

**PUSH and GROW Theories in Change Management:
Gateways to Understanding Organizational Learning**

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ABSTRACT

This paper comes in two parts. Part One examines an apparent conflict between two approaches to organizational transformation (OT) and the theories they reflect. It examines the differences between these "Push" and "Grow" theories and the possibilities for a new synthesis. While there is plenty of practical significance to this dispute in terms of alternative approaches to change management, the controversy provides a strategic way for students of organizational learning and change to gain insight into these processes. This is a version of the action science argument: to understand a system, try to change it. Part Two builds on the prior discussion to outline an organization theory, using causal loop diagrams, that highlights the importance of the learning loops of organizational learning. Thus we use the OT Push/Grow polarity as a gateway to further insight into organizational learning and to a little progress in organization theory.

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INTRODUCTION

As researchers who want to understand how organizations change and why they sometimes don't change, I believe that we need to be alert to any opportunities for glimpses into the guts of organizational life. These may include: shadowing change consultants in the field; debriefing both consultants and other actors in interviews; observing these people when they are reflecting among themselves. I have found all of these to be valuable opportunities for research. My work became possible through my membership in the Society for Organizational Learning (SoL), a community of practice among OT facilitators and capacity builders, managers seeking transformation, researchers, and people who overlap two or even three of those categories. SoL grew out of the MIT Center for Organizational Learning, founded by Peter Senge and others. To get beyond isolated case studies, however, and to create a study set of a dozen or more cases can only be accomplished by working where others have already done pioneering fieldwork. This creates the power of multiple comparisons, which we need, and then the study of organizational transformation can become a gateway to better organizational theory.

Organizational Transformation (OT), the work of facilitating fundamental change in organizations (Porras and Silvers 1994), represents a strategic way for researchers in organizational learning and knowledge creation to gain insight into these processes. This is a version of the action science argument: to understand a system try to change it. My research aims to exploit opportunities for observation of change and learning processes and for retrospective analysis of these dynamics, as they can be negotiated with certain managers and change consultants who have attempted to promote change, improvement, and learning. Every arrangement which is made to observe, or to have access to indirect data about organizational behavior and practice involves the acceptance of certain terms of engagement and, of course, limitations.

Viewing each attempt at OT as a potential opportunity to strike some bargain for privileged access to the normally-invisible dynamics of that organization, I have developed relationships with several interventionists, mainly through the Society for Organizational Learning. An important part of understanding the processes of OT has been trying to understand the theories and mental models of the OT interventionists. My focus on organizational change theory is, for now, limited and slanted by this focus on the theory that informs OT practice. Among OT practitioners, I came to discover, there is some significant difference of view. Rather than clustering about a modal point, these theories of OT practice appear to polarize between two groups of OT models. Not only do we need to understand these differences, but this polarization may present an opportunity to inquire into some issues of OT in an interesting way. After analysing key differences between the OT views found among practitioners and testing the reality of the polarity, I shall suggest a way to work towards a more satisfactory understanding of OT theory and practice.

The two contrasting models that I identify are: (1) the "push" model (short term, top-down, financial emphasis) versus (2) the "grow" model (longer term, building up of

capacity, with a human resources perspective). Beer and Nohria (Beer and Nohria 2000) have recently published a similar bi-polar characterization and while our typologies match on the surface, their analysis goes in a different direction. My examination of differences between the Push and Grow models finds that they differ on four main dimensions:

- 1) the relative roles of senior and local leaders
- 2) how much to depend on changes to formal structure as a driver of change
- 3) the role of double-loop learning
- 4) the role of personal vision, mastery, and intrinsic motivation

After analysing the two models, this article explores some ideas that might show the way to a more effective, combined approach to the practice of OT and the way to a more adequate theory of organizations, learning from the struggle between the two theories.

Seminal ideas for future collaboration in OT work and for development of new organizational theory will be drawn from two main areas: 1) Publications by two groups of practitioner-theorists who offer two OT models that could be foundations for bridging these differences, and 2) Insights from field research around the "bi-pedal hypothesis" which claims that a key to the success of certain cases of guided OT lay in combining two essential elements: a) addressing a strategic business need, through b) developing improved processes for work and collaboration. Integrating these two elements and embedding the synthesis in a modified OT practice and process can bring us closer to an improved OT theory and the analysis that goes into that effort can bring us a step forward in organization theory.

PART ONE: PRACTICE THEORIES OF ORGANIZATIONAL TRANSFORMATION

Organizational transformation (OT) is the work of facilitating fundamental change in organizations (Porras and Silvers 1994). OT can be clearly distinguished from OD and this helps to bound the field of guided organizational change that is the focus of this article. "OT ... is an advancement over OD owing to its focus on precipitating more profound change in organizations. This occurs because the variables targeted by OT approaches (organizational beliefs, purpose, and mission, the components of organizational vision) affect a 'deeper' level in the organization than those traditionally targeted for change by OD, i.e., work setting variables." (Porras and Silvers 1994, p.95).

"OT promotes paradigmatic change that helps the organization better fit or create desirable future environments." OT is directed at "creating a new vision for the organization. Vision change occurs most effectively when an organization develops the capability for continuous self-diagnosis and change; a 'learning organization' evolves -- one that is constantly changing to more appropriately fit the present organizational state and better anticipated desired futures." (Porras and Silvers 1994, p. 84). Based on this, I suggest that OT is the work of helping organizations to become more like "learning organizations".

Just how the tough work of OT may be accomplished evokes significant differences of view. Is it more important to focus on results or process? top leadership or grassroots? "hard" or "soft" factors? "pushing" or "growing". Or is the key to address both? But how can that be done when the two models seem contradictory? Seeking to answer these questions, we shall now review the writings of several OT practice-theorists: firstly, those associated with the dominant or mainstream position, then those associated with the learning organization approach -- corresponding, as we shall see, to the push and grow perspectives.

A REVIEW OF SOME PRACTICE THEORIES

As I strove to understand the mental models of organizations and their transformation prevalent in this community, dedicated to the learning organization (SoL), it became very clear to me that (1) members of this group came together because they shared certain views about organizations and OT, (2) they felt these views to be fundamentally different from much of mainstream opinion and practice, and (3) they wanted to avoid creating an adversarial identity over this difference. As both a participant observer and reader of publications, I spent considerable time trying to sort out the differences between the mental models of organizations and change that I found among members of SoL and the equivalent mental models of other practitioners of OT. The harder part was the latter. For a long time I struggled over the questions of who are the representatives of this "mainstream world", and what constitutes good evidence of their theory-in-practice -- not just their espoused theory? As counterpoint to the change agents I came to know through SoL I needed a sample of other change agents who, regardless of what ideas they espoused about change leadership, could provide some evidence of how they acted in the field. I needed interventionists would wrote about their work, or writers who practiced their theory.

Mainstream or Common Practice

We begin this review of OT practice-based theory with several writers who will be classified as the "mainstream" view of the subject. The first benchmark comes from "The Ten Commandments for Executing Change", a review of the "state of the art" of change management by Kanter, Stein, and Jick (Kanter, Stein et al. 1992). Their ten items correspond closely to the eight listed in Kotter's well-known article on "Why Transformation Efforts Fail" (Kotter 1995). The "ten commandments for executing change" that Kanter et al. find in the mainstream literature are:

1. Analyze the organization and its need for change.
2. Create a shared vision and common direction.
3. Separate from the past.
4. Create a sense of urgency.
5. Support a strong leader role.
6. Line up political sponsorship.
7. Craft an implementation plan.
8. Develop enabling structures.
9. Communicate, involve people, and be honest.
10. Reinforce and institutionalize change. (Kanter, Stein et al. 1992) (ch.10)

Other writers offer similar prescriptions for OT, each supported by a focussed description of their own consulting involvement in a major corporate change initiative (Miles 1997); (Nadler and Nadler 1998), (Tichy and Sherman 1993), (Tichy 1997). Nadler's short-list of three main areas (summarizing 16 change activities) is quite similar to that of Miles and the other OT researchers cited. The main addition he brings is his specific emphasis on the "need to shape the political dynamics of change" According to Miles, the leadership of corporate transformation can be organized into four mutually reinforcing functions, grouping together most of the previous ten items. Three of the Miles items correspond to the sense of the previous list, though possibly providing a fresh light on the subject, while his fourth item seems like a new addition. The three "repeats" he identifies are:

1. generating energy for transformation,
2. developing a vision and business success model,
3. aligning the internal organizational context

And the new contribution is:

4. creating a transformation process architecture for orchestrating the other three.

For all these mainstream writers the central role is played by the charismatic CEO as transformation leader, pushing hard for change. It seems clear that the mainstream view incorporates a "push" approach, though we cannot yet tell whether it precludes the "grow" approach.

Schein, Culture and the Learning Organization Approach

Comparing these mainstream writers with the views of another group associated with the learning organization (LO) (Schein 1999), (Senge 1999), and (Nevis, Lancourt et al. 1996) we find some clear differences -- not so much over what the LO writers would reject, but more over how differently they would approach the implementation. These are major differences. Schein agrees on the importance of disconfirming the status quo and the need for a compelling positive vision, but he also emphasizes major points that are not found in the mainstream models. He highlights the essential role for some kind of "Temporary Parallel Learning System", a setting in which organization members and leaders can participate in joint assessment of the problem, visioning for the future, and developing "the new ways of thinking and working that will get us there." (Schein 1999) He notes the importance of individuals learning new competencies and roles (as do some of the mainstream writers), but goes further to emphasize the need for new thinking, i.e. mental models, for transformation to be possible. And he identifies the pre-conditions for such learning. Too much anxiety associated with the learning itself inhibits learning but a certain amount of "survival anxiety" (anxiety over the survival-success of the organization in its marketplace) he considers conducive to learning for change. "For change to occur, survival anxiety must be greater than learning anxiety. This is best achieved by lowering learning anxiety through creating psychological safety for the learner. If you are the agent of change, the key to managing transformative change is to balance survival anxiety with enough psychological safety to overcome resistance to change." (Schein 1999) pp.188-9.

The Dance of Change, Senge et al.

Another voice (or chorus of voices) for the learning organization viewpoint is found in The Dance of Change authors and its many contributors, who present a "living systems ecology" view of how to think about facilitating OT, combined with the discipline and tools of formal systems thinking. These two perspectives together attempt to understand the forces which can operate naturally and quietly to help new organizational change initiatives to grow and propagate themselves, supported by reinforcing growth loops -- provided that they get sufficient early protection from harm and supplies for their basic needs. At the same time they provide a way to understand the obstacles that will arise, for "nothing in nature grows in the absence of limiting processes." (Senge 1999)

This application of systems thinking, in the context of living systems, expands to include the fact that people themselves are living systems with individual feelings, consciousness, assumptions, and aspirations. Where people care greatly about certain goals and values, and where those goals and values can be linked to a certain change initiative, their commitment and energy will transform the bounds of possible achievement. "Everything depends on a core group of committed people". (Senge 1999)

The "Core Principles" of the Society of Organizational Learning, with which Senge and his co-authors are closely identified, include the following:

Drive to Learn -

All human beings are born with innate, lifelong desire and ability to learn, which should be enhanced by all organizations...

Core Learning Capabilities -

Organizations must develop individual and collective capabilities to understand complex, interdependent issues; engage in reflective, generative conversation; and nurture personal and shared aspirations.

COMPARING THE MAINSTREAM AND LEARNING ORGANIZATION MODELS OF OT

We use the term "mainstream" as a convenient category for the five theorists we have reviewed who favor the "push" approach over the "grow" approach (Kanter et al., Kotter, Miles, Nadler, and Tichy). And we shall compare them to a second group, the "learning-based" or "grow" group, based on the concept of "the learning organization" (Schein, Senge et al., and Nevis et al.). This comparison involves four elements:

1) The Push from the Top: Relative Roles of Senior and Local Leaders. Like the other writers in our mainstream group, Nadler advocates a "top-down" (or push) model. Long-lasting changes, he specifically maintains, come from the top -- where the perspective is fuller and allegiance to local loyalties is less constraining ((Nadler and Nadler 1998) p.

212). Senge, however, warns against over-dependency on the leadership of a CEO and against depending on top-down pressure as a major force for OT. In addition to the vagaries of CEO tenure, he believes that the fear and surface compliance that it produces lead to breakdowns in honest information sharing. That degrading of trust and quality of information does serious harm and outweighs any good results that come from the "strong leadership from the top" (Senge 1999). Obviously, situations must be assessed on their own merits, but these are the different biases that exist in the "push" versus "grow"

Senge offers a direct comparison from the grow perspective: "Change driven by authority is more efficient to organize, often more group to a second ("grow") group, based on the concept of "the learning organization" (grow) category, including effective in the short run, and more immediately comfortable for people in many organizations. If all goes well, great results may occur ...But .. the change effort is powerful only so long as it is pushed. .. When the leader moves on or loses interest or energy .. then the force of the initiative begins to decelerate." (Senge 1999) The learning-based approach, with intrinsic motivation and local leadership, is central to this version of the learning organization (grow) approach.

2) The Use of Executive Authority to Change Structures In the mainstream (push) OT model a major lever for change is the executive authority to make changes to organizational structures and policies, which in turn can have large-scale effects in shaping the behavior of members. Changes (for example) to systems of rewards, resource allocation, work scheduling can tend to steer behavior from one channel into another -- provided that people are basically indifferent between the two alternatives. In the grow model the role of such changes is recognized but so are important limitations or conditions to the effectiveness of this strategy. Where the changes in behavior that are sought involve no new ways of thinking, and where the workers are not opposed to the change -- no problem; where the new structure brings benefits for the workers that they recognize and where the changes in behavior sought are instrumental to making the new structure or technology produce those benefits -- they will adapt, given time. But where these conditions do not apply, it takes more than just changing the structure; it takes attitude change (Drucker 1999) and that takes engagement or participation (Nevis, Lancourt et al. 1996) -- that is what the learning-based (LO) approach believes.

3) The Role of Learning: Different Levels Although the grow approach embraces the concept of the learning organization, this does not mean that its rivals in the mainstream (push) group are unaware of the importance of learning. Nonetheless, there are significant differences and much ambiguity between the two, around the definition of "learning", which does not mean the same in both groups. The litmus test is whether learning is defined to go beyond incremental, adaptive, single-loop learning and change, to encompass out-of-the-box, double-loop learning, questioning assumptions, re-framing questions, and generative thinking (Argyris and Schon 1996). The learning organization camp clearly defines "learning" to include both levels, including the need for double loop learning, the testing and revision of mental models, and systems thinking, but the mainstream camp, is satisfied with the more limited (single loop) definition of learning. Mainstream writers do not specifically exclude these further levels of learning but

neither do they include them. More important, how much do the OT practices of the two groups do to foster double-loop learning and assumption-challenging thinking as part of the work environment?

4) Personal Mastery, Intrinsic Motivation While the mainstream approach makes some use of employee empowerment, within the Dance of Change (LO) approach personal vision and mastery is central. In its theory of leverage, the Dance of Change view is that the systems approach has much higher leverage than the more common event level of analysis, or even the patterns level. But the highest leverage of all can be found at the vision level, where personal vision or mastery connects with the shared vision of many organization members to shape and power the movement of the organization. The passion which members bring to their work when their personal vision is engaged permits extraordinary levels of achievement; at the other extreme, no change will happen, in spite of the most sophisticated systems analysis of the points of highest leverage, when members lack any deep commitment to the goals (Senge 1999).

To summarize this comparison between our two groups of OT theorists, there are the some real differences around four points:

- 1) the relative roles of senior and local leaders,
- 2) how much to depend on changes to formal structure,
- 3) different definitions of "learning",
- 4) personal vision and mastery and their roles in the process of OT.

[insert Table 1. Mainstream Model vs. Learning-Based Model...]

Table 1.

Mainstream Model vs. Learning-Based Model: Four Comparisons

	Senior vs. local change leaders	Exec. Authority to Change Structure	Double-Loop Learning	Personal Mastery Intrinsic Motivation
<i>MAINSTREAM (PUSH)</i>				
Kanter, Stein, Jick	S	X		
Kotter	S	X		
Miles	S	X	x	
Tichy	S	X	x	
Nadler	S	X	x	
<i>LEARNING BASED (GROW)</i>				
Schein			X	X
Senge et al.	L		X	X
<i>BRIDGING MODELS</i>				
Nevis et al.		X	X	X
Beer, et al.		X	x	

S signifies emphasis on Senior leaders/managers; L signifies Local leaders.

X signifies that this model makes a major investment in cultivating this feature.

x signifies that this model likes this feature but does not make an investment in cultivating it -- in the case of mainstream models, they use the term "learning" for a more limited, single loop version.

Establishing the existence of the polarity between push-grow approaches to OT is just the first part of our task; its completion lies in moving beyond the dichotomy, to establish the basis for a fruitful synthesis or integration of the strengths of the two sides. Neither side compels total loyalty, for neither has achieved such remarkable results in actual OT work. We need more powerful medicine, so let's consider how we may do better with the basic materials at hand. Two sources of help will be tapped for insights into how to transcend this present polarity in practice theories, building on what we have:

(1) the results and implications found in studying several OT initiatives sponsored by the former MIT Center for Organizational Learning (which I name "the bi-pedal thesis"), and (2) two practice-theories that ignore or transcend the polarity and show the way to more comprehensive or more integrated approaches to OT (Nevis et al. and Beer et al.).

THE BI-PEDAL THESIS: A) WHERE OPPOSITES BELONG TOGETHER

My re-analysis of five cases of OT initiatives that were conducted under the auspices of the MIT Center for Organizational Learning led to the conclusion that the most successful cases of OT reflected a combination of two essential factors -- like a creature that needs two feet to stand and to walk on (the bi-pedal thesis). This is consistent with the Both/And hypothesis ("no tyranny of the OR") in the Built To Last study of highly successful, visionary companies (Collins and Porras 1994). Leaders of the five successful MIT initiatives were able to formulate the purpose of the initiative in some way that combined two essential elements: (1) addressing a critical business need, through (2) developing new work processes and new capacity to collaborate more effectively. In the vernacular of the workplace this is a fusion of "the hard stuff" and the "soft stuff". The so-called hard stuff (better business results) is easier to see and measure than the so-called "soft stuff" (improved relationships between people, practices, systems, and skills), which is harder to see and harder for many people to manage (Sugarman 2001). "Combining" or "integrating" these two elements means more than just verbalizing a goal statement which includes the two elements; it means making the linkage between them fully credible to the significant participants.

In the workplace it is all-too-easy for the hard and soft perspectives to polarize, hence the critical importance of structures that help to integrate them. Beer et al. use an ad hoc, cross functional "profiling team" that interfaces with the top executive team (Beer, Eisenstat et al. 1996); Schein refers to a "parallel learning system" which may take many forms; and my MIT cases (reflecting the thinking of the Senge et al. group) all made use of a "core learning team" among the leaders and enthusiasts for change. What makes these "core learning teams" different from most other work groups is that their purpose was to create new work processes that would enable them to achieve significantly better results (with hard measures) through the changes they made in how people worked together (the "soft stuff"). Their mission was not just to get better results but to create a new model for the business that could be replicated. However, the issue of direct business pay-off was sometimes held off longer than usual because this was seen as a (socio-technical) R and D project. The core learning team usually needed to learn some new theory and methods of organizational learning (OL) and to figure out how to apply them in the context of their own organization. They were not cascading down a ready-made "change program" pushed from the top; they were innovating by learning collaboratively and creating new solutions. Their contribution to the organization was not just the improved technical and work processes but the learning-experimenting process itself.

They were modeling for their colleagues the behavior and thinking of how to operate productively on the edge of ignorance and uncertainty.

The Product Launch Success Team (PLST) at a large auto-maker's Components Division (one of the MIT OT cases studied) was charged to improve the new product launch processes, which occurred frequently and badly (Berdish 1999). The PLST included two managers of recent, troubled launches and several managers who would soon be launching new products. Sitting in their circle, this "learning team" (as it was called) rigorously and openly analysed the many mistakes disclosed by the managers of the recent launches and began making changes in the launch processes. That organizational learning earned the company serious money on subsequent launches. This "learning team" was quite literally "taking care of business" and it did so through learning better. In this context "learning" meant, firstly, that the managers with upcoming launches learned from the openly-told mistakes of their colleagues, so that the next launches were more successful (earning more profits). Secondly, this learning involved investigating the systemic problems in the company's launch processes (affecting all future launches), designing improvements, and taking action to change practices that had caused those mistakes in the past. Note that this learning team was also empowered to take action on its learning – it was not just a study group or advisory committee -- hence its learning could become the organization's. This one learning team, commissioned by a senior executive who believed in the learning organization as the source of solutions to his business' troubles, is one example of how a successful learning-based OT initiative combines two vital elements: (1) meeting a critical business need, through (2) developing a new process or capacity (which usually will have further application). Both elements must be present (in tension) and they must be mated, fused, or integrated, in such a way that the linkage between them is entirely credible to the relevant participants. This is the bi-pedal thesis.

The core learning team is also important as one powerful way of bootstrapping and modeling the process of participation that is essential for engaging organization members as contributors to change and transformation. Mainstream theories sometimes identify the importance of creating this engagement but do not always provide a means to enable it to happen.

THE BI-PEDAL THESIS: B) THE TWO FACTORS IN SEQUENCE

Another empirical insight suggests how we may expand the bi-pedal thesis. In the first group of OT cases that suggest that thesis the fusion is synchronous; the two factors are in play at the same time. The leaders of the core (business) learning team themselves embody the fusion or integration. Implicitly or explicitly, they understand how the two elements need and support each other; and they enact the understanding, treating them accordingly. But there is another version of the bi-pedal thesis in which attention to the two elements is phased over time: first one element gets the main attention, then the other one.

The OilCo transformation case illustrates this (Kleiner and Roth 2000). One of the largest US oil companies, OilCo underwent a radical, basically successful, four-year transformation, led by a (non-charismatic) CEO who understood well the learning organization model. In the first phase the company employed a mainstream firm of consultants (who emphasized the education of managers in the basics of business economics and finance) and then replaced them for the second and final phase with different (LO) consultants who brought in a strong learning and interpersonal process approach. The implication I find here is that neither approach was sufficient by itself and implementing both together at the same time might be too much. At OilCo there was some overlap of both interventions during phase one, but only at the senior executive level. A pure learning organization approach is insufficient if it does not also pay attention to elements such as formal structure and business results. It is fine for consultants to specialize but they must pay attention to the needs of the client for integrated services. The sequencing of the two approaches as at OilCo may be just one of the ways to integrate all the elements (including both push and grow forces) that are needed for a successful OT. The different elements needed by the OT client may be in tension with each other but we have to resolve that inconvenient fact. Specialization among consultants does not absolve them from the need to understand the other elements and, most important, how they must relate to each other.

Another case that parallels what happened at OilCo over a period closer to 20 years is General Electric under the leadership of Jack Welch. The earlier phase of his remarkable OT campaign (in the Napoleonic sense) was pure mainstream, pure Push (Tichy and Sherman 1993); later the emphasis was more on "the boundaryless organization" (Ashkenaz, Ulrich et al. 1995) and other ways that GE reinvented the learning organization for itself.

RESOURCES IN THE LITERATURE FOR A CROSS-POLAR APPROACH TO OT

Participation and Six Other "Strategies for Resocialization" (OT)

A key factor in OT is staff engagement and the key to engagement is participation, which is one of the strong points of the OT model presented by Nevis, Lancourt, and Vassallo. But it could be misleading to single out this feature, for they present a seven-factor OT model which offers a unique combination of the main strengths of the learning organization approach -- plus other features usually associated with the mainstream approach. Their "Seven Strategies for Re-socialization" are:

- Persuasive Communications;
- Participation;
- Expectancy;
- Role Modeling;
- Extrinsic Rewards;
- Structural Rearrangement;
- Coercion.

(Nevis, Lancourt et al. 1996).

The last three items of this list (Extrinsic Rewards, Structural Rearrangement, and Coercion) usually belong in a strictly mainstream approach, while the first four items would not look out of place in a learning-based approach. Seeing participation in the company of coercion and the other two items, might well prompt one to inquire into how it was defined, suspecting that it had been watered down. But not here. Their explanation of the significance of participation could nicely represent the learning-based approach. Nevis et al. start from the familiar point that participation is the condition of people's support for change. People may need to "reinvent the wheel" before they will support innovation, they note (quoting Beer et al, 1990). Their embrace of participation goes further: using several forms of participation can significantly diminish resistance to change, they believe, by providing opportunities to examine the change from multiple perspectives. This enables the proponents of change to adjust to underlying barriers and it enables all players to develop a shared perspective, to "mark the endings, compensate for the sense of loss with new roles, decrease the participants' sense of isolation, and enable the development of new, more positive meanings." (p.106) Participation is essential to their understanding of the complex process of reconstructing the social realities for members of the organization undergoing transformation. "Participation is one of the best ways to obtain a picture of the multiple realities that exist around each and every problem." (p.100) And again: in a business environment that is hugely complex and fast changing, richness of information and perspective is a lifeline to the future. We need to gather as many diverse viewpoints and interpretations as possible. This information turns into knowledge as people interact and relate to it. (p.107)

Their analysis of participation is one example of how these writers (along with Schein) make it clear that OT is a process in which people are required to reconstruct in significantly new ways the familiar, shared, tacit, embedded assumptions on which their lives depend. "Participation" is a significant part of the LO model because it plays an important role in the social reconstruction of meanings, especially during transformation. Mainstream practitioners also invoke "participation" and involvement sometimes but, upon close examination, what they are offering is sometimes less than this.

For comparative purposes I shall use the "seven-point strategy" list from Nevis et al. to chart a three-way comparison between 1) the Nevis et al. approach, 2) the Senge et al. approach, and 3) a mainstream approach, lying somewhere between the "Ten Commandments" group and the Nadler approach. (See Table 2.)

It is clear from the table that the Nevis model combines much of the mainstream model with much of the Senge (LO) model. We cannot say that it combines all of these two, since there are some items from both those lists which do not appear on the Nevis list. From reading their book, though, there seems no reason why missing items could not be added. The Nevis model demonstrates its ability to bridge the divide between mainstream and learning-based models, to incorporate elements of both which might have seemed incompatible, such as participation and coercion. So the point is that this model (Nevis et al.) can serve as the foundation for a combined, mainstream-LO, push-grow approach to OT.

Table 2

"Strategies For Resocialization": Comparing Three OT Models

"Strategies For Resocialization"	<u>Nevis et al. Model</u>	<u>"Mainstream" Push Model</u>	<u>Learning Based Grow Model</u>
Persuasive Communications	X	X	X
Participation	X	?	XX
Expectancy	X	?	X
Role Modeling	X	?	XX
Extrinsic Rewards	X	X	-
Structural Rearrangement	X	X	-
Coercion	X	X	-

NOTE: in this table the number of Xs in a given cell indicates the relative amount of attention the model in this column pays to this line, relative to other lines. "-" means zero or very little. Imagine, if you will, that each model has the same total number of Xs to distribute between the lines -- Participation, Coercion, etc..

"Organizational Fitness Profiling": A Theory and Methodology of OT

We come to the final resource in this quest to construct a new, cross-polar approach to OT, the Organizational Fitness Profiling approach of Beer, Eisenstadt, and Spector. This practice-theory has been extensively tested and developed into a set of protocols for practice. While it does not meet every requirement that one might have for a comprehensive OT approach which bridges the push-grow polarity, it offers an intervention platform that can be extended and which gives further insight into the change process in organizations.

Beer et al. present an OT model with strong affinities to both polar groups, though they begin by indicating where they differ from the mainstream. "Starting corporate renewal at the very top is a high-risk revitalization strategy NOT employed by the most

successful companies." So they state, based on their intervention-based research in half-a-dozen organizations (Beer 1990) . "Organizations should start corporate revitalization by targeting small, isolated, peripheral operations ... [and] "Formal organizational structure and systems are the LAST things an organization should change when seeking renewal ..." (Ibid., p.6.) These reservations about CEO-led transformations and about over-dependence on changes to formal structure put them close to the LO position.

One attractive feature of this approach is that it offers some of the advantages of the LO approach, while avoiding some of its limitations -- especially the impression of some business people that it is too "soft", humanistic, and not driven by the discipline of business results. Organizational Fitness Profiling (OFP) uses more traditional business language than the LO group. It emphasizes "task alignment" to the strategic objectives of the client organization as the focus of this "critical path" to help it to achieve greater organizational effectiveness in implementing its strategy. Thus OFP can begin to engage client organizations more easily in an OT process (relative to many other approaches) without first requiring them to learn any challenging new concepts of organizational learning (as they would experience with many LO, Grow practitioners), though the aim of the OFP process is clearly to improve organizational learning in the service of better strategy implementation. (Again, we find the bi-pedal combination.)

The apparent "business-friendliness" of the OFP approach is not just a matter of language but is based on its well-designed methodology, that centers around the idea that "Mobilizing energy for change is the key ... [and] Energy can be mobilized when the top team of the business unit actively engages in a process of defining strategy, and then collects and jointly diagnoses data about barriers to enacting the strategy." (Beer, Eisenstat et al. 1996) p. 170. Covering some of the strengths of the mainstream models (especially the clear alignment with strategic objectives), while also incorporating the central insight of the LO approach (that work teams at all levels must learn how to learn together how to improve their performance) the Beer, Eisenstat, and Spector OFP approach contributes both to helping to bridge the gap between push and grow principles in OT practice and to presenting new perspectives for theory building. Their framework for engaging as consultants with a client organization assumes that it has a strategy that is basically viable but it is failing at execution. They further assume that, whatever weaknesses in alignment and execution exist up and down the structure, the greatest leverage for improvement will come from improving the effectiveness of the top management team itself. (Easy to say!) This they do by framing the first main task as one of assessment. A team of the best middle and junior managers is chosen to interview a selection of employees about the major barriers they face to carrying out their roles in the company strategy. Acting as reporters, they bring back this data to the top management team. It is a participative approach to organizational assessment which surfaces some of the most significant defects in alignment and presents them publicly in a way that defeats some of the usual defense mechanisms. This is effective as an intervention AND as a research perspective. As a researcher attached to several of these cases, I have found it revealing and I suggest that in general the effectiveness of OT methods depends on their power to clarify for participants the connectedness of parts of the system in which they find themselves.

PART TWO: FROM THEORY OF O.T. PRACTICE TO ORGANIZATION THEORY

Diagramming a Combined OT Model and an Organizational Theory

Given that the two polar views of OT can both contribute to an improved change management practice, as Nevis et al. (Nevis, Lancourt et al. 1996) suggest, exactly how can we meld these two views of OT practice into a coherent and concise view of organizations and how they can change? and, given that Beer et al. also provide (through Organizational Fitness Profiling) a gateway to improved organizational learning, how do both of these contributions help us to construct an improved theory of organizational change?

Nevis et al. offer a cogent view of OT, rooted in a social constructionist approach that encompasses both the phenomenal realities of the worker facing the customer and those of the senior manager facing the board and investors, but that full explanation requires several hundred pages. My attempt to summarize it in Table 3 conveys only a very bare account. A more powerful form of concise exposition would be helpful and I shall attempt that in the form of diagrams, first in linear form, shifting to a more systemic form of causal loop diagram. While this form of representation (the causal loop diagram) has been used extensively for mapping work organizations and social, political, economic, and managerial problem situations (Sterman 2000) it has rarely, if ever, been used in print to make statements at this level of generality. What these diagrams do is to represent visually and explicitly a set of mental models that can be examined, tested, critiqued, revised by fellow-theorists. They expand our language for talking theory. So we now turn to examining in diagrammatic form the implications of our Part One analysis.

Figure 1 uses a common linear approach to summing up the analysis of Part One, before we turn to the causal loop approach of Figures 2 - 5. This figure could be considered as showing two separate and alternative approaches (A and B, Push and Grow), but now it should be clear that a combined approach that (using both A and B) is to be preferred. Moving from left to right across Figure 1, the two branches both flow into the WORK system, which is treated for now as a "black box" representing work in the core operations of any organization, which produces deliverables (goods and services) for CUSTOMERS and other stakeholders. These customers may be end-users, or they may be internal customers within an organizational value chain that leads ultimately to the end-user. In either case the value of this work output is assessed by their customers and other stakeholders along each strand of the value chain. In a free market environment, this is the basic exchange that fuels and sustains the organization. It applies to nonprofit organizations as well as businesses. (In both cases there may be third-party payers, but that need not concern us here.) The main point is that the Work Unit exchanges its output or deliverables for some valued payment in resources and/or recognition from its customers and stakeholders. In a full free-market environment

customers compare the value they derive (according to their own assessment) from their current supplier (work unit) with the value they believe they could derive from a rival supplier (work unit), minus the costs of switching. This potential threat of losing customers sets the fundamental context for managing Work Units and the organizations in which they are embedded, as seen most clearly in the case of industries going through deregulation.

From the WORK System box (in column 3) we now look "up-stream" to column 2, where we encounter two boxes, each representing a set of factors that influence Work Systems, namely: "ORGANIZATIONAL STRUCTURES" (on line A) and "VISION, VALUES, and MENTAL MODELS" (on line B).

A) ORGANIZATIONAL STRUCTURES represents a variety of factors all external to the individual worker or manager, such as the physical technology of the work process, layout of the workplace, scheduling, employment policies, supervision methods, information systems, reward systems, budgeting and planning methods. All of these structures and policies define the workplace and influence the behavior of employees. They can be changed in short order by command of senior managers, if they choose. We must make two points here. Firstly, these organizational structures are important in all organizations and this is recognized by both push and grow theorists; secondly, the decision to use executive prerogative or fiat to make major changes to structure and policy, in the hope of influencing employee behavior and advancing a change process, is characteristic of the Push approach. Managers and change consultants who favor the Grow approach also understand the importance of these structures, but limit their use of such change methods.

B) VISION, VALUES, and MENTAL MODELS (on line B) highlights a set of equally important "subjective" factors that also shape performance at work. These are sometimes referred to as the "culture" of the organization and this multi-level phenomenon is invoked to explain why organizations are so hard to change. Unlike structures and policies which can be changed in weeks, vision, values, and mental models may take years to change. Again, two points must be made: firstly, these cultural factors apply in all organizations and this is recognized by both push and grow theorists; secondly, serious attempts to change vision, values, and mental models, as the key of changing its other features, is characteristic of the Grow approach.

Both Push and Grow theorists recognize the important role of top leaders in defining for the organization members a new vision, direction, overall strategy, and compelling reasons for change, but how they do so is viewed differently in each case. This is suggested in the form of an oval area that overlaps both 1A and 1B in Figure 1. To summarize Figure 1, the following points should be noted: a) Work Units are impacted by two sets of factors: Organizational Structures, and Vision, Values, and Mental Models. b) According to Push and Grow approaches, organizations make some use of both, but adherents of each approach considers that the other "over-uses" one of these sets and "under-uses" the other. An improved organization theory need to show how these two approaches are integrated.

As a linear (one-way) diagram, Figure 1 has serious limitations; it does not allow us to examine reciprocal influences between two elements, nor does it allow us to show feedback loops. For example, while Vision and Mental Models influence behavior in the Work area, as shown in figure 1, there is also an influence in the opposite direction, from the Work area to influence Mental Models and Vision. So Figure 2 was created, showing the same boxes (elements) as Figure 1, but connected in different ways. The two figures have the same end point (Customers) and two of the same entry points (Executive Leadership and Executive Authority). However, we can now depict Mental Models as both the product of Work Systems (at early, formative periods) and the shaper of Work Systems (later). We may also depict the role of Shared Vision (in addition to Executive Authority) as a shaper of Organizational Structures. And where does this Shared Vision come from? From both Executive Leadership and Personal Vision, as senior leaders engage others in conversations about vision. This more systemic figure is generally more satisfactory for mapping organizations as it provides more potential for mapping feedback loops that are thought to be significant.

The WORK SYSTEM will next be advanced beyond the level of a "black box" (Figure 3) so that we can define some basic features of an Action-Learning cycle. It begins (for present purposes) with Action. Some time after the identified action "Results" are attributed to certain actions in a socio-cultural process of Assessment. This may be a formal, social process, involving explicit appraisal, with or without routinized measurement; or it may be an informal process, equally well-regulated by social norms. Social, collective assessments have a special power, but individual assessments also count. Collective assessments start out as individual assessments, but based on who makes them and in what context, some individual assessments become adopted and socially sanctioned as the judgment of the group or larger organizational unit. Action followed by Results/Assessment, repeated many times, creates "experience", which implies an improved Capacity for Action or Performance. Learning has occurred. This accumulating of experience, or enhanced capacity to perform the work (as individuals and collectively) is most effective when there is periodic Reflection following Assessment. Individual reflection is more common than collective reflection, which is needed for individual insight to become collective learning and improvement. (This is the start of organizational learning.) This Action-Learning loop is the simplest account of how the Work system sustains continuing improvement in its methods and in its capacity to perform. It remains for us to insert this model of the Work System in place of the black box version, to produce Figure 4.

We now have a picture of an organization interfacing with its external environment (customers/stakeholders), with the Work system as its central "motor" or "flywheel", with Organizational Structures shaping the flow of expectations and resources into the work system, and with two forms of executive direction. This diagram also shows pathways that allow for learning to arise through experience and reflection, which builds up Capacity For Action (= knowledge = intellectual capital) and which can modify Mental Models. This double-loop learning can then get embedded in modified Organizational Structures, where it routinely will shape future Action. This diagram,

because it began from the two Push and Grow models of organizational change, represents a theory of organizations and change that encompasses both. For purposes of OT, it may be useful to mark the different leverage points for intervention, which now number five, as shown in Figure 5.

In Figure 5 the "explosion" symbols mark the five intervention points:

Point #1 is the use of Executive Authority to mandate changes in Organizational Structures (the classic Push approach).

Point #2, the polar opposite is to leave it to grassroots leaders, whose Personal Vision inspires them to action, evoking the personal commitment of others; their Shared Vision creates change in their local area of operation, before moving through a chain or hierarchy of diffusion (classic Grow approach).

Point #3 is the use of Executive Leadership (as opposed to fiat) to present a vision and invite participation in testing, developing, and implementing it. Some believe this can work in conjunction with both the previous approaches. Combining it with either one requires some artistry in defining the boundaries between what is given by directive and what is negotiable.

Point #4 is the Reflection component of the Work-Learning-Managing process and represent the kind of intervention that is based on providing more resources of time, context, training and coaching, recognition, and the expectation that employees will make full use of reflection for learning. Internal and external consultants, and "leaders for learning" are often associated with this approach.

Point #5 is the Assessment component of the Work-Learning-Managing process, which can be used to re-focus the leadership agenda of an organization on assessing the fitness of the organization and its work processes, in relation to its performance on bottom-line measures. Beer and Eisenstadt report on OFP as a method that engages the top team of an organizational in such an assessment process, in partnership with their own middle managers (Beer, Eisenstat et al. 1990; Beer, Eisenstat et al. 1996).

So, this is what we get when we use some insights from OT practitioner-theorists, processed through the mental models of a researcher-theorist who rides of their shoulders, using them to gain access (directly or vicariously) to organizational sites, observations and interviews, using some basic tools of causal loop diagramming and other conceptual devices from the attic of organizational theory. The immediate cause of this theoretical excursion was the felt need to resolve the tension and conflict between Push and Grow approaches. Integrating these two elements involves careful integration and walking a fine line -- both at the level of implementation and at the level of theory. Both can be improved and better understood only when we have examined more examples of successful and unsuccessful attempts at implementation in the field.

CONCLUSION

In this paper we have made use of two heuristic devices as gateways to understanding organizational learning and transformation. In Part One of this paper we examined the apparent conflict between "Push" and "Grow" approaches to organizational transformation (OT) and contrasted the theoretical assumptions they reflect. This dispute

over alternative approaches to change management provided a useful way to explore theories -- in particular the theories of those who practice change management. Then in Part Two we built on the prior discussion to outline an organization theory, using causal loop diagrams. We highlighted some specific feedback (learning) loops and also some leverage points (opportunities for intervention).

The factors which we found to differentiate between the Push and Grow models were found to be important elements in the theory which goes beyond that polarity. Push and Grow theories dispute the relative roles of senior and local leaders; it seems that both are important, but in different roles, in different circumstances. The new context for reconciling the two involves the concepts of direction-setting and participation. Push and Grow theories differ on how much to depend on unilateral changes to formal structure as a driver of change. This remains a real difference of view, though the role of organizational structures can be seen in a broader context, as both the channel for unilateral top management changes and the channel for institutionalizing improvements that arise from below. Grow theories highlight the possible role of personal vision, mastery, and intrinsic motivation. A change strategy can choose to bet on this approach or not. Grow theories also highlight the element of double-loop learning and make all practitioners more accountable for their theory on this point.

Assessment can be a key part of the process that drives the flywheel of the Work System, the work-improvement-learning cycle. The "Results" of Action are interpreted or assessed by participants. We cannot assume that those results have any other reality than the one recorded by the participant-observers, aided or not by socially-created measuring devices. This assessment, powerfully influenced by the customers, forms part of an evaluation of "need to change". This is where we see the integration of work and learning, corresponding to the "bi-pedal" synthesis of (1) process improvement and (2) delivering on near-term business results can be seen. Another key factor implicit in Grow theories of change is the "quality of human relationships", a key facilitating factor for the willingness and energy of employees to undertake (and initiate) improvement initiatives. This appears under "values" and perhaps should have been identified more specifically. Certainly, the Grow approach to OT draws much energy from the passion of its prime movers for the more open and honest communication. Practitioners of this approach believe that it is both a pre-requisite for effective improvement efforts, as well as an ethical value. It becomes fuel for a self-reinforcing, growth cycle, they believe, but it also fragile and, when violated, can lead to an abrupt collapse or even reversal of direction in the cycle of work-assessment-improvement-learning.

Interviewing change consultants, managers, and other actors, reading their reports and theories, observing them in the field, and listening when they are reflecting among themselves -- all these methods of social anthropology and investigative journalism have contributed to this research. And more research is badly needed, not just on the intentional efforts of change consultants, but also on the attempts of innovative managers to lead change efforts, guided by their own "common sense" and their own blend of push and grow strategies, as they intuitively feel out approaches that make pragmatic sense to them -- sometimes successfully, sometimes not. We should assume that these bi-pedal

OT efforts are happening and they must be found and studied. If theory cannot give us better answers, at least it can sensitize us to the kind of examples we need to collect and study, and help us to interpret them.

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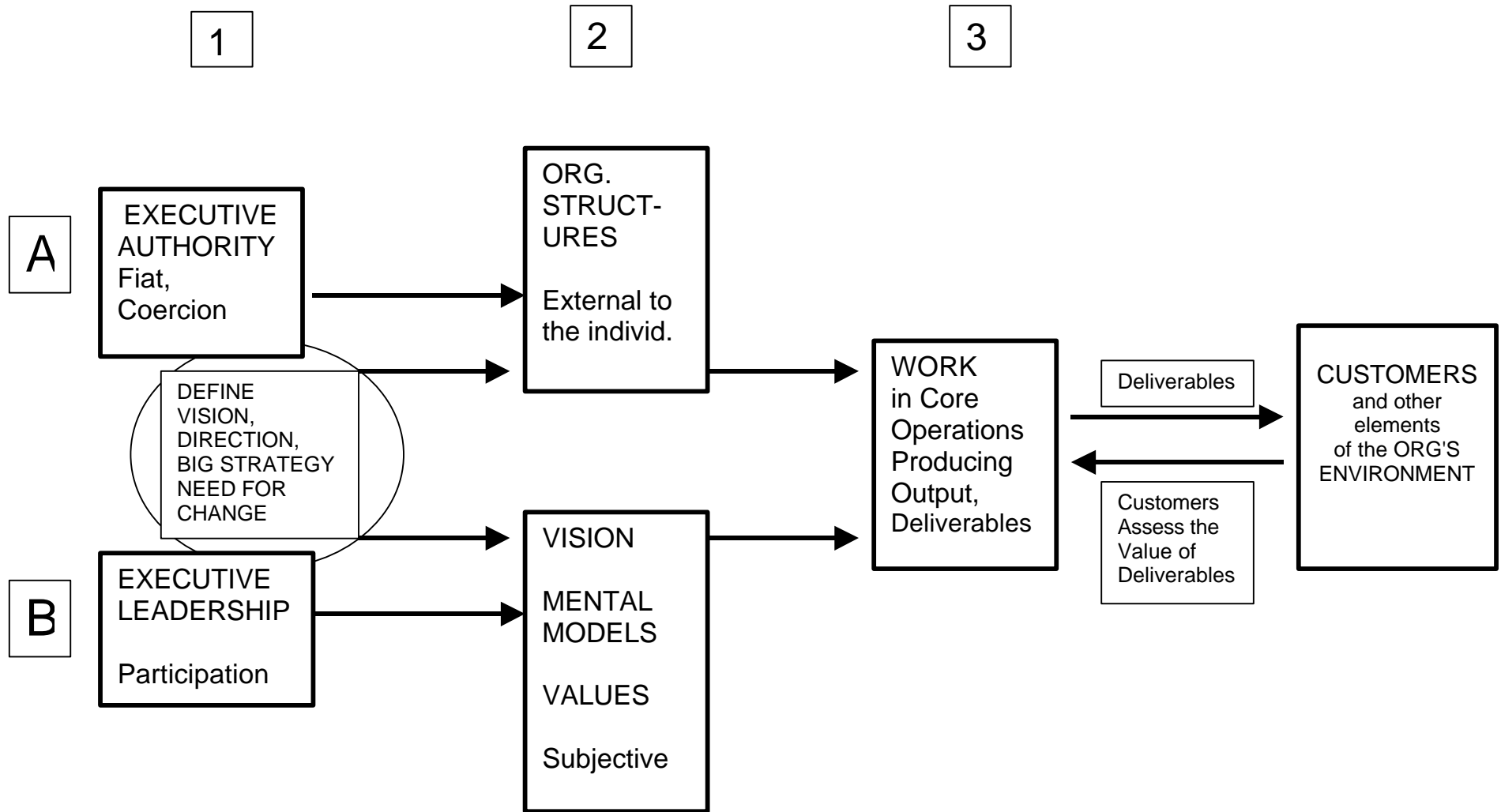
FIGURES

FOR

PUSH and GROW Theories in Change Management:
Gateways to Understanding Organizational Learning

BARRY SUGARMAN

Figure 1. **TWO THEORIES OF OT : Linear Version**



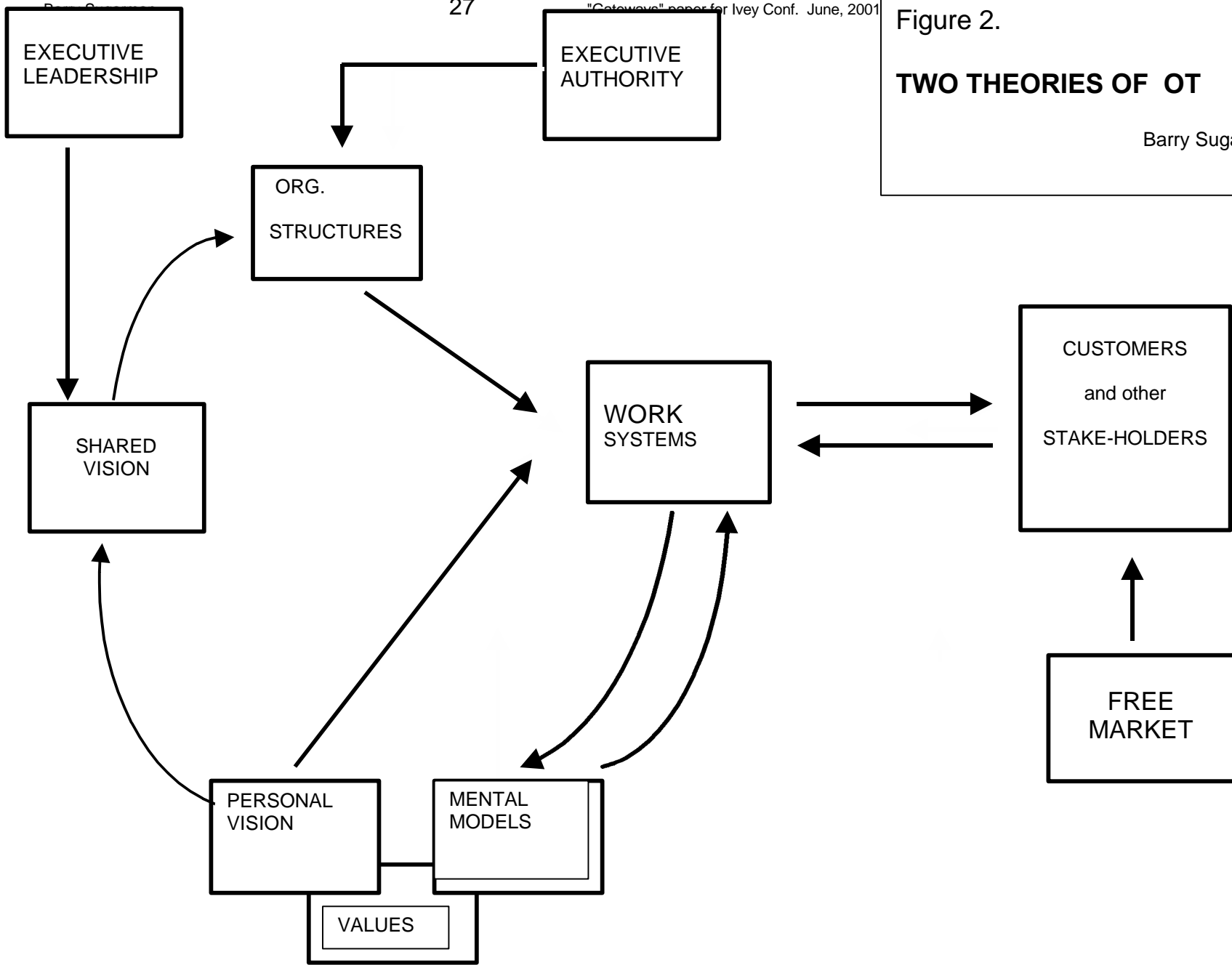


Figure 2.

TWO THEORIES OF OT

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Figure 3
THE WORK SYSTEM:
inside the Black Box
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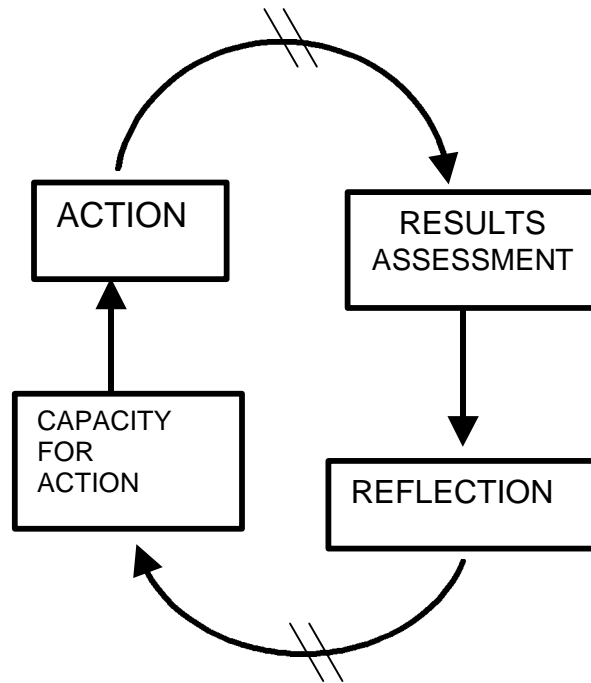
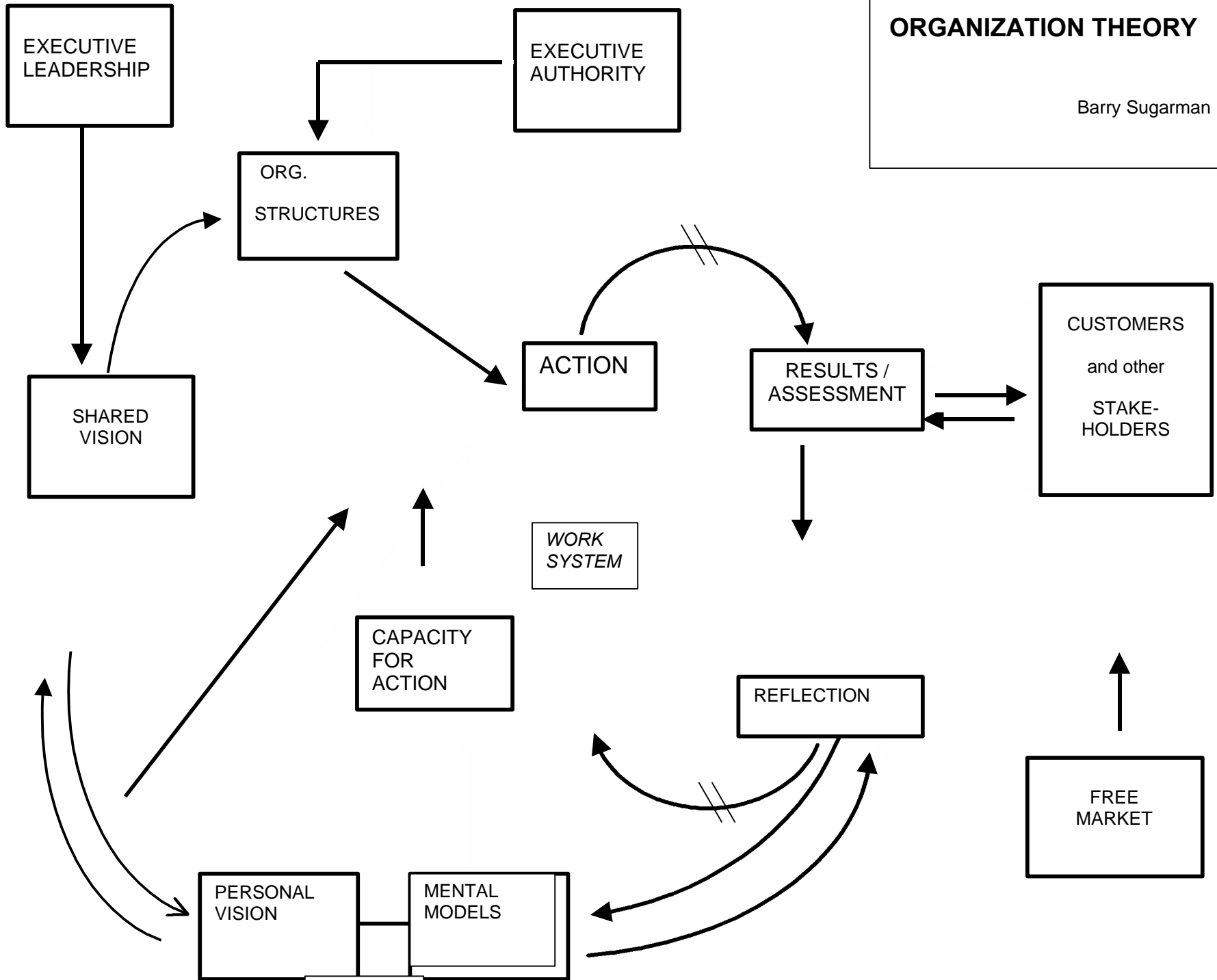


Figure 4.

ORGANIZATION THEORY

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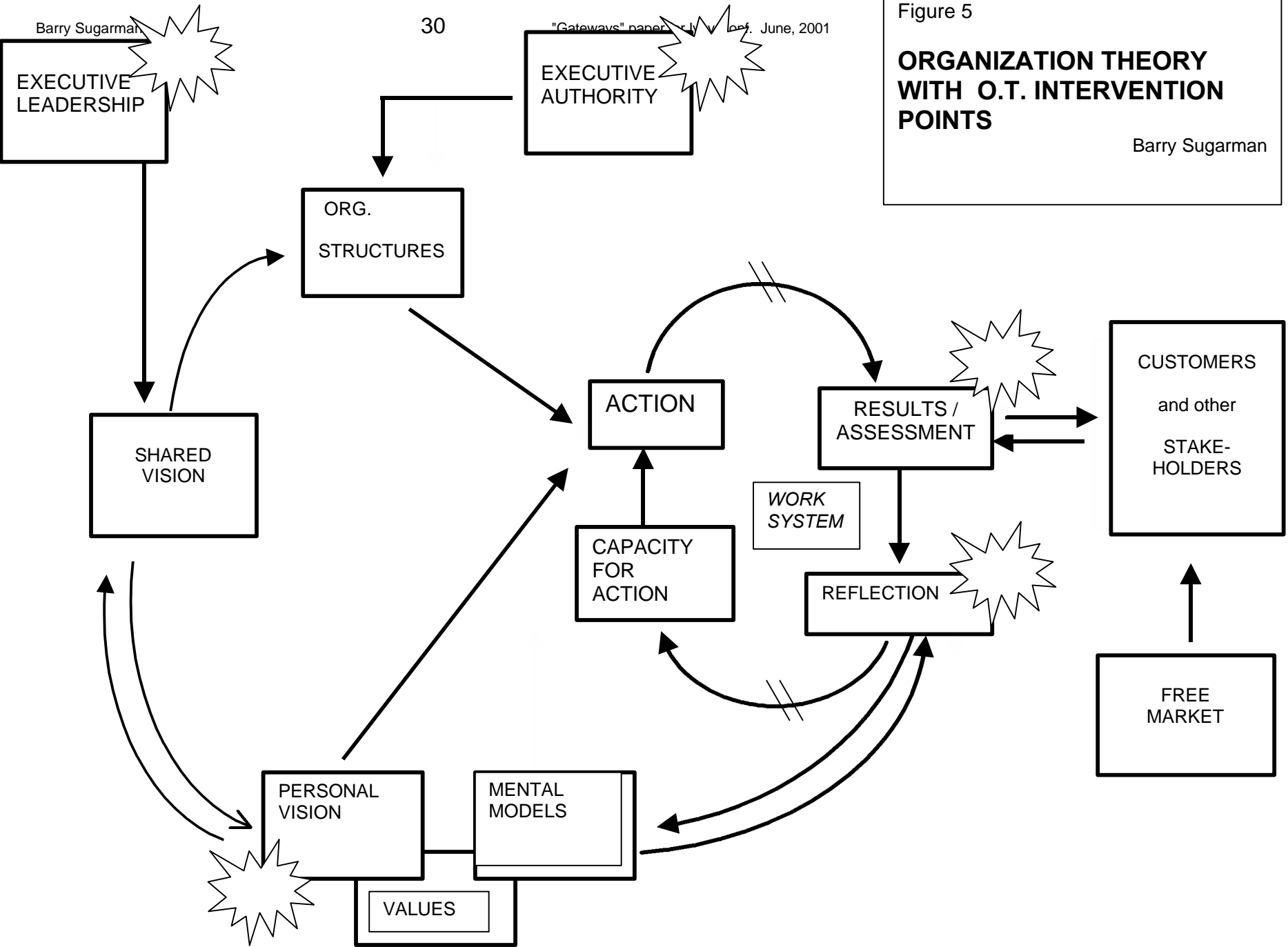


Figure 5
ORGANIZATION THEORY WITH O.T. INTERVENTION POINTS
 Barry Sugarman

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30

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