"Sometimes, to change the people, you've got to change the people": When learning is not enough

Abstract: "Sometimes, to change the people, you've got to change the people." A leader's comment prompts us to consider whether change that requires a quick shift to new schematic sets, aspirations, activities, goals and capabilities will require radical measures. This paper describes change management models and organisational learning strategies commonly cited in change literature. It argues that learning is not always aligned to organisational imperatives and that systematised doubting sometimes undermine strategic intent. We use a single case to illustrate some of these theoretical arguments provided in change literature and demonstrate why some of the generally accepted tenets of change may need to be reconsidered.

Keywords: Change management, organisational learning, higher education, doubting

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Background

This paper is based upon an organisation-wide change in a higher education institution that was prompted by a new leader's recognition of an imminent crisis. The main message about success in the fast changing, complex, global and knowledge-intensive context of higher education is captured in Stata's oft-quoted statement '…the rate at which individuals and organisations learn may become the only sustainable competitive advantage…' (Burnes *et al.*, 2003: 453; Garvin, 1993: 78; Hitt *et al.*, 1994: 42). However, this paper will explore whether enabling and supporting learning in times of crisis is enough to bring about institutional change. We examine the issues that led the organisation's leader to conclude, 18 months into the process: "Sometimes, to change the people you've got to change the people".

1. ORGANISATIONAL CHANGE AND ORGANISATIONAL LEARNING

The need for organisational change is widely accepted, as is the fact that it is frequently unsuccessful (Oakland and Tanner, 2007; Robbins and Finley, 1998; Waddell, Cummings and Worley, 2007). The reasons for change vary, but include advances in technology, changing needs of stakeholders and economic pressures (Brown and Eisenhardt, 1998). Reasons for failure also vary but include; poor goal focus or vision, unexpected or unplanned external events, low buy in to the change and change fatigue (Robbins and Finley, 1998; Senior, 2002; Beer, Eisenstat and Spector, 1990). Because of the high failure rate of planned change there is a substantial literature on how to develop effective change (Oakland and Tanner, 2007; Senior, 2002) often incorporating frameworks and solutions available for those who wish to undertake change. Evans and Thach (2000) outline a range of models designed to promote and support change and although some models are more complex than others, the perspectives often overlap in terms of their elements. These are often framed in a linear progression of tasks as illustrated by the example from Kotter (1996) below:

One: Create Urgency	• Identify potential threats, and develop scenarios showing what could happen in the future. • Start honest discussions, and give dynamic and convincing reasons to get people talking and thinking.
Two: Form a Powerful Coalition	• Identify the true leaders in your organization. • Ask for an emotional commitment from these key people. • Work on team building within your change coalition.
Three: Create a Vision for Change	• Develop a short summary (one or two sentences) that captures what you "see" as the future of your organization. • Create a strategy to execute that vision.
Four: Communicate the Vision	• Talk often about your change vision. • Openly and honestly address peoples' concerns and anxieties. • Tie everything back to the vision.
Five: Remove Obstacles	• Identify, or hire, change leaders whose main roles are to deliver the change. • Look at your organizational structure, job descriptions, and performance and

	compensation systems to ensure they're in line with your vision.
	• Recognize and reward people for making change happen. • Identify people who are resisting the change, and help them see what's needed. • Take action to quickly remove barriers (human or otherwise).
Six: Create Short-term Wins	• Look for sure-fire projects that you can implement without help from any strong critics of the change. • Reward the people who help you meet the targets.
Seven: Build on the Change	• After every win, analyze what went right and what needs improving. • Set goals to continue building on the momentum you've achieved. • Keep ideas fresh by bringing in new change agents and leaders for your change coalition.
Eight: Anchor the Changes in Corporate Culture	• Talk about progress every chance you get. Tell success stories about the change process, and repeat other stories that you hear. • Publicly recognize key members of your original change coalition, and make sure the rest of the staff - new and old - remembers their contributions.

Table 1: Eight Stages of Change (Kotter, 1996)

Some authors talk of the need to reconfigure organisations in order to enable different strengths to emerge, others consider the soft rather than the hard systems of change (Senior, 2002). However, across this range of approaches one thing is common: for there to be any sustainable organisational change there must be alterations in individual behaviour; for that to occur, new knowledge must be acquired and utilised in new ways (Blackman, 2005 in Murray, Poole and Jones, 2005). Without learning that enables the acquisition of new knowledge, leading to an amendment in the world views of those involved, nothing can actually change. Consequently, for effective change management there needs to be organisational learning to support change initiatives.

Organisational learning theorists quote environmental turbulence, new forms of organisation, multidimensional, prevalent and increasingly fast paced change, the changing nature of knowledge, increasing complexity and uncertainty and the competitive advantage of innovating organisations, knowledge as a primary resource and internationalisation as primary drivers for organisational change and improved effectiveness (Field 1997, Loermans 2002, and Burns et al. 2003). The argument is made that organisational learning is the key to aligning organisations with the changing environments within which they operate and overcoming barriers to change. Fiol and Lyles (1985: 804) contend that the 'ultimate criterion' of organisational performance is an organisation's ability to align itself with the environment in order to compete and innovate in a complex world.

In support of organisations' pursuit of this 'ultimate criterion', authors have developed a range of models and strategies for organisational learning in which approaches to leadership, enabling structures, participative policymaking, learning climate, opportunities and strategies loom large (Grieves, 2008: 466). The contention is made that those leading change need to actively manage it in order to develop follower buy-in and develop a momentum for change (Oakland and Tanner 2007). This momentum enables different perspectives to emerge which matter, as *'In order to change, an organizational learning process needs to take place that pushes the organization beyond its currently held understandings of itself and its ways of dealing both with its internal and external reality'* (Lakomski, 2001: 69).

Particularly influential in the development of organisational strategy has been Argyris and Schon's (1978) theory of single- and double-loop learning. In their work, change occurs through the surfacing and confrontation of existing mental models (both individual and organisational). Through the process of double-loop learning, parties explore solutions to perceived incompatibility between actions and consequences and this leads to the emergence of new knowledge that may assist the organisation to shift in response to environmental change.

There is an apparent assumption in much of the literature, however, that all learning is good learning and that this learning will lead to positive outcomes. A great deal of effort is exerted in substantiating the assumption: in a study of research in organisational learning from 1981 to 2004 Bapuji et al. (2005: 535) find that the term 'performance' dominates papers as the most common dependent variable demonstrating the added value of learning. Baker and Sinkula's (1999) work is an example of research that attempts to demonstrate a causal link between organisational learning and organisational success. Indeed, their research does find that a learning orientation is significantly related to business performance. Slater and Narver (1995) similarly find that learning facilitates behaviour change that leads to improved performance and Farrell's (2000) findings support the empirical evidence provided in earlier studies.

Occasional reference to the possibility of organisational learning that is negative in its effect is apparent in the discussion over time (see for example Fiol and Lyles, 1985; Huber, 1991; Wang and Ahmed, 2003; Kennedy, 2006; Grieves, 2008). The debate reveals a consideration of learning and human complexity that deviates from the deterministic literature that dominates organisational learning discourse; as Huber (1991: 89) attests, *'Entitites can incorrectly learn, and they can correctly learn that which is incorrect'*. As there is inevitably tension between those who set the agenda for learning and those whose benefits are associated with the learning, it seems probable that there will be negative, or unhelpful, learning occurring within organisations. Backstrom claims that organisational learning can be seen as *'...rather enduring changes in a collective as a result of interaction between the collective and its context'* (2004: 471) this can accommodate a view of learning in which the focus is upon learning at the collective level (which could positive or negative).

Other writers are more overt in their concerns about the inevitable usefulness of organisational learning. Stacey maintains that there are factors, especially power, that will lead to ineffective learning *'Learning is the activity of interdependent people and can only be understood in terms of self-organising communicative interaction and power relating in which identities are potentially transformed. Individuals cannot learn in isolation and organisations can never learn'* (Stacey, 2003: 331). The claim is that learning is influenced by the political situation in the organisation (always strong in times of change), and may be in pursuit of personal interest rather than organisational benefit. An organisational member's personal context will drive the way that new ideas are framed, accepted or rejected. Such links between organisational learning and power and politics are gaining prominence in the organisational learning literature (Easterby-Smith *et al.*, 2000; Huzzard, 2004), and for some theorists (Huzzard, 2004; Schein, 1999) these

themes are central to understandings of learning and organisational dynamics; the fundamental argument is that the perception of the knowledge being shared will be altered in the learning process. As a result, what is learnt may not be what is expected, and if it impacts the organisation the impact may not be positive. Perspectives such as Holmes' (2004) which challenge assumptions of empowerment through learning and Schein's (1999) related preoccupation with organisational learning as coercion, provide insights into deeper issues on the complexity of power relationships in workplace and organisational learning.

The introduction of power to discussions of double-loop learning and, more broadly, to organisational learning and knowledge, provides an important shift in the literature. The potential for knowledge to be reframed during the learning process is considered to be a major challenge to the theory of double-loop learning and new knowledge creation (Blackman, Connelly and Henderson, 2004; Blackman and Henderson, 2004). The reliability of knowledge emerging from a process of double-loop learning is challenged when its reliability is undermined when those *'...in positions of authority and power are claiming certainty where none exists?'* (Blackman et al., 2004: 24). The reason for the challenge can be understood when it is recognised that double-loop learning start from the recognition of a problem. The reaction by the learner to the knowledge around the problem will establish the likelihood of the new knowledge being accepted, thereby changing the mental models in place. Only if there is a perception of a difference will any learning be triggered (Klimecki and Lassleben, 1999). Blackman and Henderson (2004) put forward the concept of single-loop doubting, whereby any difference between new knowledge and extant mental models can result in doubt. Individuals may seek not to learn from a new idea but to make it fit with their current world in some way (which may not lead to positive change) or actually find a reason to reject the learning. What might emerge is an augmented mental model (i.e. something has been learnt) but the learning reinforces currently held perspectives rather than contributing to new perspectives required for effective change.
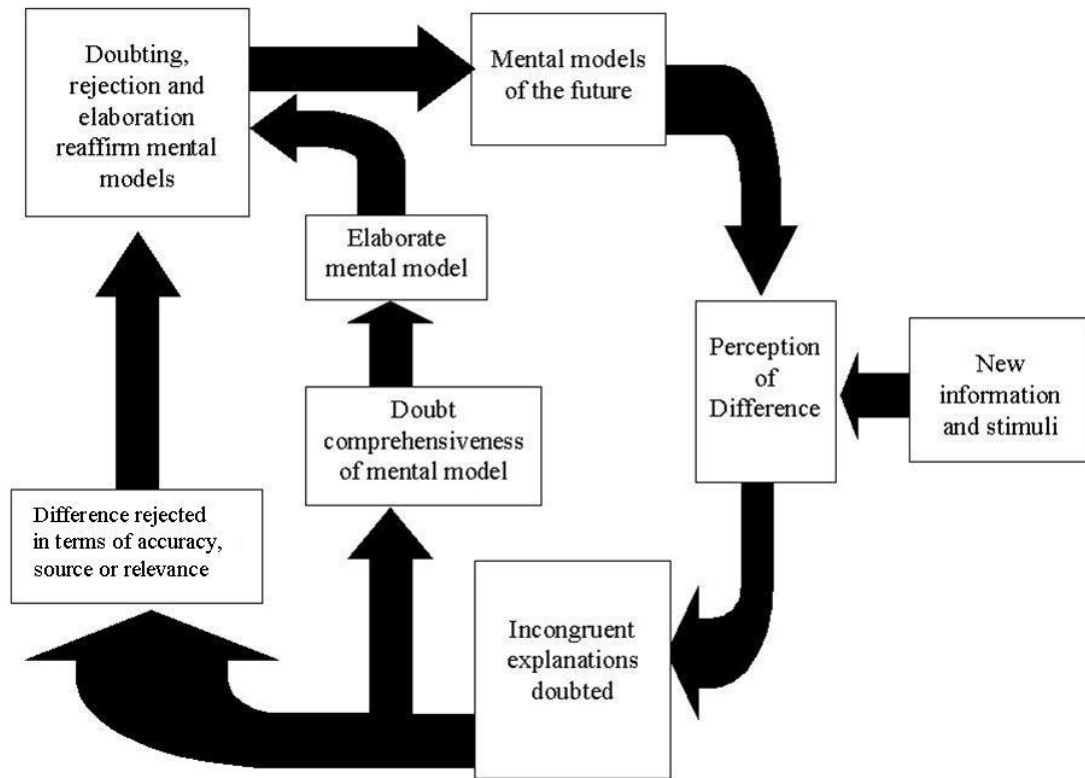
Figure 1: Single loop doubting (Blackman and Henderson, 2004: 261)

If a learning organisation is one *'...where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured...'* (Senge, 1992: 3) then a learning organisation could become a place where people expand their capacity to undermine those aspects of organisational change which are not aligned with their personal aspirations and desires. Instead of constructive knowledge acquisition and implementation enabling and supporting change, there may be learning may be undertaken specifically in order to maintain and sustain the status quo.

Issues around change management, organisational learning, power and change are explored in the following case. The context of an organisation in crisis provides a rich background for observation of the ways in which organisational members respond to change.

2. METHODOLOGY

Qualitative methods are useful in explorations of understandings, for uncovering novel insights and for accessing intricate details, thought processes and emotions (Strauss and Corbin 1998: 11). The subject of this research aligns it with such a qualitative approach as focus is upon developing new understandings about individual and organisational responses to crisis which offers the possibility of new theory (Creswell 2003). We

followed Yin's (1993; 1994) interest in qualitative case study for this investigation as an in-depth investigation into a specific set of circumstances in a particular context was required.

The approach taken to this research is instrumental (Stake 1995) and exploratory (Yin 1994). We aim to develop some deep insight which enables better understanding of the ways in which individuals and organisations respond in times of imminent crisis and to identify whether organisational learning can provide the outcomes required for organisational success in these environments. It is our intention that the findings in this study prompt further investigation into the conditions in which organisational learning models and strategies are redundant.

Our use of a single case in exploration of a phenomenon is supported by Yin (1994; see also Tellis 1997) who argues that where the observer has access to a novel, previously unexplained phenomenon single case studies are able to achieve research goals. In this single case, it is not the comparison of data with other organisations that gives it meaning, but the researchers' interpretative work in comparing experience and data with current theory and the ability to create novel ideas and, possibly, new theory from the data itself (Eisenhardt 1989; Yin 1993; Stake 1995).

The organisation at the centre of this research is in flux (Blackman and Kennedy, 2008). A critical and organisation-wide change is in implementation and this provides a unique opportunity to investigate the processes and mechanisms in place and their impact on the change attempts. This research, then, does not aspire to be generalisable. *"In the course of observation, researchers create meaning from both constituted knowledge and the context of analysis to which they more or less explicitly refer"* (Arnaud, 2002: 102) and in so doing construct new knowledge that provides insight about the specific case which may, in turn, offer new perspectives through which to explore new avenues in organisational research.

After gaining ethics approval and being encouraged by the Vice-Chancellor to be 'frank and fearless' in their work, the researchers followed the change over an eighteen month period. Primary data was gained via fourteen semi-structured interviews with the leader and key staff from a range of roles and occupations within the organisation both during and after major critical events. The interviews provided the researchers with the opportunity to *"...constantly compare this ongoing interview with [their] entire pre-understanding, based not only on theories and other studies but also on all previous interviews that [they] have done"* (Stjernberg, 2006: 145). In this way, a story was constructed which reflected not only the interviewee's perspectives, but the researchers' sense-making about how those perspectives related to their own experience and to the understandings of the theory that underpins analysis. In this constructionist account, *"...objectivity and subjectivity need to be brought together and held together indissolubly"* (Crotty, 1998: 44). In this way, the interviews contribute to the establishment of what remains *"the researcher's story"* (Stjernberg, 2006: 141).

Secondary data, including the leader's monthly change communications, senior managers' reports, media reports and the leader's quarterly presentations were analysed for evidence of the events occurring and changes in the form and content of communication. The researchers used NVIVO to assist in the process of thematic coding (Strauss and Corbin, 1990). In this study, theoretical insight and discussion are constructed from the data collected rather than from the testing of a theoretical construct within this context. The process is at once about both critical and creative thinking. In this study, we followed Strauss and Corbin's (1998: 102) instruction that to *"...uncover, name, and develop concepts, we must open up the text and expose the thoughts, ideas, and meanings contained therein"*. The researchers developed codes from the data, using, "What's happening here?" "How does this relate to what else is going on?" "What's this person really saying here?" "What's the underlying concept?" and similar questions to investigate the text. (Glaser and Strauss, 1967). Through questioning the data, the researchers constructed a case that highlighted the themes central to organisational change in a time of crisis.

In discussion of the case and of the findings, this paper uses the words of the participants, the text of secondary sources and the observation of the researchers. The reflections are represented in a single case in which quotations from participants and textual data (identified by quotation marks and italicisation) are interspersed with theoretical support and critique.

2.1 Case: Learning and Change in a University in Crisis
The higher education sector in Australia provides a rich example of the deep and widespread change of the type discussed in the organisational learning and change management literature. Not only is the sector itself shifting in response to globalisation, changing National funding priorities, information technology ubiquity and access, and the changing needs and expectations of students, but the nature of education within the sector is being challenged by increasingly sophisticated understandings of what knowledge is, its value within contemporary society and its impact on strategies for learning and methodologies for research.

The case organisation at the centre of this study is impacted forcefully by globalisation as are all sectors in Australian industry. Globalisation is placing direct pressure on the higher education sector in Australia where in 2007 over 175,000 International students were enrolled in higher education institutions. This figure is up 4% from 2006 and Doctoral degree programs attracting a 13% increase from 2006 (AEI, 2008). Not only are the numbers of overseas students growing, but their national diversity is similarly increasing. In 2006 the Australian market saw an increase of students from non-traditional sources such as Nepal (127% growth) and Saudi Arabia (65% growth) (AEI, 2008).

Students are increasingly critical and selective, socialised to the university as a provider of knowledge as a commodity, their expectations of the higher education experience leading them to demand 'accountability' for their time in study by achieving an output of

'employability' (Leonard et al. 2005: 135). As a result, students require more 'flexible' options in their programs (Frame and Allen, 2002) and this *'flexibility in order to meet individual learning needs'* (Hill *et al.*, 2003) is cited as important to students' perceptions of quality education. Consequently, as quality education is directly linked to university funding, the university's ability to respond to student demand becomes critical.

The increasing interest in Australia as an exporter of educational qualifications and increased competition for students has also contributed to the sector's changing focus on the 'business end' of education – the throughput of students; an effect exacerbated by increasing government pressure for educational institutions to compete for funding dollars (Green and Usher 2003). In this context, measurement of completion rates and research output prompts a redefinition of University process toward efficiency.

The university at the focus of this case was one which had not maintained effectiveness as the sector shifted and in 2007 it was in crisis as a result of this inability to respond. The incoming Vice-Chancellor inherited substantial cultural, fiscal and political dilemmas and responded rapidly and assertively to bring about organisational adaptation.

2.2 Change Management
In the first three months of the Vice-Chancellor's tenure, he stated that the some university data was causing him *"great concern"*, citing *"poor student evaluations and high and growing levels of spending on administration (relative to academic functions), which placed the university toward the bottom of the sector in student satisfaction and near the top in general staff costs as a proportion of academic staff costs."*

The Vice-Chancellor acted quickly to put in place a battery of changes designed to *"re-make the University"* and *"bring life to the new vision"*. Early presentations by the Vice-Chancellor reflected images of an organisation at risk, but 'sound': *"We are heading towards budget difficulties which must be averted. In real terms our revenues have been flat over the last few years whilst our expenditure has been rising. Our spending on general staff has been rising faster than our spending on academic staff, and the gap is still increasing. Our underlying financial position is sound, in my view. We have no debt and we have a strong balance sheet"* [emphasis added].

The mood was one of conservative optimism, the Vice-Chancellor working hard to put in place a new culture of enterprise and engagement. He based his approach on "*instinct backed by experience*" – his strategy was to:
>"*Lift the mood*
>*Get some early positives*
>*Get the media onside*
>*Avoid conflict (some tongue-biting required)*
>*Be careful about the ratio of administration to core business*
>*Be more careful about international operations – focusing on quality*
>*More overt, quality data*
>*Develop a more outwardly focused culture*

Identify 5 or 6 benchmarking organisations"

As the Vice-Chancellor's followed his '*instinct*', he conformed to the broadly held tenets of effective change (Kotter 1996). Excerpts from the Vice-Chancellor's communications with staff illustrated his (perhaps unwitting) adherence to the strategies advocated by Kotter in his change management model.

One: **Create Urgency**	*"But our patterns of expenditure are unsustainable, and whilst we will obviously seek new and expanded sources of revenue, these could not take effect before our expenditure moved past our revenue." (April 2007)*
Two: **Form a Powerful Coalition**	*"The review will be steered by the academic leaders of the University, in consultation with all relevant groups. I will chair a Steering Group including:* • *The Deputy Vice-Chancellor* • *The three Pro Vice-Chancellors of the Academic Divisions* • *The heads of the largest schools in each Academic Division* *The Steering Group will meet regularly. It will be assisted directly by the heads of administrative units and others with specialist expertise in the areas under consideration. A series of reference groups will be established to ensure that all stakeholder groups are consulted and their views taken fully into account" (April 2007).*
Three: **Create a Vision for Change**	*"This Plan sets out a ten-year vision and the strategies and steps proposed for the first five years to re-make ourselves as an institution, capitalise on our inheritance and comparative advantages and achieve an ambition to be a world-class university ..." (November 2007)*
Four: **Communicate the Vision**	*"I thought I should spend a few moments outlining the unfolding vision for the future of the university. I'm at the stage where I can close my eyes and visualise something very special happening here." (September 2007)*
Five: **Remove Obstacles**	*"Since I began I have been asked whether we will be closing anything. It came up in the press conference in day one, and has surfaced regularly since. I've tried to be consistent in my answer: I didn't come here to make an already small university smaller: rather I want us to grow into what we do.* *But there are three filters or tests to be applied: the academic, strategic and business cases." (September 2007)*
Six: **Create Short-term Wins**	*"Open Day seemed very successful this year. Reports from the booths were that the enquiries seemed more solid than last year. I went round as many of the Schools as I could and the mood seemed good. We had some good feedback in response to the questionnaire we administered. Many congratulations to all concerned. The Student Ambassadors worked really hard and put us in a good light." (August 2007)*
Seven: **Build on the Change**	*"... contained within the conclusions from the small groups are some of the secrets to our revival as a University, including ensuring that we do not have silos between academic organisational units, promoting flexibility of student choice, arranging ourselves so that we engage best with our external environment, and conceptualising our courses in ways that strengthen our desired position" (September 2007)*
Eight:	*"Last week we launched [a new research centre]; a joint venture between*

Anchor the Changes in Corporate Culture	*[the University and key industry groups]. [A senior public servant] (and… graduate) performed the honours and was carefully set up by Professor…. Thanks to everyone connected with that, including Professor… himself and [Marketing Manager]. The following night we launched the new Bachelors …. A large and enthusiastic audience came to hear about the degree. Thanks to [members of the guiding coalition] in particular for their organization of the evening". (August 2007)*

Table 2: Leader activities aligned with Kotter's (1996) change model

From a change management point of view, the Vice-Chancellor's actions and communications were text book correct. His *"instinct"* led him to put in place a comprehensive range of approaches which appeared to be theoretically sound and contextually appropriate. However, after six months of driving change, staff indicators suggested a problem with morale and commitment to change.

A comprehensive, whole of staff survey indicated that "*most staff felt there was a lack of communication and co-operation across all sections of the university, and that knowledge and information were not shared throughout the university. Many staff did not believe they had input into everyday decision-making felt they were not consulted before decisions that affect them were made. Some staff did not feel change was handled well in the University and believed that the university did not learn from its mistakes and successes and was not innovative"*. Moreover, *"Some staff did not believe the University was good at selecting the right people for the right jobs, and thought that managers were unclear about the type of people they need to employ"*.

In his attempts to lift the mood, the Vice-Chancellor engaged frequently and enthusiastically with staff and with students. His staff forums and emails included humour, self deprecation and references to his family and family life. He encouraged staff to engage with him on issues that concerned them, and thanked them warmly when they did : *"I have been receiving feedback from staff on a number of facets of the administrative review. I have also had numerous responses to my call for suggested improvements to our systems and processes. Please keep them coming. There are some clear patterns emerging, but each day I receive a comment raising a new issue. I would like to thank everyone for taking the time to contact me with their suggestions and comments"*.

For pockets of staff, these attempts were received positively. Organisational members responding to the opportunity to provide feedback and valuing the impact that their feedback seemed to have: *"So, yeah, surprisingly enough, it looks like he takes on board all these suggestions that he gets, really genuinely. I suspect some times he doesn't remember who it came from, he can't…..but its there and he often takes more than one go at an issue….you know…its almost like instinct…first response. So people are sending up really valuable feedback, and he's really looking for it, and I think people understand that… everybody sends him stuff, because they all know that it goes in."* (Senior Manager).

For other staff, though, the rhetoric of feedback and response didn't match their reality: *"It has been put to me that staff might currently feel inhibited in raising a valid workplace grievance. I hope that that is not the case because I regard these as entirely separate processes, and grievances are a way for the institution to learn how to improve, as well as being part of an internal justice system"* (Vice-Chancellor*).*

2.3 Organisational learning
From an organisational learning point of view these grievances were critical to learning and change. Individual knowledge and knowledge held within localised groups in the organisation, when withheld from the broader organisation, contributes to a constraint on organisational learning. The lack of grievance communication was not the only inhibitor to organisational learning; the formation high level, expert "reference groups" for internal review which utilised consultancy firms for new perspectives provided a barrier between the senior management team and organisational members: *"I know people…you know send emails directly and it's gone but there's a difference...you were expecting your manager to take responsibility for that, and so that there became a gap between you and the implementation and then this high level message"* (member of general staff).

Besides the fact that organisational members felt that there was *"No valuing of people inside"* as the organisation *"looked outside for expertise",* the reference group members were not in a position to challenge those activities and traditions that seemed to be working from the assumption that if it ain't broke, don't fix it (Argyris, 1991). These externally sourced reference groups provided just one example of the ways in which people were able to avoid change, continuing believing what they had always believed – using external groups focused on solving problems, there was no reason to surface and confront underlying assumptions where operations appeared to be effective. In single- and double-loop learning change all starts with a the detection of an error or problem, and so when a problem is either rejected or solved, then change shifts slowly, but if a problem is not recognised or seen to have no reliability, then no action is taken to resolve it and no learning can be triggered.

While the Vice-Chancellor's intention was to introduce new and challenging perspectives into the organisation to trigger learning, it appears that the learning that occurred was limited. Given the crisis within which organisational members were attempting to work, the learning that did occur was not necessarily aligned with organisational direction.

Organisational members demonstrated learning from what Field (2004: 212) calls 'ontological interest', shared interest group learning which supports self-protection, security and reduction of anxiety. This learning is prompted by the threat of changing environments and expectations and scaffolds adaptation and continuity of the local work group, often in spite of formal change rhetoric. Field (2004: 208) also discusses 'political interest', referring to Habermas in his contention that "…*considerable knowledge and learning results from efforts to avoid becoming hemmed in by such things as bureaucracy, institutions and the financial market*". Members learn not to assist the organisation toward renewal and new strategic priorities, but to rally individually and

develop political aptitude in local work groups which results in active resistance to organisational learning.

Field (2004: 212) cites *'...ample evidence that groups with common interests have an unconscious tendency to preserve and protect themselves'* and the effect of this tendency is seen in innovative, but often deviant practice (Kennedy and Corliss, 2008). If 'The organizational advantage' (Nahapiet and Ghoshal, 1998), lies in the organisation's ability to exploit the learning that takes place within it, the learning that is available for exploitation must be aligned with the organisation's future direction. Learning that occurs in membership of the organisation where individuals struggle to survive in the fast-changing context of an organisation in crisis, is not necessarily that which ought to be exploited; it is far more valuable to individual survival than it is to organisational success. So, whilst the Vice-Chancellor puts in place strategies to encourage organisational learning, the learning that occurs may undermine strategic change.

2.4 Single-Loop Doubting
In this case, the media played an unanticipated role in the organisation's ability to learn toward positive effect. Like the reference groups, the media provided an opportunity for problems to be perceived as based upon unreliable data. Media coverage in the early months of change often presented images and comment that were directly in conflict with the Vice-Chancellor's messages. The local media focused on job cuts and staff felt the *"inaccuracies frustrating"*. There was a *"lack of information at the next level"* for staff at operational levels of the organisation, and as they felt *"out of the loop"* they struggled to believe the messages sent by the Vice-Chancellor.

The image of the organisation's position was ambiguous, and the 'facts' seemed to change over time and between informants. Of course, varying information from different sources is to be expected and while this presented some conflict for organisational members, the real problems with the reliability of information related to the position presented to staff by the Vice-Chancellor at different times in the change process. Importantly, the reliability of the organisation's fundamental financial position was undermined by the Vice-Chancellor's own comments. While he had assured staff when he first arrived at the institution that the financial situation was *'sound',* in later briefings, the depth of financial issues at the institution had been investigated and found to be far worse than early analysis showed. Indeed, the staff was asked to accept a situation in which the organisation was at risk of failure. While the reassessment of the organisation's position was as much a surprise for the Vice-Chancellor as it was for incoming financial advisors, within this context of shifting 'truths', organisational members were given ample opportunity to doubt the veracity of claims for necessary change. In terms of Blackman and Henderson's (2004) model of single-loop doubting, people within the organisation were given evidence of contrary 'truths' and from this could reject the reliability of the information about crisis by questioning the source, accuracy and, possibly, the relevance of the information.

In fact, for staff at this institution, a history of insufficiently accurate and transparent financial data had led to their inability to regard any statement about the organisation's financial position as reliable. By engaging in a process of single-loop doubting, organisational members were able to persist with extant mental models, either by rejecting information that did not fit with their schema or by elaborating the mental model to accommodate bases for rejection of the new information, and in this way, resist the impetus for change being created by the Vice-Chancellor. Even when people have the opportunity to challenge current practice and take action to change the organisation, this opportunity is mediated by the mental models that have developed over time and have been cemented in patterns of thinking and behaviour as a result of single-loop doubting. Learning does occur, but through reinforcement and augmentation of extant mental models rather than through shifting internal models and organisational members toward new possibilities.

3. SOMETIMES IN ORDER TO CHANGE THE PEOPLE, YOU'VE GOT TO CHANGE THE PEOPLE?

This case illustrates the difficulty faced by managers in bringing about real change in organisations in crisis. It explores an example in which apparent adherence to the principles of effective change management are not sufficient to bring about institutionalisation of change, citing learning as an inhibitor of strategic change.

Does the case suggest that at times there is no option but to change the organisational membership? Perhaps it is necessary to replace people who have strongly reinforced mental models that make it difficult for them to change; certainly the longer members have been reinforcing the loop of single-loop doubting, the more rigidly their mental models about the organisational will be held. The experiences of the participants in this case accords with Contu and Willmott's (2003) conceptualisation of power as articulated through social constructions of truth and exercised in localised practices and relationships, the organisational members gaining power through their rejection of information and consolidation of shared understandings.

If 'truths' are consistently constructed in conflict with organisational goals and based on information regarded as doubtful by these powerful organisational members, then the organisation may by better advised to act to access people who do not have legitimacy to doubt – people who are prepared to believe the information that is presented. Replacing people means beginning with people who are more likely to find legitimacy in the Vice-Chancellor's words and in the figures. New people may want to believe the information presented and be open to socialisation within which they are prepared to doubt the stories of those that are not aligned with the 'new guard'.

But perhaps there is an opportunity for even these most resistant of employees to learn in ways that promote organisational effectiveness. Blackman and Henderson's (2004) double-loop doubting assumes that there may be multiple ways of doing any one thing. Double-loop doubting does not require a problem to trigger change; even if no problem

exists, this does not mean that it cannot be done differently. So rather than start from problems, double-loop doubting suggests that change begins from creation of possibilities. By setting up possibilities and testing them, it is feasible to identify either why a strategy will not work or why it will work as an alternative. Organisational members are prompted to ask, "what are the ways in which this can be true, what are the ways in which cannot be true?" 'Managed scepticism' is promoted within the organisation so that there is a safe place to doubt.

4. CONCLUSIONS

In this case, whilst the organisation's situation appeared clear and the message dire, there were obstacles to the organisation's adaptation. Despite the leadership rhetoric focus on strategic change and capability development, much energy was spent by individuals and groups to shore up jobs and protect the status quo in their local workgroup. This effort was underpinned by organisational members' ability to disregard as invalid important information about the criticality of change and its urgency.

The case highlights the dissonance between the Vice-Chancellor's change management approach, in which the focus was on organisational purpose, differentiation, improvement and the role of the institution in the larger community, and the responses of organisational members. The organisational leader's change rhetoric supported a technical-economic interest (Field, 2004: 201) which emphasised a formal approach targeted at productivity and consistency and based on a formalised understanding of the organisational context. What this did not account for were the individual, localised, changeable, contextually influenced interactions of the individuals in this time of crisis and the ways in which the ambiguous information presented to them provided them with an opportunity to disregard important organisational information as unreliable and, therefore, invalid.

In this study, we did not aim to provide a set of generalisable findings, rather we looked to explore the experience of a few organisational members in an attempt to better understand the learning that occurs through change and the bases for resistance in times of crisis. The findings are at odds with the often optimistic perspectives available in organisational learning literature. This research suggests that the opportunity exists for individual and group learning to have a negative impact on both organisational knowledge and capability. Consequently, although it might apparently be advantageous to encourage learning and capability development in order to retain as many of the original organisational members as possible, it could be argued that, in a time of crisis, when speed is of the essence and overcoming individual resistance is paramount, the only way to create the capabilities required for the change is indeed to 'change the people'.

We hesitate, however, to provide further theoretical support to Grieves' (Grieves, 2008 citing Finger and Brand's 1999 study) finding that "*It is not possible to transform a bureaucratic organization by learning initiatives alone*". There is little doubt that a change management strategy can be successful in the presence of single-loop learning

and doubting, nevertheless, we recommend that further research which empirically tests the impact of institutionalised double-loop doubting on organisational change management and outcomes. Further study on the possibility of developing organisational cultures that are not problem-based, but premise-based would be similarly important, but equally difficult.

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