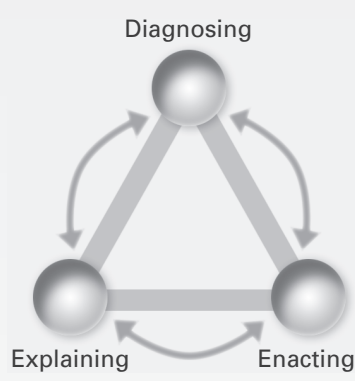


PART A

Foundations



Change is ever-present in organizations. We are sympathetic to the argument that, rather than talking about organizations as nouns, with the implication that they are ‘finished objects’, it is more helpful to focus on the processes of organizing, with the implication that we are always engaged in the practices that constitute a current state of affairs that will shortly become different (Chia, 1995; Tsoukas and Chia, 2002). In this view, the practices of organizing are always unfinished and ‘in process’. Indeed, these processes of organizing are not generally simple and singular but, instead, are open to multiple interpretations. Different people involved in the same set of organizational practices may have quite different stories of what are ostensibly the same set of events (Buchanan and Dawson, 2007). This makes the job of managing change intensely complicated. Actions are open to interpretation and reinterpretation and good intentions can go awry. What started out as a clear communication can become translated so many times that it takes on new meanings (Oswick *et al.*, 2010) and ambiguity can pervade the field of change.

However, this complexity may not necessarily be negative. Constant change, ambiguity and multiplicity of meaning can be problematic if the aim of management is to control everything that happens. However, if the purpose is not to control but to facilitate and lead (Currie and Lockett, 2007) in such a way that creative action can be recognized and built upon, the ongoing flow of activities can present an opportunity to enable change. This entails neither control nor anarchy but a form of engaged dialogue (Beech, MacIntosh and MacLean, 2010) in which those engaged in organizing practices recognize differences and agreements, and develop practical steps that move things along (MacIntosh, Beech and Martin, 2012) even

when the ‘perfect answer’ cannot be found. The spirit of this book is one of dialogue. Our aim is to be practical and realistic about the complexity of organizational contexts and to be informed by serious engagement with theories of organization, so as to enable a thoughtful-action-oriented approach.

The purposes of the book are to:

- assist people who will be managing change in making practical judgements in an informed way;
- facilitate students in developing an understanding of the multifaceted nature of change in a way that encourages rather than stifles action;
- provide access to theoretical thinking, in order to demystify it and to give an appreciation of its necessary detail and complexity;
- mobilize learning from cases and primary research in order to help readers build up a picture of what has worked (and failed to work) elsewhere, so that they can make decisions about their own approach; and
- provide students with the foundations of knowledge that will enable them to succeed in studying and being employable in jobs that entail change.

The aim of Part A, Foundations, is to orient readers towards developing their judgement in managing change. In order to make informed judgements, it helps to be able to differentiate different types of change and to be able to articulate which practices would be appropriate for those types. In Chapter 1 we introduce an overview of the enquiry–action framework on which the book is based, and in Chapter 2 we review a range of contributions to the change literature in order to enable readers to develop their approach on the basis of insight into the rich traditions of change-related research.

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1 Practising change management

Our argument in this book is that much of the time in organizations we are managing change through the deliberate selection of practices that we hope will produce particular results. The triggers for such **change work** may emanate from within the organization or from shifts in the external environment. They may be optional or unavoidable, and they may be rapid and radical or slow and evolutionary. There are many tools and techniques that pertain to change situations, but choosing what to do, and how to do it, is not straightforward. In this book we elaborate a framework that does not dictate a prescribed path to managing change but treats the process as one of enquiry and action. This entails being skilled at asking searching questions so that the circumstances and purpose can be understood and matched to action. Action in this field is normally somewhat experimental, as even the most popular ‘tried and tested’ practices can fail in new situations. Therefore, the approach adopted here is to build up a repertoire of options and to be active both in the selection of which action option (or combination of options) to take and in the adaptation and development of change practices. Hence, change management is regarded as being based on skills of judging situations, selecting and adapting from prior practices in order to develop new ones and subsequently being able to understand and evaluate how these actions are working and thus make appropriate adjustments. In short, the change manager is an active learner, engaged in a continuous cycle of enquiry and action.

We refer to the activities relating to planning, executing and responding to organizational change as ‘change work’.

Managing change is very likely to entail some degree of disruption. Often the situations that managers encounter are difficult, perhaps even intractable. It is not that all change is inherently problematic but, rather, that when things are simple and doable there is less call for management intervention. As a result, it is normal that change managers find themselves in the midst of so-called ‘sticky’ or ‘wicked’ problems that it is not easy to resolve. Such problems are composed of divergent perspectives and tensions. The perspectives come from those directly involved in the situation, such as staff, managers and internal experts, and from people in the social context of the change. The social context includes as stakeholders a wide community of people with some interest in the way that the change works out. These can include customers, service users, suppliers and competitors, amongst other groups.

Our view is that change is hardly ever an objective thing – that is, it is hardly ever the case that one can say unequivocally ‘This is the right and only thing to do’ and be correct in such an assertion. Different stakeholders normally have perspectives that result in there being more than one view of what the right thing is. Even when a change has been conducted we are unlikely to be able to say with certainty that it was the right or wrong thing. Most claims of success are disputable. For example, making efficiency gains through process improvement and headcount reduction might be seen as exactly what was needed by some stakeholders, but perhaps not by those who lose jobs or those who hold on to jobs but were friends with those who did not (Extended Case 6, Power Provision plc, provides an example of this). Similarly, developing a more sustainable way of working might not be applauded by those who believe that their investments may be adversely affected. In addition, the changes we are concerned with do not happen in a laboratory. There are many uncontrollable contextual factors that impact real-world situations. The apparent success of a new strategy may not be solely to do with the actions of the organization but may also be attributable to the behaviour of competitors, the general state of the economy or customers’ level of confidence and disposable income. Many of these factors are simply beyond the control of the managers. Therefore, when trying to manage change, one is not dealing with a situation in which best practice can be rolled out across all contexts. There is no guarantee that what appeared to work last time will do so next time, nor that techniques that did not lead to the desired results in one context will fail again if used elsewhere.

The matter of best practice in change management is a contentious one. There have been many efforts to produce best-practice prescriptions or theories of change, and, like change itself, they constitute a disputed territory. What we

mean by the word ‘theory’ is an attempt to explain and generalize from one instance to another. For example, research might be conducted that examines many cases for their strengths and weaknesses and then concludes with a generalized list of things to do (and actions to avoid). However, many people operating in practice also produce their own theories of change. Working on the basis of previous experience, or on received practical wisdom, people develop a preferred way of acting. This is a local theory, in the sense that it generalizes from what has worked (or is perceived to have worked) in the past to what should be done in the future. Our purpose in this book is to help people improve their theorizing such that, as they make judgements about what to do next, they do so on a considered basis and draw from as wide a range of ideas and experiences as is appropriate for the change at hand. We would regard this type of theorizing as being practical at heart. It is not about producing elegant statements or models but esoteric ones. It is about helping to make decisions about how to act when time and other resources are pressing and the context is problematic, with divergent demands, multiple perspectives and no single best way to answer the problems.

Hence, being able to grapple with such situations and make actionable judgements promptly are the first skills that change managers need. Change management entails being able to understand rapidly how things are going (from multiple perspectives), and this relies on the learning abilities of the change manager and those enacting the change. Putting judgements into action with others, experimenting, reviewing, making new decisions and acting as a source and stimulation for learning are the next set of skills. These present a challenge, as they require a style of leadership that is about facilitating others when there is a lack of certainty (because something new is being undertaken) and being able to acknowledge things that are not working, and then seeking to improve them. It is not about knowing the answers, because change is a journey into the unknown. Therefore, it is important to establish relationships and expectations that include the realization that the change leader is not always right and an awareness that the path is not likely to be smooth. Lastly, there is a process of reflective learning by looking back at how things went and extracting personal and organizational lessons for the future. This entails skills of enabling honest (self-)criticism and getting beyond defensive rhetoric and into generative dialogue.

This list of skills is demanding, and it reflects the demanding nature of change management. This book is intended to provide some guidance and insight into working with these skills in order to be able to grapple with

difficult change issues. Our starting point is to propose a framework that is intended to help make these judgements.

The enquiry–action framework

The enquiry–action framework sets out three key areas of practice that change managers undertake, and we suggest that there are choices available within each of these three practice areas. The enquiry–action framework focuses on questioning and understanding the context, content and process of change as well as developing a repertoire of alternative ways of enacting change. We are mindful of the dangers of separating enquiry and action, since action is part of our enquiry process and, equally, enquiring is a form of action. Indeed, we would suggest that, although it can be helpful to separate these focal areas analytically, in practice they are integrated as aspects of change management practice. Figure 1.1 represents the relationship between these activities within the framework.

On first reading, there is a natural ordering to the themes in the enquiry–action framework, but we would not regard them as following a strictly linear sequence. Each of the three focal areas (diagnosing, enacting and explaining) incorporates a number of possibilities that provide ways of enacting that aspect of change. For example, activities within the diagnosis could focus on understanding the current and desired states of the organization. Diagnosis can be

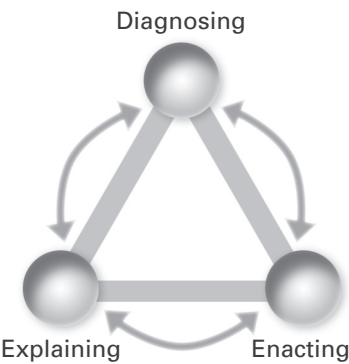


Figure 1.1 The enquiry–action framework

about setting a clear purpose, but on other occasions it can be about understanding the different interpretations that people make of the purpose and recognizing the consequences (both positive and negative) of such ambiguity. It can concentrate on how far people are (potentially) engaged with a change or the state of play politically and whether stakeholders are aligned or not. Equally, diagnosis may need to uncover the cultural context of change, people's established habits and ways of thinking, in order to recognize where it is possible and desirable to introduce innovations. Each of these areas of diagnostic activity is discussed in the chapters in Part B. Depending on the requirements of the change being proposed and the context of the change, diagnosis might need to be an extensive area of activity with several variations being worked through, or it could be a 'light touch' diagnosis in which the aim is to act with speed. This principle holds for each of the three focal areas in the framework. We would advise at least some activity in each area, but the actions chosen and the time and effort expended will vary with the nature and importance of the change and its context.

In enacting change it is rarely the case that one form of action will work well for all aspects of the change and all the people who are involved, so it is important to establish a repertoire of options for action. This means embarking on change with a combination of options and enough flexibility to be able to cope with the unexpected events, tensions and paradoxes that arise. Accordingly, the second focal area entails the change agent and other participants making informed choices about a set of interventions that can involve different foci. The choices include: changing the structure or the organization; exploring and engaging with the identity aspects of change – that is, who we are as a group and what we see ourselves doing as a result of who we are; choosing customers and competitors; changing processes; aligning people and their activities; fostering learning and development; and, finally, developing change through dialogue. Of course, the specific circumstances of any change situation may require a blend of more than one set of actions, and the diagnostic work undertaken in the previous focal area may highlight complementary courses of action.

The next focal area involves a switch in emphasis from enactment to explaining. Communication is often cited as being central to organizational life in general and to change in particular (one expression of this is John Kotter's observation that we under-communicate 'by a factor of ten' in change situations: Kotter, 1996). Our argument is that communication is too often considered as the monodirectional transfer of instructions or explanation of the change, typically from senior figures to more junior members of the

organization. Similarly, the idea of piloting a new process in one area and then ‘rolling it out’ across the organization can be experienced by those who receive the roll-out as a hierarchical imposition. This style of communication, however well intended, is likely to elicit some degree of resistance, and so alternative styles of communication are generally worth considering. A specific literature explores relationships between different managerial levels (for example, in the context of strategy development, see Floyd and Wooldridge, 2000), and our focus here is on the nature of dialogue within the organization and across its boundaries. Dialogues often incorporate narrative structures as participants, recipients and leaders of the change create stories in which the change process is made meaningful in the lived reality of everyday organizational life. Such dialogues and narratives offer opportunities to understand leadership behaviours, political positioning and cultural norms (Alvesson and Kärreman, 2000; Bebbington *et al.*, 2007). As such, we see them as central to attempts to introduce and sustain change.

No change effort – indeed, no managerial or organizational act – can ever be fully understood in isolation (Marshak, 2009). Rather, the ways in which people respond to the intended change have an impact on the future nature of the organization and the actions that become regarded as normal. Our emphasis here is on becoming attuned to reading signals and reactions by developing and interpreting evidence. Although we would contest an overly simplistic sense in which ‘evidence’ proves that change is working, we believe that reflexivity on the part of those leading and enacting change is significant (Nutley, Walter and Davies, 2006). With all the abundant complexity of organizational life, taking the time and effort to reflect on the ways in which the change process was enacted offers the best hope of developing an attitude of enquiry within the organization.

In some circumstances there is a natural ordering to these three focal areas: from diagnosis, via enactment, to explanation. However, the diagram seeks to indicate that change can start in any of the areas. In some cases enactment is under way, and it is helpful to explain what is going on and then to diagnose, because the change is having unintended consequences. Alternatively, it is possible to start by explaining things and in so doing to recognize the need to analyse the situation and then act in a new way. Equally, the sequence can reverse, and explanation can lead to a realization that a particular line of action is needed.

We introduce the three focal areas in the framework and cover each in a separate section. We use a mixture of cases to illustrate the application of the

tools to practical situations. Extended cases are presented in the final section of the book. The nine extended cases are a mix of public domain cases (ABB, Oticon, Admiral Insurance, Nokia, Her Majesty’s Revenue and Customs (HMRC) and Apple) and cases drawn from our research that have been anonymized (ITS Canada, Island Opera and Power Provision plc.). A further seven mini-cases are embedded in the chapters, and, again, these are a mix of well-known organizations and anonymized illustrations. The frequent referral to examples is intended to reinforce the practicalities of the various tools used in the book and to offer a way of encouraging critical consideration of models and theoretical constructs. However, the mini- and extended cases serve a second purpose, which is to provoke a response to two questions. First, what would I do in the situation as described? Second, in what ways is the situation in the case similar to, and different from, the situations that I face in my own organization? Hence, theory is engaged with the purpose of enabling practice.

The three areas of activity should not be thought of as completely separate but, rather, as having permeable boundaries such that the conduct of work in one focal area can be directly influenced by activities within either or both of the other two areas. For example, what is enactment of practice for some might also be treated as part of a diagnostic by others if it is simultaneously a pilot study to uncover practices that might be considered elsewhere in the organization. Equally, the enactment of changing dialogue in an organization could rely on reflexive learning as part of the process.

This approach offers a structure within which managerial judgement can be translated into thoughtful action. When a change within a particular context is considered, the change agent can decide if a focal area is highly significant, and therefore should have time and resources spent on it, thereby exploring several activities within the area in some depth. Alternatively, a theme might be regarded as less important for the change at hand, and so it might be dealt with in a ‘light touch’ way. The cultural context can also play a role in these decisions. A common issue in change is the need to win the support of senior managers and organizational members who will be affected by the change. In some cultures, showing that there is a careful diagnostic phase in which solid research will be conducted is important, as without this the change will encounter a sceptical response (‘What is the basis for this?’). Conversely, in a culture that sees itself as action-oriented, doing too much diagnosis could build up resistance. Therefore, the framework can be regarded as providing resources from which the change manager can choose suitable combinations.

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