure will produce different responses, depending on the crisis variant. In Abilene, there is a sense of relief, and the glimmering of hope that exposure might lead to restored authenticity. While each group member has been caught in a lie, at least it is a shared experience and was borne out of protectiveness of the feelings of others. The positive affect that contributed to Abilene is something on which to base an intervention. There is reason to be optimistic about the ultimate prognosis for curing the Abilene paradox.

Victims of groupthink will react with shock, disbelief, and denial. That the group made an obvious mistake takes a long time to sink in. The prestige of the group as a whole is challenged. If exposure is not carefully handled, individuals will turn against each other. We know very little about the intervention prognosis for groupthink.

CREEP exposure will draw the group together in order to attempt a cover-up. If it is unsuccessful, the inevitable result is infighting, pointing fingers of blame, and retaliation. Without the continuation of the rewards of membership there is little left of the basis for membership in the group. At this point, group members will desert the sinking ship and seek safety elsewhere.

In reality, the distinctions among reactions to exposure in the three crises conditions become blurred. There exists a basic human tendency to rationalize disasters after the fact. If a group decision produces a poor outcome, many group members will have a strong need to dissociate themselves from the decision and absolve themselves of blame. Few decisions are made with absolute certainty, and it is likely that any lingering doubts of participants would be magnified later. Plausibly, group members might underestimate the extent to which they were mildly enthusiastic of an idea which is later repudiated. In his epilogue to the Abilene paradox, even Harvey admits that "it is altogether possible that my in-laws really wanted to go on the original trip, but changed their stories once we had such a lousy time" (1988, p. 37). Thus, postmortem analyses of crises of agreement might be dealing with pseudo-group effects rather than truly virulent group dynamics. Nonetheless, even if the exposure stage tells us little about which type of crisis befell the group, an intervention is still required, particularly one aimed at eliminating the causes of poor decision making.

*E—*

### ***Intervention in Crises of Agreement***

Conventional intervention techniques do not equip an intervenor to deal effectively with crises of agreement. An intervenor who is not knowledgeable about Abilene would assume that the breakdown in positive feelings about the group requires only a strategy of rebuilding and would ignore the defective decision itself. An intervenor unfamiliar with groupthink could fail to diagnose the syndrome or, indeed, any problem at all. A neophyte challenged with the Nixon situation would attempt to establish trust and openness in a group situation whose structures promote wariness and entrenchment. In all cases, adherence to popular teambuilding techniques neglects the real roots of the problem—defective decision making and the silencing of dissent.

Once a group is diagnosed as CREEP, the intervention should move immediately to the organizational level, with the recommendation of a leadership review, an analysis of recruitment and reward systems, and an examination of norms and processes. The group itself can be disbanded (and/or arrested).

For Abilene and groupthink, the intervention can continue, but confrontation designs and most traditional teambuilding methods should be avoided. These will only highlight the deficiencies of the group and of its individual members. In Abilene, given the malaise, low-energy designs are preferable. All designs must be nonthreatening and reflective. Survey-feedback or interview-feedback designs are indicated.

Abilene, with its focus on the individual, suggests interventions at the interpersonal level—stressing disclosure, feedback, openness, and owning of privately held views. The specific procedures for interpersonal interventions in Abilene are on public record in Harvey's, Dyer's, and Golembiewski's work and need not be replicated here. If the exposure of Abilene is handled with tact and finesse by the intervenor, the positive feelings about each other that were the initial attraction to the group can remain or be restored. Later on, intervenors also have much to gain by adapting Janis's recommendations for structural and procedural changes in *Groupthink*. One of the deficiencies of most teambuilders is their excessive fondness for a more interpersonal focus, even when indicators point to serious organizational flaws.

As the logical outcome of the preoccupation with group level forces, groupthink interventions have focused on group structures and processes. Other scholars have added to Janis's list of structure and process recommendations, and a small portion of their work can be found in my references at the close of this article. Among the many suggestions for change are the following:

Leaders must keep their preferences to themselves while the group formulates a decision.

When debating alternative decisions, groups should divide into two or more subgroups and reconvene to hammer out differences.

At each meeting, one or two group members should be assigned the role of devil's advocate (on a temporary basis only), and be praised when they are particularly adept at raising difficult issues.

After a decision appears to be made, hold a "second-chance" meeting at which members bring their doubts and reservations to the table.

The group periodically should invite outside experts or qualified colleagues to attend meetings and encourage them to challenge the views of group members.

After the crisis is exposed, focusing on the norms which have developed in the group is imperative. Without the injection of new modes of group work, the possibility exists that a conflict of agreement will recur as the effects of an interpersonal level intervention dissipate.

Greater openness is required. In order to create a climate more supportive of openness and owning opinions, upper management must strongly endorse a reward system for the introduction of dissent into group norms. The weaknesses of consensual methods of decision making has led to a call for the introduction of "programmed conflict" via such methods as devil's advocacy and dialectical inquiry, which are initially unpopular with group members but produce demonstrably better group decisions. Thus, the intervention is a long-term commitment to change, and the intervenor must be prepared to expend considerable time and effort in monitoring change.

### III—

#### **Breaking the Silence:**

#### **Hints for Intervenors**

It is important to reiterate that OD consultants or intervenors must appreciate that a faulty decision which achieves the support of the group may be engendered by all three types of conditions simultaneously within a group. The classic movie *Twelve Angry Men* depicts the hybrid crisis of agreement of a jury on its way to a defective verdict but for the intervention of Henry Fonda. The literature on crises of agreement has neglected to deal with the diversity of human nature and individual choice. This oversimplification might lead OD intervenors to incorrectly diagnose a mixed group as suffering from the more common crisis of *disagreement*, to which standard teambuilding designs would be applied. Imagine, for example, a group in which some members are prone to groupthink while others are exhibiting the calculatedness of the Nixon team. The cohesiveness of some members, and the competitiveness and mistrust felt by others, would lead the unwary ODer into applying a confrontational intervention design, which might work in the Henry Fonda movie but is too risky for real-life applications.

A few brief remarks about exposing a crisis of agreement are in order. The tone of the intervention is crucial. There can be no hint of coercion by the intervenor. Otherwise, the intervenor merely creates stronger conflicts within individuals, and increases misery and suffering without achieving any gain in the receptiveness of the group to scrutiny. An intervenor who attempts to empower individual members of a group to confess to reservations about group directions by pressuring them—whether publicly or privately—is likely to be rejected. Abilene sufferers resist disclosing their true sentiments to avoid causing distress to other group members. To confess is to betray the trust of the group. In groupthink and CREEP, individuals will presume that the intervenor is a quack, an enemy, an incompetent, or a member of an outgroup. Intervenors must understand that despite all organizational assurances to the contrary, a person who contemplates breaking a silence and exposing a defective group decision is at risk of retaliation. A "whistle blower" is usually pressured by the group to conform or, failing that, punished if possible. Even in groups that allow members to express doubts about decisions, research indicates that after an initial burst of activity to elicit conformity, the amount of communication directed to deviant members precipitously declines. Often groups eject the deviant member.

In crises of agreement it is appropriate for the consultant or intervenor to privately poll group members and present the findings in aggregated form (e.g., "All 10 of you each told me privately

that you had misgivings about the decision you made to hire Mr. Smith. Why don't we now talk about those misgivings, and the feelings you had when you kept silent about them?"). Crises of agreement merit a stronger and more central role for consultants and intervenors than would be expected in other types of interventions.

The underlying concern with the impact of group dynamics raises a troubling issue of morality and responsibility. There are ethical dimensions to crises of agreement. Postmortems of Abilene illuminate the individual's inability to speak out, and his or her awareness of the paradox mitigates the capacity to deflect culpability. Abilene offers no recourse to absolution of guilt by seeking refuge in group dynamics.

The Nixon situation also highlights the roles of individuals. Not only were members of the Nixon group consciously breaking the law, but their testimonies before Senator Ervin's Senate Select Committee demonstrate the indefensibility of their choices. Some Watergate conspirators continued their cover-up even during the investigation, committing perjury, either to "fall on the sword" for the president or to avoid its sharp point.

In groupthink, however, the *group* is guilty of poor decision making and, because group members have surrendered their separate identities, they are exonerated from individual responsibility. Janis suggests that "every executive who participates in group decisions is potentially susceptible to groupthink. Irrespective of the personality characteristics and other predispositions of the members who make up the policy-making group, the groupthink syndrome is expected to emerge whenever the situational conditions that are conducive to it are present" (1982, p. 243).

In case after case, Janis mounts a brilliant line of defense for individuals who are accused of contributing to defective decisions. Pressure toward conformity, he argues, is the main factor that leads individuals to make and *own* defective decisions. The classic movie *Judgement at Nuremberg* should be screened in this context: How is an elected American judge (Spencer Tracy) to weigh the individual responsibility of a German Third Reich judge (Burt Lancaster) for decisions taken during a time of collective guilt? To what extent is it possible to remove decisions made in a collective context and assess their logic in an individual context?

#### IV—

#### Conclusion

The prognosis for breaking the silence in a crisis of agreement remains on the research agenda. Any organization which suspects silenced dissent among group members should be wary of OD intervenors who assure easy solutions and endorse "hit-and-run" approaches. ODers must be prepared to commit time and energy to the intervention—from diagnosis, to intervention, to follow-up.

Managers who think that the absence of dissent over shared decisions means that the group is healthy should think again. Groups that feel good about themselves do not necessarily produce good outcomes. All organizations that rely on groups for decisions should routinely review the culture and structures which support group work. There is no doubt that consistently effective group decisions owe a great deal to their organizational context, as do consistently defective decisions. To bring teambuilders into an organization to make all groups more cohesive is to invite mischief. And, unfortunately, organizations cannot rely on the professionalism, sensitivity, and qualifications of most teambuilders who tend to apply standard formulas designed in the old days when we all believed that a happy group is a productive group.

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## 123— Roles in Group Development

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T-Groups are growing and developing social organisms much as any other type of problem-solving group or committee. In order for a group to attain its potential for productive work and learning, a balance, unique to itself, must be developed between two types of role-behaviors that are enacted by the members. These behaviors are (1) aimed at the task—at solving the problems that confront the group, and (2) focused on maintaining and improving the relationships that exist among the members of the group. Frequently, some members are more skillful at engaging in task behaviors while others focus their attention on enacting maintenance behaviors. Group members also behave in nongroup-oriented ways. That is, they enact roles whose aim is the satisfaction of self-oriented needs which may, for the moment, take precedence over the task on which the group is working or over the needs of the group to maintain itself.

Regardless of the type of role in which a member may be engaging, it is important to note that the particular behavior—standing by itself—is neither constructive nor destructive. That is, whether or not a particular role facilitates or inhibits the development of the group is dependent upon the needs of the group and its members at the time. Thus, for example, as the following scheme indicates, though efforts to harmonize, to reconcile disagreements among group members are typically facilitative, there may be times in a group's life when conflict needs to surface and be dealt with. At such times, efforts to harmonize may prove to be inhibitive as far as group development is concerned.

What is needed, then, as all groups attempt to grow and develop, is an awareness on the part of members of (1) the wide variety of role requirements that may be demanded by the group, and (2) a sensitivity to what role is most appropriate to the existential needs of the group and individual members at particular times in group life.

Tables 1 and 2 address themselves to these central issues involving role-behaviors that normally facilitate group development. Table 1 emphasizes nine different kinds of behaviors whose performance can facilitate work on a task. The table also suggests how too much or too little of the same behaviors can inhibit group development. Table 2 does the same things for role-behaviors that are maintenance-oriented, that is, directed toward developing and sustaining effective work team processes.

Table 3 establishes a similar point from an opposite perspective. It focuses on role-behaviors that are normally viewed as destructive or inhibitive to group development. Again, depending upon the state of the group and its individual members, variations on either side (as it were) of these inhibitive behaviors also can facilitate work on task or group maintenance.

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This selection appeared in Robert T. Golembiewski and Arthur Blumberg, editors (1970, 1973, 1977), *Training and the Laboratory Approach*, F. E. Peacock, Itasca, Illinois. It is reproduced here with the author's permission.

**TABLE 1** Task-Oriented Roles

Inhibitive	Facilitative	Inhibitive
	<i>Initiating New Ideas</i>	
Not initiating ideas when needed.	Suggesting or proposing new things to do or changes in doing something.	Initiating ideas or changes when not needed.
	<i>Seeking Information</i>	
Allowing issue to bog down when new information is needed.	Asking for clarification of additional facts.	Seeking information when enough is already present.
	<i>Seeking Opinions</i>	
Not asking others for opinions when they might be helpful.	Asking not for facts but for the opinions or values pertinent to issues.	Seeking opinions when facts are relevant.
	<i>Giving Information</i>	
Withholding information when it is needed.	Offering facts or generalizations about issues or relating own pertinent experience.	Clouding the issue by supplying more information than is needed.
	<i>Elaborating</i>	
Withholding sufficient elaboration.	Developing clearer or additional meaning or providing reasons or deductions.	Providing elaboration when issue is already clear.
	<i>Coordinating</i>	
Not providing coordination when needed.	Showing relationships between ideas and events. Pulling ideas, suggestions, and activities together.	Forcing relationships between ideas or events.
	<i>Orienting</i>	
Failing to supply needed orientation.	Defining the position of a goal with respect to its start and goal. Showing deviation from appropriate direction.	Orienting that is overdeterminative and restrictive.
	<i>Evaluating</i>	
Too little or no evaluating.	Supplying standards of accomplishment and subjecting group progress to measure.	Too much or unrealistic evaluating.
	<i>Stimulating</i>	
Accepting lethargy or apathy.	Prodding the group to greater on-target action. Arousing greater or higher quality activity.	Overstimulation resulting in non-productive activity.

**TABLE 2** Maintenance-Oriented Roles

Inhibitive	Facilitative	Inhibitive
	<i>Encouraging</i>	
Failing to encourage others, or deflating with them.	Commending, complimenting, supporting the contributions of others. Indicating understanding, interests, and acceptance of others.	Shallow encouraging.
	<i>Harmonizing</i>	
Not acting to reduce stifling conflict.	Mediating differences between others. Endeavoring to reconcile disagreements.	Preventing needed conflict from occurring or surfacing.
	<i>Compromising</i>	
Refusing to yield or give in.	Yielding own position, admitting error, or "coming half-way" when involved in disagreement or conflict.	Yielding too soon or too far.
	<i>Opening Communication</i>	
Undertalking or not trying to encourage or control others.	Keeping channels open. Assuring that those who want to contribute feel comfortable to do so. Limiting overtalkative members, soliciting information from nontalkative members.	Overtalking or overcontrolling others.
	<i>Evaluating Process</i>	
Inattentiveness to or ignoring process problems.	Calling attention to group needs. Offering observation about group functioning problems. Encouraging members to work on process needs.	Overfocusing on process, or creating pseudo issues.
	<i>Accepting</i>	
Too little accepting and interested listening.	Going along with group movement. Serving as interested audience.	Being too passive and not contributing.



**TABLE 3** Roles Normally Destructive to Both Task Accomplishment and Group Maintenance

Facilitative	Inhibitive	Facilitative
	<i>Aggressing</i>	
Withholding aggressive behavior.	Deflating others. Expressing disapproval of ideas, opinions, feelings of others. Degrading members or group.	Expressing aggression in a constructive way.
	<i>Blocking</i>	
Withholding blocking behavior.	Being negativistic, stubbornly resistant. Maintaining or returning issues which the group has rejected. Disagreeing or opposing beyond reason. Being caustic, cynical.	Admitting blocking tendencies and asking to help deal with these tendencies.
	<i>Dominating</i>	
Withholding dominating behavior.	Trying to exert authority in manipulating the group or certain members. Using flattery, directing, demanding.	Channeling dominating tendencies into constructive help for the group.
	<i>Seeking Recognition</i>	
Shifting recognition to others.	Maintaining a central position or the center of attention. Overtalking, being boastful, or seemingly humble.	Entering central position for specific purpose and then leaving it.
	<i>Playing</i>	
Inhibiting low involvement behavior cues.	Maintaining and displaying lack of involvement. Using nonchalance, joking, raising off-target or mundane issues.	Using levity to relieve tension for constructive purposes.
	<i>Pleading Special Interests</i>	
Resisting pleading special interests when not constructive to the group.	Using the group to satisfy personal interests only. Standing on stereotypic principles to detriment of group.	Expressing only those personal interests which are helpful to the group.
	<i>Sympathizing</i>	
Withholding expression of self-pity.	Endeavoring to elicit sympathy responses from whole group or certain members. Depreciating self beyond reason. Self-pitying.	Honestly expressing feelings when useful to the group.

## 124— Strategic Planning

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"Strategic planning" is planning for the fulfillment of the organization's fundamental purposes. It includes the process of establishing and clarifying purposes, deciding on the objectives whose attainment will help fulfill purposes, and determining the major means and "pathway" (strategies) through which these objectives will be pursued.

There are five broad topics which will best introduce strategic planning to OD and training people. First and most important, I will elaborate on the above definition of what strategic planning is. Second, I will list and discuss briefly 10 issues of organizational behavior which arise when men and women attempt to do strategic planning. Third, I will discuss the relevance of strategic planning to the conduct of the training function itself. Fourth, I wish to talk about the personal qualities which I think effective strategic planning calls for. Finally, I will describe the implications for OD and for training if they were seriously to try to help organization managements do strategic planning.

### I— The Nature of Strategic Planning

The definition with which this essay opens makes the organization's basic purposes central. By basic purposes, I mean what is sometimes called "mission." Richard Beckhard uses the phrase "the organization's reason to be" to refer to what I call its basic purposes. The basic purposes are the organization's answer, as it were, to the ongoing question: "Why should this organization exist at all?"

Some people express impatience with the idea that continual discussion of basic purposes is so important. You hear them say, "it's all just boilerplate"; "it's motherhood stuff"; "we've already done it—two years ago—so why should we have to do it again?" and so forth.

I certainly agree that many attempts to clarify purposes end up merely with an elegant verbal statement, and sometimes not even that, i.e., that excitement, feelings of real ownership and deepening of commitment remain absent or unexpressed. The frustrations so many feel with the processes of clarification do not negate its importance, though. Instead, what it means is that we have to become wiser both about the nature of the process, and about actually conducting it. That is why OD and training people have a very important role to play, for they are experts, to the extent there are *any* experts, on the processes by which human organizations do *anything*.

The reason the ongoing clarification of purposes is so important is that in the modern world they cannot be established once and for all, as at one time it may have been possible to do. A stable,

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enduring *sense* of purpose depends 1) on reasonably understandable and predictable forces bearing on the organization from its environment; 2) reasonably understandable and predictable expectations of the organization from its own workforce; 3) a collection of technologies which "hold still" long enough for the organization to learn to operate them; 4) and structural forms which work well enough so that the organization is not constantly having to "reorganize" itself. *None* of these conditions exists today, nor have these conditions really existed widely in society since World War II. Instead, all four of these categories are extremely dynamic and unpredictable. *It is not possible to sustain a sense of purpose in the organization when these four are changing unless their individual and collective impact on the sense of purpose is continually examined and energy for purposes thereby renewed.*

The organization's purposes are not fundamentally verbal statements at all. They are pictures in people's heads. They are the *meanings* of the organization to its members and to its publics. Perfect congruence among these pictures is not possible, but there has to be some degree of congruence beyond some as yet unknown threshold in order for sustained effort to occur. The drift and wandering we can see in so many organizations today, to say nothing of those which are in actual states of collapse, derives from insufficient congruence among the pictures members and publics have in their heads about why the organization exists at all.

If the purposes of the organization are concerned with the meanings that they have for its members and its publics, it is possible in a simple diagram to highlight this fact. Figure 1 shows

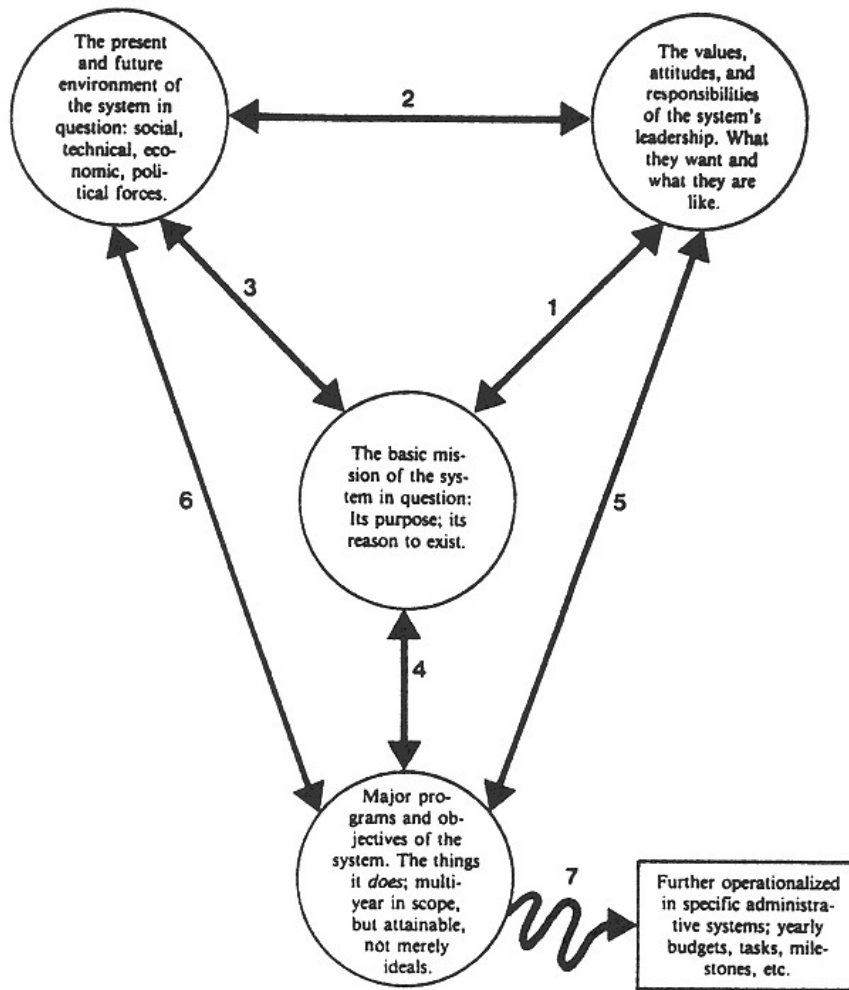


Figure 1  
Fundamental relationships in strategic management.

the purposes of the organization in relation to four kinds of phenomena which arise over and over again in strategic planning.

When an executive group is "doing strategic planning," it is essentially working the seven relationships portrayed in Figure 1. No one relationship is necessarily more important than the others. They furthermore do not arise in sequence, but rather exist as a system of relationships. Strategic planning is the iterative working of this system of relationships. Data arise from all categories. Effects occur in all categories. For various purposes, effects in one category may be more important than another, but in the long run, effects in all categories are important and cannot be ignored.

For discussion purposes, I have numbered the seven relationships, and will now proceed to make a few further remarks about each one.

1. *Organization Leadership/Purposes*. "An executive ought to want something," says Professor David Brown of George Washington University. In that rather simple statement is captured all the complex relationships between the nature of the organization's leadership and its basic purposes. What can they get committed to? What do they believe in, value? Why do they care? What is it about the organization that makes it worth the ruinous physical and psychological pressures leadership of it entails? Are they alienated? Are they just using the organization as a stepping stone to something "bigger" in their careers? Are they just interested in the perks which go with their positions? Are they just on power trips? All these issues arise in relationship (1).

2. *Organization Leadership/Environment*. What can the top people understand of the world the organization lives in? What do they know of where the world seems to be going? Are they open to change, or made anxious and dogmatic about it? How *fully* can they understand the environment, as opposed to being expert only on segments of it and simplistic on the rest? Can they see that their own perceptions are crucial in this relationship, that there are no unequivocal fixed facts about the environment, but instead that it is their judgment which assigns meaning to various signals, strong and weak, from the environment? Do they have a sense of history? of the future?

3. *Environment/Basic Purposes*. What kind of an organization is there a need for? Are the purposes timely? Consistent with current and future definitions of this organization's "responsibilities?" What unique, distinctive contributions is the environment signaling? How far "out ahead" of where the world is might the organization go? (Peter Drucker says strategic decisions should have "futurity," i.e., in the future, when we look back, our decisions today will be seen to have been wise.) Basically, does the role the organization wants to play fit with the world in which it is playing?

4. *Basic Purposes/Objectives and Programs*. The organization's major objectives and programs are the things that it *does*. They provide the basis for its activities. They will usually have multi-year time frames, but in contrast to basic purposes, they are achievable; it is possible to determine when and/or to what degree they have been attained. Is there a relationship between these objectives and programs, and the basic purposes? Can we see what one has to do with the other? Are they adopted as efficacious "translations" of basic purposes into actions? Do the basic purposes figure in the criteria by which the major objectives and programs were adopted? (A major problem in the modern world is the tendency for organizations to proliferate major objectives and programs which are only vaguely related to purposes. This is the meaning of the oft-heard remark that "the organization has not figured out what business it is in.")

5. *Organization Leadership/Objectives and Programs*. In this relationship, the abilities of the leadership as implementers of action arise. The objectives and programs constitute the content of executive action. They are the subjects of meetings the leadership chairs and of the memoranda they write. Their abilities to state objectives and to follow-up are tested. Sometimes it is the case that objectives and programs *become* the organization for the leadership, in which case we speak of them having one-track minds, pet projects, etc. If this relationship is not enriched by (1) and (4), the danger is that leadership becomes immersed in detail which does not seem to lead anywhere.

6. *Environment/Objectives and Programs*. This relationship is an ongoing process of adjustment between the actions the organization has committed itself to and feedback on the consequences from the environment. It is also from the environment that resources for the objectives and programs originally come. Thus, this is the dimension of input-output as traditionally defined. (And notice that some systems analyses of organization-environment relations talk as if this relationship were all there is to be discussed, i.e., ignoring the other six.)

7. *Objectives and Programs/Administrative Systems*. In this relationship arises the bulk of the organization's daily activity. Tasks and job definitions come up here as do recruitment policies, performance appraisal, and specific directives and responsibilities. Financial costs and cost control and accounting procedures also come up. In the colloquial phrase, this is where the alligators and the swamp meet. For most of this century, "management" has meant relationship (7). These notes should make clear how inadequate a view of management this is.

To repeat, strategic planning is the iterative consideration of all these relationships. If one asks, "But where does strategic planning start?", the answer is that it can start almost anywhere. Top leadership gets a new idea, i.e., (2) is the trigger. Something the organization has been doing is not working, i.e., (6) is. New leadership undertakes to revitalize the organization, i.e., (1) is the catalyst. It gradually becomes clear that there is a huge gap between the way the organization would like to think of itself and what it is actually doing (that's the subject of (4)). The point is, no matter where you start, you end up involved in all the relationships. Strategic planning is thus a messy and ill-structured business.

## II— Areas in Which Strategic Planning Groups Need Help

The whole process is "organizational behavior," through and through. Top executives are not, by the nature of their roles, wiser and more judicious than other people. They are subject to all of the human foibles and failings of everybody else. In my experience with executives who are trying to think through the relationships portrayed in Figure 1, I can identify 10 kinds of issues of organizational behavior which arise constantly. They are as follows:

1. There are constant *problems with definitions*, both of words and of processes. Terms like "objectives," "strategy," "purposes," "planning," "goals," etc., have different meanings to different people.
2. As in all organizational change processes, there is a key diagnostic question: "*What's the problem?*" It is especially vexing and debatable at the strategic level. Consider, for instance, how complex a question is this one which might be asked by the management of any Fortune 500 company: "Have we positioned ourselves effectively for the next 10 years?"
3. What OD calls "team development" is just as important in discussions of basic purposes and strategy as it is on any other subject. Issues of communication, trust, "politics," leader-member relations, etc., arise constantly. Openness is an especially delicate matter, for the players are usually powerful, articulate individuals who may feel "baring one's soul" is unseemly for one in their position.
4. Despite the space I have devoted to the subject of *clarifying basic purposes* as a key element in strategic planning, *the idea is often resisted and/or dealt with in only a very cursory fashion* by strategic planners. They have an "action-bias"; they want to "get on with it." They experience the discussion of basic purposes, sometimes, as aimless philosophizing.
5. Relationship (4) on Figure 1 presents strategic planners with a set of very difficult choices. In effect, they have to answer the question, "Out of all the things we *could* do, what *are* we going to do?" They have to think through the criteria by which they are going to

make basic commitments, and then apply the criteria as consistently as they can. An additional issue here is where the objectives and programs come from in the first place. That is, *how are alternatives generated?* We know a lot more about creativity than strategic planning groups ever utilize on this matter.

6. While there is much anecdotal material available there is not to my knowledge any serious study of the *intrapersonal aspects of strategic thinking*. There are problems of fatigue, anxiety and depression. There is executive stress as a syndrome and a field of study. On the positive side, there are the phenomena of "vision," "statesmanship," and "implacable resolve." What goes on inside men and women as they struggle with strategic questions? To answer, "Nothing of importance to the quality of the decision" is absurd. Yet little is known.
7. In our analytical, computer- and model-oriented world, it is understandable that strategic planners should *search constantly for techniques which will reduce the ambiguity of the data, which will make the options more comparable and the risks more easily assessed*. Yet there is little attention given to the nature of the impulse to model and to quantify. In addition to the well-known field of "policy analysis," strategic planning experience shows that *a new field is needed, call it "analysis policy"—the study of when and why you model*.
8. Strategic planning groups also find themselves confronted with a host of questions about *the reception their decisions will receive in the wider organization*. They need sensitivity to organization norms and communication networks, insight into political realities in the system, and ability to forecast the rate at which their decisions can be implemented.
9. "The future" is a matter of constant preoccupation. Strategic planners are acutely aware of the uncertainties which surround their decisions. *They want to know how to envision and forecast future trends and events* more richly and accurately.
10. Finally, in many organizations, there is a growing awareness of the need to *develop more men and women who are effective as strategic thinkers*.

At any given time one or more of these 10 kinds of issues will be real for any group which is trying to do strategic planning. Such groups may well need skillful assistance from a consultant, resource person, or process observer as they move through the process. The opportunity to be helpful constitutes an exciting new area of professional activity.

### III— Strategic Planning in Training Departments

Ideas and practices in strategic planning cannot be applied only to the total organization; they can be applied to component units of it. In general, any discussion of strategy requires us to specify the unit for which we are formulating strategy. This is necessary in order to determine what the unit's environment is. If a sub-unit of an organization is the focus of strategy formulation, then the rest of the organization is treated as part of the unit's environment.

It is incorrect to assume that the training department's strategy is strictly dependent on what the rest of the organization is doing. Just as in any organization-environment system, the training department's strategy and the wider organization's strategy exist in a state of complex interdependencies. Training managers may find it useful to consider how Figure 1 applies to them. To give their planning more focus, four kinds of questions can be asked:

1. What trends and issues in *training content* can be identified?
2. What trends and issues in *training delivery systems* can be identified?
3. What trends and issues in *training resources* can be identified?
4. What trends and issues in *managing the training function* can be identified?

The first question directs training managers to the expectations line managers will be having of them. The ideas which result impact the second, third and fourth questions. The second question

asks training managers to look out at the world of training and education and consider what is happening there that they should be paying attention to. The third question provokes consideration of the financial, physical and human resources which will be used in training. It directs attention to the complex question of line management's understanding of the training function and likely future support of it. The final question is frequently underemphasized. It asks the training manager to think of himself or herself as a line manager and to try to envision the likely future management issues which will result from the decisions that are made regarding the first three questions.

These four questions in conjunction with Figure 1 are offered as a way for training managers to get started with the process of determining their basic purposes in the organization and the major objectives and programs they will mount in order to fulfill these purposes.

#### **IV— Aspects of Strategic Consciousness**

In the field of strategic planning a somewhat overlooked aspect of the process is the way that participants' minds work. There is wide agreement that one cannot think and act strategically according to a fixed cookbook or model of how the process ought to go. The issues are too ill-structured. Nevertheless, models and cookbooks are proliferating at an accelerating rate.

One's consciousness, however, is central. The meaning that one attaches to "thinking and acting strategically" strongly influences whether the decisions and actions will carry the meaning that is needed in order for these decisions and actions to be effectively communicated, implemented and evaluated. Meaning evolves in and emanates from one's consciousness, i.e., from one's interpretations of what one is doing.

*What might the consciousness of an effective strategic thinker and action-taker be like?*

1. The person would be comfortable thinking holistically, rather than constantly breaking down issues into bits for intensive analysis. He/she knows that once broken down, the parts do not simply add back up to a conclusion.
2. "The future is now" for such a person over a longer time period than the average person. He/she realizes that in order for large scale objectives to be attained 10 years from now, major decisions need to be made now.
3. There is both a contemplative and an active, directed quality to an effective strategic consciousness. It is not merely philosophizing or musing about "what would happen if . . ." There is an acceptance of responsibility not just to contemplate the whole, but to shape it.
4. Effective strategic consciousness is wholeheaded and wholehearted. Wholeheaded because both the logical, precise, fact and goal-oriented left brain is used, and the impressionistic, non-verbal holistic right brain is used. Wholehearted because strategy is both a set of substantive ideas and a set of feelings, values, commitments and even passions.
5. Effective strategic consciousness thinks big, i.e., is ambitious. It may even be somewhat grandiose in some phase although this quality will be tempered by the next.
6. Strategic consciousness is always grounded in the operational needs, problems, and opportunities of some human system, whether as small as just a group of people or as large as a global region.
7. Strategic consciousness is social. It is done with others, not alone on a mountaintop or in a closet.

How are these qualities fostered? We all know the phrases "top management" and "management development." One hardly ever hears the phrase, "top management development." What is it? What should we be doing about it? What are the life experiences and the planned training programs which address the aspects of strategic consciousness?

#### **V— If OD and Training Were to Get More Interested**

If OD and training were to get more interested in strategic planning—the existence, survival and growth of the organization as a whole—the following things would need to be done:

1. We need to understand why top managers have not turned to us before for help with their strategic problems.
2. We need to get more interested in "the business," whatever the business is (including nonprofit and public sector).
3. We need to develop diagnostic methods for understanding how effectively an organization is presently doing its strategic planning and implementation.
4. We need new knowledge of large scale structuring of organizations. Beyond our skills with improving the quality of face-to-face interaction there is a vast realm which OD and training have hardly touched.
5. We need new knowledge of the nature of large system leadership to complement our deep understanding of interpersonal influence and leadership.
6. The myths and rituals which constitute the "glue" which holds an organization together need to be better understood. Strategic planning is essentially a myth-modification process. One will not know what one is doing if one doesn't understand myths.
7. We will be confronted anew with ethical issues. If one seeks to help an organization understand why it exists, one should care that it exists. If one is relatively indifferent about the organization's fulfillment of its basic purposes, one should not seek to help that organization attain those purposes.



125—

## **Culture-Focused T Group: Laboratory Learning from the Interpretive Perspective**

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The T group is an excellent vehicle for training in interpersonal dynamics, group dynamics, and personal development (Kass et al., 1989). However, much of its early promise for intervening in large-scale human systems has gone unfulfilled. Its usefulness has been limited by problems of transferability from the T-group setting to the organization as a whole where the local cultures erode the values of the group and the skills learned.

However, at the same time that T-group practitioners experience such limits, events are pressing managers to develop skills in managing aspects of organizational culture previously taken for granted. Hence Ouchi (1981) calls for subtle integration in organizations, Sapienza (1987) for unpacking the symbolic language of strategic planning, Nystrom and Starbuck (1983) for "unlearning" dysfunctional lessons from the past, and Bartunek and Moch (1987) for generalized competence in deciphering organizational symbols. Moreover, the impact of enhanced cultural sensitivity may go beyond the interpersonal and group levels. Scholars such as Barney (1986) and Reed and DiFillippi (1990) imply that such sensitivity is a key factor in gaining and holding strategic advantage.

Given these developments, the T group could become an important resource in sensitizing managers to the cultural dimensions of their work, but it has been seldom used for that purpose. This chapter attempts to systematically refocus the group from an interpersonal to a cultural level of awareness. To set the stage for this refocusing, we review the attempts of T-group practitioners to deal with the intransigence of local organizational cultures, the evolution toward cognitive reframing as a goal for human relations training, and the changing work environment which makes cultural learning more urgent. Later, we describe a culturally focused T group.

I—

### **Treatment of Culture in Early T-Group Theory**

A—

#### ***Stranger Groups***

The difficulties of transferability across organizational cultures was most acute in the "stranger groups" to which members came from widely dispersed settings. To most early T-group theorists, personal change depended on extracting managers from their back-home environments and placing them in the novel setting of the lab. Most early theory of laboratory training emphasized distance from the home environment: "extracting [people] from day-to-day preoccupations and transplanting

them into a culture where they were urged to observe and understand personality and group dynamics" (Bennis, 1970, p. 19). Bennis and Schein (1965) described the groups as "cultural islands" in which dynamics normally kept out of awareness in the work setting could emerge and be examined. This tendency to distance the T group from the work setting, coupled with a lack of attention to cultural phenomena, has been a continuing source of difficulty. The cultural differences between T groups and back-home settings have led many participants to ask if the experience was even "real" (Segal, 1979).

The roots of these difficulties can be traced back to the traditions of postwar social psychology in which a positivist, behavioral outlook predominated and encouraged a lack of attention to symbolic and cultural phenomena. The focus of the group was behavioral and interactional, and intersubjective meanings were deemphasized. The early T-group movement recognized the existence of organizational culture, but lacked the conceptual and theoretical resources to either map its contours or envision techniques for changing it. The culture of the organization was understood primarily in negative terms—it limited, restrained, or "froze" its members—preventing them from learning from experience, thinking in creative ways, or trying out new behavior (Schein, 1969): "Not every organization is a potential host for the lab approach. The cultural preparedness of the host organization is a critical issue" (Golembiewski and Carrigan, 1970, p. 365). Thus, while individuals could enhance their abilities to interact in the context of the T group, the experience did not enable them to deal with the complexities of local organizational cultures, which were often hostile to the values of the group. Thus evaluation research, beginning with Harrison's study of Argyris's work, finds a consistent gap between the measurable improvement in the individual participant's interpersonal abilities and the lack of transfer of this ability to the home organization, where the effects can rapidly "fade out" (Harrison, 1962).

**B—**

#### ***T Groups with Intact Teams***

The intransigence of back-home culture was addressed in part by groups with intact teams of managers. These interventions attempted to close the gap between T group and organization by carefully nesting the laboratory experience within existing networks of supervisors and subordinates. Group and organizational goals were further harmonized by limiting the group to issues relevant to present managerial concerns in the organization. Such carefully crafted interventions make the T group a more powerful tool for improving the climate of organizations. Several measurable and (to a certain extent) durable changes have been reported in organizational climates as a result of intact laboratory interventions. Since organization members "bring their cultures with them," changes in intact groups can have direct effects on the wider organization (Golembiewski and Blumberg, 1967; Golembiewski and Carrigan, 1970, 1973; Golembiewski and Munzenrider, 1976).

The limitations of intact groups as a tool for intervening in cultures involved difficulties in negotiating the rather extensive network of groups with managers who had many pressing priorities. Thus, to a certain extent cultural barriers limited the impact of both intact and stranger groups, since the values of the groups and the values of the host organization had to be sufficiently aligned for this intervention to occur at all.

However, experiences with intact groups exposed the very wide range of organizational phenomena that could limit their effect. Relative maturity of markets, political arrangements, and previous norms and values of the organization were all potent forces which the designs of the laboratories took into account. These limitations spurred designs which emphasized cognitive reframing rather than discrete behavioral change.

**C—**

#### ***Reframing as a Goal for Laboratory Training***

Recognition of the culture's power to shape organizational members' experience, including the retrospective experience of the T group, has led theorists to target cognitions and frames of reference for planned change efforts (Golembiewski and Munzenrider, 1976). Attempts to alter aspects of the organization's interpretive system have been labeled second-order change. A deeper target—third-order change—aims to enhance an organization's ongoing ability to change its own frames of refer-

ence. Building such capacities requires change agents and (more importantly) managers throughout the organization who understand and appreciate the symbolic frameworks which shape perceptions and influence decision making (Bartunek and Moch, 1987).

The movement in change theory from a behavioral to a cognitive-symbolic orientation implicitly points up the need for training approaches which sensitize participants to the interplay of culture and symbol in their own experience (Van Buskirk, 1991; Van Buskirk and McGrath, 1990). This appreciation may have strategic significance, as sensitivity to the uniqueness and nonreplicability of culture can lead to competitive advantage (Barney, 1986; Reed and DiFillippi, 1990). This work implies that managers of the future will have to accurately perceive and appreciate what is unique, nonreplicable, and subtle about their organizations.

**D—**

### ***The Changing Work Environment***

At the same time that change theory moves toward cognitive reframing, conditions in organizations make necessary a widespread understanding of how to reframe organizational experience. Accelerated rates of change in the international, technological, financial, and social environments put considerable pressure on executives charged with formulating and implementing new directions. Increasingly, organizational issues are formulated in cultural terms as the interpretation and enactment of meaning become essential to the success of the enterprise. Thus, top managers struggle to "envision" new directions, both qualitatively different from those of the past and discontinuous with previous structures, processes, and cultures (Tichy and Devanna, 1987; Srivastva et al., 1983). Executives must "unlearn" (Nystrom and Starbuck, 1983) and reframe past experiences, tasks which have proven difficult to understand and to accomplish (Argyris and Schon, 1978; Bartunek and Moch, 1987). Finally, leaders must communicate without the benefit of face-to-face contact, a motivating vision that spurs commitment to corporate purposes on the part of a wide range of organizational participants (Tichy and Devanna, 1987). At all levels of the organization, modern executives attempt to "manage meaning" (Smirchich, 1983).

Moreover, these demands impinge not just on top managers but middle managers as well. As workplaces "implode," structural arrangements in which individuals can no longer contribute by simply "doing their jobs" characterize most organizations (Hirschhorn, 1988). In this less hierarchical workplace, individuals need to understand the goals, roles, and even the feelings of a very wide range of interdependent others, operating within a broad vision of the organization and its purposes. Failure implies considerable cost to both the organization and individual (Hirschhorn, 1988).

In sum, group relations training can be profitably revisioned in cultural terms (Hillman, 1975). If large numbers of organizational participants need to learn how to change frames in settings that are emotionally charged, group relations training can make significant contributions to managerial learning. We would argue, however, that this rethinking requires OD practitioners and management educators to reframe traditional understandings based on mainstream social psychology. More specifically, we argue that management training needs to expand its mission beyond training in behavioral skills, to enhancing sensitivity and appreciation of the symbolic and cultural milieu in which managers participate.

In making this transition, we call on the work in the interpretive social sciences (cf. Rabinow and Sullivan, 1989). A particularly valuable focus of this tradition lies in its attention to the "constitutive practices" through which individuals in groups socially construct their concepts of the group, its environment, and even the "selves" of individual members. Moreover, since many of these practices involve symbols that are unconscious (Schein, 1985; Zucker 1977) and that are emotionally charged (Geertz, 1973; Mitroff and Kilmann, 1985; Van Buskirk, 1989), an experiential/sensitizing approach is called for rather than a strictly cognitive one.

**II—**

### **The Culture-Focused T Group**

We argue that the T group is an excellent setting for surfacing and learning about emotionally charged symbols, suitably revisioned in the context of the interpretive (as well as the behavioral)

social sciences. This moves the T group away from a focus on individual, interpersonal, and group level learning toward learning about culture. However, to make culture a primary focus for training does not mean that we assume "everything" is subjective. Assumptions underlying the culture-focused group do not deny that there is an objective character to social reality. However, most ambiguous situations in groups and organizations are mapped by symbols generated in the course of interaction; the dynamics of symbolic enactment of organizational reality are difficult to discern; and hence sensitivity to them is a skill that managers usually need to learn.

We believe much is to be gained by focusing on the symbols generated in the group, and on the practices through which these symbols are enacted and interpreted. The T group is a particularly good approach for learning about one's relation to organizational culture because the very dynamism that fuels the learnings at the personal, interpersonal, and group levels also creates an excellent context for surfacing and learning about symbols. Specifically, the ambiguities of the group meeting create a number of emotionally charged "symbolic deprivations" in which individuals confront disturbing questions about "how this group really works," a fundamentally interpretive question.

For example, many questions arise about the leader's motives, about who will provide leadership, about power, authority, and status, and about the group's relationships to outside institutional arrangements. In coping with these ambiguities, group members surface metaphors, tell stories, and make attributions about one another—in short, they generate a "text" that defines what the group is and who they are in that context (Ricoeur, 1989). The focus of learning in this revised T group is the identification of symbols as they emerge and are cooperatively interpreted. At first, individuals see the "group" as external to them. But they come to discover that almost everything about it is shaped by social constructions composed of emergent symbols which in turn shape feelings, thoughts, and actions.

Table 1 contrasts the traditional T group and the culture-focused group. Although we have dichotomized them, there is much overlap in practice. For example, there is considerable use of psychoanalytic interpretation in Tavistock style groups, and issues of transferability are dealt with in many early studies (Bennis, 1970; Golembiewski and Blumberg, 1967; Golembiewski and Carrigan, 1970; Golembiewski et al., 1971). However, by and large, group methods have stressed attention

**TABLE 1** Comparison of Traditional and Culture-Focused T Groups

Dimension	Traditional group	Culture-focused group
Goal	Intrapersonal Interpersonal Group dynamics	Sensitivity to one's relationship to symbol and culture
Interpersonal focus of learning	Behavioral	Cultural/symbolic
Leadership	Facilitate learning of effective behaviors	Symbol provocation Symbol recognition Symbol interpretation
Orientation to here and now	Present as source of behavioral data	Here-and-now a source of symbols; dialectic relationship implied
Orientation to feelings	Learn to be explicit in communicating feelings	Emotion ubiquitous, symbolically embedded
Orientation to personal growth	Defined in terms of new behaviors	Defined as enriched store of images through which self is experienced
Transferability of learnings	Learnings often "washed out" by cultural forces (especially in stranger groups)	Cultural forces may be less powerful since learning focuses directly on symbols which mediate them.

to behavioral learning. A culture-focused T group has different goals which involve sensitizing participants to cultures within which they are already immersed.

Six major dimensions distinguish the two kinds of groups: goals of the group, role of the leader, orientation toward here-and-now experience, orientation toward feelings, orientation toward personal growth, and transferability of learning.

**A—**

### ***The Goal of the Group***

A culture-focused group differs from more traditional approaches in its goals. Traditional T groups have defined their mission in terms of personal growth at the individual level, the acquisition of interpersonal skills such as feedback, and an enhanced sensitivity to group dynamics. A culture-focused group emphasizes a different set of goals. Basically, it attempts to sensitize participants to their relationships to the organizational cultures in which they are enmeshed. Attention is directed at a different range of phenomena: symbol, metaphor, meaning, and enacted texts of all kinds. Although events in the group may resemble closely those in traditional groups, they are used for different purposes. Events in the culture-focused groups are used to sensitize participants to their own organizational culture by sharpening their awareness of the emergence and interpretations of organizational symbols.

**B—**

### ***The Leader***

Facilitating learning about cultural issues requires a somewhat different role for the leader. As in the traditional T group, the leader is focused primarily on the process of the group, and urges group members to pay attention to here-and-now events as opposed to intellectualized material and defenses. However, the interpretivist tradition requires additional role components, three of which get attention here: symbol recognition, symbol generation, and symbol interpretation.

**I—**

### ***Symbol Recognition***

When first confronted with the challenge to identify symbols in their workplaces, many participants find the task rather difficult. This is so because what makes an object, event, or person symbolic is not so much a characteristic of the object itself but rather of how the symbol is used. Several writers have emphasized that virtually anything might be used by individuals or groups as symbols to infuse their experience with meaning (Bolman and Deal, 1987; Broms and Gahmberg, 1983; Wheelwright, 1968). In addition, symbolic processes are subconscious and emotionally charged. Symbols are often taken for the complex ambiguous realities which they "represent" (Jung, 1964; Zajonc, 1980; Zucker, 1977). Hence, the ability to recognize symbols cannot be assumed, and a leader of a symbol-focused group might spend considerable time highlighting-symbols as they "happen".

In facilitating symbol recognition, a set of warm-up exercises can be helpful. For example, having participants "find" 100 symbols in their organizations, identifying symbols in *Pursuit of Excellence* videotapes, or having them draw their organizations are all good warm-ups to the task of identifying symbols as they emerge in the unstructured T group (Van Buskirk, 1991).

Once the group begins, the task of identifying symbols usually involves pointing to a symbolic dimension of a topic, an action, a person, or an object and asking group members to consider its meaning. For example, in one group, participants went on at considerable length about the issue of being evaluated. On the one hand, they liked the fact that they were not judged according to true-or-false exams. On the other, they complained about "not knowing where they stood." The conversation was tentative, however, and it seemed that members wanted to say a great deal more than they could say at that time. Next, one group member joked that the video camera (installed to record the group) was "intimidating." Everyone in the group laughed, and silence descended on the group. The group leader suggested that the camera might be a symbol for what was happening and invited members who felt this was so to speak up about the meanings the camera held for them. Members said that the camera might be used to judge them sometime in the future; several said that they

were afraid to "do something stupid." The tape constituted a record which would freeze them in time and against which they would have no recourse. The group leader reflected that members seemed to be developing a theme of evaluation by an outside, pitiless, critical eye—whose judgments would be preserved far into the future on the videotape. He then asked if there were any other symbols that carried the same set of concerns or were related in any way to the camera. Members had little difficulty pointing to the grading system in the course, the MBA program in which they were enrolled, and two colleagues of the group leader who were observing the group session. Conversation moved on to "how it felt to be enrolled in an MBA program."

In this example, the group leader's role was primarily to identify symbols as they were "happening" in the group and to invite the group to add their own. As the group progresses, participants enact a dynamic evolving "text" of interrelated symbols which provide the raw material for deeper understandings based on interpretation (Ricoeur, 1989).

2—

### **Symbol Generation**

The armamentarium of group leaders also requires a wide range of active responses to create powerful symbols in the group. By virtue of their roles, leaders provoke considerable symbolic activity even when they are doing "nothing." Many writers have chronicled the beginnings of the T group in which a relatively passive group leader creates symbolic deprivations for group members (Bion, 1961; Srivastva and Barrett, 1988). Ambiguity concerning authority and membership early in the group provokes a great deal of symbolic activity as the group attempts to cope with the "lack of leadership." Group members tell stories about leaders, attribute motives to them, make interpretations about where they stand in the group, and so on.

Over and above the natural symbolic activity of the group, the leader might want to orchestrate experiences which make certain sets of symbols more visible. For example, rooms can be rearranged, visitors can be brought into the group, or the leader can be animated or placid. As in the traditional T group, virtually any event in the culture-focused group can be raw material for learning.

In one group session, scheduled in the middle of a course on management skills, the leader arranged the desks in a large circle (the class contained about 18 people). As participants arrived one by one, the new arrangement of the room provided the topic of conversation. Late arrivals began to speculate about the "instigators" who rearranged the room. The leader refused to answer their questions, so members began to "fill in the blanks" about who was "in on it with the professor." These stories provided considerable fodder for later discussions about the symbolic meanings attached to individuals in the group (e.g., who was favored, who was outcast). The leader's restructuring of the room provoked considerable symbolic activity which the group interpreted at a later time.

3—

### **Symbol Interpretation**

Perhaps the crux of the culture-focused group, and what most clearly distinguishes it from a behaviorally oriented T group, is the nature of the interpretations which the leader and group members make. The intellectual basis for symbolic interpretation can be found in the work on symbol and metaphor in the fields of anthropology, literary criticism, philosophy, sociology, and management theory. Briefly stated, a symbol is a meaning structure which is bipolar. One pole consists of something that is concrete, familiar, immediate, clear, or unambiguous, and the other pole is made to stand for something vague, removed in time or space, or otherwise invisible. A very wide range of scholars from different fields converge on this definition, so we feel confident in making it the basis for our interpretations of what goes on in the group (Black, 1962; Bolman and Deal, 1987; Geertz, 1973; Jaynes, 1976; Richards, 1936; Sapienza, 1987).

Within the group itself, many areas of ambiguity are experienced. Group members are alternately troubled and intrigued by what's going on in the minds of group leaders (Bion, 1961; Slater, 1966), levels of group development (Srivastva and Barrett, 1988), the external or institutional environment of the group (Bion, 1961), the level of safety in the group, and the group's future or past. Interpretation can help the group enhance awareness of these areas. However, since symbols which map the unknown serve as de facto frames of reference in the present, a further interpretive task is suggested for the leader—specifying how symbols shape present feeling, perception, and action.

For example, in one group the group members responded to the leader's initial silence by telling stories about him. The themes of such stories involved speculations about the leader's intentions ("he's experimenting on us"), about his ultimate motivations (he wants to write an article in which the foibles of group members would be "hung out to dry" for the reading public), and his feelings toward the group (i.e., hostility). The first interpretation was to point out that the conversation seemed to be preoccupied with "mapping the inside of the group leader's head." These statements were identified as "stories" members were telling to heighten an area of their experience which remains ambiguous—the inner life of the group. A second interpretation involved a statement about the effect of these stories on people's morale. Members realized that through story telling they created a reality which negatively affected the group in the here-and-now. Later discussion moved on to how these dynamics occurred at work. As one member put it, "bitch sessions at work might be more significant than we thought." After a while, most members could remember instances of "mapping the inside of their boss's head" in a similar manner.

Calling attention to the inherently symbolic nature of these processes does not imply that the group's images are mistaken. However, by heightening the processes by which such spontaneous conclusions get made, participants get a chance to examine them more carefully and to generate more degrees of freedom in their experience.

These new roles for the group leader also entail a slightly altered orientation to other important aspects of the T group's tasks and functions: the orientation to here-and-now focus, emotionality, and personal growth.

### C— *The Here-and-Now*

The traditional T group insists that the primary source of learning in the group occurs through examining events as they unfold in the present. However, culture-focused groups take a slightly different tack toward the here-and-now. Since the goal of such a group is to "close the loop" between the concrete, immediate core of the symbol and its extended, ambiguous connotations, its orientation to the here-and-now is dialectical. The symbols that emerge in the group do so in the form of concrete behaviors in the present; but to the extent that these events are infused with meaning, they are "tying the individual to a wider and deeper world" beyond his or her immediate experience (Abravanel, 1983). The focus in the group alternates between the emergence of concrete symbols and their extended meanings, as interpretations build on the symbol's bipolar structure.

For example, in a group conducted in an MBA program, group members began to express how different it felt to "sit face-to-face" and just talk instead of being lectured by a "pompous professor." This conversation went on for some time and seemed to grow in intensity. One member noted that he felt safe within the "circle of wagons" that was the group. At this point, one of the authors offered an interpretation that the circling-the-wagons metaphor seemed to define the MBA program as a threatening place. Members were then able to talk about their feelings about the wider institution within which the group was taking place. Later, this conversation itself was used as a metaphor for discussing several back-home organizations in which circles of safety existed within a larger environment experienced as threatening. After they identified the symbols through which this definition was maintained in the group, several members discussed the symbols that maintained these definitions in their work settings. They also realized that enacting a global, threatening symbolism to map organizational ambiguity had a "chilling effect" on their organizational lives.

In the above example the here-and-now was handled dialectically as present behavior was explored for its implicit meaning vis-à-vis symbolically powerful images of the group's position in a wider social setting. By moving back and forth from the present (where symbols are generated) to more remote, obscure, or otherwise ambiguous "realms," group members can explore their organizational environments as "symbolic spaces" where ambiguity is made clear and "real" through symbolic processes of social construction (Barthes, 1973). This back-and-forth activity occurs quite regularly in T groups with intact teams and, to a certain extent, even in stranger groups. However, by taking on a cultural focus, group leaders are able to sharply focus these boundary issues because culture-focused groups explicitly deal with the symbols through which they are experienced.

**D—**  
**Focus on Emotionality**

Traditional T-group theory gives a central place to emotionality and the disclosure of feelings (Jourard, 1973; Rogers, 1970). Indeed, the success of the group lies in its ability to move beyond preoccupations with membership, status and power to a place where individuals freely collaborate on the group's learning tasks.

In a group run according to interpretivist principles, emotions are seen as arising from de facto, implicit, symbolically mediated interpretations of the group, its environment, and the place of members within it. Recent work in social construction points out that emotions, as they are immediately experienced, are profoundly shaped by the moral, linguistic, social, and dramaturgical contexts in which people find themselves (Harre, 1986). Psychologists such as Lazarus and Folkman (1984), Averill (1986), and Frijda (1986) detail how this emergence occurs. Emotions take shape in ongoing interpretations or appraisals of the balance of power between the promises and threats in the environment and the perceived adequacy of one's coping resources. Many aspects of these environments are ambiguous and symbolically constituted (Van Buskirk, 1989; see also Hirsch and Andrews's [1983] description of the language of corporate takeover for an example of how positive and negative appraisals are embedded in local symbolism).

To the extent that one's perceived environment is symbolically constructed, there may be little conscious awareness of an appraisal process. Work on powerful symbols indicates that they are unchallenged and unnoticed, becoming in effect indistinguishable from the territory they are supposed to map (Barthes, 1973; Jung, 1964; Zajonc, 1980; Zucker, 1977). Emotions arising from symbols are experienced as responses to an objective reality. Hence, by conditioning what are felt to be authentic emotions, culture has a profoundly constitutive impact on one's most intimate experience. By heightening awareness of the symbolic character of the group's environment, its implicit appraisals, and the store of coping responses members find credible, the culture-focused group attempts to sensitize them to the link between symbol and emotion in their own experience.

It is through the cooperative, reflexive interpretation of events that group members learn how affect is connected to the group's symbols. By unpacking implied threats, promises, and coping resources from symbolic events, the emotional impact of the enacted environment can be made explicit.

One group session was characterized by frustration, as neither the leader nor the group was able to get very far in generating interest in symbols. The group seemed highly resistant to the leader's interpretations and unwilling to make many of their own. After about an hour and a half, one group member stood up and shouted "this is bullshit!" and left the room. Another member followed him out the door. Several members stood up as if to follow, looked at the group leader, and sat down. Some members did this two or three times. After a few minutes the leader called a break and went looking for the rebels (who were waiting just outside the door).

After the break, the group debriefed the episode. The leader started by asking for the group's reaction to the outburst, focusing especially on the act of getting up out of their seats and sitting down. He suggested that this act was symbolic of their concerns about the outburst and perhaps about the class as a whole.

Members were able to see the event as symbolic of their difficulties with the course. Previous lectures on symbols and organization culture were experienced as confusing. The leader was experienced as unhelpful in clarifying the confusion, and examination time was coming up. Members agreed that they were generating unfavorable appraisals—talk outside of class was filled with the dread of failing the examination through "no fault of their own." Traditional coping resources (more studying, talks with the professor) didn't seem to help. Faced with this reality, most were caught between ineffective options for coping. They could rebel (leave the room) or suffer silently (remain in their seats). In a moment of high emotional charge, most oscillated between the two (got up, sat down). Once the appraisal significance of this event was unpacked, class members were able to grasp the notion of embedded appraisal, and the emotional tone of the room improved. This new understanding provided a coping resource they did not have before the event occurred, a resource directly relevant to the challenge of the final exam.

As this example illustrates, emotionality conceived as emerging from appraisal scenarios is not



emotionally locked within isolated individuals. Rather, an individual's experience of emotionality in the group is framed by the shared symbols enacted within it (Harre, 1986). Individual experience is nested within shared patterns of enacted appraisal. It is by making this pattern explicit that the culture–emotion link is understood.

This approach to group-level emotionality is similar in some ways to the Tavistock approach. It differs in that it does not resort to a specialized psychoanalytical language to talk about the emotionality of the group. By staying close to the "native" language of the group it aims to explicate the patterns of emotionality in terms accessible to group members. Although this may lose something in terms of depth of psychoanalytical insight, it benefits from using the everyday language of group members to explore shared symbol and feeling of the group. We think that the use of their own language to follow the flow of appraisal in the group aids in transferability to other settings, each of which has, to a certain extent, its own native language of emotion (Heelas, 1986).

*E—*

### ***Feedback, Growth, and the Self***

If the T group is recast in cultural and symbolic terms, traditional notions of the self and personal growth become problematic. Social constructionists reject the notion of a preexisting "self" in favor of a conception that is socially constructed (Gergen and Schotter, 1988; Harre, 1986). Growth in this sense is not seen as the expansion or revelation of a unitary, predefined self (cf. Jourard, 1973), but as a progressively richer appreciation of all the myriad selves evoked in the flow of ongoing social interaction. Mitroff (1984) reflects this orientation in his work on the self as a multitudinous store of images evoked by differing sets of organizational realities (see also Hillman, 1975).

This orientation is consistent with the bipolar conception of symbols. If symbols reveal "wider and deeper" worlds, they also map ambiguous experience that is internal to persons as well as external to them (Geertz, 1973). If the self is a many-sided symbolic constellation, we should explore it as such. Individuals in a symbolically oriented T group are encouraged and supported to examine *themselves* as symbols. Growth in this context involves a more multifaceted appreciation of how one's imagined "selves" are constituted and how they enter into symbolic congress with others. Participants learn to appreciate multifaceted cultural selves. They discover that they can be healers, cynics, motivators, manipulators, teachers, or prophets—as well as accountants, engineers, or managers.

In one management skills group, participants—although expressing appreciation for all they had learned—despaired that anything they learned would be applicable on the outside. Bosses were insensitive and punitive; organizations were stifling and resistant to change; and members were reluctant to see the group end (this event occurred in the group's last meeting). One member spoke up—"I was able to apply the stuff we learned in this course. I opened up my auditors group completely. I said that I wanted to hear anything they had to say about me or the company. One guy immediately called me an arrogant son of a bitch . . . I was really taken aback, but I didn't blow my stack. I asked him what he meant, we talked it out and the team seemed to come together after that. I guess they needed to see that I meant what I said . . . We finished the quarterly audit two weeks early [because of improved relationships] . . . Last week the president of the company came down to see how I was managing my group."

During this speech, members of the group were rapt. They proceeded to ask specific questions about what he did for about 40 minutes. After a while, the questions grew repetitive and less insightful, but they showed no sign of abating. It appeared that "something symbolic was going on." The leader suggested that the group had a hero—someone who had actually made a significant difference in his organization, someone who had at least partially solved the very problem with which they were all struggling (i.e., how to have an impact). Conversation turned to the symbolic meaning of the interaction to the participants. In the process they generated a number of images sparked by the interaction. They experienced their colleague as a risk taker, a good listener, a competent manager, a role model, and a symbol of hope. They agreed with an interpretation that these images were also descriptive of themselves, if only in an ideal sense. By attending to the symbolic aspect of the interaction everyone could experience themselves in much richer terms. Both the group's hero and its members deepened their appreciation of their myriad selves.

## **F— Transfer of Learning**

At the beginning of this chapter, we summarized the difficulties in bridging the gap between the culture of the group and the culture of the back-home environment. Although T groups can be contextualized in such a way as to effect organizational change (Golembiewski et al., 1971), this has proven difficult as a practical matter as organizational values and T-group values need to be synchronized for such interventions to occur at all. Although no panacea, culture-focused groups show promise of making a unique contribution. First, if back-home organizations wash out T-group behaviors through subtle cultural means, participants in a culture-focused group can learn how these forces operate. Special promise exists in combining culture-focused and "intact" strategies to help managers explore subtle and nonreplicable aspects of their own cultures. Second, an appreciation of one's self as a cultural being can enhance one's competence as a manager of culture, since one has a first-hand experience of cultural phenomena. An experience-based understanding of symbolic enactment in the group enables one to understand how this happens within an organization.

In one group, after an extended period of silence, no one had anything to say. One of the leaders asked the group if the silence itself was symbolic. One of the group members, a woman engineer, spoke up. "Yes, this is just like my workplace . . . a big silence . . . we have no work. It's not just us workers who are sitting around. Top managers come in and just sit around all day—reading the newspaper and writing Christmas cards. I feel just like I do here. I don't know what to do. What can anyone in my position do? It's just a big silence." Group leaders suggested to her and to all group members that they might use the silence as a metaphor for back-home situations. Several group members used the silence in such a manner.

## **III— Conclusion**

The approach sketched in this chapter is the result of many experiments in MBA classrooms to determine if (and how) T groups can be useful in teaching the concepts related to organizational culture and in helping students make sense of their organizational/cultural experience. We think that this approach has relevance for both practitioners and managers.

For practitioners interested in T-group-based interventions, this approach may provide new ways to use T groups as an OD training intervention. If it is true, as we strongly suspect, that a culturally oriented group experience narrows the gap between the laboratory setting and organization, then one of the largest barriers to the utilization of the T group will be lessened. Combined with in-house laboratory change strategies which have been available for many years (Golembiewski and Carrigan, 1970; Golembiewski et al., 1971) and new approaches such as organizational coinquiry and appreciative inquiry (Cooperrider, 1988; Cooperrider and Barrett, 1988; Cooperrider and Srivastva, 1987), the T group might become once again a powerful tool for growth and change in organizations.

For managers increasingly encountering symbolic and interpretive problems, the T group can provide a valuable setting to gain needed skills. If current rates of change continue to accelerate, skills related to visioning future organizational states and communicating at symbolic levels will become more important. The T group can help managers and future managers at all levels of the organization learn about their enacted worlds in a way that is based in their own experience. It can generate personal sensitivity to, as well as knowledge about, organizational culture. This constitutes a critical skill for those who would set out to manage our changing and highly "imploded" organizations in the future.

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126—

**Consulting as Empowerment:  
Building Capacity through Participatory Research, Experiential Learning, and Awareness**

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The construct of empowerment offers consultants the opportunity to make a difference by revisiting the fundamental relationship among the participatory research process, the process of experiential learning, and intra- and interpersonal and group awareness and skills. Empowerment thus serves as a framework for understanding how science, practice, and philosophy are integrated. For both consultants and clients, the ethical and moral responsibility is to bring about lasting change which recognizes and promotes human well-being and worth through the enhancement or improvement of organizations and their parts. Though the "consultant as expert" is still a common model in the work world, today's consultants have the opportunity to truly change organizational and even societal assumptions regarding efficiency and effectiveness. Instead of form or objectives driving systems, it is possible to initiate trust as the cornerstone for collective human interaction.

Empowerment provides a new energy source for both the consultant and the client. It generates that energy through a *process* relationship which promotes synergistic moments and outcomes. It incorporates a systems orientation from which all persons, the organization, and its environment can develop. Empowerment is the means by which who we are, what we do, and how we do it join together in the process of becoming. Empowerment provides consulting practice a leap forward, an energy booster. As such, empowerment is in many ways consistent with organization development, but OD has "become too tool-oriented to the point of losing [its] philosophical roots . . . . The essence of OD is and always has been joint work with the client system where diagnosis and intervention are completely intertwined and where data gathering itself must be seen as a major intervention" (Schein, 1990). Likewise, community development professionals describe their most far-reaching and productive outcomes as occurring through participatory research, defined as a "people-centered learning process that can transform local patterns of awareness, equalize distributions of power and resources, and increase participation in developmental activity" (Brown, 1985). Empowerment gives organization development and community development increased meaning, relevance, utility, and balance. It is a philosophy and pathway that generates greater power (energy) by consciously recognizing, valuing, and utilizing everyone's contribution.

This chapter defines empowerment and then describes how participatory research, experiential learning, and awareness contribute to the empowering process. The chapter then focuses on the role of the consultant and consultant skills in light of this empowerment framework.

I—

**The Map:****What Is Empowerment?**

First and foremost, empowerment is a process. Specifically, Conger and Kanungo (1988) define empowerment as a "process whereby an individual's belief in his or her efficacy is enhanced." Many others, however, focus their applications of empowerment on systems or communities. In these cases, empowerment is the "process of enlarging the power in the situation as opposed to merely redistributing it" (Vogt and Murrell, 1990). Many have equated empowerment with enabling (Bandura, 1977; Conger and Kanungo, 1988; Vogt and Murrell, 1990). In any case, empowerment is connected with a synergistic assumption about relationships, knowledge, and process. According to Letize and Donovan (1990), "empowerment is really a gradual process of transition of responsibility."

In a different light, empowerment can also be viewed as the process of capacity building. Whether for an individual or a group or a system, empowerment may be equated with the process of "building an indigenous capacity" (Hall, 1981). That capacity building must incorporate empowerment techniques, practices, perceptions, and competencies to complement the empowerment philosophy. Empowerment efforts have focused on the poor, minorities, the disenfranchised, hourly workers, and third-world countries as well as executive management teams, project groups, and families. Research examining these efforts demonstrates that there is a clear distinction between an empowerment process which uses congruent (empowering) methodologies and one which uses insincere (temporary, strategic) manipulations in terms of transferring real power and ability to act (Barber, 1984; Gran, 1986; Vogt, 1989; Vogt and Griffith, 1988). Indigenous capacity building means providing "those who are involved" with the capacity to deal with their needs rather than to merely meet or satisfy the needs of others. It is more than permitting or allowing. It is teaching, showing, learning, practicing, sharing, and playing for keeps. Congruent methodologies then are necessary to effect client competence in operationalizing relevant and lasting change.

Empowerment is a paradigm shift. Clearly, power will change or become redistributed, though that has little to do with empowerment, other than as a logical consequence of empowerment. However, if one's true perspective is empowerment, it is seen as enhancing the well-being of individuals and of systems. Empowerment, through its synergistic properties (i.e., collaboration and mutuality), also produces energy, and that energy also increases capacity.

Society at large as well as villages, corporations, and families are beginning to see life as a process, not an event. In some ways, the new organization quality term *continuous improvement* recognizes this process perspective. Empowerment offers a way of conceptualizing some fundamental changes which have already begun to occur in all types of systems. These changes usually have meant enhancing the capacity of people and organizations by developing an ongoing infrastructure for this process of "becoming." The transitional question at this point then is, what are the important elements of empowerment—especially empowerment as a developmental process of capacity building?

II—

**The Journey:****Participatory Research, Experiential Learning, and Awareness**

This section describes a framework for consulting as empowerment. Specifically, it describes participatory research as the means through which people become empowered by learning experientially and by becoming more aware. Brief definitions are presented, and then their interdependence and meanings are expanded on in light of development, capacity, and empowerment.

A—

**Participatory Research**

Participatory research (PR) is a method which opens the research process to all parties involved, including the client and all stakeholders. PR is inclusive, interactive, flexible, multidirectional, shared, and usually nonrigorous. It is a process rather than destination-oriented. The product of PR is available immediately in the here and now, as it happens, as well as in the future in terms of

tangible outcomes or, more importantly, in terms of increased capacity of all participants. PR thus should sound several familiar chords.

PR incorporates shared interaction and research activities, regarding "where are we," with shared decision making. It is likened to the process of comanagement (Pickerton, 1989) in terms of true *shared* decision making where contribution is the central factor in the process. Dimensions of participation are those relational dynamics that must be worked out between and among people. The client and consultant contract to "share space" through participation and collaboration (Scrag, 1990). PR then is a process through which client and consultant develop by doing and becoming.

**B—**  
***Experiential Learning***

Experiential learning is a cyclical process which expands participants' knowledge and awareness in the here and now as well as for future use: "After immediate concrete experiences learners observe and reflect on their activities; their observations are brought together to form a 'theory' from which new implications for their behavior are generated; these implications then serve as guides for learners as they practice new learning experiences" (Vogt et al., 1983). The focus of experiential learning is on the individual and specifically on the person's behavior. Learning in this context is clearly aligned with behavior change. Participants glean an expanded consciousness of their world, a recognition of choice in life's experiences, a spirit of inquiry demonstrated by a "willingness to ask," authenticity in relationships, and a collaborative perception of authority relationships (Vogt et al., 1983).

Experiential learning requires a multifaceted facilitator role which encourages (1) sensitivity to participant experiences, (2) an ability to sequence learning opportunities, (3) a valuing of mutuality and collaboration among facilitators and between learners and facilitators, (4) an ability to recognize and clarify direction and goals, and (5) ability to refocus or redirect learning (and its design) while events are in progress. Finally, "*experiential* education sees learning as a transaction between a fluid and unfixed learner and environment . . . [whereby] each . . . undergoes change" (Vogt et al., 1983).

**C—**  
***Awareness***

Becoming aware is central to the capacity-building framework offered here. The more aware people are, the more empowered they are and can become. Awareness is the moment in time when people "know something new" or when a light bulb goes on because of insight.

The helping process then consists of *facilitating* awareness. Some awareness is derived from knowledge acquisition, but awareness also comes from discovery opportunities. Important areas of awareness include self-awareness (an enhanced view of self); awareness of process dynamics in groups, relationships, environment, and work flow; awareness of the facilitator–client relationship; and awareness of the mutuality of learning. Further, the consultant has a responsibility to be self-aware and to be aware of the process as it unfolds so that the client is empowered. Generating and allowing client awareness as well as mutual awareness for shared learning are central consultant activities. These perspectives on awareness rest on the developmental assumptions of human existence first espoused in the 1940s by third-force psychologists (e.g., Rogers, Maslow, Horney, Perls, Fromm, Erickson) and reinforced by management and organizational consultants thereafter (e.g., McGregor, Likert, Gibb, Schein).

**D—**  
***Issues regarding the Interdependence of the Three Components***

Empowerment brings together the underlying assumptions and the practices associated with PR, experiential learning, and awareness. "From the beginning, it appeared that the concept of participatory research, with its emphasis on people as experts, shared a common premise with adult (experiential) education. Participatory research differs significantly from more traditional kinds of research in its commitment to the empowerment of learning for all those engaged in the process . . . it stresses the educational aspect of social investigation as central to its conceptualization" (Hall, 1981). Gran

(1986) defines development as a "process involving the combination of empowerment, capacity-building, growth, and equity and is characterized by self-sustainment, ecological harmony, and post-patriarchal culture." Further, he believes that "real development will only come from an implementation process, public policy, and a knowledge base viewed as legitimate by those who are key to the implementation—the participants" (Gran, 1986). He also notes that their "active participation is required from the start." Two processes—participative research and experiential learning—embody both separately and jointly the means for real development through empowerment-framed capacity building.

According to Brown (1985), "people-centered development calls for educational processes that emphasize self-regulating organizations, interactive learning that empowers both learners and teachers, and decisions that contribute to human development and ecological sustainability as well as economic productivity. Participatory research is a people-centered learning process that can transform local patterns of awareness, equalize distributions of power and resources, and increase participation in development activity."

Participatory research is much like action research methodology except that it focuses on fundamental issues of social organization: actors (those without power), issues (conflicts with power holders), and values and ideology (empowerment, equity, and self-reliance) that often put it in opposition to dominant forces in society (Brown, 1985; Foote-White, 1991). In other words, PR *challenges*—it challenges the assumptions and structures of traditional organization. Tandon (1981) offers the following characteristics of PR:

A process of knowing (enhanced understanding and knowledge) and acting (using the knowing through concrete action).

Involvement of people in the situation, and real problems or concerns serving as the initial motivation.

Participation of people in the knowing and acting varies in nature, extent, and timing.

People in the situation must have control over the processes of knowing and acting within the participative research framework.

Methodology of participative research emphasizes qualitative and phenomenological methods.

Methodology itself is integrated in the interpersonal relationships and clarifying intentions of external persons.

The foundation of participative research is "collective analysis"; it is a collective enterprise that builds strong bonds through jointly sharing, analyzing, and taking action.

Participative research is an educational process; people become more aware and glean more knowledge in each participatory experience.

PR fits with both the process and content of experiential learning theory and practice. The content usually arises from specific organizational problems and circumstances and thus cannot be defined in depth in curriculums or lesson plans or standardized training. Educational topics for PR are developed by local participants (i.e., employees) and facilitators (or researchers or consultants). In these learning situations, centralization of organization and control is usually debilitating because it adds unneeded time, bureaucracy, and documentation (Brown, 1985).

*E—*

### ***Participatory Research As a Learning Opportunity***

The process of successful PR is one which "asks adults to be interdependent participants and co-learners . . . which is based on two-way discussions" (Brown, 1985). Experiential learning is interactive and operates on a shared responsibility for learning. This interactive activity, as discussed in the empowerment section, tends to create energy, which often has long-range implications for organizational change. The ripple effect of PR occurs from interventions that are locally managed, and thus the ripples tend to open relevant new avenues of activity and opportunity. These ripples can also affect other units (departments, divisions, groups, organizations) through modeling or joint action/activities. Thus, "participatory research develops organizations—not just knowledge and



educated individuals—that connect participants to a larger world and empower them to act more effectively at the local level" (Brown, 1985). Participatory research "incorporates experiential learning to handle pragmatic concerns, encourages activist attitudes and collective active action, and it builds organizations that enable local action and links local groups to the larger . . . contexts" (Brown, 1985).

**F—**

***Participatory Research As a Democratic Process***

Developing organizations through true empowerment is a democratic process. It is based on a fundamental notion that people and their institutions have an intrinsic need for self-determination (Deci, 1975). PR and experiential learning embody the characteristics and qualities of this democracy and hold the potential for genuine development vs. self-deceiving activity. This occurs because the source and symbols of individual and organization development occur simultaneously as the participants themselves encounter and share personal and interpersonal experiences. Their ideals, norms, goals, and achievements come from their own processes. Both PR and experiential learning are devoted to capacity building within those involved in the change so that they can manage their own change—their development. Both of these congruent processes begin with the premise of awareness. Both assume people have the capability to build the capacity to carry out development for themselves. Awareness which comes from PR and experiential learning demonstrates that people can become "educated" and can become educators through a simultaneous process of making a difference in their quality of life and the institutions which support that life experience. People learn firsthand the relationship among research, knowledge, collaboration, action, and philosophy. Participants become aware of themselves, human interaction skills, group processes, and systems relationships in addition to the structures around them and how to influence them. Awareness is part of the journey but it is also the focal point on which real change occurs.

**G—**

***Participatory Research and the Embracing Error Issue***

Another process dimension of PR which often goes unnoticed but is imperative to personal and organizational development is the "capacity for embracing error" (Korten, 1980). When one recognizes the concept of development as a process, one can allow mistakes, errors, and imperfections. Nothing or no one is a finished product. Both PR and experiential learning have this assumption built into the processes. Participatory research has a discrete stage devoted to "trying it out" and adjusting or trying something else; and experiential learning talks about an environment for practicing new behaviors or strategies that is risk-free and for learning from doing, be it "right or wrong."

Preplanned strategies for organizational change often operate, and create supporting norms, culture, and reward systems, on the belief that preplanning can eliminate errors and mistakes. Thus, setbacks, poor quality, and inefficiency are seen as signs of weakness and become unacceptable. However, in PR, factors internal and external to the process reinforce a valuing of error as developing, as learning what not to do the next time so that new learnings can take their stead. External development factors include, for example, organizational leadership and consultants who support this "becoming" orientation. Internal factors are the processes of empowerment as operationalized by PR and experiential learning.

**H—**

***Participatory Research:  
An Interdependent and Normative Process***

Just as the capacity to err is inherent in participatory research and experiential learning, so too is the understanding of the interdependence of people and all of the systems of which they are a part. A change in one part will promote a change in others. Becoming "aware" of the impact (or ripple effect) strengthens the likelihood of confidence in the person-to-group-to-programs-to-organization developmental chain. The more aware people become through these empowering processes, the more likely they will act on the mutuality of their development.

Both PR and experiential learning are normative processes which transcend status and hierarchy, recognize each person's socialness, take on power issues, and work for the well-being of all. As

normative processes, the words, activities, materials, and outcomes of each client group form the basis for relationships and functioning. Each group determines its future. This normative patterning is integrated within an empowering framework from both philosophical and applied underpinnings. Neither the ideology nor the practices may be "finished," but they make a great deal of sense when considered in light of people making a difference for themselves. It is important to note that this empowerment change orientation rests on egalitarian tenets. Those who espouse the processes must be able and willing to understand how they represent a social order philosophy (e.g., build the social order on each group's own membership and experience) and why that order makes sense for existing institutions and their future as well as for people and their futures.

### III—

#### **Bridges:**

##### **Consulting and Consultant**

What consulting and consultant factors empower others? More specifically, what dimensions allow or reinforce PR, experiential learning, and awareness as empowerment frameworks for development? How do we conceptualize and operationalize capacity-building consulting? This section does not provide a panacea of guidelines or behaviors or tools or techniques. Rather, it offers capacity-building "starters" for becoming an empowering consultant.

### A—

#### **Focus**

Empowerment through PR, experiential learning, and awareness requires a client-centered (vs. consultant-centered) perspective. An operational guide for the consultant constantly considers the client's needs in terms of the question, "How can I build my client's awareness as an empowered participant and how do I help that client along the way?" The consultant thinks and takes action not in terms of "what do I need to teach them?" but rather "what do they need to learn, to develop, to become empowered?"

### B—

#### **Congruence**

Providing such consultation recognizes the congruence between the *process* of consulting and the content of empowerment. The content of empowerment includes knowledge and values while the process of empowering participants includes personal style (being) and activity (doing). The process dynamics of consultants need to be congruent with those factors which empower others. With empowerment as the goal, this end must match the means and the consultant as model can demonstrate these ethics and values through his or her "self" and his or her comfort with the process as it unfolds or evolves. Further, engaging in the PR process demonstrates such congruence. Data gathering as an intervention in and of itself builds on the assumption that all data are valid. Therefore, attending to *each person's* data (knowledge, views, experiences, ideas) is central to consistently demonstrating the congruence between means and ends.

### C—

#### **Appreciation**

Unique client systems clearly imply that there are no how-to's which always work. The client and consultant must allow, nurture, and understand each client's uniqueness. Because each person is unique, so too is each system; the individual nature of these entities must be respected. Systems, cognizant of their uniqueness, have the security to participate in an empowering process (e.g., PR) which meets their circumstances and which they build, rather than try to "buy empowerment off the shelf." Consultants must have deep-seated appreciation for each person and system as unlike any other and they must have the patience to help the client glean this same appreciation.

### D—

#### **Theory and Knowledge**

Empowering consultants grounded in the theoretical bases of empowerment incorporate knowledge about people's needs for self-determination as well as knowledge about PR, experiential learning,

and empowerment itself. They understand PR, EL, and awareness as cornerstones of democracy as well as democracy in action. Knowledge and information are seen as sources of power (or energy) in the empowering process. Again consultants do not merely "know" or "tell"; they allow and facilitate the client's recognition of his or her own information and knowledge as integral to development.

**E—**

#### ***Values and Ethics***

As a normative process, empowerment consultation believes in equality, participation, human worth, dignity, and capability. The consultant demonstrates these characteristics by actually allowing and modeling them. Empowerment rests on the premise of the value of each person's contribution to the process of his or her life as well as to the process of group, organizational, and societal well-being and existence. A concomitant assumption that must guide the consultant is a faith in the mutuality of the empowerment process and thus of development.

**F—**

#### ***Selfness***

Empowering consultants must be self-aware and must be willing to regularly engage in self-examination. They deal continuously with unique persons and organizations and circumstances. As such, a constant needs to be one's personal awareness. But like all the processes described here, this personal awareness is a process, a journey unto itself. Translation of comfort with ongoing awareness experiences as the foundation of self-confidence is imperative for the empowering consultant because this may often be his or her only source of confidence in a role which often demands a "selflessness." The consultant is not the driver; the consultant is a traveler with the client.

**G—**

#### ***Client Awareness***

One of the empowering consultant's most difficult functions is to bring out client awareness. Three important awareness areas are 1) client self-awareness regarding their personhood, learning style, skills, strengths, and growth areas; 2) facilitation of a mutual awareness regarding the role of the consultant; and 3) facilitation of the client's awareness of the process dynamics of their activities. Because it is often the antithesis of what the client expects, facilitating awareness of this different consultant role is crucial to the process. Becoming "like other consultants" defeats the purpose of PR and experiential learning. By acknowledging and validating the "ripples" of their development, the consultant brings to the surface the reality of the client's efforts. Describing client process in the here and now not only prompts awareness but also allows the client to grapple with important issues as they emerge rather than when they have to be resurrected. Again, awareness allows development as long as the consultant is conscious of his or her role to give away the capability for not merely becoming aware but facilitating awareness.

**H—**

#### ***Interpersonal Capabilities***

The empowering consultant must have highly developed communication skills, including self-expression, feedback, listening, empathy, descriptive, confrontation, conflict resolution, and assertion capabilities. These communication skills must be embedded in trust (Gibb, 1978). Specifically, the consultant must be both trustworthy and trusting. Demonstrating faith in others while being an active participant in building a relationship of trust is a key interpersonal responsibility. Two other elements of client-consultant relationships are confidentiality and verbalizing process in the here and now. Confidentiality is crucial to building trust and lasting relationships and verbalizing process is central to allowing others to experiment with new behaviors. Ongoing interpersonal competency development is both a necessity and an outcome of the consulting experience.

I—

**Contracting**

The empowering consultant utilizes contracting as a process that validates the ethical and quality dimensions of his or her relationship with the client. The contracting process is a part of entry and as such may take more time than merely agreeing to time, place, tasks, and cost. A contract in which many people participate will tend to strengthen the likelihood of empowerment outcomes as well as demonstrate an empowering philosophy from the beginning. Clarifying expectations, identifying norms, defining empowering, and describing the PR—experiential learning—awareness process are all important contracting checkpoints.

Another dimension of contracting is the ability and willingness to examine levels of barriers and resistance. Doing so at the beginning opens the doors for deep change in the future. Another purpose of contracting is to determine or assure a fit between the client and consultant. Bringing who you are to the contracting process allows for such a fit to mature or to be recognized as not possible. This contracting process, then, is often called a psychological contract. As such it can include issues of accountability, standard setting, and ethics (Vogt and Murrell, 1990, 1990b). It goes far beyond legalese because empowerment is a far greater endeavor than not being sued or determining a fee. Contracting for empowerment is an act of noble intentions combined with tangible acts of trusting and risking.

J—

**Empowering Eyes**

The empowering consultant must develop an empowering view of self, others, and the world. The consultant's values, style, ethics, intentions, and philosophy must be consistent. The empowering consultant must also develop ways for the client to acquire empowering eyes which are congruent with empowerment theory and practice. Empowering eyes can generate empowering eyes.

K—

**Model**

Clearly, the empowering consultant serves as a model for others. Watching and modeling the consultant can give novices the confidence and "alternative images" necessary for behavior change as well as philosophical insight. Watching what happens lets others become ready to try out new behaviors themselves. Obviously, the consultant must also be ready to support the unique empowering styles and capabilities of others. A consultant does not model the "perfect way"; the consultant models his or her way. Learning how others empower is one of the benefits of recognizing the model as a starting place.

L—

**Criteria for Success**

Successful empowerment consulting must be defined in terms of the client's empowerment. Not only should clients be left with tools of empowerment (i.e., PR, experiential learning, and awareness), but they must be left with the process for maintaining their own empowerment while facilitating empowerment for others. They must be left with a *personal and organizational mind-set of continuous learning*. A successful empowering consultant is one who leaves the client with a realization that empowerment has occurred when their shared developmental experiences can be viewed as a learning experience for all those involved. Another indicator of success is that the client has developed PR capability which in itself builds the capacity of the client organization to become researchers of the needs and issues of their own organization.

IV—

**Conclusion and Other Journeys**

This chapter has considered empowerment in terms of consultants and the consulting process. I have defined empowerment and then offered an operational trilogy—participatory research, experiential learning, and awareness—which recognizes the interdependence of self-development through active and central participation in research which is relevant to each person's circumstances and whose

outcome is one of continuous learning. There is an enormous need for consultants who empower through their being and through the process of empowering. Many consultants teach through talking; empowering consultants are empowering persons who facilitate the empowerment of others and who recognize that empowerment begets empowerment. They recognize the potential of persons and society as seen through empowering eyes. People have the capacity—empowering consultants build on that capacity.

Most consultants are not empowering ones and that makes sense because their expertise is not empowerment. However, it is important for all consultants to consider the process and possibilities of empowerment. In some ways, because of our changing workplaces and societies, incorporating a healthy respect for empowering others is imperative for all consultants. Consulting relationships which do not value the client system, including the people of that system, are no longer acceptable. More importantly, consulting which explores empowerment in terms of the client's expertise and process are far more rewarding for all.

The section on "bridges" is unfinished; I hope other bridges will continue to be built which will allow other journeys to occur. I know I will work to build others. Writing this has been empowering for me as I have had to think about who I am, what I do, and how I do it. I think I will continue to empower others and be open to being empowered because in each instance I develop and build my capacity for the "next time." Using these bridges in conjunction with the processes of participatory research, experiential learning, and awareness, I have not only empowered; I have been empowered. I encourage you to work on these bridges, and let me know if I can help.

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127—

**Critical Factors in Team Success:  
Diagnostic Questions for Team Leaders and Facilitators**

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**1. Clear direction**

Can team members articulate a clear direction, shared by all members, of the basic purpose that the team exists to achieve?

**2. A real team task**

Is the team assigned collective responsibility for all the team's customers and major outputs?  
Is the team required to make collective decisions about work strategies (rather than leaving it to individuals)?  
Are members cross-trained, able to help each other?  
Does the team get team-level data and feedback about its performance?  
Is the team required to meet frequently, and does it do so?

**3. Team rewards**

Counting all reward dollars available, are more than 80% available to teams only, and not to individuals?

**4. Basic material resources**

Does the team have its own meeting space?  
Can the team easily get basic materials needed for the work?

**5. Authority to manage the work**

Does the team have the authority to decide the following (without first receiving special authorization)?

- How to meet client demands
- Which actions to take, and when
- Whether to change their work strategies when they deem necessary

**6. Team goals**

Can the team articulate specific goals?  
Do these goals stretch their performance?  
Have they specified a time by which they intend to accomplish these goals?

**7. Strategy norms**

Do team members encourage each other to detect problems without the leader's intervention?

Do members openly discuss differences in what members have to contribute to the team?

Do members encourage experimentation with new ways of operating?

Does the team actively seek to learn from other teams?



128—

## Rethinking Organization Development for the Learning Organization

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The idea of the learning organization has generated considerable interest in recent years among both scholars and practitioners. We are interested in the implications of this phenomenon for the practice of organization development, or OD. In this article we ask, "How can organization development be used to build the learning organization?" and "How should organization development be reconceived to create learning organizations?" The article outlines a conceptual model of the learning organization, indicates how OD can be useful to the learning organization, and discusses implications of the learning organization for changing organizational development practice and theory.

As we considered the impact of the idea of the learning organization on OD, our first response was, "Isn't building learning organizations what we were doing all along?" After all, among other features, OD has emphasized an open systems framework, has created models for defining shared organizational visions, and has long worked to create approaches to change mental models. What is new in these ideas made popular by Senge (1990)? Are we encouraged to see or emphasize that which we earlier overlooked or emphasized less than in the learning organization? Lundberg (1989) suggests that organizational learning encourages OD to reemphasize several long-standing tenets of OD which he derives from Beckhard (1969, p. 9)—namely, that OD is organization wide, is managed from the top, increases organization effectiveness and health, and operates through organizational processes.

The most notable gap in OD which is addressed by the learning organization is the one between OD theory and much OD practice. On the one hand, the idea of the learning organization is quite consistent with OD theories and practices. What is surprising is that there seems to be an inverse relationship between the number of articles written about the learning organization and the number of experiments to create them. This suggests to us that perhaps this is not what OD has been doing all along. If it were, wouldn't more learning organizations exist?

We focus therefore on what organization developers actually do, their practice, and also draw on OD theory. While many have worked to create healthier organizations, many organizations are in greater difficulty than ever before. We see in the idea of the learning organization a vision of hope and optimism tinged with urgency. Perhaps there is also something more for OD in the packaging of these ideas under the umbrella of the learning organization. A number of long-standing beliefs of OD are reaffirmed and enlarged by the concept of the learning organization. But the learning organization calls for a recommitment to enact what has only been espoused and to challenge some prevailing notions of OD practice.

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I—

### Clarifying the Learning Organization

We begin by defining the learning organization. There have been so many conceptions of the learning organization that there have already been several reviews of this literature (Argyris and Schön, 1978; Shrivastava, 1983; Fiol and Lyles, 1985; Watkins and Marsick, 1992), each ending with a more or less unique conceptualization of the learning organization. The different conceptions of how organizations learn include several foci: on changing organizations by changing mental models of individuals (Argyris and Schön, 1978), on organizational learning as various approaches to knowledge creation and dissemination (Shrivastava, 1983), on organizational learning as changing experience-based knowledge within organizational memory (March and Olsen, 1975), and on the learning organization as one in which there is systemic change of individuals and of systems (Senge, 1990; Watkins and Marsick, 1993). Senge's (1990) conception of five disciplines in the learning organization—of shared vision, personal mastery, changing mental models, team learning, and systemic thinking—is perhaps the most widely known among practitioners. For the purpose of this article, following Watkins and Marsick, we define the learning organization as one that learns continuously and transforms itself. Learning takes place in individuals, teams, the organization, and even the communities with which the organization interacts. Learning is a continuous, strategically used process—integrated with, and running parallel to, work. Learning results in changes in knowledge, beliefs, and behaviors. Learning also enhances organizational capacity for innovation and growth. The learning organization has embedded systems or mechanisms to capture and share learning (Watkins and Marsick, 1993, pp. 8–9).

From this definition flow a number of implications for OD. At the theoretical level, a theory of learning, at both the individual and the organizational levels, which encompasses a theory of change, is necessary in order to design learning organizations. This is a significant shift in the frame of reference for OD, from a focus and emphasis on theories of change to one on theories which emphasize change and learning. Learning at the organizational level involves creating systems which put in place long-term capacities to capture knowledge, to support knowledge creation, and to empower continuous transformation. What is learned is a new way of thinking about organizational action and improvement. Fiol and Lyles (1985) review the literature on organizational learning and identify the many different names given to this kind of learning, which they characterize as either lower-level (incremental) or higher-level (transformational). They observe:

Lower-level learning occurs within a given organizational structure, a given set of rules . . . . It is a result of repetition and routine and involves association building. Higher-level learning, on the other hand, aims at adjusting overall rules and norms rather than specific activities or behaviors . . . . This type of learning occurs through the use of heuristics, skill development, and insights. It is therefore a more cognitive process than is lower-level learning, which often is the result of repetitive behavior (pp. 807–808).

A—

### Learning through Individual Transformation

A central feature of most depictions of the learning organization is the idea that there is a higher order of learning involved than the type of technical, skill-based learning associated with training departments. Learning of individuals and of systems is more cognitive, a reconstruction of the map of the territory, and transformative. Meyer (1982) depicts learning at the organizational level as a process of meaning-making which is a synthesis of strategy and culture into action. Actions beget outcomes which, in turn, may or may not yield learning that transforms. Learning that transforms alters the assumptions the organization makes about cause and effect. The learning organization emphasizes transformational learning (Kofman and Senge, 1993; Watkins and Marsick, 1993). It is not rote skill, but learning which transforms or changes perspectives, structures, routines. Learning is not one transformation of the organization as in much organizational transformation but continuous transformation and a transformation of mind. This, we think, requires a shift of practice in some OD. It involves a shift from OD as the exclusive practice of an expert professional to OD as a tool which must be transferred to many members of the organization.

Argyris and Schön (1978) view learning at the organizational level as the development of new causal relationships between action and outcome. These understandings are made by individuals who act as agents for the organization. Although individuals have done the learning, the organization is different because it now has a greater capacity to act effectively. Senge (1990) believes that teaching people systems thinking will enable them to see their own causal role in creating the problems they hope to solve, while giving them a means to think holistically about how to act more competently in the future. The enemies of the learning organization are fragmentation, competitiveness, and reactivity (Kofman and Senge, 1993). When people in the organization learn new skills of dialogue, problem solving is more effective. These "higher order" skills enable organizations to learn and adapt more quickly and more effectively.

**B—**

### ***Learning through Embedded Systems***

So far, we have discussed skills individuals might acquire in a learning organization, but we must also ask whether there is a type of learning that organizations enact. Organizations may serve as vessels or holding environments for learning which is stored in people's memories and values, as well as in the organizational memory in the form of policies and procedures, written documents, or databases. Learning organizations create practices which enable widespread collecting and sharing of information in real time so that all have access to the same data, then empower their members to act on that information. In effect, they embed among people new structures and practices which enable learning to occur more efficiently (Watkins and Marsick, 1993). Lewin (1951), and more recently Pedler, Burgoyne, and Boydell (1991), describes this as increasing the "space of free movement" of people and ideas in the organization.

**C—**

### ***Learning through Cocreation***

Learning organizations require the creation of "practice fields" (Kofman and Senge, 1993), or "interstitial communities of practice" (Brown and Duguid, 1991), in which individuals learn experientially the new skills that will ultimately become their performance repertoire. Brown and Duguid (1991) note that in practice, individuals socially construct knowledge or wisdom which is shared in stories. This collaboratively created knowledge creates a community of practice which evolves reciprocally; as individuals learn to become part of the community of practice, they also transform it.

This quality of cocreation is central to the idea of the learning organization. McGill and Slocum (1993) describe the way in which the management of Home Depot constantly engage in teaching and learning conversations with their customers. They developed a bridal registry at the suggestion of a customer, moved a checkout counter for contractors to the lumber section, and began to show motivational how-to-do-it videos at numerous points throughout the store. While these individual innovations have been very successful, the continued growth of Home Depot is more likely to derive from the continuous habit of two-way conversation. In effect, the organization has put in place a system to involve customers and employees in cocreating the organization's future form. We turn now to consider the ways in which OD as it is currently structured supports the development of learning organizations.

**II—**

## **What Does OD Already Offer the Learning Organization?**

These ideas seem to us to evolve out of the direction OD has already been moving toward. The center of OD theory and practice has been moving in ways that the learning organization can complement and even accelerate:

1. From small learning units with a focus on interaction to large learning units with a focus on substantive issues
2. From small units of intervention to larger ones: e.g., executive or managerial teams to divisions or multinationals (Golembiewski, et al., 1992a, 1992b)

3. From a focus on changes in specific behaviors or attitudes to a focus on holistic change (e.g., in cultures)
4. From incremental to transformational change: viewed as single to double loop learning (Argyris and Schön, 1978), alpha to gamma change (Golembiewski, 1990), and so on
5. From operational to strategic concerns

The point should not be exaggerated. OD practice and theory are moving from here to there, but "there" exemplars have existed from the earliest days. For example, early OD ideology was nested firmly in the idea of holistic change, as in inducing the development of new cultures or societies at work (Bradford, Gibb, and Benne, 1964). Moreover, socio technical exemplars at the firm level are longstanding (e.g., Marrow, Bowers, and Seashore, 1967). And quite early on, ODers showed how it was possible to root learning experiences in small groups with values and associated skills that could then be pyramided into structural and policy changes in increasingly comprehensive systems of subsystems (see Golembiewski, 1979, pp. 3–183).

What then does OD already offer those who would create learning organizations? We consider three ways in which OD may contribute to the focus on learning organizations: supportive systems of interaction, guiding values, and a sense of structural alternatives.

A—

### *Supportive Systems of Interaction*

OD rests on a technology-cum-values for inducing useful "systems of interaction" between people. Learning groups typically fall in the 10–15 range (e.g., Dyer, 1987), but with survey-feedback designs, we can extend that reach to thousands of simultaneous participants (e.g., Golembiewski and Hilles, 1984). With the assistance of technology, those participants can be globally dispersed.

Interaction compatible with OD could be variously labelled and described, but we draw on Argyris's concepts of model I (closed or degenerative) and model II (open or regenerative) to depict the range of interaction patterns. Table 1 distinguishes the two extreme and self-reinforcing systems, each involving four variables. The variables are openness, owning, risk, and trust. Openness deals with telling it like it is, but one can do so while owning or not-owning. A heartfelt but anonymous Valentine illustrates non-owning openness. At the organizational level, this would be the anonymous complaint found in a suggestion box. Risk deals with the objective threat, while trust relates to the confidence in colleagues and self that sanguine outcomes will result. For further information about this model, including empirical findings, see Golembiewski (1993a, 1993b) and Argyris (1970).

A substantial proportion of managers in government (Golembiewski and Kiepper, 1988) as well as in business (Golembiewski, 1993a) lean toward the degenerative model in practice but away from it in personal preference. The authors have run many training sessions with managers who reflect this duality. The managers report dominant degenerative features in their worksites, reporting that "this is a shame, but that is how things are—like it or not." Many of these same managers are shocked to learn that their own behavior is also more degenerative than regenerative. Learning organizations require something akin to regenerative interaction, both in start-up phases and over the long run. Here, OD can contribute both in theory and practice. Given these attitudes, it is little

**TABLE 1** Two Modes of Interaction and Some Consequences

	Regenerative	Degenerative	Typical consequences of degenerative
Hi	Openness	Lo	The wrong issues and feelings tend to get raised.
Hi	Owning	Lo	Even energetic decision making tends to solve the wrong problems, and often raises other and even less tractable problems.
Lo	Risk	Hi	Psychological success tends to be low.
Hi	Trust	Lo	The same issues keep surfacing.  Conflict may result, but most often low energy levels develop as the cost of a superficial placidity.

wonder that this area is one of the most challenging aspects of creating learning organizations. When learning organization theorists focus on dialogue or on "changing mental models," they face a deeply embedded cultural norm.

**B—**

### ***Guiding Values***

If interaction illustrates the micro level of OD practice, OD can also contribute at the macro level via the guiding values that have achieved the status of a near-consensus in OD. Many formulations of OD guiding values exist, and here we rely on the early work of Tannenbaum and Davis (1969). They propose that human systems moving in an OD mode have definite tendencies. On balance, progress toward OD values will be signalled by a profile of movements on a number of criteria such as those in Table 2. While these values do not state the terminal or operational values of an enterprise as they might in a vision or mission statement, they do detail the boundary conditions to be met and the direction of the changes, given the specific context in which an organization exists—its history, environment, technology, and market conditions.

It is hard to overstate the centrality of guiding values, especially with respect to potent technologies. Individuals who understand and accept "why" can better come to grips with the "what" of implementation. Moreover, nothing should concern us more than an unguided missile; that is, a technology which combines great impact with a poor sense of direction. Even friendly observers (e.g., Beer, 1988), have noted that OD values can impose a constraint on both managers and the managed, and that of course is both factual *and* intended.

Like all human creations, the learning organization concept requires both direction and constraint. While Senge (1990) earlier emphasized not a specific vision or set of values but rather a "shared vision," more recent learning organization theorists speak more directly to traditional OD values. Watkins and Marsick (1993) call for an emphasis on empowerment and continuous learning, and Kofman and Senge (1993) look for communities of commitment. Argyris, and later Schön has consistently argued that learning organizations would be characterized by "model II" values of owning, openness, mutual trust, and experimentation (Argyris, 1970), as well as valid information, free and informed choice, and internal commitment to the choice (Argyris and Schön, 1978).

**C—**

### ***A Sense of Structural Alternatives***

Finally, for present purposes, the learning organization approach faces the issue of the institutionalization of the products and associated processes. This is particularly so because proponents of the approach dwell on idealized conditions rather than embodiments of those conditions. What, in other words, are the practices to be used by other organizations? Kofman and Senge (1993) write of the learning organization as being intent on continually expanding its capacity to create its future. This involves a basic mind shift, a different sense of the world—from fixating on parts to dealing with wholes, from viewing people as helpless reactors to empowering them as observant participants,

**TABLE 2** Selected OD Values

Away from a view of . . .	Toward a view of . . .
People as essentially bad	People as basically good and substantially perfectible
Avoidance of negative evaluation of individuals	Confirming individuals as human beings
Individuals as fixed	Individuals as in-process
Fearing and resisting individual differences	Accepting and utilizing individual differences
Avoidance of risk taking	Willingness to risk
The primacy of competition	More pervasive collaboration

Abstracted from Tannenbaum and Davis (1969), esp. pp. 68–84.

and from reacting to the past and the present toward evolving a common future (Kofman and Senge, 1993).

Not only does Senge's formulation sound very much like the OD values illustrated above, but the relevance of OD is implied by its long-standing attention to the specific ways and means of bringing Senge's mind shift into action. At the structural level, the list of OD particulars is both long and deep—e.g., job enrichment at operating levels of organization, flow-of-work or divisional models at executive levels, and structural and policy empowerment throughout organizations (Golembiewski, 1979).

Watkins and Marsick (1993) observe that the learning organization experiments they studied were led by a team consisting of an organization developer and a CEO, and sometimes human resource developers, who together bring about the systemic change needed to create organizations that learn. Linda Honold worked closely with Ralph Stayer at Johnsonville Foods, Renee Rogers with Jerry Marler at Intermedics, Noel Tichy with Jack Welch at General Electric, etc. There is strong support in this literature for the tools and values of OD, and a definite predilection not to reinvent the wheel. If anything, there is a presumption that these tools and values are so important that many more people in the organization should be able to use them. OD has developed many of the tools and processes which make it possible to create learning organizations. These tools generate a sense of alternative strategies, of the availability of different approaches to building learning organizations.

**D—**

#### ***Substantial Success Rates***

There is another way in which OD might have much to offer the learning organization. After an extended period of scrutiny, both from external evaluators and from OD people themselves, the existing consensus is that success rates for OD work are substantial. The earliest surveys came to such a conclusion (e.g., Morrison, 1978), and they have been validated by studies that sought to improve on their predecessors in various ways. These improvements cover a substantial range. Among other features, they enlarge the pool of evaluative studies (e.g., Golembiewski, Proehl, and Sink, 1981, 1982); focus on "objective outcomes" rather than on self-reports, or in combination with them (e.g., Nicholas, 1982); and take methodological differences between studies into explicit account to test whether "success" is a mere artifact of slipshod methodology (Golembiewski and Sun, 1990). These studies indicate that OD has been highly successful in building small group contexts suitable for both affective and substantive exploration, or "team learning" (Senge, 1990).

The major source of remaining contention is about the success rates of macro system change. Some report substantial success rates (Golembiewski, Proehl, and Sink, 1981, 1982), while others are pessimistic (e.g., Beer, 1988). To some extent, there is a problem of the unit of analysis and the time frame for analysis. All human systems "fail" at some level of complexity, particularly when cumulative theory and practice are successively approximated in practice settings. It is, however, these macro system OD processes that are at the heart of building and sustaining learning organizations. We must be able to confidently predict that they will be as effective as the more micro processes. Prior research on the success of OD initiatives may help designers create benchmark indicators of the effectiveness of this macro system change called the learning organization.

**III—**

#### **What Changes in OD Are Implied by the Learning Organization?**

In many respects, the idea of the learning organization is essentially an OD vision. Watkins and Marsick (1993) talk of sculpting learning organizations, a process they describe as chipping away all that now prevents learning and building new systems and capacities to enhance learning. They suggest that there is no blueprint or set of standard tools for creating learning organizations, but rather the idea functions like a vision of the organization in terms of what might be against the template of what is now. To get from here to there requires thousands of interventions, not one

major event. It will be the work of everyone in the organization, not the individuals alone at the top or the outside consultant/ODer.

For these reasons, there are no specific changes in OD practice that we can ascribe to the learning organization. Instead, the learning organization requires an integrated use of management tools such as participatory practices and cross-functional self-managed teams; training tools, such as long-term career development, continuous learning for continuous improvement strategies, and organization wide training systems; and organization development tools such as culture change and action research. While there may eventually be many tools for OD suggested by the learning organization literature, there are two root processes at issue. The first is a concept of dialogue and the other relates to shifts in the phases of OD practice.

A—

### ***Dialogue for the Learning Organization***

An underlying process in designing learning organizations is the use of extended dialogue at the micro and macro levels. New approaches to creating dialogue are used by designers of learning organizations. These new approaches draw on the work of Argyris, Putnam, and Smith (1985) and Senge (1990). In action science, dialogue is a process of creating shared meaning by changing the mental models of individuals who are repositories of the shared values and learned theories of action of the organization. Through combining advocacy with inquiry, examining actual dialogue in order to surface the data on which inferences are made, and recognizing the implicit rules governing both inferences and actions, individuals and organizations are able to transform governing values from those dominated by control or self-protection to those consistent with learning and growth. Although we might say that OD has long worked to improve communication in organizations, this approach extends the concept to include effective improvements in the cognitive scaffolding which undergirds communication.

Dialogue is defined by Senge and Argyris from a social action perspective. The construction of meaning is considered both an individual interpretive act and also one that is socially determined. Improving dialogue therefore depends upon finding effective ways to help individuals and systems clarify their assumptions and mental models. This process begins with the assumption that shared meaning is desirable, but that it will be achieved not by proclaiming a dominant voice but by acknowledging the pluralistic voice within organizations and working to achieve alignment at the level of vision, values, and meaning. Since meaning construction is both social and political, the process of dialogue must also be empowering and interpersonally centered. When organizations take a vision and mission statement developed by a top management team and then conduct workshops to "teach" it to the rest of the organization, they achieve alignment at the expense of empowerment. Learning organizations find means to surface the cacophony of their many voices and then to collectively agree on an encompassing vision.

This differs from the approach taken in process consultation. Schein (1993) suggests that the difference in this type of dialogue from other forms of communication technology is that there is an emphasis on reflection (suspension) before discussion and debate ensue. When individuals experience what appears to be a misunderstanding of their words or actions by others (what Argyris calls a mismatch), they first attempt to understand how others in the group are reasoning about what they have said or done, before they verbally intervene. Substantive theories about how people reason guide reflection, particularly theories of defensive reasoning (Argyris, 1990). Reflection is discussed at length in Watkins and Marsick (1993; see also Marsick and Watkins, 1991) as a critical component in creating learning organizations.

Process consultation may be influenced by this focus on the reasoning which undergirds process. Kofman and Senge (1993) write, "Consultants propose new process-oriented designs without addressing the modes of thinking and interacting that cause us to focus on things rather than processes in the first place" (p. 19). They look for an integration of the content or issues of interest and the processes by which we learn about them. In the example of dialogue above, individuals engage in learning about dialogue by participating in dialogue groups, while simultaneously reflecting on how they are learning.

**B—**  
**Changes within the Phases of OD Practice**

We consider the phases of the consultation process of diagnosis, intervention, and assessment, then discuss differences suggested by learning organization theorists in OD practice.

**1—**  
**System Diagnosis Focused on Learning**

While the design of the learning organization is quite similar to the open system often envisioned in OD, there is an attempt to lock in key systemic and habitual practices which will ensure continuous improvement. The focus is on systemic barriers/enablers versus short-term symptoms. What now prevents learning in the organization? What systems are in place to get accurate information about what is—self-awareness regarding the organization's current threshold of skills/adaptability, etc.? What systems are in place to teach, to facilitate, widespread changing? What support exists in the culture for the learning curve—the time for learning, and the attendant mistakes, slowdowns which come with learning? To what extent is learning strategically used and systemically conceived?

For example, in Canada, an organization elected to centralize the human resource development program by creating a number of career development centers across the provinces. These centers enable employees to read materials, take vocational tests, and apply for positions throughout Canada online. An individual may take a test, receive feedback in the form of a skills profile and a list of current positions for which the individual is qualified, and apply for any one of these positions by filling in additional information on the computer. This can be done without ever leaving the computer work station. The same organization went from approximately 80 trainers to 6 career development counselors. It seems likely that the organization has learned how to move people and better match skills and jobs throughout Canada. Yet where will these individuals learn the *new* skills the organization will need as time goes on? Examples such as this one abound in the learning organization literature. While the immediate career problem was handled with an innovative response, over the long term career development may have been hampered by eliminating a necessary companion function, training.

Another organization uses a computerized skills assessment based on the skills believed to be essential for the organization in the next decade. All employees in the organization take the computerized assessment. The resulting data are both at the individual level and aggregated at regional sites or corporationwide. This future skill profile is matched against current skills, and a training agenda is formed at the individual and organizational levels. Training responses are provided by vendors who receive a brief one-page list of the high-need competencies. They then bid to offer training in any of the given areas. Since the competencies are fairly general (creativity, new leadership ideas), and the responses are quite specific, they often fall within the broad category of the competency but fail to achieve real learning of the skill needs identified. Once again, the strategy has vision and potential, but it fails to follow through on the full implications of the learning gaps identified.

March (1991) suggests that this failure comes from a history in organizations of emphasis on exploiting new ideas and technologies without paying equal attention to the more time-intensive process of creative exploration. Because of this predilection, organizations have developed a habit of quick fixes—superficial learning—and have not developed a sufficient threshold of adaptability—skill at creating new knowledge, both in people and in products. One feature of organizational diagnosis in the learning organization then is to examine the current level of investment in learning as exploration and to identify the threshold of real skill development that has resulted from previous change efforts. Research aimed at identifying the optimal mix of investment in learning as exploration, learning as exploitation, and production in organizations would guide future OD efforts.

One approach to this assessment is that taken by Canadian economist Nuala Beck. Beck (1992) created a knowledge ratio which is an index of a company, investments in knowledge workers and in knowledge creation. She has successfully used her indicators to predict organizations that will thrive in the new information economy. More important to this discussion, these measures constitute one reliable index of macro system learning in the learning organization.



2—

### **Intervention Focused on Long-Term Empowerment**

There are numerous tools and strategies employed by organization developers working to create learning organizations, but there are no specific interventions. There is no cookbook. Organization developers who have worked with organizations, such as Linda Honold of Johnsonville Foods or Noel Tichy at General Electric, emphasize the importance of long-term strategies that empower. Some consultants describe their work as less collecting data and delivering it to a select top management group and more structuring means by which organizations as collective groups can collect their own data and share them with the entire organization. At Intermedics Orthopedics, Inc., this has been a multiyear process, involving everyone in the organization in vision alignment sessions augmented by groupware technology. Intermedics Orthopedics, Inc. has creatively used both an OD approach, based on the work of George Land, and computer-based groupware technology to integrate and learn from customer, management, and employee visions (Watkins and Marsick, 1993).

A related aspect of OD in the learning organization is the way in which the process requires that we give away our technology—teach everyone OD, in a real way. In order to create structures for this type of system wide dialogue and transformation, individuals at all levels of the organization are being called on to become process consultants: to facilitate dialogue, to collect diagnostic data, and to share it up the organization. Ralph Stayer of Johnsonville Foods sees experts as people who see every problem through their paradigm—to a trainer, he says, every problem is a training problem. By demystifying some of the technology of OD and making it more accessible, organizations are better able to make use of it. At General Electric, every member of the organization has participated in Work Out! sessions. These sessions are facilitated by a process expert and are intended to teach skills of consensus, negotiation, and decision making among individuals representing many different levels and functions. Over time, these individuals are expected to be able to continuously do what organization developers might have once facilitated as intergroup conflict resolution or work redesign.

One of the strongest tools for building the learning organization is a mainstay of OD, the use of action technologies (see Watkins and Marsick, 1993, pp. 137–143). New variations on action research, including participatory action research, action learning, and action science, hold particular promise for creating learning organizations. Because action research is grounded in the context, yet data-based, it is a highly flexible tool for learning among groups and organizations. These action technologies involve groups and organizations in both diagnosing and implementing their own changes. Moreover, a central skill in action research is reflection. Through the process of making change, individuals learn more about how to work more effectively in teams, how to learn from actual work activities through reflection, and how to manage a change effort.

3—

### **Measurement at the Macro System Level**

While previous research on the success of OD experiments has been positive, there is still some question about the viability of current approaches to creating macro system change. Measuring OD's success in terms of specific interventions is not likely to be effective for the learning organization. On the other hand, looking at outcome performance, such as the high profits reported by Johnsonville Foods, Inc. as a result of their ten-year effort to build a learning organization, is tempting. Yet when Stayer left, profits dipped. While profit is important, the capacity of the organization to bounce back after such a serious setback as the departure of a charismatic leader is more important. The ability of an organization to recreate itself; to recoup and adapt after an environmental jolt (Meyer, 1982); to invent new products, processes, and services is the yardstick by which to measure learning organization experiments. Measurement will thus have to change to reflect longer-term effectiveness of the whole organization. OD results will be measured in terms of the transfer of OD technology to organization members and the institutionalization of a continuous improvement capacity.

IV—

### **Conclusion**

In a way, we have again said that "this is what we were doing all along." Perhaps the learning organization is notable primarily for the way in which the metaphor captures and communicates

the goal of OD work to line managers. The learning organization is a metaphor which calls for systemic efforts, cocreative models of OD practice and of dialogue, and transformative theories of learning and change. There are some differences which are stimulated by thinking of OD in terms of the learning organization—notably in the transfer of OD technology to all levels and the emphasis on working toward metadialogues all the way through the organization. Another difference is that the client of the OD intervention is the organization of the future. The OD effort to create a learning organization is one in which the goal is to put systems in place which will help the organization face the challenges it will meet 10 or 20 years hence. The learning organization is a compelling argument for redoubling efforts to move beyond short-term work aimed only at the level of the top management team.

Learning organization theory may also contain limits. Inherent in a metaphor such as this one is often a conundrum which confounds the essence of the metaphor. In this one, the conundrum of anthropomorphizing organizations has the potential of both overemphasizing individual learning experiments and underemphasizing the role of organizational learning constraints. We have seen this emphasis on the individual over the organization resurface often in the history of OD. Hopefully, learning organization theorists will emphasize models that integrate individual and organizational initiatives.

Reconstruction, reinventing the corporation, reengineering—organizations are scrambling to figure out who they need to be in order to survive. As Senge (1990) well says, they need to be looking toward learning not for survival, but for generativity. The learning organization is a tentative road map, still indistinct and abstract, a target toward which the organization might aim in order to become generative. It is not a destination, but a never-ending journey. It is part fantasy, part psychology, and part physical struggle. We like that about it.

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129—

## Developing Effective Community Groups

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This chapter discusses appropriate methods for a community intervention based on principles of organization development where the decision body is an ad hoc group convened for the express purpose of addressing a problem common to a significant segment of the community or the entire community. The intervention strategy has been developed over a period of 7 years in a variety of settings in a number of states and local governments. It has proven an effective means for creating a broad base of consensus on ways to address and implement difficult and often conflictual community issues. For example, the strategy has been used to develop a state growth-strategies law, consolidate a city government and a county government, develop policies for addressing urban violence, site a regional water reservoir, and identify public and private community investment strategies.

As a tool for developing public policy it represents a clear departure from the traditional expert model. In this typical approach to the policy process, "expert staff" provide an objectively determined assessment of the problem and a recommended course of remedial action to policy makers. Policy makers as guardians of political reality apply various interest group perspectives to compromise and amend (some would argue dilute) the staff recommendation until sufficient political support is at hand to ensure adoption. This process of developing "political reality" often produces results that are less than optimal to problem solving, create additional conflict, and ultimately exacerbate the problem. This political process of compromise as decision criteria also wastes a lot of sound analysis and intelligence.

The methods described herein as "decision conferencing" depart from this traditional approach in several important ways. Because decision conferencing employs the best principles of that change theory related to a normative reeducative perspective, conferencing is grounded in the importance of basing decisions on the basis of shared values and feelings as well as data. The methods apply a process, as opposed to content, approach to problem solving by providing mechanisms and institutional arrangements that foster communication, values clarification, and shared commitment to genuine dispute resolution. The process is designed to: vest responsibility for problem solving in a core leadership group that is broadly representative of the community of concern and assembled specifically for the issue at hand; create a focus on the community as opposed to ideology as the unit of analysis; base decisions on consensus rather than compromise; and achieve a genuine commitment to implementation. While organizational development strategies and methods are well established, the means for organization intervention and their application in a community setting through ad hoc groups has a more recent history. Using organizational development principles with ad hoc groups presents a unique set of challenges simply because of the initial absence of a sense of group, no history of working together, and an abundance of conflicting perspectives on both the issues and the possible solutions. The decision-conferencing process is specifically designed to overcome many of the inefficiencies and frustrations associated with those ad hoc groups we often think of as blue-ribbon commissions.

In theory, these commissions are appointed for the noblest purposes and are given the most difficult of challenges. They are expected to be creditable, creative, and independent. They therefore are not intended to simply rubber-stamp staff recommendations. They are assembled to reflect the diversity of opinion surrounding any issue of public importance and to lend credibility to the problem solution. After all, if the problem could be readily solved by the political or administrative processes, it would already be solved.

Reality is, however, quite different. Commission work is often a thankless task. Commissioners find themselves sitting through long hours of staff briefings. They are made to listen, they are given great volumes to read, they are treated as if their attention span is infinite, and their deliberations are dominated by a vocal few. The process is anything but creative and tends to be dominated by staff expertise and an infinite sea of data. This kind of commission work can best be described as an enterprise in which competent commissioners are subjected to an incompetent work program and process. The issue is therefore how to use such an ad hoc group in a way that is creative and purposeful. Five major sections provide guidance for this effort.

### I— **General Characteristics of the Decision Environment of Communities**

Before the community-based decision process can be fully understood it is essential to understand the environment in which the decisions must take place and therefore what dynamics must be dealt with if the change is to be effective. The decision-conferencing process is designed to address several characteristics that are common to communities and that distinguish them from the more traditional organization.

Community must be considered a metaphysical concept. Geopolitical boundaries are simply marks on a map that serve legal purposes and identify the taxing space of local government. Individual definitions of community, however, are wholly perceptual, transitory, and inconsistent, and are for the most part unbounded. Individuals reference community on multiple and conflictual criteria, including such things as geopolitical designations, employment centers, neighborhoods, subdivisions, social class, and common social or economic problems. These references are the product of socialization and of designation by external sources such as the media and political and social observers. As is frequently chronicled, contemporary communities, unlike images of the past, are rarely based on intense interpersonal interaction and social affiliation. This absence of commonality of definition of what constitutes the entity experiencing the problem is the first challenge the "decision conference" is designed to address.

Second, while individuals sharing the same physical space may identify themselves with a particular place, name, or interest group, they rarely are consciously aware of their shared-value space. The pluralistic nature of community subordinates shared values in favor of those values peculiar to a given ideology or world view. For example, one of the more common community conflicts results from the differing value perspective of developers and environmentalists.

Finally, community groups are rarely conscious of the possibility of consensus on problem identification or solution. The prevailing emphasis on problem solving as a zero-sum game mitigates against acceptance of norms and beliefs associated with the possibility of achieving consensus. One unfortunate aspect of American democracy is the norm that losers have no obligation to accept the winning position; rather, they have an obligation to "continue the fight" until their side prevails.

These complex community characteristics reflect several distinctive problem sets that community-based interventions must address. The characteristics and problem sets form the assumptions about community that underpin the methods used in decision conferencing. Because the problem sets are so pervasive, they constitute structural impediments to successful interventions and are therefore discussed in some detail in the following section.

### A— **Hardening of the Categories**

The very nature of plural interests and perspectives creates subgroups that believe that they have a unique and correct world view, and therefore a superior solution set. These factions or collectives

based on common interest also reflect an intolerance toward alternative views and solution sets. They are most often referred to as the result of interest group politics, but used here have a broader meaning. They include attitudes about race, social status, and income strata. Increasingly the hardened categories are reinforced less by political ideology than by the application of the tenants of religion, income strata, and/or environmental perspective. As such they are narrowly focused in their perspective and are not subject to the discipline and tempering of community debate or political debate.

**B—**

***Covet Thy Neighbor's . . .***

Most definitions of the problem and the list of possible solutions are developed from external rather than internal sources. Such issues as crime, poverty, environmental ambiance, and community wealth are derived from comparative analysis. Solution sets and policy options are likewise externally derived and based on perceived successes in similar communities. Communities tend to rely on borrowed ideas and strategies from other communities.

When communities covet their neighbors' successes they miss their own unique potential for success. They fail to determine and adapt strategies and decision sets on the basis of the unique assets and liabilities of their own community. Most important, they don't focus on what is positive in their community. All communities by the very nature of their existence have enjoyed some success. A focus that is wholly external misses the opportunity to build on this past success. This external focus also runs the risk of adopting success strategies from the environment that are inappropriate to the community and are therefore doomed to failure. (See also Chapter 130 in this volume.)

**C—**

***Dysfunctional Assignment of Responsibility***

The particular strategy for governance in the American system assigns responsibility to institutions on the basis of political philosophy and tradition rather than on the basis of that structure most appropriate to the problem. Provision of public services are left to government, the local economy is left to the private sector, education is left to professional educators, and so on. While these may be appropriate structures for administrative action, when it comes to problem solving and policy making they tend to be inherently inefficient and to artificially divide the problem by creating barriers to communication and accurate problem identification. Communities are by definition networks of interdependent systems, therefore treatment that is optimal for one segment will always affect other segments. When this is not addressed in an explicit way the likelihood is great that the effect on other systems will be negative.

The problems confounded by the fact the community institutions are more often than not in conflict with one another. Cities, the county, and the school system all compete for the same tax dollar. Chambers of commerce often have an attitude of distrust toward local governments and do not include them in economic development activities. Where institutional conflict is most intractable, it will have its basis in history and community lore and not be easily overcome.

**D—**

***Trap of the Expert***

The trap of the expert has both external and internal facets. Externally, the phrase refers to consultants hired to help the community and internally it refers to the professional staff of community institutions. Community institutions are given to hiring consultants to provide needed analysis and/or solutions to address specific problems. Most often these expert consultants help rather than hinder; however, they all come with a dominant paradigm that may or may not be appropriate to a particular community. Unfortunately, some also come with "canned" solutions, in which only the name is arranged on the final report. Human nature will cause community leaders to rely on the paid consultant to the point where advice is not questioned and to accept a report they know is flawed. Where community leaders have a negative or poor image of their community this is very likely to happen. A process-based intervention that puts the onus for problem and solution identification on incumbents will have to overcome this tendency to rely on the expert.

Community-based organizations are most often staffed by individuals who have considerable career identity in being able to solve their community's problems. This statement should generate little argument, since where it is not true there is little regard for incumbent community professionals. Empowering participants to take charge of their own destiny is also a goal of process intervention. Empowered citizenry will surely threaten the expertise of staff and consequently staff may resist the intervention. Both the external and internal facets of the trap of the expert phenomenon can be addressed if they are recognized as manifestations of human responses.

*E—*

### ***Fear of Failure***

All communities have experienced failure. Often the most current feature of the lore about community includes a vivid description of one or more past failures. What is fascinating about the currency of failure is that often failure is described as if it occurred only recently when in fact the failure occurred years ago. Having failure so present not only constrains the openness to change, it also constrains the possibility of innovation. "We tried that before and it didn't work" is an often-heard refrain when discussing community-based change.

A related consequence of the fear of failure is risk-averse behavior on the part of community leaders. Traditional community-based decisions are made with little public scrutiny. Decision-led processes of the kind described in this chapter, however, are done in a public setting with participants from both within and outside the traditional decision structure. The "publicness" of this process has as a normal consequence the tendency to avoid failure by avoiding high risk or out-of-the-box solutions.

*F—*

### ***Debilitating Decision Criteria***

All of the problems in this description of community work against establishing a shared vision or commonly agreed-upon value space. The preferred decision criteria are based on and limited to reinforcing interest group perspectives or political philosophy. These limited decision criteria lead to decisions that more often than not fail to address the manifest problem and severely constrain solution sets. The process strategy employed in decision conferencing offers a means of expanding the quality of the deliberations beyond the constraints of past history and tradition. By empowering a representative group of citizens it is possible to seek and apply solutions that would not have been feasible under traditional strategic planning procedures.

*H—*

### ***Decision Conferencing***

The decision-conferencing approach to community problem solving addresses these inherent problems via a design incorporating both expert judgment and affective value perspectives of participants in the decision process. The conference design reflects five broad goals: to use the expertise of participants; to separate problem identification from problem solution; to identify and explore as full a range of possible solutions as feasible; to gain the participants' commitment to implementing its recommendations; and finally, to conduct the process in such a way as to build the largest possible base of public awareness and support for the recommended course of action.

The approach to achieving these goals has five dominant features: the participating group must be broadly representative; participants must agree to commit significant time to the enterprise; where appropriate, a task force structure is employed to broaden the base of participation; the process and all deliberations must be open to the public; and finally, a broad base of skilled staff support is needed to facilitate the work.

A decision conference is a facilitated group session with between 25 and 30 participants conducted in a retreat setting. Participants are called on to apply both expert knowledge and political criteria in a four-step structured process: problem identification; generation of alternative solutions; evaluation of alternatives on the basis of their relative benefits and costs as well as their relative contribution to problem resolution; and group consensus about the best solution set as well as the means of implementation.

Having participants enact both expert and political roles requires skilled group facilitation in order to support a group dynamic that legitimizes the opinion of participants as relevant to problem solution. The facilitator must manage the dynamics of the group process as opposed to the content of their deliberations. The conference is designed in such a way that the participants are in full control of the agenda. Their only charge is to analyze the conditions that may affect the problem and identify those initiatives most appropriate to the desired future. This means the group's discussion must take place in such a way that participants' political perspective and subject matter knowledge are equally valued. Individual statements are discussed not in terms of veracity but in terms of their contribution to problem resolution.

The decision conference is based on the belief that groups must first address decision making from the value premise. Discovery of commonly held values creates a sense of group cohesion and increases the likelihood that consensus can be reached.

The decision conference is intended to foster as diverse an array of opinion on the issue as possible. Care is given to identify opposing views, solutions, and paradigms and to invite individuals who are representative of these perspectives. The conference anticipates conflict and is structured to allow it to take place in a disciplined and productive setting.

### III—

#### **Identifying and Assembling Ad Hoc Groups**

Because the decision conference methods are very different from the usual approach to community problem solving, it is essential that the participating group be broadly representative and have face validity. For this reason the consultant should contract with the major institutions in the community or those institutions having a direct stake in the problem or decision. A multiparty contract begins the process of integrating and bridging the various factions.

The consultant must exercise a veto over decision conference participants in order to assure that all the diversity and conflict attendant to the problem is represented by participants. Typically, there is a recognized group of community leaders. This is the group most often turned to when a bond issue is to be sold or a community goal is to be realized. While participation by this group of "movers and shakers" is essential to the success of a decision conference, they are not sufficiently representative to stand alone. More often than not the traditional group represents the white, monied interests in the community. This core group must therefore be expanded to include representatives of the racial, economic, and gender diversity found in all communities. While the consultant typically will not know people by name, identification of the profiles of participants make it possible to keep the deck from being stacked in favor of any particular group. (See also the contribution in this volume by Golembiewski "Stakeholders in Consultation," Chap. 69).

The group identification phase is the critical part of the process and involves careful and often lengthy negotiation. When the group is properly specified it becomes not a special interest group but a group of special interests. The group assigned the responsibility for participating in the decision conference must be carefully chosen to reflect the breadth of diversity in the community. This assembled group must reflect the fractionated nature of the community. It must be based on the simple truth that success depends on integrating the various community interests and perspectives into a coherent whole.

### IV—

#### **Working with an Ad Hoc Group**

The key elements of the design used to work with these ad hoc groups can be outlined by eight points.

#### *A—*

##### ***Prewrite***

Prewrite is one of the most critical aspects of developing a viable group decision strategy. This involves not only concerted efforts to establish a work group that truly reflects the diversity in the



community, but also involves securing the formal commitment of the key stakeholders to support the decision conference participants.

Once the group of participants is identified, the consultant should conduct personal interviews. The purpose of these interviews is to establish expectations for the endeavor, make it clear that the process is different from what they may have previously experienced, and introduce all stakeholders to the consultant.

**B—**  
***The Setting***

Decision conferences are held in a retreat setting over a 2-day period and therefore require careful attention to the physical setting. Conferences should be held in a large conference room. The center of the room should be set up in a horseshoe arrangement with the open end toward the front of the room. Additional conference tables can also be set up in the corners of the room to accommodate breakout groups. A separate table should be set up for staff and observers.

**C—**  
***Facilitating Group Discussion***

In order to facilitate an ad hoc group several ground rules must be set early on and adhered to throughout. First, the simple group process maxim that an individual's opinion is true for that person must be followed. Debate and discussion must center not on the veracity of the statement but on its contribution to better understanding the dynamics of the problem, including the diversity of opinion about the problem.

Second, each participant should be asked to present his or her expectations for the conference. They should be encouraged to indicate concerns and prejudgments. The tone must be set that there are no subjects or opinions that are off-limits.

Third, all information is first presented without debate in order to set the tone that all perspectives are equally valued.

Fourth, in most cases the nominal group process should be used to generate information for subsequent discussion. Typically this involves giving participants a "stem" or cuing question and asking them to write their response or responses. To set expectations a useful stem is: "This session will be a valuable use of my time if . . ." For helping develop shared values the best cue is "List three to five assets or attributes that make this community special" followed by "List three to five of the more limiting or problematical aspects of the community."

Once the responses have been written, the facilitator moves around the table asking for one response from each participant. The statements of expectation and discussion data are listed on white boards and processed by the facilitator to clarify the statements, identify commonalities, and seek group agreement on a set of refined statements which become the group's criteria for governing their subsequent work and determining when their task will be complete.

**D—**  
***Establishing Guiding Principles***

Because it is an ad hoc group, a shared-value space must be identified. The most effective way to establish this is to have the group identify and agree on those principles they wish to be governed by as they engage in their deliberations. The listing of guiding principles should be printed and referred to throughout the process. They should also be used as a final reality check when the retreat is finished.

Table 1 shows the guiding principles established by Georgia's Growth Strategies Commission.

**E—**  
***Maintaining a Task Orientation***

Because many of the participants are decision-oriented as opposed to problem-oriented, a number of clearly identifiable decision points or benchmarks must be provided throughout the course of the retreat. This involves indicating what the group should accomplish in a given time. For example,

**TABLE 1** Underlying Principles of Georgia's Growth Strategies Commission

Regardless of the issue under consideration, the Commission agrees that all policies adopted should stimulate and accommodate growth in Georgia without diminishing the quality of life. To achieve this end, the impact of growth must be balanced through better coordination and cooperation among governmental bodies. In order to facilitate such cooperation, the following principles underlie all the specific policies proposed by the Commission.

**Planning**

The Commission affirms the critical importance of planning for Georgia's economic future and maintenance of the quality of life.

**Local Autonomy**

The Commission affirms home rule and local autonomy over matters of local concern.

**State Responsibility**

The state has an obligation to provide the leadership for Georgia's economic growth. This obligation carries with it the responsibility to develop and implement a blueprint for Georgia's future.

**Private Sector Initiatives**

The Growth Commission affirms the importance of providing a "pro-business" climate and offers initiatives which support and expand private sector investment in Georgia's economy.

**Funding**

Local governments have the basic responsibility of funding local initiatives. The state has the responsibility to provide basic funding for planning and other initiatives at the state and regional levels.

**Coordination Among State Agencies**

Planning and coordination among state agencies is critical to Georgia's future growth and economic development.

**Adjusting for Intrastate Variation**

State policies and actions to promote and manage growth should take into account economic, geographic, and other variations throughout the state.

**Establish Minimum Standards**

Minimum standards must be adopted in order to implement reasonable goals and objectives.

**Reasonableness of Regulations and Review Procedures**

The implementation strategies for fulfilling the growth strategies agenda should be designed and managed in ways that do not place undue burdens on either the regulated parties or on the regulating agencies.

**Enforcement of Regulations**

The Commission affirms the importance of providing sufficient funding and personnel to enforce those standards and regulations proposed or existing in state law.

**Education**

Education is recognized as the foundation on which Georgia's economic future rests.

**Human Resource Development**

The desired quality of life for Georgia is dependent on addressing complex health and social welfare problems.

the benchmarks can be as simple as, "We should have agreement on the problem definition by the end of the day. In the morning we will review the written record of the previous day's work and make any necessary corrections."

These decision points provide a sense of accomplishment and create a sense of movement toward the desired end.

*F—*

**Issue Identification**

The group next proceeds to generate a list of issues in a brainstorming session. Table 2 shows a partial list generated by a large, metropolitan, high urbanized county.

**TABLE 2** Issues Facing the County

Growth vs. no-growth	Water conservation	Mediation board (e.g., group to help prevent lawsuits, aid conflict resolution)
Solid waste/recycling	Communications with public (cable, newsletter)	Parking at county facility
Transportation	Educate public on key issues	Space—courthouse, county offices
Land use planning	Perception of board held by public	Jails
High cost of housing	Interjurisdictional entities (e.g., triregional council resurrected)	Public health—restaurants not clean
Civic/convention center facility	Promote county identity	Bluebird Airport
	Priority of roads	HOV (high-occupancy vehicle) lanes on interstate highways

### **G— Providing Feedback**

A key element of the facilitated approach is to faithfully record and feed back the deliberations of the group. With word-processing technology, it is possible to provide hard copy of all decisions while the meeting *is still in progress*.

This is a critical feature, and not mere make-work, thus the written record of the group's work is in every sense its product. Seeing its work without the distortion of staff editing adds to ownership of the product and keeps the group in charge of the agenda. Having a written record of the proceedings in hand when the session is over also gives a sense that the time was used productively and progress was being made.

### **H— Separating Problem from Solution**

The group needs to exercise considerable discipline in how it addresses the problem identification and problem resolution phases of its work. The rationale is simple—*a problem well defined is 90% solved*. In identifying the problem set, the group should use an environmental scanning process that draws on its own expertise and staff analysis provided on request.

Getting to the point where the problem is well defined requires careful facilitation. The tendency of most people is to express problems as solutions. For example, "We don't have enough money to do the project" implies a solution (i.e., more money is needed). The problem is more likely one of how available funds are allocated or "how do we fund this important project?" To get at this the facilitator must probe. An appropriate clarifying question might be "how is the money currently being allocated?" followed by "how are priorities established?" From the responses the discussion will shift from statements that imply simplistic action, aspiration, or judgment to statements that identify institutional barriers or more precise expressions of the problem.

Some basic mechanics help in this movement toward well-defined problems. To separate problem analysis from problem solution, any position paper or problem analysis presented to the group by staff should initially be limited to a thorough description of the issue. As a separate exercise, expert staff should be asked to prepare a second paper which offers a range of alternative solutions. Presenting a range of solutions allows the group freedom to choose from among alternatives. This helps ensure that the problem resolution strategy selected fits both the value and factual dimensions of the problem.

In the early stages, the group may find this procedure frustrating since in their private lives they are used to solving problems quickly. However, with time, the value of the process approach and the group consensus it helps develop will become quite apparent. When these procedures are followed, the group will maintain a commitment to the task and exhibit little appreciable dropoff

in participation from the beginning to the end. The group will cover an extensive agenda in a relatively short time.

V—

### **Some General Concluding Observations**

Decision conferencing works. Because good process is followed and commitment is achieved up front, the ambient conditions for success are present. In most cases the items listed in the solution set are implemented. In one case, over 60% of the items were implemented or underway within the first 6 months. In another, the school system was able to use the strategy and broad base of buyin to successfully call a referendum to air condition its schools. In another case, the publicity and leadership development associated with the planning process was used to support the call for a sales tax referendum to fund development of a countrywide water system operated by the city.

Where results were not quite as dramatic, movement to implement did occur although at a much slower pace. To date, there have been no outright failures in over 150 cases, although in fairness many more communities have failed to initiate the process than have taken advantage of it. Success must therefore be attributed in part to the predisposition of participating communities to use a new way to solve the problem.

Not every community is willing to take the risk. Remember, the decision conference confronts the stereotypes and false dichotomies often associated with the community. Belief systems build up which imply that common ground cannot be reached without some major structural change. Some view the proposed decision conference as a naive attempt at community problem solving. In the case of one community, it took 2 years of negotiations between the city, county, and chamber of commerce to reach agreement on engaging the decision-conferencing process. The delay was caused in part by a long-standing animosity between the chamber and the affected local governments.

Simply put, there has to be a predisposition in order for the program to work. Like many organization interventions, it is sometimes a matter of helping those who don't need help. Those in the greatest need may be totally unable to respond or to see the possibilities.

The process is labor-intensive. The process requires considerable commitment of time from the participants and the facilitators. In a typical conference, up to 11 staff members will be required at the conference itself. In addition, a lead facilitator will be required for project management. Therefore some subsidy will be required of most small and mid size communities. If subjected to the market place, in terms of cost recovery, demand would surely drop and many smaller communities would be unable to afford the program.

Follow-up is essential. In one of the communities where the decision-conferencing strategy was applied there was not significant follow-up. As a consequence, much of the momentum was lost. Where follow-up is done it serves to energize the group, and in cases where much has been accomplished, this motivates the group to continue.

Formal evaluation is problematical, if desirable, and hence we have never done it. Participant reaction surveys are not particularly reliable when administered immediately following the retreat. Likewise, it is difficult to make attributions about the successful implementation of such a strategy in the absence of a systematic evaluation. Finally, evaluation itself is confounded by issues of ownership. The decision conference process is designed to create ownership by the client for the process and the product. It would be difficult for the facilitator to claim public credit for success.

130—

## Using Success as a Framework for Community-Based Needs Assessment

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An essential component of community-based strategic planning is a clear statement of need, which provides both the catalyst and framework for the resultant action steps. It is therefore obvious that a plan can only be as good as the soundness of the needs it is intended to address. Accuracy and relevance consequently become essential standards by which needs are evaluated. The identification of community-based needs is most difficult, however, leading more often than not to strategic plans that are fundamentally flawed.

This chapter offers a nontraditional process methodology for determining needs that will result in both a more realistic and achievable look at the community and a planning process with prospects for high success. Since the essentials of the strategic planning process are quite similar for the organization and the community, some of the advice offered here may be equally useful in the organization setting. Since most of the information and examples here come from experiences working with community organizations, for sake of clarity the referent unit of analysis will be community-based organizations.

The most frequently employed model for determining community needs is the one used in business strategic planning commonly referred to as SWOT. In SWOT analysis, S represents an assessment of strengths, W weaknesses, O opportunities, and T threats. The framework is intended to provide balance by assessing both internal (strengths and weaknesses) and external (opportunities and threats) dimensions. SWOT is an accepted strategic management assessment methodology in business organizations. Used in an organization context, SWOT has a rigorous procedure associated with the analysis and consequently is found in many MBA curricula (e.g., Thompson and Strickland, 1995).

While sometimes helpful in a community setting, SWOT analysis by its very design fails to generate assessments that are grounded in what may be defined as community capacity. SWOT is largely based on notions of how the status quo fails to meet beliefs about what is demanded for success vis-à-vis other communities. Its orientation is superficial in that it treats perceived strengths and weaknesses in a generic sense as something that can be overcome by the act of planning, when in fact most strengths and weaknesses are given. Consequently, SWOT often leads to needs assessments that are more a reflection of highly generalized aspirations. SWOT also tends to lead to confusion between needs and problems, resulting in strategic plans that treat symptoms rather than problems.

SWOT is useful as an icebreaker for a discussion of needs, but in the absence of appropriate grounding when used in a community context, it tends to generate needs that are a reflection of aspirations based on self-image. Self-image is most often based on a comparison between what the community does and what things other communities are doing that appear successful. In any case

this kind of assessment assumes a community is not constrained in terms of capacities and therefore leads to strategies that are unattainable and do not reflect present reality.

## I— Understanding How Communities Express Need

There is in the culture of most communities a belief set relative to need that constitutes a barrier to the kind of learning associated with successful change strategies. First, communities suffer from one of the most clearly understood maximums of OD, the expression of solutions as problems. There is, for example, the case of the city whose officials called for help in addressing a problem. Its expressed need was finding ways to reach the goal of 9 for the 90s—nine new industries for the decade of the 1990s. This was a carryover from a successful program, 8 for the 80s.

Of course, this was a goal based on expressing a problem as a solution, and assumed the capacity to achieve the goal. The goal defied the consequences of both the natural progression of numbers and the exponential growth curve. It reflected the tendency of communities to mark their progress in terms of perceived, externally approved criteria. For example, most local economic development organizations measure progress (or the lack of progress) in terms of job creation. Nine for the 90s was in all likelihood based on a need to compete and gain standing in the development community. This is often deadly. In the present case, the city not only failed in getting 9 for the 90s, but lost three of the new industries gained in the 1980s.

The whys of this sad effect provide some useful lessons for community development. Analysis indicated that the community had two very pressing needs that threatened its economic future and made dreams of 9 for the 90s wholly unrealistic. First, existing industry in the community was largely ignored in favor of efforts to court new industry. Lost on city stakeholders was the fact that their existing industry was in turn being recruited by other communities offering tax and other financial incentives. Clearly, one need that was missed was to take care of what they had. Second, because of a high dropout rate and a poor basic education system there was a serious shortage of qualified workers to staff existing industry, much less new and unspecified industries. Consequently, even expressing problems as solutions here would fail because the community had not addressed its more fundamental needs. This is not an isolated case; it is being repeated in one way or another with great frequency in communities everywhere.

The simple fact is that communities are always expressing problems as solutions and planning accordingly—in part because it is easier than addressing a fundamental understanding of the makeup of the community and how old belief systems should inform and constrain perceptions of what exists and what is possible. Moving beyond this tendency requires seeing the community through different lenses, those that permit seeing that some things exist and cannot be changed.

Second, it is important that communities also use lenses for seeing the world that suggest the possibility of developing referents for judgment from internal rather than external criteria. Communities typically define themselves and their possibilities in terms of someone else's standards for success. They are trained to paint themselves using pallets of color that are provided from external sources. Consequently, community benchmarks for success are often based on the assumptions that competition with other communities dominates. Communities *are* historically competitive, and *it is true* that at various times one community can enjoy a superior public regard over another. Ultimately, however, communities compete with themselves based on their ability to initiate and build on successes and to avoid failures. In organizations, strategic planners nowadays call for building on and around "core competencies."

Aspirations aside, realistic assessments of community needs must always be determined by the ability to develop and change in a direction that is consistent with the unique capacity common to every community. Grounding assessment in capacity requires developing a clear understanding of the comparative advantage a given community has. Ultimately, community leaders must work with what they have. The capacity of a community determines what they have to work with and tests the viability of aspirations.

Community capacity is a function of four components. First are attitudes and beliefs held by community members about the community and its potential. These attitudes and beliefs are used

to explain the way things are and how power is allocated. Built up over time, they become broad generalizations about what is possible and why the status quo prevails. "We need to be on the interstate," "The Smith family runs this town," and "The white folks downtown run everything" are all statements illustrative of attitudes and beliefs that define capacity to change. These attitudes and beliefs make up the culture of the community.

The second component of community capacity to change is its physical amenities. These include both the natural and the constructed environment. Communities without transportation access or adequate water or with a harsh climate will have their capacity for growth constrained. Assessing physical amenities is a fairly straightforward task. Equally important is an understanding of those social amenities often associated with quality of life measures. The assessment becomes most meaningful when trying to understand how communities enjoy success, given constraints, or why they don't enjoy more success, given a strong amenities base.

Third is the human capital found in the community. Workforce composition is a common manifestation of human capacity, but such demographic factors as education attainment, health, and mean age are also important.

Fourth, the history of success or failure with change plays a prominent role. Past history constrains present reality by offering excuses and by limiting what is believed possible. "We tried that last year and failed" is a common lament. Community leaders are not moved to accept failure as a consequence of the virtue of trying, and stakeholders often work on the assumption that success lies with a new and novel approach or by copying someone else's success.

The reality is that most strategies have been tried somewhere, that failure is complex, and that past failure is not always a predictor of future failure.

Because communities are more complex than SWOT analysis allows, using that concept as the primary tool for community-based needs assessment has the potential of distorting results in favor of negative assessments of the status quo. SWOT does not offer the potential for a comprehensive assessment of the capacity to change. It also doesn't offer an opportunity to assess in a meaningful way what the community is doing well, or put more bluntly, why it is surviving at all. Communities do grow and community leaders do take action that results in success. It is true that if something wasn't being done right the community would have long since ceased to be.

A description of a process methodology follows that is designed to address the kinds of problems just outlined by assessing needs in a way that reflects all four components of community capacity. The methodology is proactive and is grounded on the basic view that communities profit from beginning any strategic planning process by looking first at what they do well. The methodology urges that understanding a community's successes will provide clearer and more relevant data to determine needs than is provided by such simplistic models as SWOT.

## **II— Building on Success**

This alternative intervention strategy for assessing needs is called, for lack of a better term, success stories (SS). It is a group process technique grounded in principles of affirmation, self-learning, ownership of the agenda, and commitment to sustained change. The objective is to determine needs in terms of what is feasible for the community and not what is externally determined. This section illustrates how SS can be used in a setting of community group leaders similar to those described in "Developing Effective Community Groups," Chapter 129 in this handbook. It has worked quite effectively with groups having as many as 150 members.

Using SS as the focus of assessment is similar in concept to appreciative inquiry (or AI) which is an alternative to approaches that begin with a problem orientation. Instead of beginning with a problem, AI begins with attention to affirmations of strength, success, and potential to achieve (Srivastva, Cooperrider, and associates, 1990). While AI has a considerable literature and is widely used as an OD intervention methodology it has its critics (Golembiewski, 1998). It also has limited utility in the context of community strategic planning. Golembiewski has observed that "the basic article of faith [of AI] is that human responses to positive questions are good in themselves, despite mixed evidence that exists about cultures, behaviors, and conflicting interest" (1998, p. 8). Success

stories departs from AI by going beyond success as a good in itself and analyzing success in the context of constraints as reflected by a community's capacity to change. Success stories is therefore not an end but rather a stimulus for setting a context for change that reflects present realities, both positive and negative.

The process described in this chapter is based on a nontraditional view of the ingredients of strategic planning. Rather than start with an environmental scan, the SS model assumes that in an electronic age knowledge of the environment is for the most part internalized. Instead, the model starts with an identification and assessment of successes that have occurred in the community in recent history. The successes the community has experienced are found to be associated with key components of the capacity to change and become the foundation for an assessment of needs built on internal rather than external queues. This assessment will in turn lead to change strategies (actions) that are based on a realistic assessment of capacity rather than ungrounded aspirations. Table 1 shows how building on successes differs from more traditional approaches.

The examples and processes that follow come from fieldwork with countries in selected geographical regions. For the most part these counties are not well developed economically, and also have a history of frustrated attempts at executing plans for economic growth. Success stories for them proved a very workable methodology for initiating the planning process. By starting with the good and focusing attention on how that good can be maintained and enhanced, community representatives had less of a focus on past failure and more of a focus on what was being accomplished. The results of this kind of intervention have proven most promising as a catalyst for sustained community change.

**A—**

***Assessing Success:  
Gathering Information***

Two preprinted 8 1/2 × 11 cards (or pin cards) are prepared as shown in Figure 1. Participants are asked to provide information on one or two examples of successful initiatives designed to enhance the quality of life in their community. They are instructed to keep their descriptions succinct and to the point. Two examples of completed forms are shown in Table 2.

**B—**

***Small Group Work:  
Finding the Best Stories***

The pin cards are collected, and depending on the size of the large group, processed in small groups of 3 to 5 members. In order for the process to work there needs to be a minimum of 5 cards (SS) per group. The small group task is to pick from among their pin cards the two successes they find most compelling or helpful in assessing what the community needs to do. Having selected the examples they talk about them among themselves, seeking additional clarification and needed information. They report out by preparing large flip chart sheets using the format shown in Figure 1. (Formatting of these large flip chart sheets can be preprinted for heightened effect.)

**C—**

***Large Group Processing:  
Identifying Components of Success***

The small groups report to the full group and clarify as necessary. The large group facilitator then leads a discussion of the stories to identify components that seem to account for success as reflected by the stories. These components then become the focus of expressions of community need. The connection rests with the desirability of maintaining successes by continuing to reinforce mainte-

**TABLE 1** Approaches to Needs Assessment

Outcomes	Traditional approach	Success stories approach
Assessment focus	Environmental scan	Successes
Planning parameters	Needs expressed as aspirations	Needs expressed building on success
Action orientation	Goals to realize aspirations	Strategies to build on success
Plan basis	External cues	Internal cues



A STORY ABOUT SUCCESS	
Describe the nature of the success.	
Why was the program (success) initiated?	
Where did the idea for the program originate?	
What made it work?	What limited its success?

Figure 1  
Gathering information to assess effects.

nance of those components associated with success. It is important to remember that the success data include both perceptions of what accounts for success and what limits success.

These components become a kind of higher-order set of needs that are used to identify the appropriate action agenda. Some examples of components identified through discussion of the SS were: educated workforce, cooperation and collaboration between agencies in the community, targeting subareas for development (as opposed to the entire community), and building on and marketing current successes.

**D—**

#### ***Enhancing the Components of Success***

The components of success are global statements of need that must be further refined in order to generate sets of need-specific activities (the strategic plan). At this stage, needs become not only expressions for overcoming deficits, but also maintaining and enhancing strengths or assets. Properly done this step will not only clarify needs as realistic and achievable, it will also result in making action steps very apparent.

**TABLE 2** Selected Success Stories**Success story 1**

Description: Connecting teachers with technology. Using public and private funds to purchase recreation vehicles equipped with computers and latest instructional technology to provide mobile in-service teacher instruction resources.

Why was the program initiated? To equip teachers with the skills necessary to improve computer literacy in a rural school district. To take better advantage of computer-assisted teaching and distance-learning technology.

Where did the idea for the program originate? The idea came from a chamber of commerce subcommittee on education composed of business leaders and teachers. The idea was an extension of the regional library's successful bookmobile.

What made it work? Vision, leadership, mutual support, clear mission.

What limited its success? Resources, bureaucratic reluctance to relocate funds.

**Success story 2**

Description: Attracting a chicken-processing plant employing over 1,000 people to a rural county with high unemployment, low per-capita income, and no meaningful industrial base. The plant employed over 2,000 workers and added over \$500 million to the local economy.

Why was the program initiated? Local leaders believed that they could use their existing asset base, basically water resources and fertile farmland, to attract an agriculturally based industry that needed large amounts of low-cost water and allied agricultural support (chicken growers, feed growers).

Where did the idea for the program initiate? Community leaders had made the strategic decision to abandon traditional industrial recruiting in favor of a value-added strategy that built on its agricultural assets. The strategy came from a retreat of community leaders where the focus was "building on what we have."

What made it work? Vision, providing necessary infrastructure, public private partnership, local leadership, cooperation of schools.

What limited its success? Trained available workforce, local inertia.

This step in the needs-identification process involves taking each component and brainstorming, using the nominal group process. The goal is to identify areas that need focus if a particular component of success is to be addressed. This is a helpful question for stimulating discussion of how to enhance a given component of success: "If this component is critical to success what must be done in order to ensure its continued usefulness?" An example follows of a set of the enhancement areas for the educated workforce component: computer literacy, graduates with desired job skills, and graduates socialized to work. These enhancements become needs for the community *if* it is to continue to maintain an educated workforce as a critical component of future success.

*E—*

***Integration into a Planning Framework***

As a result of processing information contained in the SS the group has a framework and a context that can be used to establish concrete actions (strategies). For the most part these strategies will be based on the expressed desire to strengthen components of community success or eliminate barriers to their being achieved. The strategies will tend to use existing capacity and generally reflect an internal focus (painting their own picture with their own pallet). Table 3 details two sample initiatives for a group of counties from the same geographical region.

**III—**

**Summary**

What outcomes does the SS method produce? First, the successes listed tend to lead to small initiatives executed within the physical and human capacities of the community. They are based on what it takes to be successful, and more often than not have their genesis in local initiatives rather than ideas imported from outside. The initiatives are not only generally known by the community, but

**TABLE 3** Examples of Initiatives to Maintain Workforce Readiness**Initiative to maintain workforce readiness**

Project:	Establish a "schools-to-work" curriculum for a consolidated school system
Project description:	Create a direct linkage between high school graduates and local business by establishing curriculum designed to promote job-ready skills
First step:	Use chambers of commerce as a link between schools, businesses, governments, and community to implement "schools to work"
Resources needed:	Technical schools, local businesses, consolidated high school
When:	Now
Lead:	Regional chamber council

**Initiative to maintain workforce readiness**

Project:	Train teachers how to use and integrate computers in the classroom
Project description:	Develop the capacity to link the state's satellite education system with local classrooms as an aid to instruction and computer literacy
First step:	Secure agreements with local school systems to encourage teachers to participate in training programs for professional development credit
Resources needed:	State satellite system sites in local schools, computers in local schools, computer skills instructors
When:	Coming school year
Lead:	Local community college, computer science department

are often neglected as examples of what is possible. They consequently become sources of positive feeling about the community, and also help counter negative attitudes commonly found in communities that are struggling to grow economically. Analyzing specific successes in terms of what made them work and what kept them from being better becomes an effective way of working from the platform of the kind of systemic factors most often associated with force field analysis.

The plans that come from this kind of needs assessment are within the capacity of the community to implement. It should be noted, however, that the strategies are often difficult to sell because they are not as exciting as more sweeping and grandiose plans such as 9 for the 90s. Using SS requires care in implementing, follow-up, and periodic benchmarking. Selling it to the larger community can best be achieved if as broad a base of stakeholders as possible participates in the planning process. Economic development professionals and other "usual suspects" will need the encouragement of their community if they are to embrace this nontraditional approach to community planning and goal setting.

Community groups may initially reject this kind of analysis because it runs counter to beliefs that they can do nothing or that their competition is gaining on them if not already outpacing them and that they must therefore act to do something dramatic. Ultimately, the community will come to realize that success is incremental and based on a simple formula of first finding and then putting the components of success in place. The success story method can be a very positive teaching tool to make this happen.

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**Author Index****A**

Abelson, RP, 243, 251

Ablemann, CH, 76, 85

Abravanel, H, 979, 982

Achterberg, J, 267, 270

Ackerman Anderson, L, 22, 23, 27-38, 453

Ackoff, R, 199, 211

Adam, EE, Jr, 223, 230

Adams, S, 438, 440

Agle, B, 172, 181

Alban, BT, 205, 211

Albertson, DR, 385, 386

Albrecht, K, 247, 248, 251

Alderfer, CP, 186, 188, 220

Aldrich, I, 310, 319

Aldridge, J, 740, 741

Alexander, L, 881, 890

Allen, L, 442, 447

Alter, C, 197, 211

Amabile, TM, 774

Amason, AC, 227, 231

Ancona, DG, 224, 225, 226, 231, 655, 659

Andersen, A., 177

Anderson, D, 22, 23, 27-38

Andrews, JA 980, 983

Anson, RG, 790, 791, 796

Antoszkiewicz, J, 9, 10, 13, 15, 17, 23 41-57

Appelt, HG, 47, 57

Applebaum, S, 222, 231

Applebaum, SH, 2, 25, 738, 741

Applegate, LM, 791, 795, 797

Argote, L, 228, 231, 232

Argyris, C, 60, 68, 214, 217, 340, 342, 344, 376, 378, 416, 418, 428, 431, 433, 434, 543, 544, 545, 546, 547, 548, 549, 550, 554, 559, 562, 770, 774, 819, 940, 942, 943, 978, 982, 993, 999, 1000, 1001, 1003, 1006

Aronson, E, 843, 844, 845, 849, 852, 855

Ashford, SJ, 250, 252, 736, 741

Ashkenas, R, 354, 406, 407, 780, 784

Averch, VR, 89, 92

Averill, J, 980, 982

Axelrad, S, 132, 136

**B**

Bacharach, SB, 465, 542, 578, 732

Bailey, DE, 219-233

Baldwin, TT, 221, 225, 232, 233

Bales, RF, 651, 659

Ball, D, 177

Baloff, N, 273, 280

Bamforth, K, 194

Bandura, A, 975, 999

Banker, RD, 222, 231

Bannister, R, 267

Barber, B, 986, 993

Baritz, L, 546, 548

Barnard, CI, 459, 460, 527

Barney, J, 973, 975, 983

Barr, SH, 788, 795, 797

Barrett, P, 978, 993

Barry, D, 248, 252

Barsade, SG, 696, 699

Bartee, E, 529, 533

Barthes, R, 979, 980, 983

Bartunek, JM, 11, 12, 15, 20, 22, 59-69, 973, 983

Bass, BM, 131, 135, 458, 460

Batt, R, 222, 231

Beach, DE, 765, 766

Beals, V, 151

Beatty, RW, 245, 252

Beck, N., 1004, 1006

Becker, E, 843, 849

Becker, TE, 834

Beckhard, R, 215, 216, 268, 269, 270, 449, 451, 471, 475, 579, 583, 707, 708, 712, 827, 828, 902, 997, 1006

Bedeian, AG, 486

Beer, M, 59, 69, 107, 108, 116, 273, 280, 296, 306, 535, 542, 883, 890, 1001, 1002, 1006

Behn, RD, 9, 11, 15, 19, 20, 22, 23, 71-85

Belenky, MF, 131, 133, 135

Belgard, B, 937

Bell, C, 59, 60, 67, 69

Bell, C, Jr, 2, 25, 137, 148, 198, 211

Bell, CH, Jr, 270, 651, 659, 777, 784, 819

Bell, D, 211

Bellman, GM, 3, 5, 21, 25, 819

Benne, KD, 242, 524, 527, 540, 542, 748, 862, 983

Bennett, A, 435, 440

Bennett, R, 523, 527

Bennis, WG, 214, 242, 458, 460, 477, 480, 486, 520, 527, 639, 640, 651, 659, 709, 712, 857, 862, 978, 983

Benson, DB, 937

Berg, T, 304

Berger, J, 771, 774

Bernardin, HJ, 245, 252

Berniker, E, 236, 237, 238, 242

Bettenhausen, KL, 230, 231

Beyer, JM, 710, 711, 713

Bijl, R, 675

Bikson, TK, 220, 221, 232

Billingsley, K, 194

Billow, PM, 702, 712

Bion, WR, 342, 343, 344, 416, 418, 978, 983

Bird, A, 225, 233

Bjur, WE, 819

Black, M, 978, 983

Blair, JD, 529, 530, 532, 533

Blake, RR, 8, 9, 10, 12, 14, 19, 23, 24, 87-92, 107, 116, 261, 262, 477, 480, 498, 500, 579, 583

Blanchard, PD, 25

Blinder, AS, 232

Block, P, 89, 92, 269, 270, 341, 344

Blodgett, T, 328

Blum, TC, 2, 10, 11, 12, 15, 17, 23, 865-880

Blumberg, A, 2, 8, 11, 12, 13, 15, 18, 22, 23, 25, 90, 92, 93-97, 388, 389, 398, 405, 407, 442, 444, 447, 471, 474, 475, 569, 579-583, 974, 978, 983

Boatright, JR, 170, 180

Bobko, P, 736, 741

Bogart, R, 973, 984

Bolman, L, 702, 712, 977, 978, 983

Bolt, J, 883, 890

Bolt, JF, 739, 741

Bolton, R, 250, 252

Booth-Kewley, S, 631, 634, 640

Borich, GD, 9, 11, 12, 15, 19, 20, 22, 99-106, 640

Boss, RW, 2, 8, 9, 10, 13, 14, 15, 17, 18, 19, 25, 107-117, 107, 108, 109, 117, 119-128, 579, 583, 647

Bostrom, RP, 790, 791, 796, 797

Boudreau, RA, 10, 12, 15, 18, 22, 129-136, 366, 367, 368, 369, 370, 454, 455, 456

Boulding, KE, 194

Bowditch, JL, 633, 636, 640

Bowen, M, 339, 341, 344

Bowers, DG, 552, 554

Bowers, H, 463, 464

Boydell, T, 999, 1007

Boyer, RK, 185, 188

Bozzone, V, 8, 11, 12, 16, 20, 137-148

Bradbury, MD, 537, 542

Bradford, DL, 2, 25, 973, 983, 984

Bradford, LP, 475, 524, 527, 540, 542

Bradford, MJ, 475

Bradford, P, 442, 447

Bradley, DB, III, 328

Braeger, G, 857, 862

Bramson, RM, 250, 252

Branca, R, 74

Brandes, S, 869, 870, 879

Bray, DW, 640, 743

Brett, JF, 232

Brett, JM, 68, 69, 261, 262

Bridges, W, 215, 217, 441, 442, 443, 447, 449, 451

Briggs, J, 770, 771, 774

Brinkerhoff, DW, 819

Brittain, JW, 310, 319

Britton, JH, 443, 447

Britton, JO, 443, 447

Broderick, RF, 252

Broms, H, 977, 983

Brown, A, 692

Brown, DL, 986, 988, 989, 993

Brown, J, 937

Brown, LD, 193, 194, 201, 211, 577, 578

Brown, MH, 59, 69

Bruce, RA, 435, 436, 440

Brudney, JL, 577, 578

Bryant, Coach Bear, 359

Bryson, J, 881, 890

Buch, K, 740, 741

Buckingham, W, 479, 480

Buehler, VM, 280

Bui, T, 788, 796

Buller, P, 882, 890

Bunker, BB, 205, 211

Buono, AF, 633, 636, 640

Burack, E, 882, 890

Burchett, SP, 243, 252

Burgoyne, J, 999, 1007

Burke, RJ, 369, 370

Burke, WW, 2, 10, 25, 405, 407, 435, 440, 475

Burke, Z, 248, 252

Burlingham, D, 415, 418

Burns, J. McG, 457, 460

Burns, T, 310, 319

Bushe, GR, 219, 231, 415-418, 450, 451, 782, 784, 913, 918

Byham, WC, 219, 233

Byrd, RE, 8, 10, 13, 15, 17, 19, 20, 23, 149-155, 157-161

## C

Cahoon, AR, 8, 11, 14, 19, 163-167

Calder, BJ, 513, 515

Caldwell, DF, 225, 226, 231

Callaway, MR, 789, 797

Cameron, K, 314, 319

Cameron, KS, 129, 135, 136, 435, 436, 440

Cammann, C, 643, 649

Campbell, DT, 114, 117

Campbell, JP, 221, 232

Campbell, RE, 130, 136

Campbell, RJ, 232

Campion, MA, 222, 225, 231

Caplan, G, 25

Carelli, R, 328

Carnes, CD, 482, 486

Caron, H, St. John, 181

Carrigan, SB, 388, 389, 398, 438, 440, 442, 444, 447, 527, 569, 974, 978, 983, 993

Carroll, AB, 11, 12, 17, 19, 20, 169-181, 631

Carroll, GR, 310, 319

Carroll, S, 247, 252

Carroll, SJ, 248, 252

Carteledge, ND, 281, 286

Cartwright, D, 117, 221, 231

Cascio, WF, 250, 252

Cash, WB, Jr, 513, 515

Cashman, JF, 222, 232

Casio, W, 436, 440

Caspi, A, 9, 14, 16, 17, 18, 23, 24, 851-855

Chakiris, BJ, 812

Chakiris, KN, 812

Champy, J, 777, 785

Chandler, AD, Jr, 313, 319, 382, 383, 386, 477, 478, 480, 765

Chandler, RC, 456

Chaney, HS, 675

Chang, I, 416, 418

Cherniss, AB, 880, 918

Cherniss, C, 8, 19, 22, 183-188

Cherns, A, 237, 238, 239, 242, 743, 748, 820

Cherry, RL, 938

Cheyunski, F, 529, 533

Chidambaram, L, 790, 797

Child, J, 310, 319

Chin, R, 242, 862, 983

Chisholm, R, 8, 9, 11, 14, 16, 22, 189-195, 197-211, 546, 548

Christensen, TD, 937

Christiensen, HE, 266, 270

Church, G, 482, 486

Clark, KB, 224, 231

Clark, PA, 918  
 Clarke, D, 304  
 Clarkson, MBE, 172, 181  
 Clay, JA, 8, 12, 14, 17, 19, 829-834  
 Clayton, MJ, 672, 675  
 Cleland, DI, 687  
 Clement, RW, 250, 252  
 Cleveland, JN, 243, 244, 245, 248, 250, 253  
 Clinchy, BM, 131, 133, 135  
 Clotfelter, CT, 73, 74, 75, 76, 78, 81, 82, 85  
 Coch, L, 194  
 Coghlan, D, 2, 7, 10, 11, 12, 13, 19, 23, 25, 213-217, 575, 576, 578  
 Cohen, AM, 655, 657, 659  
 Cohen, AR, 2, 10, 11, 12, 13, 15, 16, 17, 18, 25  
 Cohen, DK, 829, 834  
 Cohen, SG, 219-233  
 Cole, DW, 262, 446, 447, 541, 542, 749  
 Cole, M, 770, 774  
 Coleman, A, 345  
 Coleman, HJ, Jr, 11, 13, 16, 17, 755-766  
 Collard, BA, 388, 389  
 Collier, J, 189, 194  
 Collins, R, 697, 698  
 Collins, S, 328  
 Comstock, C, 619, 630  
 Conger, JA, 993  
 Connelly, S, 442, 447  
 Conner, DR, 10, 12, 16, 18, 19, 23, 505, 506  
 Connolly, T, 788, 797  
 Connor, SR, 446, 447  
 Cooke, LH, 800, 803, 805  
 Cooke, RA, 442, 447  
 Coolidge, C, 458  
 Cooper, CL, 107, 117, 231, 242, 345, 486, 630  
 Cooper, DM, 232  
 Cooper, L, 820  
 Cooper, MR, 274, 280  
 Cooper, R, 237, 242  
 Cooperrider, DL, 413, 414, 416, 418, 519, 527, 545, 548, 982, 985, 1021, 1025  
 Copper, C, 227, 232  
 Cordery, JL, 222, 231  
 Corey, G, 339, 344  
 Corey, K, 242  
 Corey, MS, 339, 344  
 Corey, SM, 189, 194  
 Cosier, RA, 958  
 Cotton, JL, 223, 231  
 Cox, AJ, 443, 447  
 Cox, T, Jr, 526, 527  
 Cramton, CD, 248, 252  
 Cron, WL, 130, 131, 136  
 Cropanzano, R, 694, 695, 699  
 Crosby, PB, 150, 153, 154, 155, 280  
 Crosta, TE, 11, 12, 15, 20, 22, 59-69  
 Crow, I, 305  
 Culbert, SA, 472, 474, 475  
 Cummings, LL, 69, 232, 243, 252, 699  
 Cummings, TG, 2, 9, 11, 13, 16, 19, 23, 25, 107, 117, 235-242, 252, 486, 495, 708, 712, 777, 784  
 Curle, A, 189, 195  
 Cyert, R, 911, 918

**D**

Dahl, JG, 8, 11, 15, 19, 24, 455, 881-891  
 Daley, DM, 20, 22, 243-253, 243, 244, 245, 248, 250, 252  
 Dalkey, N, 675  
 Dalton, GW, 130, 132, 136  
 Dalton, M, 431  
 Daly, R, 369, 370  
 Dame, RF, 11, 12, 15, 20, 22, 59-69  
 Dana, D, 10, 12, 14, 18, 22, 255-262  
 Dandridge, T, 712  
 Darrow, CN, 130, 131, 134, 135, 136  
 Darwin, C, 497, 522, 527  
 Datan, N, 136  
 Davey, JM, 89, 92  
 David, SM, 276, 280  
 Davis, GM, 829, 834  
 Davis, K, 415, 418  
 Davis, L, 236, 237, 242  
 Davis, LE, 820  
 Davis, SA, 481, 486, 745, 748  
 Davis, SM, 703, 710, 711, 712, 717, 765, 1001, 1007  
 Dayal, I, 740, 741  
 Deal, TD, 316, 319, 712  
 Deal, TW, 702, 703, 712, 977, 983  
 Dean, JW, Jr, 273, 280  
 Deaner, CM, 8, 12, 17, 18, 20, 263-270, 767-775  
 Deci, EI, 989, 993  
 Deckard, GJ, 370  
 De Felippi, S, 973, 975, 984  
 de Loe, RC, 672, 676  
 DeLuca, JM, 482, 486  
 DeMeuse, K, 243, 252  
 Deming, WE, 147, 150, 151, 153, 154, 155, 488, 490, 491, 749  
 Dennis, AR, 790, 791, 797  
 Denzin, NK, 675  
 DeSanctis, G, 788, 790, 795, 797  
 Desjardins, JR, 737, 741  
 Deszca, G, 370  
 Deutsch, M, 418  
 Devanna, MA, 459, 460, 975, 984  
 DiBella, AJ, 463, 464, 918  
 Dickson, G, 795, 797  
 Diener, E, 695, 698  
 Dion, KL, 227, 231  
 Disney, W, 313  
 Doherty, EM, 11, 15, 22, 271-280  
 Donaldson, T, 170, 181  
 Dootson, S, 675  
 Dougherty, D, 231  
 Douvan, E, 880  
 Doverspike, D, 250, 252  
 Downey, RG, 9, 10, 12, 15, 20, 23, 281-286  
 Doyle, M, 937  
 Drexler, JA, 778, 784  
 Drucker, M, 438, 440  
 Drucker, P, 247, 252  
 Drucker, PF, 46, 47, 57  
 Drucker, PR, 81, 84, 85  
 Dubinsky, AJ, 223, 233  
 Duffee, D, 90, 92  
 Dugan, HS, 10, 14, 15, 16, 18, 22, 23, 287-294, 321-328, 442  
 Dumont, K, 638, 640  
 Duncan, R, 863  
 Dunham, RB, 635, 636, 640  
 Dunn, WN, 829, 834  
 Dunnette, MD, 221, 231, 280  
 Dunphy, DC, 8, 11, 13, 17, 20, 24, 295-307, 481, 486, 548  
 Dyer, D, 765  
 Dyer, W, 429, 431, 703, 712, 958, 1000, 1006  
 Dyer, WG, 107, 117, 159, 477, 480  
 Dyer, WG, Jr, 703, 709, 712, 958, 1000, 1006

**E**

Eban, A, 952  
 Edmondson, AC, 911, 912, 918  
 Edvinsson, L, 765, 766

Edwards, JE, 631, 634, 640

Egan, G, 425, 426

Eikeland, O, 211

Eiseman, JW, 589, 590

Eisenhardt, KM, 741

Eisenhower, D, 358, 517, 518

Elden, M, 189, 194, 299, 306

Eldon, M, 811, 812

Elias, N, 725, 730, 732

Ellermeier, J, 636, 640

Elman, P, 698

Elmore, RF, 76, 85

Ely, RJ, 225, 233

Emery, FE, 190, 194, 197, 204, 211, 236, 238, 242

Emery, M, 194, 197, 204, 211

Engel, JE, 937

Enz, CA, 711, 712

Enzmann, D, 852, 855

Erez, M, 284, 286

Erickson, 339

Erickson, RJ, 696, 699

Erikson, E, 769, 775

Erikson, EH, 309, 319

Ernst, M, 800, 805

Esser, JK, 788, 789, 797

Estes, R, 435, 440

Etzioni, A, 172, 181

Evans, CR, 227, 231

Everd, RD, 916, 919

## F

Faerman, SR, 288, 294

Farazmand, A, 370

Farr, JL, 243, 244, 245, 250, 252

Fayol, H, 139, 148

Feldman, DC, 427, 428, 429, 431, 696, 699, 737, 741

Felkins, PK, 812

Feller, R, 490, 491

Felten, DF, 777, 785

Ferber, M, 345

Ferris, E, 616

Festinger, L, 556, 557, 558

Field, JM, 222, 231

Fielden, JS, 446, 447

Fijol, Y, 788, 796

Filpezak, B, 288, 289, 293

Fineman, S, 693, 698

Fink, SL, 25

Finkelstein, S, 225, 231

Finsrud, HD, 200, 211

Fiol, CM, 998, 1006

Fiorelli, JS, 490, 491

Fisher, D, 288, 293, 812

Fisher, G, 151

Fisher, K, 937

Fitzgerald, AE, 525, 527

Fitz-Gibbon, CF, 833, 834

Flamholtz, EG, 11, 13, 20, 22, 309-319

Flanagan, JC, 246, 252

Flowers, ML, 788, 789, 797

Floyd, S, 891

Fodor, EM, 788, 797

Foot-White, W, 988, 993

Fordyce, JK, 560, 562

Forgas, JP, 228, 231

Form, WH, 133, 136

Forward, GE, 765, 766

Foster, M, 237, 240, 242, 916, 918

Fowler, I, 430, 431

Frankel, MS, 8, 18, 20, 24, 329-336, 362, 363, 417, 418, 481, 486, 524, 527, 547, 548

Frankel, V, 843, 849

Fredell, K, 10, 14, 15, 16, 18, 20, 23, 287-294, 321-328

Frederickson, J, 882, 890

Freeman, E, 890

Freeman, J, 310, 319

Freeman, ME, 833, 834

Freeman, RE, 57, 170, 172, 176, 177, 180

Freeman, SJ, 435, 436, 440

French, JRP, 109, 117, 194

French, MT, 879

French, WL, 2, 25, 59, 60, 67, 69, 137, 148, 270, 651, 659, 777, 778, 784, 819

Freud, A, 415, 418

Freudenberger, HJ, 370, 850

Friedlander, F, 112, 113, 114, 117, 194, 554, 937

Friesen, PH, 296, 307, 456, 463, 465

Frijda, NH, 980, 983

Frijda, NJ, 695, 698

Froggatt, KL, 223, 231

Fromm-Reichmann, F, 339, 344

Frost, P, 703, 705, 711, 712, 713

Frost, PJ, 703, 705, 711, 712

Fuhrman, SH, 76, 85

## G

Gabris, G, 247, 252

Gadon, H, 25

Galamberg, H, 977, 983

Galbraith, JR, 231

Galegher, J, 788, 797

Gallimore, R, 770, 774

Gallupe, RB, 795, 797

Galt, AH, 702, 712

Garratt, B, 911, 918

Garvin, DA, 918

Geertz, C, 975, 979, 981, 983

Geiger, ZU, 498

Geist, H, 444, 447

Gelinas, MV, 937

Geller, M, 345

Gellermann, W, 8, 18, 20, 24, 329-336, 362, 363, 417, 418, 481, 486, 524, 527, 532, 547, 548, 744, 745, 748

George, AL, 788, 797

George, JF, 788, 790, 791, 797

George, JM, 228, 231, 695, 696, 698

Gerber, E, 631-640

Gershenfield, MK, 651, 653, 660

Gersick, CJG, 229, 231, 657, 660

Gibb, J, 259, 262, 524, 527, 540, 542, 618, 819, 991, 993

Giddens, A, 983

Gilbert, DR, Jr, 57

Giles, WA, 247, 252

Gilmore, DC, 9, 12, 17, 18, 20, 607, 608, 616

Gilmore, TN, 338-345

Ginsberg, LH, 132, 136

Ginsberg, SW, 132, 136

Ginzberg, E, 132, 136

Gioia, DA, 250, 252

Gladstein, DL, 226, 227, 231

Glaser, EM, 744, 748

Glassman, A, 486, 495

Glassman, AM, 8, 11, 15, 19, 24, 455, 881-891

Glazer, MP, 519, 525, 527

Glazer, PM, 519, 525, 527

Glickman, AS, 744, 748

Gluckstern, NB, 576, 578

Goethals, G, 233

Goffman, ES, 874, 879

Goldberg, SB, 261, 262

Goldberger, NR, 131, 133, 135

Goldman, E, 497, 500

Goldner, FH, 569

Golembiewski, MH, 467, 469

Golembiewski, RT, 1-25, 43, 57, 107, 117, 131, 136, 179, 181, 194, 217, 288, 293, 295, 296, 306, 347-354, 355-360, 361-363, 365-370, 371-374, 375-378, 379-386, 387-389, 391-398, 399-403, 405-407, 409-418, 413-418, 419-422,



423-426, 427-431, 433-434, 435-440, 441-447, 449-451, 453-456, 457-460, 461-465, 467-475, 477-480, 481-486, 487-491, 493-495, 497-500, 501-504, 505-506, 507-508, 509-511, 513-515, 517-528, 529-533, 535-542, 543-548, 549-554, 555-558, 559-562, 563-569, 571-573, 575-578, 579-583, 585-590, 633, 634, 635, 636, 640, 644, 648, 698, 737, 738, 739, 741, 787, 797, 813, 819, 916, 918, 919, 952, 956, 958, 974, 978, 982, 985, 999, 1000, 1003, 1006, 1007, 1021, 1025

Goode, LL, 68, 69

Goode, WJ, 430, 431

Goodman, PS, 242, 273, 280

Goodpaster, KA, 170, 181

Goodstein, LD, 2, 25, 92, 185, 188

Gordon, J, 219, 231

Gordon, LA, 692

Gore, B, 746, 748

Gosnell, CT, 381, 386

Gould, JM, 918

Gould, R, 441, 445, 447

Gould, RB, 740, 741

Gould, RL, 134, 136

Gould, SJ, 73, 85

Gouldner, AW, 640

Goulet, D, 993

Gow, DD, 993

Grabber, DA, 833, 834

Grady, JF, 223, 232

Graen, GB, 224, 233

Graham-Moore, B, 273, 280

Grajek, S, 287, 294

Gran, G, 986, 993

Gray, D, 881, 890

Gray, DA, 765, 766

Greco, PA, 735, 741

Greenberg, ER, 735, 741

Greene, VJ, 744, 748

Greenfield, W, 2, 25, 97

Greenhalgh, L, 736, 737, 738, 740, 741

Greenwood, DJ, 193, 194

Gregory, K, 705, 712

Greiner, LE, 482, 486, 579, 583, 708, 712

Gricar, BG, 194

Grossi, G, 882, 890

Grove, AS, 728, 732

Gruber, H, 770

Gunn, EM, 831, 834

Guttek, BA, 328

Guth, W, 885, 890

Gutteridge, T, 288, 292, 293, 294

Guzzo, RA, 232, 281, 285

## H

Hackett, EJ, 223, 232

Hackman, JR, 220, 230, 231

Hadden, R, 288, 294

Hadley, SW, 618, 620, 630

Hage, J, 197, 198, 211

Haire, MP, 71, 72

Haleblian, J, 225, 231

Hall, BL, 986, 987, 993

Hall, DT, 130, 131, 132, 136, 438, 440, 499, 500, 526, 527, 569

Hallsten, L, 852, 855

Hamden-Turner, C, 769, 775

Hammer, M, 777, 785

Handy, CH, 728, 732

Hannan, MT, 310, 319

Hansen, CJ, 224, 231

Hanson, M, 442, 447

Hanushek, EA, 71, 78, 82, 84, 85

Harbart, J, 154, 155

Harding, HF, 474

Hare, P, 654, 660

Harmon, W, 267, 270

Harre, R, 981, 983

Harris, ET, 707, 708, 712

Harris, L, 691

Harris, PR, 296, 302, 306, 819

Harris, R, 215, 216, 306, 827, 828

Harris, RT, 269, 270, 449, 451, 707, 708, 712

Harris, SG, 435, 436, 440

Harrison, FL, 687

Harrison, JS, 181

Harrison, R, 353, 470, 475, 509, 510, 813, 974, 983

Hart, DK, 523, 528

Hartley, EL, 195

Hartwell, TD, 867, 869, 879

Harvey, DW, 446, 447

Harvey, J, 361

Harvey, JB, 385, 386, 520, 521, 527, 951-952, 954-956, 958

Hatcher, LL, 273, 280

Hauck, WC, 271, 280

Hausser, 463

Haviland, JM, 699

Hayakawa, SI, 800, 805

Heath, D, 290, 294

Heelas, R, 981

Hefferman, JM, 130, 136

Helad, GR, 799-805

Helbin, RM, 57

Hellervick, L, 607, 608, 609, 616

Henderson, JC, 224, 232

Henning, JP, 2, 4, 25

Herbert, GR, 250, 252

Herbst, PG, 199, 211, 237, 238, 242

Herma, JL, 132, 136

Herzberg, F, 416, 418

Higgin, G, 235, 236, 242

Higgs, AC, 222, 225, 231

Hilles, RJ, 107, 117, 362, 369, 370, 547, 548, 633, 634, 635, 636, 640, 1000

Hillman, J, 981, 983

Hinrichs, JR, 638, 640

Hirsch, P, 703, 712

Hirsch, PM, 983

Hirschhorn, L, 975, 983

Hochwarter, WA, 247, 253

Hodgson, RC, 355, 360

Hoffman, L, 339, 344

Hofstadter, R, 522, 527

Hofstede, G. H, 299, 307, 461, 462, 465, 575, 703, 712

Holland, A, 524, 523

Holloway, S, 857, 862

Holzer, B, 829, 834

Honadle, G, 819, 820

Hoopes, DS, 819

Hoopes, LL, 10, 12, 16, 18, 19, 23, 505, 506

Hornstein, H, 475

Hornstein, HA, 518, 527

House, RS, 687

Hoylman, FM, 937

Huber, GP, 207, 211, 791, 797

Hudson, F, 288, 294

Hufnagel, EM, 275, 280

Hughes, D, 638, 640

Hunady, RJ, 633, 640

Huse, EF, 107, 117, 708, 712

Hussey, D, 890

Hyde, AC, 250, 252

Hymovitz, C, 52, 57

## I

Ilgen, DR, 369-370

Imai, M, 918

Ingle, M, 819

Inkpen, AC, 765, 766

Isabella, L, 131, 136, 438, 440

Isabella, LA, 569

Isen, AM, 696, 698



Isgar, S, 9, 10, 12, 13, 16, 18, 19, 23, 591-596, 597-606, 937

Isgar, T, 9, 10, 12, 13, 16, 18, 19, 23, 591-596, 597-606, 937

Iterson, A van Vader, 726, 732

Ivancevich, JM, 736, 739, 741

Izard, CE, 698

Izumi, H, 223, 232

## J

Jackson, PR, 490, 491

Jackson, SE, 225, 226, 232, 365, 370

Jacoby, S, 869, 870, 879

Jacques, E, 703, 712

Jamison, K, 268, 270

Janck, JR, 578

Janis, IL, 520, 527, 787, 788, 789, 790, 791, 797, 958, 959

Janowitz, M, 381, 386

Jantsch, E., 35, 819

Janz, T, 8, 18, 19, 607-616

Jaunch, LR, 486

Jayaram, G, 236, 242

Jaynes, J, 978, 983

Jehn, K, 227, 232

Jelinek, M, 703, 712

Jennings, KR, 223, 233, 231, 233, 777, 785

Jensen, MAC, 652, 660

Jessup, LM, 788, 797

Jick, T, 354, 406, 407, 780, 784, 919

Johnson, JA, 865-880

Johnson, KR, 2, 10, 11, 12, 15, 17, 23, 462, 465

Johnson, M, 701, 712

Johnson, SC, 788, 797

John-Steiner, V, 767, 770, 771, 774, 775

Jones, DT, 777, 785

Jones, JW, 640

Jordan, JV, 775

Jourard, S, 980, 983

Juker, JV, 741

Julin, JA, 232

Jung, CG, 338, 977, 980, 983

Juran, JM, 150, 151, 153, 154, 155

## K

Kagi, J, 25

Kagno, MS, 107, 117

Kahn, RL, 107, 117, 703, 712, 746, 748

Kano, N, 918

Kanter, RM, 198, 211, 220, 233, 295, 301, 306

Kantor, RM, 858, 863

Kanungo, RN, 993

Kaplan, AG, 775

Kaplan, RE, 10, 14, 15, 19, 20, 23, 221, 232, 617-630

Karambayya, R, 68, 69

Kass, R, 973, 984

Kast, F, 265, 270

Katz, D, 703, 712, 746, 748

Katzell, RA, 281, 285

Katzenbach, JR, 163, 219, 220, 232

Kauffman, S, 765, 766

Kay, J, 180, 181

Kay, M, 704

Kazdin, AE, 804, 805

Kearney, WJ, 248, 252

Kegan, R, 130, 134, 136

Keiser, A, 310, 319

Kemper, TD, 696, 697, 698

Kendall, CM, 247, 253

Kendall, S, 632, 635, 640

Kennedy, AA, 316, 319, 703, 708, 712

Kerr, JL, 273, 276, 280

Kerr, S, 81, 85, 354, 406, 407, 780, 784

Kerzner, H, 677, 687

Keteyian, A, 518, 525, 528

Kets de Vries, MFR, 416, 418

Keys, D, 778, 785

Kharbanda, OP, 687

Kiechel, W, 736, 741

Kiepper, A, 2, 355, 359, 360, 406, 407, 471, 475, 482, 483, 486, 545, 548, 565, 569, 579, 583

Kiesler, S, 711, 713

Kiev, A, 393, 398

Kikoski, JF, 250, 252

Kilmann, RH, 261, 262, 280, 703, 709, 711, 712, 713, 975, 984

Kim, Y, 224, 232

Kimberly, JR, 296, 306, 319

King, A, 417, 418

King, DC, 937

King, ML, 528

King, WR, 687

Kipnis, D, 619, 620, 622, 630

Kirk, RJ, 787, 797

Kirkman, BL, 223, 232

Kirschenbaum, H, 445, 447

Kirson, O, 699

Kitzinger, J, 638, 640

Klauss, R, 820

Kleiber, D, 852, 855

Klein, EB, 130, 131, 134, 135, 136

Klein, M, 619, 630

Knight, PA, 283, 286

Knoke, W, 197, 211

Knotts, D, 425

Knox, J, 151

Knudsen, H, 877, 879

Kofman, F, 998, 999, 1001, 1003, 1007

Kohlberg, L, 129, 134, 523, 527

Kolb, D, 59, 69

Kolind, L, 765, 766

Konsynski, BR, 791, 795, 797

Koopman, PL, 543, 546, 548

Korten, DC, 198, 211, 989, 993

Kotter, JP, 248, 252

Kouzes, JM, 186, 188, 287, 294, 545, 548

Kraemer, KL, 788, 797

Kram, K, 287, 294

Kramer, F, 57

Krantz, J, 342, 344

Kraut, AI, 631, 640

Krefling, L, 711, 712

Kreitner, R, 272, 280

Krueger, RA, 513, 515, 638, 640

Kuhnert, KW, 8, 9, 10, 11, 12, 15, 17, 19, 20, 22, 23, 281-286, 281, 459, 631-640, 641-649, 746, 748

Kulka, R, 880

Kurandal, J, 57

Kuypers, JA, 443, 447

## L

Labrich, K, 51

Lackey, LL, 266, 270

Ladd, HF, 72, 73, 74, 75, 76, 78, 81, 85

Ladenson, RF, 8, 18, 20, 24, 329-336, 362, 363, 417, 418, 481, 486, 524, 527, 547, 548

Lahey, MA, 8, 10, 12, 15, 16, 19, 20, 22, 477, 641-649, 651-660

Laing, RD, 620, 630

Lakoff, G, 701, 712

Lammers, CJ, 730, 732

Lance, CE, 740, 741

Land, G, 1005

Landesco, J, 429, 431

Landy, FJ, 243, 244, 245, 250, 252

Larson, RJ, 695, 698

Laszlo, E, 198, 199, 211

Latham, GP, 245, 247, 248, 250, 252, 274, 280, 281, 282, 284, 285, 286

Lawler, EE, III, 11, 12, 15, 16, 19, 23, 25, 59, 69, 219, 220, 223, 231, 232, 244, 252, 271, 273, 275, 276, 280, 643, 649, 661-670, 937

Lawrence, AT, 740, 741

Lawrence, PR, 347, 381, 382, 386, 463, 465, 765

Lazarus, RS, 695, 698, 984

Leana, CR, 737, 739, 741, 789, 797

Leckie, WH, 401, 403

Ledford, GE, Jr, 11, 12, 15, 16, 19, 23, 220, 222, 231, 232, 661-670

Lee, B, 224, 232

Lee, C, 369-370, 736, 741

Lee, R, 479

Lee, S, 224, 232

Lei, D, 276, 280

LeLacheur, DF, 11, 12, 15, 20, 22, 59-69, 62, 63, 64

Lengnick-Hall, ML, 223, 231

Leon, LS, 911, 919

Lerner, AW, 4, 5, 25

Lethem, F, 820

Letize, L, 993

Levi, D, 224, 232

Levine, DI, 221, 232

Levinson, DJ, 130, 131, 134, 135, 136, 355, 360, 441, 446, 447

Levinson, H, 337, 340, 343, 345, 454, 456, 497, 500

Levinson, MJ, 130, 131, 134, 135, 136

Levitt, T, 137, 148, 418

Levy, DM, 415, 418

Lewin, K, 189, 194, 425, 453, 544, 860, 863, 911, 918, 999, 1007

Lewis, BF, 653, 660

Lewis, G, 769

Lewis, M, 699

Liang, DW, 228, 232

Liddy, GG, 359

Lidz, CW, 804, 805

Lieberman, MA, 618, 619, 620, 621, 624, 627, 630

Likert, R, 107, 111, 112, 117, 90, 249, 319, 417, 555, 556, 557, 558, 703, 712, 766

Lillyquist, JM, 645, 649

Lincoln, YS, 675

Lindbloom, CE, 829, 834

Lindsey, JT, 223, 233

Linstone, HA, 675

Lippitt, GL, 214, 819

Lipshitz, R, 911, 918

Lipsky, M, 858, 863

Litterer, JA, 250, 252

Liwag, M, 695, 699

Lock, D, 687

Locke, EA, 221, 232, 248, 252, 273, 274, 280, 281, 282, 284, 285, 286

Longnecker, CO, 250, 252

Loo, R, 11, 12, 17, 19, 20, 671-676, 677-687

Lorde, A, 771, 775

Lorsch, JW, 136, 188, 231, 250, 252, 347, 382, 386, 463, 465, 640, 705, 710, 711, 712

Losee, S, 791, 797

Louis, MR, 703, 705, 711, 712, 713

Lowman, RI, 743, 744, 745, 748

Lubin, AW, 92, 394, 395, 396

Lubin, B, 92, 398

Lubin, M, 398

Luft, J, 414, 418

Luke, RA, Jr, 8, 10, 16, 18, 22, 89, 92, 689-690, 691-692, 697, 698

Lundberg, CC, 8, 10, 11, 14, 15, 18, 22, 24, 361, 542, 578, 640, 693-699, 701-713, 945, 997, 1007

Luo, H, 366, 367, 368, 369, 370, 454, 456, 537, 543

Luthans, F, 272, 280

Lyles, M, 998, 1008

Lynskey, MC, 741

Lynton, RH, 715, 720

Lynton, RP, 11, 14, 18, 22, 715-720

**M**

Maas, HS, 443, 447

MacKinnon, CA, 328

Macmillan, I, 175, 885, 890

MacNamara, R, 803

Macy, BA, 223, 232

Magjuka, R, 465

Magjuka, RJ, 225, 232, 542, 578

Maier, NRF, 250, 252, 941, 943

Malin, GH, 819

Malone, MS, 765, 766

Mandell, HJ, 497, 500

Mankin, D, 220, 221, 232

Mann, CP, 959

Mann, RD, 621, 630

Mano, H, 696, 699

Manz, CC, 59, 69

March, JG, 207, 211, 319, 911, 918, 1004, 1007

Mardin, J, 713

Marek, T, 852, 855

Marks, ML, 223, 232, 634, 640

Markus, L, 937

Markus, MA, 236, 242

Marshall, HA, 284, 285

Marshall, J, 711, 713

Marquardt, M, 22, 23, 27-38, 912, 918

Marrow, A, 1007

Marshall, J, 711, 713

Marsick, V, 998, 999, 1001, 1002, 1003, 1005, 1007

Marszalek, JF, 401, 403

Martin, J, 703, 705, 711, 713, 877, 879

Martino, JP, 676

Maslach, C, 365, 370, 850, 855

Maslow, A, 134, 620, 630

Mason, RO, 299, 306

Massarik, F, 211

Mastenbroek, WFG, 8, 11, 12, 16, 18, 23, 721-724, 725-733

Mathews, JA, 11, 13, 16, 17, 755-766

Mathys, NJ, 247, 253

Matteson, MT, 736, 741

Matthews, RS, 25

Mausner, B, 416, 418

Maxwell, RJ, 25

May, KE, 225, 226, 232

Mayfield, DL, 16, 17, 735-741

Mayhew, EA, 937

Mayo, E, 953, 959

Maznevski, ML, 226, 232

McAdams, JL, 11, 15, 22, 271-280

McCall, JJ, 737, 741

McCaughan, N, 213, 217

McCauley, C, 788, 789, 797

McCauley, DP, 9, 12, 18, 25, 634, 640, 743-748

McConkie, ML, 108, 117

McDonnell, JC, 788, 795, 797

McGill, M, 999, 1007

McGillis, D, 3, 25

McGrath, D, 10, 14, 18, 22, 973-984

McGrath, JE, 228, 231, 789, 797

McGrath, MR, 288, 294, 711, 713

McGregor, D, 481, 486

McKee, B, 130, 131, 134, 135, 136

McLagan, PA, 744, 748

McLean, A, 8, 10, 12, 15, 16, 18, 19, 711, 713

McLean, GN, 749-753

McLean, P, 288, 294

McLennan, R, 59, 69

Mead, WR, 388, 389, 398, 438, 440, 442, 444, 447, 569

Medsker, GJ, 222, 225, 231

Meiri, Z, 915, 918

Meisel, A, 804, 805

Mendelsohn, M, 345

Mento, AJ, 281, 286

Meta, RI, 446, 447

Metzger, RO, 708, 712

Meyer, A, 998, 1007

Meyers, C, 240, 242

Mico, PR, 186, 188, 545, 548

Midgley, DF, 310, 319

Miles, G, 11, 13, 16, 17, 755-766

Miles, MB, 618, 619, 620, 621, 624, 627, 630

Miles, MC, 942, 943

Miles, R, 882, 890

Miles, RE, 11, 13, 16, 17, 728, 733, 755-766

Miles, RH, 319

Milkovich, GT, 244, 252

Miller, C, 937

Miller, CF, 537, 542

Miller, CZ, 271, 280

Miller, D, 296, 307, 416, 418, 455, 456, 463, 465

Miller, DC, 133, 136

Miller, E, 236, 238, 242, 338, 345

Miller, JD, 194

Miller, JG, 693, 699

Miller, KJ, 767-775

Miller, SM, 640

Mink, BP, 653, 660

Mink, OG, 660

Minter, RL, 513, 515

Mintzberg, H, 455, 456, 838, 840, 881, 890

Miranda, SM, 10, 15, 17, 20, 22, 787-797

Mirvis, PH, 223, 232

Mishra, AK, 435, 436, 440

Mitchell, RK, 172, 181

Mitki, Y, 8, 11, 17, 19, 22, 23, 455, 777-785, 911-919

Mitroff, II, 711, 712, 713, 975, 981, 984

Mitroff, R, 299, 306

Moch, MK, 67, 69, 973, 983

Mohr, B, 775

Mohrman, AM, Jr, 219, 220, 232, 244, 252, 244, 252, 737, 741

Mohrman, SA, 59, 69, 219, 220, 223, 232, 239, 240, 241, 242, 273, 280, 737, 741

Moingeon, B, 911, 918

Molinari, J, 337, 340, 343, 345, 454, 456

Monane, J, 860, 863

Montanari, JR, 789, 795, 797

Montgomery, D, 18, 743, 748

Montgomery, DJ, 799-805

Monyanri, JR, 797

Moody, M, 890

Mooney, GB, 8, 18, 19, 607-616

Moore, HL, 328

Moore, LF, 703, 705, 712, 713

Moorhead, G, 789, 795, 797

Moreland, R, 228, 232

Morgan, DL, 513, 515

Morgan, G, 44, 57, 703, 712, 713

Morin, WJ, 741

Morris, JA, 696, 699

Morris, LL, 833, 834

Morris, R, 518, 527

Morrison, P, 483, 486, 1002, 1007

Morschel, J, 305

Moss, JE, 499, 500

Mouton, JS, 8, 9, 10, 12, 14, 19, 23, 24, 87-92, 107, 116, 261, 262, 477, 480, 579, 583

Mowday, RT, 693, 699

Muczyk, JP, 247, 252, 303, 307

Mueller, WS, 222, 231

Mullen, B, 227, 232

Mullen, G, 233

Mumford, MD, 463, 464, 465

Munden, KJ, 497, 500

Munzenrider, RF, 366, 367, 368, 369, 370, 381, 386, 388, 389, 398, 438, 440, 442, 443, 444, 447, 454, 456, 569, 974, 983

Murdock, R, 302, 306

Murphy, J, 890

Murphy, KR, 243, 244, 245, 248, 250, 253

Murray, H, 189, 195, 235, 236, 242

Murrell, KL, 12, 16, 18, 20, 807-813, 815-820, 986, 992, 994

Myers, JB, 937

Myers, MS, 857, 863

Myers, T, 370

**N**

Nadler, DA, 2, 9, 11, 13, 15, 16, 17, 20, 23, 25, 91, 92, 460, 633, 634, 640, 643, 649, 746, 748, 777, 785, 821-828, 941, 943

Nagel, SS, 440, 527, 563, 568, 569

Nanus, B, 458, 460, 709, 712

Napier, A, 339, 345

Napier, RW, 651, 653, 660

Nasi, J, 176, 181

Needham, RD, 672, 676

Neff, FW, 637, 640

Neilsen, E, 60, 69

Neugarten, BL, 444, 447

Nevis, EC, 918

Newcombe, TM, 195

Newstrom, JW, 645, 649

Newton, MA, 616

Ng, Y, 369-370

Nicholas, JM, 369, 370, 483, 486, 1007

Nicholson, N, 748

Nielsen, E, 59, 69

Nieva, VG, 25

Nisbet, RF, 702, 713

Nix, TW, 529, 530, 532, 533

Nixon, R, 359

Noer, DM, 737, 741

Nollen, SD, 421, 422, 445, 446, 447

Nonaka, I, 765, 766

Nord, WR, 273, 274, 279, 280

Norris-Tirrell, D, 8, 12, 14, 17, 19, 829-834

Northeraft, GB, 788, 797

Nougaim, K, 130, 132, 136

Noworol, C, 852, 855

Nunamaker, JF, 788, 790, 791, 795, 797

Nutt, P, 890

Nystrom, PC, 319, 973, 975, 984

Nystrom, W, 242

**O**

Obert, SL, 617, 630

O'Connell, C, 699

O'Connell, JJ, 8, 12, 16, 20, 22, 24, 835-840

O'Dell, C, 272, 273, 276, 280

O'Dell, D, 439

Odiorne, GS, 247, 248, 253

Older, H, 875, 879

Olmstead, JA, 266, 270

Olsen, J, 1007

Olsen, MH, 829, 834

Ornstein, S, 130, 131, 136

Orpen, C, 607, 616, 219

Ortony, A, 695, 699, 702, 713

Oshry, B, 415

Osipow, SH, 136

O'Toole, J, 881, 890

Ott, JS, 713

Otte, FL, 292, 294

Ouchi, WG, 703, 713, 970, 984

Owen, KQ, 660

Owens, WA, 463, 464, 465

Oz, Z, 911, 918

**P**

Packward, RW, 576, 578

Pajek, R, 250, 253

Palmer, B, 213, 217

Pareek, U, 717, 720

Parker, GM, 219, 232

Parker, RA, 631, 640

Parker, SK, 490, 491

Parnes, SJ, 474

Partain, HJ, 2, 25

Pascalle, RT, 728, 733

Pasmore, W, 194, 232, 235, 237, 239, 242, 280, 418, 527, 548, 777, 785, 916, 918, 937, 938

Pattenaude, RL, 3, 25

Patterson, KJ, 705, 711, 713

Patti, R, 858, 863

Pavlock, EJ, 965

Pedler, M, 999, 1007

Peele, S, 879

Pelled, LH, 226, 232

Penrose, ET, 765, 766

Perkins, DNT, 2, 25

Pernacciaro, SJ, 25

Perrett, H, 820

Perrow, C, 868, 879

Perry, JL, 252

Perry, LT, 737, 741

Perry, WG, Jr, 130, 131, 135, 136

Peters, J, 72, 296, 307

Peters, MCW, 852, 855

Peters, TJ, 310, 319, 380, 386, 449, 451, 733

Peterson, D, 151

Petty, MM, 222, 232

Peyronnin, K, 232

Pfeffer, J, 299, 307, 310, 319, 383, 386, 765, 766, 881, 890

Phillips, A, 778, 785

Phillips, AG, 520

Phillips, D, 875, 879

Pickerton, E, 987, 993

Pincus, LB, 799-805

Pines, AM, 9, 10, 13, 14, 16, 17, 18, 23, 24, 443, 841-850, 851-855

Pinsonneault, A, 788, 797

Player, S, 778, 785

Plunkitt, GW, 72, 85

Plutchik, R, 693, 699

Polese, C, 493, 495

Pollack, A, 235, 236, 242

Pondy, L, 712, 983, 984

Poole, MS, 788, 790, 797

Poorman, T, 79

Popper, M, 911, 918, 919

Porras, JI, 483, 486, 576, 578, 973, 983, 984

Porter, L, 770, 775

Porter, M, 839, 919

Porter, ME, 765, 775

Porter, P, 5, 25

Posner, BZ, 287, 294

Potter, FL, 879

Powers, CH, 198, 211

Poza, EJ, 937

Price, CR, 497, 500

Price, RL, 130, 132, 136

Preiwisch, CF, 273, 274, 280

Preston, J, 577

Preston, L, 170, 181

Proehl, CW, Jr, 362, 363, 369, 380, 386, 421, 422, 483, 486, 490, 491, 536, 542, 577, 1002

Prokeach, SE, 919

Purser, RE, 204, 211

Putnam, S, 1003, 1006

**Q**

Quick, JC, 765, 766

Quinn, JB, 295, 296, 307, 780, 785

Quinn, RE, 288, 294, 296, 306, 314, 319, 711, 713

**R**

Rabin, J, 248, 253

Rabinow, P, 975, 984

Rahim, MA, 217, 542, 578

Randle, Y, 309, 314, 318, 319

Rashford, 213, 216

Rauch, W, 676

Rauschelbach, P, 155

Rauschenberg, F, 10, 14, 18, 22, 585-590

Raven, B, 109, 117, 953, 959

Rea, LM, 631, 640

Reason, P, 713, 811, 813

Redding, WC, 799, 805

Reddy, WB, 268, 270

Reed, B, 339, 345

Reed, R, 973, 984

Reed, T, 248, 253

Reich, RR, 207, 211

Reiman, BC, 247, 252

Reimann, BC, 303, 307

Reisman, D, 527

Rena, K, 769

Renier, JB, 301, 307

Renshaw, J, 472, 474, 475

Resnick, H, 7, 9, 10, 858, 863

Resnick-West, SM, 244, 252

Reynolds, A, 918

Rheingold, H, 267, 270

Rhodes, D, 890

Rice, A, 236, 238, 242

Rice, AK, 190, 194

Rice, K, 339, 341, 345

Rich, W, 79

Richards, LA, 978, 984

Ricks, D, 441, 447

Ricoeur, P, 978, 984

Riegel, KF, 130, 131, 135, 136

Riesman, D, 523, 527

Riley, T, 800, 801, 802, 805

Riordon, WL, 72, 85

Rittell, HWJ, 199, 211

Ritvo, R, 441

Robbins, PI, 446, 447

Robbins, SP, 25, 256, 262

Roberts, DR, 483, 486, 576, 578

Roberts, GE, 248, 253

Roberts, KH, 228, 233

Robertson, I, 486

Robertson, IT, 231

Robertson, P, 984

Robertson, PJ, 483, 486

Robinson, B, 438, 440

Rock, MI, 280

Rockefeller, JD, 522

Rodman, NF, 879

Roff, M, 447

Rogers, 338

Rogers, C, 980, 984

Rogers, EM, 871, 879

Roland, CC, 221, 233

Roman, DD, 687

Roman, PM, 2, 10, 11, 12, 15, 17, 23, 865-880

Romanelli, E, 310, 319

Roos, D, 777, 785

Roosevelt, FD, 458

Ropp, K, 738, 741

Rosen, B, 223, 232

Rosenblum, R, 3, 25

Rosenfeld, P, 631, 634, 640

Rosenweig, JE, 265, 270

Rosow, MP, 938

Ross, TL, 273, 274, 280

Rosseau, DM, 641, 649

Rossey, GL, 8, 11, 15, 19, 24, 455, 881-891

Roth, LH, 804, 805

Rotter, JB, 415, 418

Rountree, BH, 370

Rowe, MP, 328

Ruff, M, 441, 447

Rumbelow, C, 805

Runkel, P, 97

**S**

Saal, FE, 283, 286

Saari, LM, 248, 252, 281, 282, 284, 286

Sackman, H, 674, 676

Sadler, PJ, 299, 307

Sahl, RJ, 634, 640

Salancik, GR, 299, 307, 310, 319

Salas, E, 232

Salter, MS, 275, 280

Salter, L, 294

Sanford, N, 619, 630

Sapienza, AM, 710, 713, 973, 978, 984

Sarason, SB, 187, 188, 711, 713

Sargent, A, 441

Sasaki, N, 447

Sashkin, M, 296, 307, 524, 527

Sathe, V, 710, 713

Saunders, C, 10, 15, 17, 20, 22, 787-797

Sauser, WI, Jr, 959

Savage, GT, 174, 175, 529, 530, 532, 533

Saxton, MJ, 280, 703, 709, 712

Schaufeli, WB, 855

Scheimann, WA, 632, 640

Schein, EH, 2, 8, 12, 16, 20, 22, 24, 107, 117, 130, 131, 133, 136, 179, 180, 181, 215, 216, 217, 296, 305, 307, 338, 341, 345, 552, 554, 560, 562, 585, 703, 704, 706, 708, 709, 711, 713, 799, 805, 815, 819, 835, 836, 837, 838, 839, 840, 893-902, 912, 913, 916, 918, 974, 975, 984, 986, 1003, 1007

Schein, VE, 482, 486

Scherer, JJ, 937

Schleisenger, L, 521

Schmidt, WH, 299, 307

Schmuck, RA, 97, 942, 943

Schneider, B, 225, 232

Schon, DA, 60, 68, 194, 214, 217, 975, 982, 999, 1001, 1006

Schotter, J, 984

Schreyogg, G, 55, 57

Schroeder, RG, 222, 231

Schuler, D, 616

Schultz, RL, 10, 17, 881, 890

Schuster, MH, 271, 280

Schutz, W, 267, 270, 980, 984

Schutz, WC, 767, 771, 772, 773

Schwab, DP, 243, 252

Schwartz, A, 800, 805

Schwartz, H, 276, 280

Schwartz, J, 699

Schweiger, DM, 221, 232, 273, 280, 959

Schwerin, MJ, 748

Scott, P, 451

Scott, T, 937

Scott, WG, 522, 523, 528

Scrag, M, 993

Scribner, S, 770, 774

Seashore, SE, 638, 640

Sebring, RH, 90, 92

Seers, A, 222, 232

Segel, J, 339, 345

Segel, M, 974, 984

Selznik, P, 703, 713

Semler, R, 765, 766

Senge, P, 775, 902, 919, 998, 999, 1001, 1003, 1007

Senge, PM, 204, 211, 213, 217

Serp, R, 280

Serpa, R, 703, 709, 712

Sessa, VI, 232

Sethia, NK, 275, 280

Settles, MF, 736, 741

Seyel, H, 370

Shani, AB, 8, 11, 14, 17, 19, 22, 23, 219, 231, 450, 451, 455, 777-785, 911-919

Shapiro, BT, 738, 741

Sharda, R, 788, 795, 797

Sharman, G, 487, 491

Shaver, P, 699

Shaw, KN, 248, 252, 281, 282, 284, 286

Shaw, M, 428, 431

Shay, PW, 743, 748

Sheely, G, 441, 447

Shepard, H, 502, 503

Shepherd, HA, 261, 262, 477, 480, 483, 484, 486, 520, 527, 651, 659

Sheppard, BH, 59, 69

Sherman, S, 780, 785

Sherif, C, 557, 558

Sherif, M, 414, 417, 418, 427, 431, 557, 558

Sherwood, JJ, 2, 8, 9, 11, 12, 13, 14, 20, 22, 23, 921-938, 943

Shetty, YK, 280

Shih, S, 761, 762, 765

Shils, EA, 381, 386

Sillanpaa, M, 178, 181

Silverman, JM, 820

Simon, MA, 881, 891

Simons, T, 778, 785

Simpson, R, 738, 741

Sims, JP, 59, 69

Singer, EA, 482, 486

Singh, JAL, 415, 418

Sinha, KK, 222, 231

Sink, D, 362, 363, 369, 380, 386, 483, 486, 490, 491, 536, 542, 1002

Sivasankaran, TR, 788, 796

Skelley, BD, 542

Skinner, BF, 272, 280

Skinner, W, 938

Skoiien, D, 246, 253

Slaby, AE, 567, 569

Slater, P, 978, 984

Slater, RW, 276, 280

Slem, C, 224, 232

Slevin, PO, 881, 890

Slocum, J, 999, 1007

Slocum, JW, Jr, 130, 131, 136, 276, 280

Sloma, RL, 579, 583

Slote, A, 393, 436, 440, 442, 443, 447

Smircich, L, 703, 712, 975, 984

Smith, D, 1003, 1006

Smith, DK, 163, 220, 232

Smith, FJ, 635, 636, 640

Smith, LF, 702, 712

Smith, LM, 222, 231

Smith, MA, 250, 252

Smith, MF, 738, 741

Smith, ML, 741

Smith, P, 247, 253

Smith, R, 839, 840

Smith, RD, 655, 657, 659

Smith, T, 788, 797

Smith, WE, 820

Snow, C, 882, 890

Snow, CC, 11, 13, 16, 17, 755-766

Snyderman, BB, 416, 418

Sofer, C, 339, 340, 341, 345

Solley, CM, 497, 500

Sorenson, PF, 519, 528



Souberman, E, 770, 774

Speer, Albert, 486

Spinner, M, 687

Spohn, A, 337, 340, 343, 345, 454, 456

Spreitzer, GM, 222, 231

Sproull, L, 242

Sproull, S, 207, 211

Stace, DA, 8, 11, 13, 17, 20, 24, 295-307, 300, 306, 481, 486, 548

Stalker, GM, 310, 319

Stallworthy, EA, 687

Stanley, DC, 114, 117

Starbuck, W, 242, 319, 973, 975, 984

Starik, M, 171, 177, 181

Staw, BM, 69, 232, 280, 696, 699

Steadham, SV, 645, 648, 649

Stebbins, M, 777, 785

Stebbins, MW, 912, 915, 919

Steeb, R, 788, 797

Steel, RP, 223, 233, 777, 785

Steele, F, 942, 943

Steele, P, 879

Steffy, BD, 640

Stein, BA, 220, 233

Stein, NL, 695, 699

Steiner, G, 882, 891

Steiner, ID, 260, 262

Steinmann, H, 55, 57

Stengel, C, 361

Sternberg, RJ, 287, 294

Stevens, GE, 250, 252

Stevens, J, 797

Stevenson, JG, 370, 366, 381, 386

Stinchcombe, AL, 873, 880

Stinchcombe, JD, 873, 880

Stiver, JP, 775

Stivers, RE, 819

Stjernberg, T, 8, 11, 17, 19, 22, 777-785, 913, 919

Stockdale, M, 748

Stokes, GS, 463, 464, 465

Stoner, IAF, 44, 57

Storr, A, 338, 345

Strickland, AJ, III, 1019, 1025

Strukenbruck, LC, 687

Strupp, HH, 618, 620, 630

Stuart, JA, 769, 775

Srivastava, P, 1007

Srivastava, S, 235, 239, 242, 413, 418, 519, 527, 545, 548, 978, 980, 984, 1021, 1025

Strull, TK, 698

Subrich, LM, 870, 880

Suchman, MC, 172, 181

Sullivan, L, 8, 10, 12, 15, 16, 18, 19, 328

Sullivan, RL, 749-753

Sullivan, W, 975, 984

Sun, B-C, 11, 367, 370, 483, 486, 491, 539, 542, 1002

Sundstrom, E, 219, 220, 233

Super, DE, 133, 136

Surrey, JL, 768, 769, 775

Susman, G, 238, 242

Susman, GI, 916, 919

Sutherland, JW, 211

Suttle, JL, 230

Sutton, RI, 136, 435, 436, 440, 564, 568, 569, 693, 699, 740, 741

Swanson, NEG, 195

Swartz, JB, 937

Sweet, CF, 820

Swiss, JE, 247, 253

Sylvia, KM, 831, 834

Sylvia, RM, 831, 834

Szanton, P, 4, 5, 25

Szilagyi, AD, 265, 270

**T**

Taber, TD, 442, 447, 739, 741

Takeuchi, H, 765, 766

Tamuz, M, 207, 211

Tandon, R, 988, 994

Tannenbaum, R, 8, 18, 19, 21, 24, 211, 299, 307, 361, 433, 481, 486, 718, 720, 745, 748, 1001, 1007

Tannenbaum, SI, 744, 748

Taras, DG, 8, 13, 17, 20, 471, 787, 788, 796, 797, 951-959

Tarule, JM, 133, 135

Tavernier, G, 445, 447

Taylor, FW, 451

Taylor, J, 236, 242

Taylor, JC, 711, 777, 785, 919

Taylor, SE, 695, 699

Taylor, WJ, 687

Tetlock, PE, 789, 790, 797

Tharp, RG, 770, 774

Thomas, A, 441, 446, 447

Thomas, DA, 225, 233

Thomas, JM, 740, 741

Thomas, KW, 261, 262

Thomas, LE, 447

Thomas, MD, 631, 634, 640

Thompson, AA, 1019, 1025

Thompson, B, 74

Thompson, JD, 386, 868, 880

Thompson, KR, 247, 253

Thompson, MP, 288, 294

Thompson, PH, 130, 132, 136

Thoolen, BA, 820

Thorsrud, E, 189, 190, 194

Threlkeld, E, 749

Thurston, PW, 71

Tichy, N, 459, 460, 780, 785, 975, 984

Tinsley, C, 369-370

Tjosvold, D, 959

Tobia, P, 839, 840

Toffler, A, 29

Tomasko, RM, 740, 741

Tombaugh, JR, 736, 741

Torbert, P, 465, 578

Torbert, WR, 288, 293, 811, 812

Torres, D, 465, 578

Tosi, H, 252

Trabasso, T, 695, 699

Tregor, B, 839, 840

Trice, HM, 710, 713, 867, 871, 880

Trice, HW, 710, 711, 713

Trist, EL, 189, 190, 194, 195, 199, 200, 202, 211, 235, 236, 242, 339, 340, 345, 717, 820, 911, 937

Trompenaars, F, 57

Trotter, CR, 801, 803, 805

Truman, H, 458

Tsui, AS, 250, 252

Tubbs, ME, 281, 286

Tuckman, BW, 454, 478, 480, 652, 660

Tufte, ER, 636, 640

Tully, S, 79, 85

Turnbull, PJ, 490, 491

Turner, TJ, 695, 699

Turoff, M, 672, 676

Tushman, ML, 310, 319, 460, 777, 785

Tveten, L, 160

Tyson, L, 221, 232

**U**

Uhl-Bien, M, 224, 233

Ulrich, D, 354, 406, 407, 919

Underwood, 15, 20, 429

Ury, WL, 261, 262

**V**

Vaill, PB, 9, 11, 13, 16, 17, 20, 24

Valacich, JS, 790, 791, 797

Van Buskirk, WR, 10, 14, 18, 22, 617, 630, 973-984

Van de Ven, A, 891

Van de Vliert, E, 543, 544, 547

van der Rohe, LM, 83

Valacich, JS, 790, 791, 797

Valliant, EG, 447

Vaux, A, 748

Veroff, J, 870, 880

Vico, G, 129

Vinella, S, 519, 528

Virany, B, 310, 319

Vocino, T, 25, 250, 253

Vogel, D, 790, 791, 797

Vogt, J, 430, 820

Vogt, JF, 8, 9, 12, 14, 19, 20, 22, 744, 748, 799, 805, 985-994

Vollrath, DA, 223, 231

von Bergen, CW, 787, 797

Von Glinow, MA, 275, 280, 919

Vygotsky, L, 770

## W

Wacker, G, 237, 242

Wageman, R, 13, 15, 23

Wagner, RJ, 221, 233

Walker, FD, 178, 180, 181

Wall, JL, 486, 578

Wall, T, 748

Wall, TD, 490, 491

Wallace, MJ, Jr, 265, 270, 274, 275, 280

Walsh, DC, 876, 880

Walsh, JT, 442, 447, 739, 741

Walsh, WB, 136

Walter, GA, 745, 748

Walters, RR, 937

Walton, AE, 296, 306

Walton, RE, 59, 60, 257, 262, 310, 319, 341, 345, 370, 498, 499, 500, 569, 585, 586, 588, 589, 590, 743, 748, 937, 938

Wamsley, G, 577, 578

Wanous, JP, 959

Ward, JG, 71

Warwick, DP, 569, 743, 748

Waterman, JA, 388, 389

Waterman, RH, Jr, 310, 319, 380, 386, 388, 389, 449, 451, 733

Watkins, CE, 870, 880

Watkins, KE, 23, 439, 440, 916, 919, 999, 1001, 1002, 1003, 1005, 1007

Watling, TF, 687

Watson, G, 519

Webber, M, 199, 211

Webber, RA, 48, 57

Webster, EC, 607, 609, 616

Wegner, DM, 228, 233

Weick, KE, 78, 85, 94, 97, 228, 233, 519, 528

Weil, R, 560, 562

Weiner, 692

Weiner, W, 90, 92

Weisbord, MR, 15, 115, 117, 204, 211, 265, 270, 380, 386, 454, 456, 713, 937

Weisbord, SP, 711, 713

Weisel, PF, 820

Weisner, WW, 607, 608, 609, 616

Weiss, EA, 793, 797

Weiss, HM, 694, 695, 699

Weiss, P, 328

Weissman, H, 858, 863

Wellins, RS, 219, 233

Wellman, J, 937

Werhane, PH, 180

Werkman, B, 543, 546, 548

Werner, H, 136, 713

Werr, A, 777, 785

Westin, AF, 800, 805

Wetherly, B, 858, 863

Wexley, K, 245, 247, 248, 250, 252

Wharton, AS, 696, 699

Wheeler, D, 178, 181

Wheelright, F, 984

Wheelwright, SC, 224, 231

Whetten, DA, 129, 135, 136

Whitaker, CA, 339, 345

White, B, 302

White, JK, 273, 280

White, LP, 736, 741, 743, 745, 746, 747, 748

White, RW, 376, 378

Whitehead, CJ, 529, 530, 532, 533

Whitney, K, 225, 226, 232

Whorley, CG, 2, 25

Whorton, JW, 8, 9, 11, 14, 15, 19, 20, 22, 23, 1009-1025

Whyte, G, 796, 797

Whyte, WF, 812, 820

Whyte, WH, Jr, 498, 500, 523, 528

Wick, CW, 911, 919

Wiener, W, 405, 407

Wiersema, MF, 225, 233

Wigdor, AK, 243, 252

Wildavsky, A, 4, 5, 25

Wilkins, AL, 703, 705, 709, 711, 713

Willits, RD, 25

Wilson, ATM, 189, 195

Wilson, JM, 219, 233

Witherspoon, WR, 526, 528

Wolf, WB, 459, 460

Wolff, A, 518, 525, 528

Womack, JP, 777, 785

Wood, D, 172, 181

Woodbury, MA, 796, 788

Woodlock, BK, 735, 741

Woodman, R, 232, 242

Woodman, RW, 280, 418, 527, 548, 785, 937

Woodridge, B, 891

Woods, R, 711, 713

Woodward, J, 313, 319

Wooten, KC, 743, 745, 746, 747, 748

Wooton, LM, 482, 486

Worchel, S, 229, 233

Worley, CG, 777, 784

Woudenberg, F, 671, 674, 676

Wright, PM, 282, 286

Wright, TA, 279

Wyer, RS, Jr, 698

Wynne, BE, 790, 797

## Y

Yalom, ID, 618, 619, 620, 621, 624, 627, 630

Yammarino, FJ, 223, 233

Yandrick, RM, 877, 880

Yangchung, PH, 310, 319

Yeager, SJ, 194, 250, 253

Yorks, L, 741

Young, D, 268, 270

Young, TR, 546, 548

Younts, MA, 959

Yukl, GA, 248, 252, 282, 284, 285

## Z

Zager, R, 938

Zahavi, G, 870, 880

Zald, MN, 577, 578

Zaleznik, A, 355, 360

Zaltman, G, 859, 863

Zander, A, 221, 231

Zarkin, GA, 879

Zawacki, RA, 270

Zayonc, RB, 977, 980, 984

Zigura, I, 790, 797

Zimmerman, J, 839, 840

Zingy, RM, 415, 418

Zomorrodian, A, 819

Zucker, L, 975, 977, 980, 984

Zuckerman, H, 767, 775

Zuckerman, M, 394, 395, 396, 398

## Subject Index

### A

Action plans, in change, 268-269

Action research

cases of, 62-66

dimensions of, 191-194

and international networks, 197-211

international perspectives on, 189-194

issues and themes about, 67-68

and large systems, 197-211

in learning organizations, 916-917

by managers and project leaders, 59-68

nature of, 189-191

and pre-entry issues, 183-188

in public sector, 189-194

Appreciative inquiry

extracting greater value from, 414-415

primer on, 413-414

and types of applications, 415-418

### B

"Balance," as metaphor in consulting, 361-363

Bureaucratic model

and alternative to, 351-354

features of, 349-351

and four polarities, 347-349

Burnout

and consultation, 368-370

distribution of, 367-368

and effects of, 366-369

and four-stage experiential exercise, 845-847

in consultation, 851-855

### C

Career planning, 371-374

Change

alpha, beta, gamma model of, 193-194

design components of, 265-280

for different scales, 295-306

at different stages of growth, 309-310

and downsizing, 735-741

and gain sharing, 271-280

and innovation, 725-733

interlevel approach to, 215-217

and interventions, 549-551

and management of, 821-828, 857-863

as organizational, 549

and planning management of, 263-270

and political dynamics, 821-825

and sociotechnical systems, 235-241

and success rates, 535-542

techniques for management of, 821-828

and transitions, 295-307, 449-452

two phase planning process for, 263-271

typologies of programs of, 777-785

varieties of, 27-39

Change as applied art

and depth, 810-812

and magnitude, 809-810

and motivating constructive behavior, 825-828

and pace, 808-809

Change programs

trends in, 784

typology of, 777-785

Change, varieties of

conscious transformation, 35-37

developmental, 27-29

and key principles, 37-39

reactive transformation, 33-35

transformational, 32-33

transitional, 29-32

trinitarian, 193-194

Collaboration

as intersect with self-concept, 767-770

and learning opportunity, 770-774

Community groups

and decision conferencing, 1012-1017

environmental features of, 1010-1012



Computers and OD, 788-789

Conflict, organizational

and diagnosis, 256-260

interventions related to, 260-262

Confrontation design

elements of, 579-581

results from use of, 581-583

Consulcube

and client, 91-92

and focal issues for interventions, 87-89

and kinds of interventions, 89-91, 543-548

and stakeholders, 529-534

Consultants, internal and external

competencies for, 749-753

at different stages, 749-752

Consultants, quality for work life for

and developing a practice, 598-599

and external environment, 599-600

and self-rating sheets, 602-606

Consultation, models of

differences between traditional and collaborative approaches, 939-943

illustrative dynamics of, 898-900

and process consultation, 900-901

varieties of, 893-898

Consulting

and action research, 59-68, 137-148, 181-194

and adult development, 441-447

and appreciative inquiry, 413-418

and Argyrian theory of intervention, 543-549

and "balance," 361-363

and burnout, 365-370, 841-855

and career planning, 371-374

and classes of interventions, 7-8, 13-17, 137-155

and confrontation design, 579-583

and contextual specificity, 379-386

and cross-cultural perspectives, 715-720

and culture, 701-712

and Delphi method, 672-676

and demotion design, 392-398

design for approach to, 5-24

and different stages of growth, 318-319

and diversity, 399-403

and emotions, 693-699

and employee assistance programs, 865-879

as empowerment, 965-994

and ending episodes in, 337-345

and energizing data, 409-411

ethical issues in, 743-748

and failure, 585-590, 617-630

and feedback, 423-426

and Flexi Time, 419-42

and forecasting, 671-676

and group norms, 427-431

and groups, 224-242

and innovation, 725-733

and intensive management training, 618-629

and interorganizational networks, 197-211

and interventions, 137-148, 260-262

and interviewing, 607-616

and managing older worker, 691-692

and meaningful praise, 689-690

and more successful mergers, 405-407

and need fulfillment, 433-434

and needs assessment, 641-648, 1019-1025

and negotiation, 721-724

and operating systems, 138-148

participative, 221-224

and performance appraisals, 243-252

and pre-entry issues, 183-188

and privacy, 794-805

and process orientation, 559-562, 815-820

and producing knowledge, 829-834

and project management, 677-687

and quality, 149-155

and quality of working life, 598-606

and scales of applications, 7, 10-11, 295-306

in schools, 93-97

and search conference, 163-167

and self-awareness, 945-946

six orientations to, 1-24

and sociotechnical systems, 238-242

and skills, 13, 18-29

and specificity about contexts, 379-386

and stages of, 6-7, 9

strategies for, 87-92

and substantive issues in, 21-24

and survey/feedback, 632-639

and teams, high-performing, 593-596

and third-party consultation, 585-590

and time management, 903-909

and unions, 669-671

and vision, 571-573

and voluntary organization, 575-578

Contextual specificity

and cultures, 384-385

and kinds of crises, 385-386

as "public" vs. "business," 379-381

and stages, 382

and values, 381-382

Contract, psychological

building of, 119-123

and mutual expectations of client and consultant, 123-128

Coupledness, loose and tight, 191-193, 206-207

Crises, kinds

of agreement, 385-386

of disagreement, 385

Cross-cultural perspectives

and developing trainers, 715-716

and themes for institution-building, 716-720

Culture-focused T Group

in contemporary form, 975-982

early treatments of, 973-975

## Culture, organizational

- clarifications of, 701-703
- with competitive advantages, 923-937
- and consultant roles, 709-712
- creation of, 921-938
- differences in, 463-464
- origins of, 703-706
- and pay systems, 275-283
- role of Hofstede in, 461-462
- and sexual harassment, 326
- and sociopathological features, 517-528
- and stages in organizational growth, 310-312
- surfacing of, 706-709

## Cutback management

- common properties, 564
- and regenerative systems, 565-567
- and town meeting, format, 563-569
- and values, 564-565

**D**

## Data, energizing features of, 409-411

## Decisions of misguided agreement

- diagnosis of, 951-956
- and remedial interventions, 956-958

## Delphi method

- design of, 672-674
- main characteristics of, 671-674
- methodological issues with, 674-675

## Demotion, design for

- consequences of, 395-396
- features of, 392-393
- measures for assessing effects of, 393-395
- and values, 396-398

## Development, adult

- matching career and individual needs, 444-447
- stages of, 441-442
- transitions in, 442-444

## Development, models of

- and issues facing consultant, 130-131
- and life cycle development, 129-130, 132-135
- and organizational scale, 295-307

## Developmental relationships

- and coaching, 288-289
- as compared to mentoring, 287-288
- enlivening of, 289-294
- features of, 289-293

## Diversity

- five stages of, 400-403
- as goal, 399-400
- in teams, 225-226

## Downsizing

- consequences of, 735-737
- guidelines for, 737-738
- interventions for, 738-740
- as mode of change, 735-741
- and things to avoid, 435-437
- and things to emphasize, 437-440

**E**

## Emotions

- and change, 696-697
- features of, 693-696
- and implications for consultants, 697-698

## Employee Assistance Programs (EAP)

- core functions and technology, 867-872
- future of, 876-879
- historical perspective on, 865-867
- identify issues in, 672-876

## Empowerment

- and awareness, 987
- and consultant and consulting, 990-993
- and experiential learning, 986-987
- features of, 985-986
- issues regarding, 987-993
- values and ethics, 991

## Ethics, a statement of for professional, 329-336

## Evaluation

- definition of, 99-101
- process of, 101-105

## "Executive constellations"

- and consulting, 355-356, 360
- and underlying motivators, 356-360

**F**

## Failure

- in intensive management training, 617-630
- and lessons drawn from a failure of third-party consultation, 585-590

## Feedback

- guidelines for, 423-426
- and learning designs, 423-424

## Flexi Time

- features of, 419-420
- some advantages/disadvantages of, 420-422

## Forecasting via Delphi method, 671-675

**G**

## Gain sharing

- macro-perspectives on, 274-276
- micro-perspectives on, 272-274

## Georgia Growth Strategies Commission, 1014

## Group development

- emerging theories of, 654-658
- limitations in theories of, 653-654
- and roles, 961-964
- significance to consultants, 658-659
- stages theories of, 651-653

## Goal-setting

- and difficulty, 282-283
- and feedback, 284
- and performance, 281-284
- research support for, 285
- and specificity, 283

## Group support systems

- and groupthink, 788-791
- as OD technique, 787-788, 791-797

## Groups

- and autonomous teams, 224-225
- and diversity, 225-226
- key findings about, 226-229
- and performance, 228-229
- and sociotechnical systems, 238-242

## Groupthink, 788-791, 952

## Growth, stages of

- and corporate culture, 313-314
- and critical tasks of organizational success, 310-312
- features of, 314-317
- and implications for consultants, 318-319
- and two kinds of pain, 317-318

**H**

## Harassment, sexual

- and difference in power, 324-326
- features of, 321-323
- and organizational norms, 326-328
- and suggestions for action concerning, 326-328
- views of, 323-324

**I**

## Innovation

- and change management, 730-732
- and interdependencies in networks, 725-733
- and organization theory, 725-730
- phases of, 749-753

## Intensive management training, perils of

- and destructive episodes, 622-625
- some causes of, 618-622
- four parties in prevention of, 626-629
- and minimizing risks, 625-626

## Interaction systems

- degenerative, 375-377, 526-527
- effects of, 377-378
- four varieties of, 375-377
- regenerative, 375-377, 526-527, 565-567
- and sociopathological features, 526-527
- and structures, 347-351

## Intervention, Argyrian theory of

- features of, 543-544
- and intervenor's world, 549-554
- some limitations of, 543-546
- working resolutions relevant to, 547-548

## Interventionist

- conditions faced by, 550
- and process orientation, 559-562, 818-819, 815-820, 835-840
- qualities needed by, 549-554
- roles played by, 550
- tasks of, 548
- and theory of learning, 555-558
- and values, 553-554

## Interventions

- and client, 91-92
- focal issues of, 87-89
- for downsizing, 738-740
- and ethical issues at stages of, 746-747
- kinds of, 13-17, 89-91, 137-155
- in large systems, 197-211
- in managing conflict, 260-262
- in operating systems, 137-148
- and privacy, 799-805
- and quality, 149-155
- and sociotechnical systems, 237-242

## Interviewing for jobs

- lessons from experiences, 610-616
- as useful to consultant, 607-609
- what is known, 608-610

**K**

## Knowledge, production of

- and consultant's role, 833-834
- identifying useful forms of, 829-830
- transforming data in knowledge, 830-833

**L**

## Leadership and transformation, 458-460

## Learning

- and optimum discrepancy, 556-558
- three models of, 555-558

## Learning organization

- and action research, 916-917
- development of, 916-918
- and OD, 997-1007
- some useful distinctions about, 911-915
- structural mechanisms of, 912-915

**M**

## "Market," limitations of, 522

## Measurement

- hints for linkage with motivation, 77-85
- and motivation, 71-85
- practical problems in, 71-77

## Mentoring

- and developmental relationship, 287-294, 526
- and sociopathological features, 526

## Mergers

- guidelines for success in, 405-407
- and visioning, 405-406

## Mission statements

- in planning of change, 266-268

**Models**

- and consulting, 453
- kinds of, 453-456

**Motivation**

- hints for linkage to measurement, 77-85
- and measurement, 71-85

**N****Need-fulfillment**

- and Argyrian dimensions, 433-434
- and implications for consultants, 434

**Needs assessment, community based**

- building on success, 1021-1025
- ways of expressing need, 1020-1021

**Needs assessment, organizational**

- and choice of techniques or methods, 645-646
- guides for, 641-642
- and implementation, 646-648
- and methods for, 642-645

**Negotiation**

- dynamics of, 721, 723
- four dilemmas in, 723-724
- tactics in three modes of, 722

**Networks, interorganizational**

- and action research, 205-207
- growing importance of, 197-199
- and innovation, 725-733
- key features of, 200-207
- and large system change, 197-211
- lessons from experience with, 207-210
- problems in, 199-200
- and search conferences, 204-205

**Norms in groups**

- and model for consultants, 429-431
- some universals about, 427-429

**Norms, organizational, and sexual harassment, 326****O****Operating systems**

- and absenteeism/turnover, 141-148
- and diagnosis of, 143-147
- features of, 138-141
- interventions in, 141-143
- as levers of change, 137-138
- and OD values, 147-148

**Organization Development (OD)**

- as applied art, 807-813
- and dominant intervention theory, 543-548
- and growth of graduate programs in, 539-540
- need to extend range of, 137-138
- and privacy, 799-805
- and professional actions, 541-542
- and scale of transitions, 295-298
- and strategic planning, 163-167, 295-298, 881-891, 970-971
- and success rates, 535-542

**Organizations as self-evaluating**

- and needs, 104-106
- stages in, 100-104

**Organizations, voluntary**

- features of, 575-576
- lessons about, 576-578
- and loosely-coupled systems, 577-578
- and OD, 577
- and values, 576-577

**P****Pay systems**

- and culture, 275-279
- and gain sharing, 270-283

**Performance**

- appraisal of, 243-253
- and group features, 226-230
- and sociotechnical systems, 238-242
- and teambuilding, 160-161

**Performance appraisal**

- and Behaviorally Anchored Rating Scales, 245-247
- and consultation, 217
- and diagnostics, 250-251
- fundamentals of, 243-244
- and goal-setting, 248-250
- and Management by Objectives, 241-250
- and standards for, 249-250
- techniques for, 244-250
- types of, 245

**Phases of burnout**

- and consultation, 368-370
- distributions of, 367-368
- effects associated with, 366-367
- features of, 365-366
- persistence of, 368

**Planning, open systems variety of, 263-270****Planning, strategic, and search conference, 163-167****Political dynamics in change, 821-825****Power, kinds of**

- coexistence, 53-55
- communication, 52-53
- content-based, 45-50
- decision-making, 50-52

**Praise, meaningful, 689-690****Privacy, in law and custom**

- historical evolution of, 800-803
- international facets of, 801-803
- relevance to OD consultants, 803-805

**Process orientation**

- case of, 815-818
- and consultant's role, 818-819
- in a content field, 835-840
- guidelines for, 815-820
- major properties of, 559-560
- some stimulating interventions for, 561-562

## Project management

- characteristics of, 677
- and control, 685-687
- and implementation, 681-683

## Psychological contracts at work

- four varieties of, 387-389
- prognosis for "continued employability," 389

**Q**

## Quality

- consequences of movement toward, 153-155
- major schools of thought about, 149-151
- and religious metaphors, 151-153

## Quality of Working Life (QWL)

- features of, 538-539
- and Gain Sharing, 667-668
- and problem-solving groups, 668-670
- as a process, 666-670
- and productivity, 661-666
- and success rates, 537-539
- and unions, 669-670

**R**

## Risk

- in interaction, 375-377, 526-527
- in teambuilding, 55-57, 159-161

**S**

## Schools as organizations for learning, 93-97

- and problems for consultants, 97

## Search conference technique

- costs/benefits of, 166
- features of, 164, 166-167
- and team building, 163-167
- and virtual teams, 165

## Self-awareness, 945-946

## Sociopathological features in organizations

- contributors to, 516-522
- and mentors, 526
- minimizing consequences of, 522-526
- and systems of interaction, 526-527
- and values, 523-527

## Sociotechnical systems

- change process in, 239-241
- conceptual foundations of, 235-236
- design of, 237-242
- value premises of, 236, 239-240

## Stakeholder theory

- background and values of, 169-170
- characteristics of, 170-173
- consulting implications of, 178-180
- effects on management thought, 176-178
- key questions in, 173-176, 531
- strategies for dealing with differences in, 531-533
- types of, 529-531

## Strategic planning

- as central in OD, 828-838, 881-891, 970-971
- effectiveness of, 881-883
- and different stages of growth, 309-319
- and implementation, 295-306, 881-883, 887-890, 965-971
- and management development, 883-891
- nature of, 965-968
- and situational model for organizational change, 295-306
- targets for help in, 968-970

## Structures at work

- alternative models for, 349-351
- some consequences of alternative to bureaucratic model, 351-354
- four polarities in, 347-349
- and interaction systems, 350-351
- in knowledge age, 755-765
- toward cellular forms of, 760-766

## Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis, 838, 1019-1021

## Success

- and building on it in change, 1021-1025
- estimates of in OD, 535-542

## Success, team, 995-996

## Survey/feedback designs

- and implementation of, 636-639
- introduction to, 631-632
- stages in, 632-639

SWOT (*see* Strengths, Weaknesses, Opportunities, and Threats analysis)

## Systems

- as loosely-bounded, 191-193, 206-207
- operating, 137-147
- and stakeholders, 169-180
- as tightly-coupled, 191-193, 206-207

**T**

## Teambuilding

- and autonomous teams, 224-226
- costs/benefits of, 160-161
- and diversity, 225-226
- interventions in, 158-160
- levels of, 157-158
- and personal management interview, 108-118
- and preventing regression in, 107-117
- and search conference technique, 163-167
- type of team matters, 220-224
- and values, 160-161

## Teams, high-performing

- description of, 591-593
- and external factors, 594-596
- and internal factors like trust, 593-594

## Teams, selecting and energizing of

- and power of, 44-55
- and predispositions of members, 47-53
- and preventing regression, 107-117
- and strengths or weaknesses, 55-57
- as task forces, 43-44
- and ways of conducting business, 41-42

## Third-party consultation

- features of, 585-586
- lessons drawn from a failure of, 586-590

## Time management

- hints for, 905-909
- a sample problem of, 903-904

## Transformation

- conceptual history of, 457-458
- and leadership, 458-460

## Transition, organizational

- model of, 449-450, 821-828
- and scale of change, 295-298
- a situational model of, 295-298, 300-306
- and style of leadership, 298-300
- underlying preferences/assumptions, 449-451

**U**

## Unions, and QWL, 669-671

**V**

## Values

- and contextual specifics, 334-385
- and demotion design, 396-398
- and ethics in consultation, 743-748
- and interorganizational networks, 198-199
- and interventionist, 553-554
- in OD, 147-148, 947-950
- in quality, 151-154
- and sociotechnical systems, 236, 239-240
- and stakeholders, 170
- a statement about for consultants, 329-336
- and systems, 147-148
- and teambuilding, 157-167, 219-233
- and theory of learning, 555-558
- and transitions, 449-452
- and values, 160-167, 236-240, 329-385, 296-396, 553-554
- and visioning, 184-185, 203

## Vision or core mission

- dimensions of, 571-572
- and issues for consultants, 573
- in strategic planning, 883-891

## Visioning

- in large system design, 184-185, 203
- and management development, 883-891
- and mergers, 405-407
- and strategic planning, 883-886

**W**

## Workers, older, 691-692

## Work-out at GE, 780-781