If there is one constant in public organizations today, it is change. The environment of public and nonprofit organizations, as well as those in the private sector, is rapidly changing, bringing new requirements and demands almost daily. Citizens are becoming more vocal with respect to what they expect from public organizations, especially with respect to the quality of service they receive. Moreover, technology is moving so quickly that today’s work practices may become outdated almost overnight. Similarly, there are changes in the workforce and the expectations of workers, leading to thoughtful consideration of previously “radical” ideas such as family medical leave, telecommuting, and job sharing. There is the impact of the new global economy and the constant pressure on public institutions to do more with less. Finally, especially in the public sector, there are increasingly complex demands for ethics and accountability as government is called on to respond to a wider range of interests in society. As one county government department head told his staff,

If you are aware at all of those changes that are going on, how could you not expect that those would impact your workplace? You are going to be constantly buffeted by a changing world. So, you might as well prepare yourself to embrace change because change is going to be part of your life. (as cited in Denhardt & Denhardt, 1999, p. 20)
Those organizations that develop the creativity and flexibility to adapt to changing circumstances will be those that will thrive during the coming decades. However, studies have shown that most change efforts are reactive and ad hoc, and that 70% fail (By, 2005, p. 10).

As much as we recognize the importance of change in public organizations, we also have to recognize that change is very difficult for most people, whether in their personal lives or in their work lives. When new ideas come forward about how the organization might improve, especially when those ideas fundamentally challenge the existing organization, people might very naturally be apprehensive and cling to the status quo. Some of this resistance to change might be based on objective reasoning. That is, people might truly believe that the proposed changes will not work or that they will undermine an important part of the organization’s mission or philosophy. But much of the resistance will be based on more emotional and psychological reactions. People develop standard ways of coping with their environments, and proposed changes may be seen as undermining the security that their past practices afforded. That which is well known and comfortable will be seen as giving way to something that is less clear and therefore a little scary. People also may experience change in terms of personal or psychological loss. As familiar surroundings and ways of acting are replaced by new ones, people may long for times past and experience great sadness at what they have lost. Under these circumstances, people might formally challenge the new system or might engage in less formal objections, often through increased “hall talk” and rumors. In either case, their productivity might drop and the organization might suffer.

As we will see in this chapter, there are several ways in which people’s normal resistance to change may be overcome and in which change may be implemented more successfully (Nadler, Shaw, Walton, & Associates, 1995, pp. 51–54). Three ideas seem central to bringing about change effectively. First, managers or other “change agents” need to clarify and communicate the problems inherent in the current situation. The goal here is to have people recognize that the existing way of doing things is flawed and, consequently, to open their eyes to the possibility of change. In some cases, public dissatisfaction with the organization’s operations will make the need for change abundantly clear. For example, those in organizations that experience massive fiscal crises or even crises in public confidence likely will understand the problem. In other cases, especially those in which change is needed to keep pace with an environment that is changing in subtle but significant ways, specific data or other information might need to be provided to demonstrate the difficulties with current operations.

Second, managers should involve people throughout the organization in the change process. Having people participate in diagnosing the existing situation, in planning new strategies and approaches, and in implementing the changes typically facilitates communication and builds ownership in the change process. Those who are part of the change process usually feel more comfortable with that process.

Third, managers must recognize that people involved in change simply need time. They need an opportunity to disengage from the current state, they need a period of adjustment, and they need to become accustomed to a new way of working. As noted
earlier, change involves loss, and people need time to let go of the past and embrace the future. Change often leads to feelings of stress and insecurity, problems that must be recognized and addressed before the organization can move on.

We should recognize that there are several different types of change that occur in public organizations. For example, we can distinguish between *incremental* change and *discontinuous* change. Even during periods of relative calm, a public organization is constantly changing. Managers and others make improvements in work processes, they experiment with new reporting relationships, and they modify the organization’s strategies and approaches to meet changing demands. But these changes take place within the context of the organization’s existing framework and orientation; they involve solving problems or tinkering or fine-tuning ongoing operations. Each effort builds on the existing work of the organization and occurs in relatively small increments. These changes might be called *incremental* (Nadler et al., 1995, p. 22).

On the other hand, public managers increasingly are finding it necessary to make more fundamental and dramatic changes in their organizations. For example, a city government facing major increases in population might find it necessary to completely rethink how it operates. Similarly, a state agency whose mission has been completely revised by the legislature might have to make equally dramatic changes in its work. In cases such as these, the organization will not just be trying to adjust its relation to the environment; it also will be seeking a whole new strategy or configuration. Changes of this type will involve almost a complete break with the past and a major reconstruction of every element of the organization’s work. These changes might be called *discontinuous* (Nadler et al., 1995, pp. 22–23). Obviously, discontinuous change is far more difficult for those in the organization than is incremental change. Discontinuous change will involve a shock to the system; people will have to learn new ways of thinking and acting, and they will have to “unlearn” past approaches. But given the dramatic changes in the environment of public organizations, such fundamental changes are more and more likely to be required.

Similarly, we might differentiate between *strategic* change and *grassroots* change (Galpin, 1996, pp. 1–13). Strategic change refers to those choices made by executives, senior managers, consultants, and others whom they involve in planning activities leading to changes that are both broad range (typically organization-wide) and long term. Strategic changes often are developed in the course of a strategic planning process that considers the mission, vision, and values of the organization; those forces acting on the organization from the environment; the strengths and weaknesses of the existing organization; desired future states or “scenarios of the future”; and tactics that might be employed to move the organization in the desired direction. Although this phase of the change effort is highly analytical and often quite technical, it also begins to establish the momentum for change. Grassroots changes, on the other hand, are those that take place at the local or street level and involve middle-level and supervisory-level managers as well as workers on the front line of the organization. These changes are concerned with implementing and sustaining the changes envisioned at the strategic level. Obviously, for comprehensive change to occur in any organization, attention must be given to both strategic change and grassroots change.
A final way to look at change in organizations is to consider the dynamic rhythm of organizational change. For example, Huy and Mintzberg (2003) talked about dramatic, systematic, and organic change in the organization. Dramatic change is initiated in times of crisis, systematic change is slower and less ambitious (and is often promoted by staff groups and consultants), and organic change usually arises from the ranks without being formally managed. While they argued that each change considered separately can be chaotic, they suggested an advantage in creating a rhythm of change, where these three changes are functioning in a “dynamic symbiosis” (p. 80), something that requires managing change with an appreciation for continuity. In other words, at any particular time, there are a variety of changes occurring in the organization, stimulated by quite different forces. The trick for the manager is to be able to comprehend and manage the complexity of these forces for change in a positive way.

Where Do We Begin?

Work through the following two cases and the questionnaire that follows to assess your orientation to change.

To Change or Not to Change?

Read each of the following cases and then write a two-page essay responding to the question at the end of each case.

Case 1. You have just been appointed city manager in a suburban community of about 20,000 people. (The previous manager was fired after questions were raised about his handling of the city’s finances.) Although the community is fairly affluent overall, there are significant pockets of poverty and growing concerns among the minority community about the lack of responsiveness of local government. The main issues in the rest of the community seem to be continued economic growth, expansion of city services into newly annexed parts of the city, and how to receive a proportionate share of state funding for education and transportation. How will you spend your first 6 months on the job?

Case 2. You have worked in state government for a number of years, rising steadily to the position of deputy director of the Office of Budget and Management, where you developed a reputation as a strong and diligent manager. Somewhat to your surprise, you were asked to become secretary of the Department of Youth Services. After a long series of conversations with people in the governor’s office, with legislators (who urged you to take the position), and with friends in state agencies (many of whom said, “Don’t go near that job”), you have decided to accept the position. The Department of Youth Services, originally designed to focus on the problems of troubled youth, has been racked with turmoil over the past several years. There are questions about what the department is supposed to do, how it
relates to the Department of Social Services, how it handles federal money, and how it is managed in general. Indeed, if there is agreement on anything having to do with the department, that agreement is that the department is the worst managed in state government. How will you spend your first 6 months on the job?

Your Orientation Toward Change

Choose which endings to the following questions best represent your preferences.

1. Do you prefer
   a. doing a job that you are comfortable with and know well?
   b. doing a job that presents a new challenge every day? _______

2. Do you find change
   a. invigorating?
   b. stressful? _______

3. In terms of your career, do you think you are or will mostly be
   a. fixed in place?
   b. always moving? _______

4. Do you consider yourself
   a. mostly focused on the future?
   b. mostly focused on the present? _______

5. Would you prefer a job that
   a. is pretty much the same from day to day?
   b. changes constantly? _______

6. When change occurs, are you
   a. typically out in front leading the way?
   b. typically holding back and waiting to see what will happen? _______

7. Do you like to
   a. go with the flow?
   b. make things happen? _______

8. Do you tend to see
   a. the possibilities in a situation?
   b. the realities of a situation? _______

9. In terms of style, are you
   a. solid and mainstream?
   b. always on the cutting edge? _______

10. Are you
    a. a leader?
    b. a follower? _______
Total your scores by giving yourself one point for each “a” answer on questions 2, 4, 6, 8, and 10 and for each “b” answer on questions 1, 3, 5, 7, and 9. The total score represents your orientation toward change. Discuss the results with others in your class. Does the result sound like you? Are there particular questions that you found troublesome? Does this scale really measure an orientation toward change, or is it just a trigger for discussion?

Discussing Your Experiences With Change

Be prepared to talk about your answers to the following questions. Think of a specific change, preferably in a group or organization of which you are a part; if necessary, it can be a change in your personal life. How did the change come about? Who were the people that triggered the change? How did they bring the change forward? What did they do? What did they say? Did they force the change on others, or were others involved in the change and agreeable to it? How did others in the group or organization react to the proposed change? Which members of the group or organization were most resistant to the change? What were the reasons for their resistance? How was their resistance overcome? How did you feel about the change? Were you an early convert to the new way of operating or one of the last to give in? What were the reasons for your conversion or resistance? Was your reaction in this case typical of your reactions in situations involving change? If the change has been in place for a while, how is it working out? If you had been the one managing the change process, how would you have done things differently?

Ways of Thinking

Approaches to Understanding Change

The first step in bringing about organizational changes is for the manager to understand something about the process of change. Over the years, there have been a number of different efforts to conceptualize change and to suggest strategies for change based on these basic ideas. We begin with a discussion of some of the classic approaches to change and then discuss some of those that are more recent.

Classic Approaches

Most contemporary approaches to understanding organizational change have their roots in the early work of social psychologist Kurt Lewin. Lewin (1951) wrote, “Group life is never without change, merely differences in the amount and type of change exist” (p. 199). If this is the case, then one way of understanding the dynamics of organizational behavior is to examine the interplay of forces affecting social change. In any given field of human endeavor, whether in an organization, a social group, or a family, there are both forces trying to bring about change and forces trying to resist change. To use a football analogy, at any given point in the game, the
position of the ball on the field actually is the result of many plays by each team and many moves by individual players. There is an offensive team, whose players employ force to try to bring about change in the position of the ball, and there is a defensive team, whose members try to resist or restrict change. Although at any point prior to a new play the ball appears to be at rest, its resting place really is the balance of fiercely contending forces moving back and forth on the field.

Think about an organization facing a question about moving to a new accounting system. The situation “on the field” at any time (with respect to this issue) is determined by some forces that seek to bring about change and others that resist or restrict change. Lewin (1951) called these “driving” and “restraining” forces. For example, one force driving change might be the additional information that will become available if the new system is implemented. On the other hand, a restraining force might be that conversion to the new system will be costly. Similarly, another driving force might be that the new system will be easier to use. On the other hand, another restraining force might be that people understand the old system and are accustomed to using it. At any given point, the driving and restraining forces may appear to be in equilibrium, although in actuality there are a variety of contending forces for change and stability that balance themselves from moment to moment. One way of using this understanding in real-life situations is to conduct a “force field analysis”—that is, listing in one column the driving forces at play in a particular change opportunity and in a second column the restraining forces. Once these are apparent, it might be easier to see what strategies, affecting what forces, are most likely to be successful. Used in this way, force field analysis becomes a useful tool for evaluating a large number of interrelated forces and tracking their likely effects in the future (Bruce & Wyman, 1998, p. 125).

In any case, for change to occur, there must be a shift in the balance of forces at play in any given organizational “field.” Either those forces propelling change must be increased or those forces restricting change must be lessened. (Interestingly, in many cases, the latter is easier to accomplish than the former.) In either case, according to Lewin (1951), the first step is unfreezing the existing situation or shaking loose the current condition of equilibrium. For example, people must come to recognize the need for change and begin to loosen their normal resistance to change. The second step is the change itself. The new program—say, the new accounting system—is implemented, and the new knowledge and behaviors that are required to make it work are learned. The third step is refreezing the situation. Here an effort is made to “institutionalize” the change, or make it part of the organization’s routine way of operating, something that may be accomplished through training, encouragement, and new reward systems.

One stream of theory and practice closely related to Lewin’s model, a stream that undergirds much contemporary work on organizational change, is the action research model. The action research model involves a cyclical process in which initial research in the organization provides information to guide further action and eventually evaluation. In the action research model, there usually is significant collaboration between group members and an external consultant, with the role of the latter primarily focused on helping members to uncover the most important information
and to design strategies for change based on that information. As such, action research itself models the importance of involving organizational members in the change process. As we will see, many of the more contemporary ways of understanding and bringing about organizational change rest on the assumptions of early force field analysis and action research.

**Organizational Culture**

One more contemporary way of understanding organizational change relies on a concept borrowed from anthropology—the concept of culture. Although anthropologists themselves disagree on the exact meaning of culture, the term generally is taken to embrace those norms, beliefs, and values expressed by members of a particular culture and manifest in their typical behaviors and in the artifacts they produce. The term is used in a similar fashion in studies of complex organizations. The idea is that members of an organization share certain ideas about everything from the appearance of their offices, to the overall values they hold, to the basic assumptions they have about the work they do.

Edgar Schein (1985), whose early work on organizational culture was groundbreaking, actually distinguished among three levels of organizational culture (pp. 14–21). First, there are *artifacts and creations* of the culture, the social and physical environment, things such as physical layout, technological preferences, typical language patterns, and the day-to-day operating routines that guide people’s behavior. Second, there are the *values* of the organization, ideas about the way in which the organization *ought* to be. Presumably, if the values of the organization are fully accepted by the organization’s members, then their behavior will reflect those values. But as Argyris and Schön (1974) pointed out, many times certain values will be “espoused” by those in the organization but will not actually guide the behavior of members in real-life situations. Third, there are the *basic underlying assumptions* of the organization, those patterns of believing or acting that are taken for granted to the point where they are not even questioned. For example, someone from a Western culture might place an emphasis on problem solving, whereas someone from an Eastern culture might emphasize saving face. In either case, the belief is so basic that, although it affects behavior daily, it is not even a subject of conscious discussion. Schein (1985) ultimately took this latter category to be the core definition of culture: a pattern of basic assumptions—invented, discovered, or developed by a given group as it learns to cope with its problems—that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (p. 9).

In a somewhat more direct fashion, Ott (1989b) outlined six elements of the notion of organizational culture on which he found general consensus:

1. Organizational culture is the culture that exists in an organization, something akin to a societal culture.

2. It is made up of such things as values, beliefs, assumptions, perceptions, behavioral norms, artifacts, and patterns of behavior.
3. It is a socially constructed, unseen, and unobservable force behind organizational activities.

4. It is a social energy that moves organization members to act.

5. It is a unifying theme that provides meaning, direction, and mobilization for organization members.

6. It functions as an organizational control mechanism, informally approving or prohibiting behaviors. (p. 50)

As we will see, the last three features of organizational culture tie directly to the question of organization change, suggesting that culture plays an important role in either bringing about change or preventing change.

But before we explore that issue, we should say a word about how organizational culture comes into being and is transmitted throughout organizations. Within public organizations, many important aspects of a specific organization's culture are derived from the larger societal culture, specifically its standards and expectations concerning the role of public organizations in the governance system and the desired behavior of those engaged in public service. But in addition, the cultures of public organizations are likely to be affected by their founding legislation, by political sentiment concerning their work, and by the imprint of early and important leaders within the organizations. Whatever their derivation, the cultures of public organizations, like those of other organizations, are likely to be transmitted overtly to members through the processes of hiring, orientation, performance appraisal, and promotion as well as more subtly through conversations and communications concerning “the way things are done around here.” The result may be organizations with widely varying norms, beliefs, and values. For example, some public organizations place a high value on stability and permanence, whereas others emphasize change and innovation.

With respect to organizational change, of course, the key idea is that the culture of an organization will shape the values and attitudes and, in turn, the actions of the organization's members. If this is the case, then changing the organization's culture may be a key step in changing the behavior of the organization's employees. For example, many public organizations recently have sought, with considerable success, to create a “culture of innovation” in which members will discard their traditional aversion to risk and innovation in favor of experimentation and change. When asked about their new orientation, they might respond, “That's just the way we do things around here”—a sure indicator that new beliefs and assumptions have become fully embedded in the culture of the organization.

Various agencies and jurisdictions have created statements that articulate the vision and values of the organization. These can help frame change in an organizational culture. For example, the city of Williamsburg, Virginia has a statement of vision that has been in place for over a decade. It reads: “Williamsburg will become an evermore safe, beautiful, livable city of historic and academic renown, served by a city government—cohesively led, financially strong, always improving—in full partnership with the people who live, work, and visit here” (personal communication,
Jack Tuttle, 2011). In 2007, Jack Tuttle, the city manager, had a team of city employees assess the organization’s culture, articulate a revised set of ethical standards, and educate the city staff through ongoing training/awareness programs. The group produced five core values that were then transmitted throughout the organization:

1. **Integrity.** Act with honor, courage, honesty, and sincerity so as to inspire public trust and confidence in city government.

2. **Caring.** Pursue passionately the well-being of the people and the community we serve as good stewards of a self-governing democratic society.

3. **Accountability.** Accept responsibility for our actions and decisions, pursuing excellence in our work.

4. **Respect.** Treat all with dignity, courtesy, and tolerance as we would wish to be treated even when others act without the same consideration.

5. **Equity.** Promote fairness and openness, opposing favoritism or prejudice, in governmental processes.

Latham (2003) has focused on some practical issues in achieving cultural change by focusing on behavior, then identifying a five-step approach to behavior change. The first step is establishing a superordinate goal, the purpose of which is “to capture the imagination, hence to galvanize people to take action” (p. 309). Latham argued that the primary effect of the superordinate goal is affecting people’s emotion (e.g., Martin Luther King: “I have a dream” [p. 309]). The second phase is goal setting, establishing goals, which will make the superordinate goal concrete. Latham pointed out that the goal must be SMART: “specific, measurable, attainable, relevant, and have a time-frame” (p. 311). The importance of the SMART goal for the organization is to “obtain goal commitment” by the employees (p. 311). The next two steps, ensuring integrity and accessibility of the managers in the organization, are especially important for overall performance and reaching goals as a result. Latham argued that leaders have to make sure that their words match the organizational superordinate and SMART goals. “Leaders need to take a look in the mirror to see whether their words are consistent with the superordinate and SMART goals” (p. 314). And, he also pointed out that leaders’ accessibility is a key for achieving the goals successfully. “It is difficult to be an effective leader when you are inaccessible to the people who are on your team” (p. 314).

But at best an organization’s culture is far from simple, and there are disagreements in the literature on organizational change about how successful managers can be in employing a cultural approach to change. Because the organization’s culture is socially constituted (i.e., the result of a constant stream of interactions and negotiations among people at all levels), there might be actors scattered throughout the organization who are strong enough to resist the planned changes that management would like to see in the organization’s culture. On the other hand, situations do occur in which managers can decisively influence the core beliefs and values of organizational members and, consequently, reorient the entire organization.
When thinking about seeking cultural change, managers should at least recognize several possible limitations to this approach. First, cultural norms are deep-seated and people may be quite resistant to change. Second, successful changes in an organization’s culture typically occur over a long period—5 to 15 years, according to some estimates (Bluedorn & Lundgren, 1993). Third, important ethical questions may arise as managers attempt to “manipulate” the norms and values of those in the organization. Schein (1997) recognized the limitations of efforts to change culture in writing that managers seeking to change an organization’s culture must “build on and evolve the culture one has rather than wishing for some dramatic changes or some other cultural forms” (p. 243).

In any case, the cultural perspective provides important insights into the operation of complex organizations, as illustrated in an extended public sector case study of the Washington State ferry system by Ingersoll and Adams (1992). The ferry system began as a private family-owned business but eventually fell on hard times and was bought by the state of Washington and assigned to the highways department and eventually the Department of Transportation (DOT). During its early days, the culture of the ferry system was much like that of a large, extended, and quite happy family. People joked, socialized, and celebrated together. Their interactions were guided by friendship and family ties as much as by managerial systems and detailed accounting standards.

But the DOT prided itself on the strength of its management systems and eventually found it necessary to recommend “the establishment of a mission statement, development of means to measure the achievement of objectives consonant with the mission, and the creation of a performance monitoring and reporting system” as well as to move toward more automated technical systems (Ingersoll & Adams, 1992, p. 228). Although the approaches the DOT put forth certainly were consistent with images of high-performing public organizations held by the larger culture, they clearly were at odds with the traditional culture of the ferry system, and indeed, much of Ingersoll and Adams’s account detailed the difficulties brought about by the resulting clash of cultures. Certainly, the meanings that people hold, or those beliefs and values that are deeply embedded in their ideals and practices, constitute important sources of stability and resistance to change. But acknowledging their importance may cause managers to recognize the need to take culture into account in attempting to bring about organizational changes.

**Open Systems and Organizational Learning**

Another way of viewing organizational change, one closely related to and often overlapping with the cultural approach, is sometimes called *organizational learning* and is sometimes described as building a *learning organization*. In either case, organizational learning starts with individual learning; organizations cannot really learn, but individuals within them can. Public organizations clearly have an interest in encouraging individuals to learn as much as they can about their work, the political context within which it occurs, and their own energies and ambitions. But although individual learning is essential, it is not enough. “An organization may be
staffed by authentic, well-informed, capable, self-knowing, and self-developing individuals. But unless it takes steps to allow individual insights and perceptions to blossom outward into a greater whole, no true organizational learning may emerge” (Canadian Centre for Management Development, 1994, p. 58). Contemporary approaches to organizational learning derive from several sources, but most notably early work on organizational learning, particularly the work of Chris Argyris and Donald Schön and what is called open systems theory.

Argyris and Schön (1974) began by noting how the theories that people hold shape the way in which they actually behave. In terms of guiding action, a theory offers a set of guidelines for practice that will lead to the results the person desires. But there are different types of theories of action. For example, Argyris and Schön pointed to a distinction, which we already have noted, between espoused theories and theories-in-use. An espoused theory is one to which we give conscious allegiance; it is the one we describe when people ask us what ideas govern our actions. But the theory that actually governs our actions is called the theory-in-use (chap. 1). Obviously, there may be differences between those ideas or approaches we espouse and those we actually follow. We might not do what we say; we might not “walk the walk.”

In either case, there are two ways in which we can learn. We can first learn new strategies that will lead to our desired goals, whether those goals are objective and achievable (e.g., greater productivity) or more personal (e.g., achieving a more integrated personality). Or we can learn to change our goals, or what Argyris (1999) more formally called “governing variables,” the preferred states that individuals strive to attain when they are acting (p. 68). Learning new strategies is called single-loop learning; learning new governing variables is called double-loop learning. (The single-loop/double-loop terminology is borrowed from engineering. A thermostat can be set at a particular desired temperature, programmed to detect temperatures that are too hot or too cold and then to turn the heat on or off to correct the situation. This is single-loop learning. If the thermostat were able to ask why it was set to a certain temperature or why it was programmed as it was, then it would be able to engage in double-loop learning.)

Both types of learning are required in organizations, although single-loop learning is by far the more common type. Where organizational members face routine or repetitive issues, and where the desired end states are clear, single-loop learning is appropriate. Where members face decisions that are more complex and “nonprogrammable,” double-loop learning is more appropriate. But these issues themselves never are completely clear. For example, there is the danger that issues will be taken as routine or that end states will be taken as clear, when in fact neither is the case. There also is the possibility of differences between an espoused theory and a theory-in-use, as in the case where a person says that the goals are clear but acts as if they are not. Or, there may be conflicts between those theories one person or group holds and those another person or group holds, something that can easily lead to defensive behavior and even outright conflict. Sorting out any of these potential confusions requires double-loop learning, examining the assumptions that underlie our actions, and changing the governing variables that guide them.
As we will see, contemporary approaches to the issue of organizational learning build on the Argyris and Schön approach by exploring conditions under which more effective learning might take place. But before moving to that material, we should note the parallel contribution of open systems theory to recent ideas about organizational learning. Systems theory emerged in the social and organizational sciences during the 1960s and 1970s after enjoying success in areas such as biology and cybernetics before that. In all cases, the basic systems model showed the system (whether biological, political, or organizational) first receiving various inputs from the environment either in the form of resources (e.g., human or financial resources, information, technology) or demands (e.g., legal or political mandates, customer or citizen expectations). These inputs pass through the system and are converted into outputs (e.g., products, services, regulations, ideas). These outputs flow into the environment, where they may affect customers, clients, citizens, political leaders, families, other organizations, or society in general. The response of these individuals and groups to the organization’s outputs becomes feedback to the organization (e.g., requesting more or fewer services, requesting more or fewer regulations). The system then takes this information into account along with other new inputs, and the cycle begins again (Figure 12.1).

Basically, systems theory (as applied to an organization) emphasizes (a) the relation between an organization and its environment and (b) the interdependence of all elements of the organization. In this way, systems theory guards against our natural tendency to see immediate problems as being independent of the setting in which they reside and largely unaffected by (and not affecting) other parts of the system. The systems approach can be applied to a wide variety of focal organizations, including organizations, subunits, or sets of organizations, any one of which can be analyzed in terms of the flow of inputs, the processing of these, and the

![Basic Systems Model](image-url)
production of goods or services that are the outputs of the system. This approach also helps to clarify the relationships between the focal organization and actors in the environment as well as the relationships among various organizational components such as technology, structure, behavior, and culture. The systems approach is therefore seen as a way of ensuring attention to the “big picture.”

Earlier work on organization change and open systems theory has been brought together in ideas about organization learning. Most notably, Senge’s (1990) book *The Fifth Discipline* brought the idea of learning organizations to prominence. Senge suggested five “disciplines” in which individuals can engage to build a learning organization.

1. *Personal mastery.* This discipline focuses on our sense of self and basic capacity to focus on what is most important while ensuring that our view of reality remains clear and truthful. This discipline connects personal skills—especially skills of individual learning, spiritual growth, and self-mastery—with organizational learning (Senge, 1990, pp. 141–143).

2. *Mental models.* This discipline focuses on the way in which we see the world, including our assumptions of how things work, with innovation and learning. Our mental models may pose substantial barriers to new ideas, especially when those ideas conflict with our existing version of “reality.” However, mental models also may become sources of new knowledge and creative learning (Senge, 1990, pp. 174–178).

3. *Shared vision.* This discipline is concerned with how a compelling vision or ideal becomes part of the whole organization’s culture. The organization that has such a shared vision is “connected [and] bound together by a common aspiration” (Senge, 1990, pp. 206).

4. *Team learning.* This discipline is concerned with the capacity of a collection of individuals to come together and combine their individual energies in an integrated team effort. The team remains connected primarily because members hold a shared vision of their work, thereby ensuring that individual learning is translated into group and organizational learning (Senge, 1990, pp. 234–235).

5. *Systems thinking.* This discipline enables people to see how human actions are connected through a system of interrelated events. Following the systems view outlined previously, this discipline is focused on recognizing the interconnectedness of our actions and their consequences for broader systems. Those who are able to evidence this type of thinking embody the notion of individual and organizational learning. Because it is built on the preceding four disciplines, Senge called this the fifth (and key) discipline.

How these ideas about organizational culture and organizational learning might guide the work of public managers interested in bringing about substantial changes in the quality and productivity of their organizations is explored in Denhardt’s (2000) book *The Pursuit of Significance.* Based on interviews and conversations with
highly regarded public managers in Australia, Canada, Great Britain, and the United States, his study examined the way in which managers approach the question of change in their organizations, particularly the values that they wish to instill as a matter of culture. Among the themes that emerged in the work of the various managers are the following.*

**A commitment to values.** The manager seeks organizational change less by attention to structure than by developing a pervasive commitment to the mission and values of the organization, especially the values of professionalism, integrity, service, and quality. Values are clearly articulated by the chief executive and shared throughout the organization.

**Serving the public.** The manager gives priority to service to both clients and citizens. That priority is supported by high standards of performance and accountability and by a constant emphasis on quality. Most important, the manager recognizes that technical efforts alone will fail unless equal or greater attention is given to the human side, especially to building a sense of community within the organization and a sense of cooperation outside of the organization.

**Empowerment and shared leadership.** The manager encourages a high level of participation and involvement on the part of all members of the organization in efforts to improve the quality and productivity of the organization. Leadership from the top is complemented by empowering individuals throughout the organization to assume leadership within their own realms.

**Pragmatic incrementalism.** Change occurs through a free-flowing process in which the manager pursues a wide variety of often unexpected opportunities to move the organization in the desired direction. The manager views change as a natural and appropriate feature of organizational life and employs a creative and humane approach to change, taking into account the personal concerns and interests of members, clients, and others.

**A dedication to public service.** People throughout the organization understand and appreciate the special character of public service, especially the role of public organizations in the process of democratic governance. The manager insists that members of the organization maintain high ethical standards and encourages them to make the organization a model of integrity for similarly situated groups.

*From *The Pursuit of Significance*, by R. B. Denhardt, 1993 (reissued 2000), Prospect Heights, IL: Waveland Press. Reprinted with permission of Waveland Press, Inc. All rights reserved.

In a similar but more recent set of books, Jim Collins, an author well known in the business management field, first explored in *Good to Great* (2001) why some companies are only good, while others, similarly situated, achieve levels of greatness. In his subsequent book, *Good to Great and the Social Sector* (2005), he
clarified that public organizations are different and that they should not blindly follow business practices for a simple reason: The achievements of public and nonprofit organizations cannot be measured though earned profit. While for the “great” private companies, it is perfectly legitimate to measure the input and the output in monetary terms, for the “great” public organizations, money is a measure of input, but delivering “superior performance” and “a distinctive impact over a long period of time” are better measures for assessing output (p. 5).

Collins (2005) offered five essential elements for building “great” public organizations:

1. **Defining “great”—calibrating success without business metrics** (p. 4). Public organizations should strive for excellence in delivering services. “What matters is not finding the perfect indicator, but settling upon a consistent and intelligent method of assessing your output results, and then tracking your trajectory with rigor” (p. 8). Organizations in the social sector should concentrate on great outputs.

2. **Level 5 leadership—getting things done within a diffuse power structure** (p. 9). The Level 5 leader is the leader able to “build enduring greatness through a paradoxical blend of personal humility and professional will” (p. 12). True leaders are those who empower people. These leaders are followed by the people when people have the freedom not to follow them (p. 13).

3. **First considering who—getting the right people on the bus, within social sector constraints** (p. 13). True leaders also know who should be “on the bus” and how to attract the right people to “get on the bus”—that is, they know how to overcome social sector constraints and recruit motivated and competent “great” (not good or average) people.

4. **The hedgehog concept—rethinking the economic engine without a profit motive** (p. 17). In order to be effective with all the constraints in the social sector, social sector managers should concentrate on three elements: “passion,” “best at,” and “resource engine” (p. 19). Passion refers to the organization’s values and core mission; best at refers to the activities that are unique to the organization; resource engine refers to the appropriate combination of time, money, and brand.

5. **Turning the flywheel—building momentum by building the brand** (p. 23). Organizations in the social sector should build a brand by which they are recognized in a positive manner. In other words, while the sector itself may face huge challenges, social sector organizations should recognize that which is their particular advantage and work on building and advancing their “pocket of greatness” (pp. 28–31).

**Large Systems Change**

More recently, Peter Senge and his colleagues (2005) have explored large systems change from the perspective of learning and what they call *presence* (see also
Jaworski & Flowers, 1996). The notion is that change doesn’t come about through the accumulation of individually controlled changes, but systemically through a focus on the whole. For example, no single individual or group could have created global warming, yet globalized institutions have made possible a worldwide phenomenon seemingly beyond the reach of individuals to affect in any significant way. If this is the case, then it makes more sense to speak of change not in terms of what one individual or leader can do, but rather how the species can learn and grow. The authors explain some of the constraints in current systems as follows:

As long as our thinking is governed by habit—notably by industrial, “machine age” concepts such as control, predictability, standardization, and “faster is better”—we will continue to re-create institutions as they have been, despite their disharmony with the larger world, and the need of all living systems to evolve. (p. 9)

Deeper levels of learning can occur, Senge and others argue, as we develop the capacity to increase our awareness of the whole and to develop actions that are part of creating a future. The core capacity to create large systems change comes from within and is captured presence. Presence starts with being immediately and fully aware of one’s circumstances, but there is more:

We began to appreciate presence as deep listening, of being open beyond one’s preconceptions and historical ways of making sense. We came to see the importance of letting go of old identities and the need to control and . . . making choices to serve the evolution of life. (p. 13)

In this way, the field of engagement with the world shifts and large-scale change is possible. But change comes first from within, with how we see ourselves and our relation to the larger community—the larger world.

Otto Scharmer (2007) has elaborated on this perspective in Theory U. Scharmer, using the notion of presence as a way of understanding learning and change, argued that the key task of anyone bringing about change is to enable others to see the whole. “The primary job of leadership . . . is to enhance the individual and systemic capacity to see, to deeply attend to the reality that people face and enact. Thus the leader’s real work is to help people discover the power of seeing and seeing together” (p. 136). The key ingredient in successful change is to shift the way in which people see the field in which they operate, moving away from the world of habits and routines to enter contexts that matter, then connecting with the source of the highest future possibilities and bringing them into the present. Only at this point is where we begin to undertake actions that will allow us to connect with the future and the new institutional ecologies. Scharmer described seven inflection points that are arrayed in a U pattern: (1) downloading, (2) saying, (3) sensing, (4) presence, (5) crystallizing, (6) prototyping, and (7) performing. In order to reach our essential core and make transformative
change possible, we must move through a threshold at the bottom of the U. As we move through this threshold, we encounter our best future selves, either as individuals or as a collective. To do so we need not only an open mind to envision new possibilities, but an open heart to embrace them, and an open will to move them forward.

Margaret Wheatley and Deborah Frieze (2008) explored a similar approach to large systems change using the concept of *emergence*. Wheatley and Frieze, like Senge and Scharmer, argued that large systems change rarely comes about as a result of top-down or control strategies. It is rarely the result of one person or one dominant group imposing will on others. Instead, change in social organizations, and social systems, follows a pattern similar to that of change in nature, where several small actions come together to create a new dynamic.

Change begins when active and thoughtful people start to connect with one another in networks where knowledge and practices can be exchanged and improved upon. (There is a tendency to think of networks in terms of how they might be used or controlled; however, much more important, the networks enable creative communication in the generation of innovative ideas.) At some point, networks evolve into communities of practice (CoPs). In communities of practice, individuals realize the benefit that they and others can receive through their interaction and make a commitment “to share what they know, to support one another, and to intentionally create new knowledge for their field of practice” (Wheatley & Frieze, 2008, p. 5).

From these communities of practice, new patterns of thinking and new systems of influence can emerge. These systems represent a fundamental departure from previous patterns; they actually come into being through the interaction of individuals with others, representing something new and fundamentally different. “When separate, local efforts connect with each other as networks, then strengthen as communities of practice, suddenly and surprisingly a new system emerges at a greater level of scale. This system of influence possesses qualities and capacities that were unknown in the individuals” (Wheatley & Frieze, 2008, p. 1). In human systems, as in natural systems, this is the process of emergence. In the next section, we examine some of the ways in which the cultural perspective, the idea of learning organizations, and the large system change notion translate into specific strategies and techniques for change. For now, the important lesson is that thinking about organizations in terms of paying attention to organizational culture—the norms, beliefs, and values of organizations—and to building the learning capabilities of their members and the learning organizations provides a useful way of envisioning organizational change.

**Approaches to Bringing About Change**

Whether we conceive of organizational change in terms of an interplay of driving and restraining forces, building or remodeling an organization’s culture, or building a capacity for organizational learning, there are several specific strategies or techniques that may be helpful in bringing about organizational change.
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Change Through Management
Action or Reorganization

Historically, most organizational changes have been brought about by fairly unilateral action on the part of the managers, and indeed, many organizational changes continue to occur in this way. Certainly, such an approach is consistent with centuries of organizational practice, especially the hierarchical practices of traditional military and industrial organizations. In this view, the person holding a higher position in the organizational system is assumed to have the prerogative of basically “telling” others what to do. In this model, orders contained in memos, policy declarations, or verbal commands flow downward through the hierarchy, and the expectation is that they will be obeyed. Change of this type tends to be formal, impersonal, and task oriented. Although contemporary management thinking has cast doubt on this approach to organizational change in favor of approaches that are characterized by openness, involvement, and shared decision making, many managers continue to use this approach, especially in situations where tasks are somewhat routine, highly structured, and easily programmed.

Many managers also seek to bring about changes in their organizations through restructuring or redesigning their organizations’ structures, their basic work processes, and their core systems. Such efforts are deeply rooted in the history of organizational change; reorganization is a familiar refrain in most public organizations. But there are more contemporary approaches that suggest greater flexibility on the one hand and greater attention to detail on the other. In either case, organizational structure—the arrangement of the organization’s human resources so as to best meet its objectives—is considered closely connected to the behavior of individuals within the organization. Presumably, all else being equal, people operating under one structure will behave differently from those operating under a different structure. Moreover, many believe that changes in the basic strategy of the organization must be reflected in the structure of the organization.

Traditionally, discussions of organizational structure have centered on several key questions. The most important of these is how various functions and the employees associated with those functions should be grouped in units such as departments, divisions, and sections. Early on, Mooney and Reiley (1939), two former General Motors executives, suggested several types of organizational groupings, including what they termed the “scalar” principle (the vertical division of labor such as that between a general and a private in the military), the “functional” principle (the horizontal division of labor such as that between infantry and artillery), and a distinction between “line and staff” (with line offices representing a direct chain of command or the structure through which authority flows, and staff offices serving as advisers to the chief executive but holding no direct authority over line offices).

Early writers on public administration were similarly preoccupied with questions of organizational design. Luther Gulick (1937), the first city administrator of New York and a founder of the American Society for Public Administration, offered four steps that should be taken in creating a new agency: (1) defining the job to be carried out, (2) selecting a director, (3) determining the nature and number of units
required, and (4) establishing a structure of authority through which the director can coordinate and control the activities of the unit (p. 7). In turn, Gulick suggested that work can be divided (or functions grouped) on the basis of the following:

**Purpose**—Work may be divided on the basis of the major purpose being served by an agency, such as issuing food stamps or providing indigent health care.

**Process**—Work also may be organized around the major process employed by the agency, such as engineering, law, or medicine.

**Persons or things**—Work may be divided on the basis of those persons or things dealt with by the unit. For example, the Veterans Administration deals with all problems of veterans, including financial, medical, and legal problems.

**Place**—Work may be organized according to the geographic location of those being served, such as in regions or districts with defined boundaries. (pp. 21–29)

In addition to answering the central question of how organizational units are to be organized, those interested in structural change must ask other questions such as the following. Who will report to whom? What is the appropriate span of control (i.e., how many people can reasonably report to one manager)? How will the assignment of duties and responsibilities for each task or functional area be determined? How will the various units of the organization interact with one another?

Most managers seeking structural change even today answer these questions merely on the basis of the advice of other practitioners and on sheer intuition. But recently scholars and practitioners have begun to investigate the question of organizational structure more systematically and have identified a much wider range of structural possibilities. For example, a distinction sometimes is made between mechanistic and organic structures. Mechanistic structures are highly formalized, specialized, standardized, and centralized. They rely primarily on traditional top-down hierarchical authority. Organic structures, on the other hand, emphasize horizontal rather than vertical relationships and are much “looser”—more flexible, adaptable, and responsive. Such organizations, which are becoming more and more common, are especially well suited to dealing with rapidly changing environments and to promoting change and innovation.

There are a variety of other organizational approaches that are being tried today as organizations seek greater flexibility and adaptiveness. Certainly, many organizations are becoming “flatter”—that is, having fewer levels from top to bottom. Many organizations are seeking to overlay the traditional organizational structure with self-managed work teams or other such groups that are empowered to come up with solutions to organizational problems independent of their place in the organizational hierarchy. As one example, the “matrix” organization superimposes a project structure on a traditional functional structure, in some cases establishing permanent project teams but, in the public sector, more often depending on task forces or interdepartmental teams brought together for a specific purpose. For
example, at the local level, employees from a neighborhood services department, a housing department, a police department, and an economic development department might come together in seeking to expand youth services. As more and more governmental activities require the participation of many different agencies, this form of interdepartmental coordination transcending the traditional “silos” represented by parallel agencies probably will be more and more frequent. And, of course, advanced information technology makes it considerably easier for people throughout the organization to communicate with one another regardless of their positions in the formal structure.

Many managers believe that they can come up with plans for reorganization by locking themselves in their offices and experimenting with assorted organizational charts drawn on their walls. Unfortunately, that approach often spells disaster. More recent explorations of how to bring about organizational change through organizational redesign recognize the greater complexity of the issue. Nadler and Tushman (1997), for example, used an open systems approach to suggest that a key to organizational success will be the extent to which the various components of the organization “fit” together. That is, the degree to which the organization’s strategy, its work processes, its people (and their capabilities), its structure, and its culture are aligned will determine the organization’s effectiveness (p. 34). The key is to engage in a careful and systematic analysis of these various components with an eye toward their “congruence.”

Interestingly, Nadler and Tushman (1997) argued that the design of organizational “arrangements” should not be limited to questions of organizational structure—those decisions reflected in that standard organizational chart. Rather, there are three categories: (1) structures (the formal patterns of relationships between groups and individuals), (2) processes (specifically designed sequences of steps, activities, and operational methods), and (3) systems (applications of either physical or social technologies that enable the performance of work such as human resources systems or information systems) (p. 47–48). Nadler and Tushman’s approach to organizational design, then, is comprehensive:

Organization design involves decisions about the configuration of the formal organizational arrangements including the formal structure, processes, and systems that make up an organization. The goal is to develop and implement a set of formal organizational arrangements that will, over time, lead to congruence, or good fit, among all the components of the organization: strategy, work, people, the informal organization, and the formal organizational arrangements. (pp. 48)

Those undertaking organizational design efforts would be well advised to think systematically about how all of the different elements of the organization might fit together in the future.

Despite these advancements, we should note that more recent writers have called into question changes in the organizational structure as a way to improve performance (Oxman & Smith, 2003). Although they confirmed the ameliorative effects
structural change can have on cost efficiencies, they argued that organizational communication and performance management no longer depend heavily on the organizational hierarchy. They emphasized that the new technologies (e-mail, voice mail, text messages) “prevent the miscommunications associated with the handoff of messages from person to person across the levels” (p. 78). They further pointed out that the increasing knowledge and competitiveness of the employees together with project-by-project evaluations and individual project consolidation make less significant the levels in the organizational hierarchy. They suggested focusing on what they call “nonstructural issues such as people, process, and rewards” in order to achieve flexibility in the organization (p. 79). “Flexibility is trumping structure as the governing principle behind organization design” (p. 80).

Change Through Organization Development

Another approach to organizational change that has received widespread attention and application over the past several decades is organization development (OD). This is an approach to planned change in the organization that is (a) based in the behavioral sciences; (b) aimed at systemwide improvements in the functioning of the organization; (c) conducted primarily with a focus on improving individual human capabilities, especially “process” skills—that is, *how* things are done as opposed to *what* is being done (typically issues such as communications, power and authority, and motivation); and (d) guided by an external consultant or interventionist hired to “facilitate” the group’s development. In each case, the goal of an OD intervention is to help members of the organization themselves to bring about needed organizational changes. (A variety of different definitions of OD are discussed in French and Bell [1999].)

The role of the OD consultant is quite different from other consulting roles. A consultant, for example, may be hired to provide expertise to the organization. That is, a manager may identify a need for competencies, such as skills in survey research or financial analysis, not contained in the organization or already assigned to other tasks. Although the manager and consultant may work together to define or diagnose the problem, in the end the consultant basically tells the manager what should be done. A consultant also may be hired into a doctor–patient relationship. That is, the consultant is brought into the organization to figure out what is wrong with the patient and then to prescribe a course of action for the patient to follow. Here both the diagnostic role and the prescriptive role lie largely with the consultant, making the relationship particularly dependent on a complete and accurate flow of information between the consultant and the client and on the accuracy of the consultant’s recommendation and the ability (and willingness) of the client to follow that recommendation. OD relies instead on what sometimes is called process consultation, an approach that assumes that “the client must learn to see the problem for himself and be actively involved in generating a remedy” (Schein, 1988, p. 9). The OD consultant neither tells the client what to do nor prescribes a remedy. Rather, the consultant recognizes the client’s autonomy by working with the manager and those throughout
the organization in identifying issues, developing solutions, and implementing those that are proposed.

In a classic portrayal of the interventionist’s role in OD, Argyris (1970) suggested the importance of having solutions generated from within the organization rather than imposed from outside of the organization. In keeping with this approach, he recommended that the consultant’s role be to generate valid and useful information, to promote free and informed choice on the part of the client group, and to help build internal commitment to the choice that is made. Argyris explained each point as follows.

Valid and useful information. “Valid information is that which describes the factors, plus their interrelationships, that create the problem for the client system” (1970, p. 17). Such information not only must be valid but also the client group must be able to use it to change the system.

Free choice. “Free choice places the focus of decision making in the client system. . . . Through free choice, the clients can maintain the autonomy of their system” (1970, p. 19).

Internal commitment. “Internal commitment means the course of action or choice that has been internalized by each member so that he experiences a high degree of ownership and has a feeling of responsibility about the choice and its implications” (1970, p. 20).

Whereas the OD consultant aids the client system in exploring problems and in designing solutions to those problems, the interventionist is, in this view, largely neutral with respect to the solutions chosen so long as the group is committed to those solutions.

But other OD consultants bring a set of fairly explicit values to their consultation. Robert Golembiewski (1972), probably the leading OD theorist in public administration, suggested that OD represents a particular philosophy at odds with traditional top-down tendencies. According to Golembiewski, this philosophy includes the following values:

- Mutual accessibility and open communications
- A willingness to experiment with new behaviors and to choose those that seem most effective
- A collaborative concept of authority that emphasizes cooperation and willingness to examine conflicts openly
- Creation of a mutual helping relationship involving a sense of community and acceptance of responsibility for others
- Authenticity in interpersonal relationships (pp. 60–66)

In this less neutral view, the bias clearly is toward democratic approaches as opposed to authoritarian ones. The interventionist comes into the organization believing that certain behaviors are more likely to produce positive results than are others (Figure 12.2).
Whatever their philosophies, OD practitioners typically employ a variety of strategies and techniques to help facilitate organizational change. These include the following.

**T-groups.** The earliest (and still most controversial) OD interventions evolved from the T-group (with T standing for *training*) or sensitivity group movement of the 1960s. T-groups involve 10 to 12 members and a facilitator brought together for an extended period in an unstructured group situation where the group must create its own agenda, its own norms and expectations, and its own models for appropriate behavior. Advocates of T-group training suggest that such training can increase members’ sensitivity to and competence in dealing with behavioral issues, their understanding of group and intergroup dynamics, and their skills in dealing with uncertainty and ambiguity.

**Process consultation.** As mentioned earlier, process consultation is concerned with helping a client or client group understand more clearly and act on those process issues that arise in organizational settings. These process issues include but are not limited to communications, the roles and functions of group members, group problem solving and decision making, the development and maintenance of group norms and expectations, and the role of leadership, power, and authority in groups and organizations.
Third-party interventions. Conflict or competition occasionally arises in groups and organizations. Third-party interventions are designed to bring the parties together in the presence of a facilitator to identify problems and begin to develop ways of dealing with them in a constructive way, often reaching solutions that are consistent with the basic interests of both parties to the conflict.

Survey feedback. Perhaps the most widely used OD technique, survey feedback involves the consultant collecting data from a broad cross-section of the organization (or its entire population) through questionnaires, interviews, or focus groups and then analyzing the resulting data and feeding back the data to the members so that they can work together to interpret the information and design corrective actions. Typically, members of the organization hold a great deal more information about the organization and its problems than is apparent in their day-to-day interactions. Having such information collected and presented to them often helps members to assume ownership not only for existing problems but for their solutions as well.

Quality of work life. Traditionally, quality of work life programs alternated between improving the social and psychological conditions of work for individuals and involving lower-level participants in organizational decision making, both of which seem to contribute at least indirectly to enhanced organizational performance (Cummings & Huse, 1989, chap. 11). Among the approaches that might be undertaken in a quality of work life intervention are creating flatter and leaner organizational structures emphasizing employee involvement, developing job designs that provide employees with high levels of discretion and involve them in a variety of tasks, and opening communications throughout the organizations horizontally, vertically, and diagonally.

Team building. Much of the work of the modern organization is done in groups or teams, so it is not surprising that OD practitioners have been especially attentive to building effective teams. Again, a facilitator may work with a specific team to identify elements of individual behavior and group dynamics that might impede the group’s functioning and then to develop strategies for overcoming those problems. The content of such sessions probably will include attention to the purpose of the group, how comfortable members are with one another, how open the pattern of communication within the group is, how various members play different and important roles in the group, and how leadership in the group is shared among members (Parker, 1990, p. 33).

We should note that although OD in its classic sense involves the use of external consultants, many elements of the OD philosophy and even the techniques used by OD practitioners have been appropriated by managers for their own use in the workplace. Certainly, the central OD commitment—that of involving people throughout the organization in the analysis, interpretation, and solution of organizational problems—has become a key tenet in contemporary management. Largely because of OD theory and practice, managers today agree that involving employees
in organizational change is an essential contributor to success in bringing about change and that improving the social and psychological circumstances of work life can have enormous benefits in terms of organizational productivity.

**Change Through Appreciative Inquiry**

A more recent variant of the organization development approach is called *appreciative inquiry*, sometimes abbreviated AI (Cooperrider & Whitney, 2005; Whitney & Trosten-Bloom, 2003). This approach, consistent with the positive organizational behavior movement, focuses on emphasizing the strengths in an organization rather than focusing on weaknesses or “deficits.” Proponents of this approach feel that traditional approaches to change management place too much emphasis on the weaknesses of the organization. They focus too much on solving problems and not enough on building upon positive things that are happening in an organization. AI seeks to reverse this process and emphasize the organization’s strengths in meeting the needs of customers and citizens, building resilience and adaptive management, enhancing revenue and productivity, and fully engaging those throughout the organization. “Appreciative Inquiry is the cooperative, co-evolutionary search for the best in people, their organizations, and the world around them. It involves systematic discovery of what gives life to an organization or community when it is most effective and most capable in economic, ecological, and human terms” (p. 8).

The idea of AI is to create conversations within an organization about what the organization does best and how it might build on its successes to better meet the future. Conversations are stimulated that focus on key organizational issues, not from the perspective of what is wrong, but from the perspective of what the organization is doing right. This enables members of the organization to share best practices (sometimes called the “positive core”) and to develop a shared commitment to excellence across the board. This new knowledge and commitment is then linked to the strategic direction of the organization in a comprehensive way. Underlying this approach is a belief that positive organizational change requires positive affect and social bonding, and that these features are prerequisites for generative or emergent change (as discussed earlier in this chapter).

Cooperrider and Whitney (2005) outline four phases in the process of appreciative inquiry:

1. **Discovery.** This phase mobilizes the whole system by engaging all stakeholders in the articulation of strengths and best practices. It entails identifying “the best of what has been and what is.”

2. **Dream.** This phase creates a clear results-oriented vision in relation to discovered potential and in relation to questions of higher purpose, such as, “What is the world calling us to become?”

3. **Design.** This phase creates possibility propositions of the ideal organization, articulating an organization design that people feel is capable of drawing upon and magnifying the positive core to realize the newly expressed dream.
4. *Destiny*. This phase strengthens the affirmative capability of the whole system, enabling it to build and sustain momentum for ongoing positive change and high performance. (p. 16)

While each application of AI will differ according to the specific circumstances of the organization, a leadership advisory team is typically selected to work with the AI consultant, after which a core group is selected to plan and design the entire process. These groups then engage all or most participants in the organization to generate the best ideas and most positive experiences that the group can build on. Proponents of AI argue that the best results are achieved when everybody is “in the room.” But again, the basis of this approach to changing management focuses on what is positive in the organization and builds on the strengths of the organization.

*Change Through Six Sigma*

A dramatically different, but also popular approach to change management is called *Six Sigma*. Six Sigma is a system for organizations to measure, achieve, and sustain success. More specifically, Six Sigma begins by employing statistical analysis to locate process errors that produce defects in a product line. A “sigma rating” is then determined, based on the number of defects per million products. Strategies are developed for correcting errors and in turn improving quality and reducing cost. Six Sigma itself performs at the level of 99.9997% perfection, meaning that the organization delivers its services with only 0.0003% defects among a million transactions. This means that only three to four customers are not satisfied by the service (or they receive services with defects). For example, a state-level Office of Cash and Debt Management could decide to implement Six Sigma methodology and establish a goal of achieving 99.9997% perfection with domestic cash transactions. That would mean that the Office of Cash and Debt Management would allow only three to four defective transactions out of a million total. On the one hand, this will reduce the extra costs that the unit is paying because of the errors that occur while making the payments, and on the other it will increase the satisfaction of the customers because they would be paid on time and without any inconvenience.

Implementing Six Sigma starts with a management decision on what the organization needs to achieve: a full-scale change (business transformation), strategic improvements limited to one or two critical needs, or solving persistent problems within the organization. Once this decision is made, many employees and managers in the organization train for different roles: Black Belt, Green Belt, Master Black Belt, Champion, and Implementation Leader. The people in these roles have specific tasks that should be successfully implemented. The Black Belt works with a team on a specific Six Sigma project and is “responsible for getting the team started, building their confidence, observing and participating in training, managing team dynamics, and bringing the project to successful results” (Pande & Holpp, p. 25). The Green Belt brings the new Six Sigma tools into day-to-day activities. Most employees in the organization are trained to perform this role. The Master Black Belt is an expert in Six Sigma analytical tools, who trains Black Belts and their
teams. The Champion is the person in the organization who provides the resources, informs the management on the Six Sigma progress, and makes sure that ongoing projects align with organizational goals. “The ultimate goal of the Implementation Leader is to drive Six Sigma thinking, tools, and habits across the organization and to help the effort reap financial and customer benefits” (p. 25).

Proponents of this approach argue that Six Sigma, if appropriately established and implemented, can be a powerful tool to motivate employees. “When the company is committed to improving its processes, to meeting customer expectations, to cutting cost, employees will naturally feel motivated to do better” (Brue, 2002, p. 30). The fact that they actively participate in the implementation of the changes and ultimately in achieving the goals of the organization motivates the employees to give their best to the organization.

Organizations that decide to use Six Sigma methodology face great challenges. They have to be prepared to implement all necessary steps properly, they have to train their employees in how to perform new roles, and they have to be persistent with the established goals if they want to enjoy the benefits. Producing and delivering goods and services with the greatest customer satisfaction, avoiding the defects, and saving money are goals of both private companies and public organizations.

Change Through the Arts*

To again emphasize the variety of approaches to planned change, we should note that recently both public and private organizations have employed the arts as a way of bringing about exploration, change, and transformation (Austin, Devin, & Schmidt, 2003; VanGundy & Naiman, 2003). The 1990s saw the emergence of a handful of practitioners from several artistic disciplines doing new and experimental work in organizations. For example, percussionists gathered executives in drum circles to experience synchrony, collaboration, and listening. Stan Gryskiewicz, at the Center for Creative Leadership, brought in jazz musicians to demonstrate improvisation in communities of practice. Consultants such as Michael Jones and John Kao sat down at the piano and merged their speaking careers with spontaneous performances from the keyboard. Acting companies brought Shakespeare into the boardroom, and visual artists, including Cheryl De Ciantis, developed activity modules for executives working with clay and other sculpted materials to create tangible expressions of their personal missions. Creative Leaps International entered the scene with Concerts of Ideas, a program designed to spark new thinking and accelerate discussion of leadership and change.

In the decade that followed, the practice proliferated rapidly across the United States and Europe. Violinist Miha Pogacnik from Slovenia convened the first European Arts and Business Summit at Castle Borl in his home country. Conductors Benjamin Zander and Roger Nierenberg began their extraordinary work from the podium, inviting corporate groups right into the orchestra to witness the dynamics of precision teamwork in a mighty symphony. The Orpheus Chamber Ensemble, a conductorless orchestra, turned the leadership model on its head, demonstrating leadership as something that could emerge spontaneously.
As an example of how the arts might be employed in organizational change, consider this case. Two years after Katrina, the Southeast Louisiana Chapter (SELA) of the American Red Cross was dispirited. It had itself been decimated, members losing their own homes and loved ones to the storm. They had pushed themselves beyond the breaking point—working for others and neglecting themselves.

Three groups were brought in to help SELA and its people put itself back together: (1) The George Washington University (GWU) Institute for Crisis, Disaster and Risk Management; (2) the James MacGregor Burns Center for Leadership at the University of Maryland (UM); and (3) Creative Leaps International, a nonprofit educational and consulting group headquartered in the Hudson Valley of New York. The teams from GWU and UM led the way with painstaking research, interviews, and interventions pointing the way to recovery. Significant progress was made, enhancing self-knowledge and reframing the realities that had defeated the Red Cross workers. Yet, somehow, hope continued to be elusive.

The team from Creative Leaps was called in and helped to design a culminating Resilience Retreat for the SELA participants, rich in arts-inflected workshops and activities. Chief among them was the Concert of Ideas, a lively interactive performance designed, in this instance, to honor heroic service; catalyze new thinking; and gently, but surely, resurface the emotional trauma of SELA’s Katrina experience. The Concert of Ideas is a trademarked invention of Creative Leaps International with a very particular architecture and style of interaction. From the very beginning, it takes its listeners by surprise with dynamic, energizing, and very thoughtfully selected music, largely classical and theatrical with a blend of spirituals and original compositions. In addition, the session includes poetry, stories, listening games, and conversation across the footlights—an engaging mix of ideas and activities drawn from the arts, sciences, philosophy, and cultures of many lands.

Each of the performance elements is keyed to the central theme, issue, or questions of the day. But no answers are offered, only directions of exploration and openings to alternative perspectives. For the Red Cross workers, there was hesitation at first even to sit down and give the performance a chance. People wondered, “What could this possibly do for us? We’ve got mountains of work to do.” But as the music washed over them and the performers reached out heart to heart, person to person, something began to happen. The music entered and loosened that which was locked away. Tears flowed, glances raced from one to another, and smiles began to break out from tightly clasped lips. Within minutes, the room came alive and the journey with Creative Leaps International began.

Over the next two days, discussion circles and workshops took the explorations deeper. The five workshops Creative Leaps offered were repeated three times, due to popular demand. Running concurrently, sessions spanned titles including Leadership and Perception, Mind–Body Stress Management, Risk Taking and Habits of Excellence, Lessons of Courage and Adversity, and The Hero’s Journey. The participants absorbed the messages and used these safe, personal gatherings to voice their own closely held truths.

Finally, on the afternoon of the last day, the Creative Leaps team recruited 15 volunteers to partner with them in the creation of Harvest of Learnings, a
performance event for the SELA participants themselves to author and perform, with a bit of musical and theatrical assistance from their Creative Leaps colleagues. Through two dynamic hours of meetings, interviews, and quick-fire rehearsals, the Harvest was prepared. The performance that followed was part celebration, part solemn ceremony, and moved through everyone forcefully—every hard-won truth, every personal victory uplifted. Through tears of joy and gestures of triumph, the SELA participants exclaimed, “We’re back!”

* This section is adapted from Cimino and Denhardt, forthcoming.

The Management of Change

Public managers often are called on to bring about substantial change in their agencies. Some managers are specifically hired to “fix” existing agencies. But even for managers who have been in place for some time, new legislative mandates, a public crisis of confidence, dramatic changes in the environment, or a vague feeling that things could be working much better might lead managers to think in terms of a systemwide organizational transformation. We already have examined some of the approaches and strategies that managers might employ in specific situations, but we also should ask how managers might bring about systemwide improvements in quality and productivity in their organizations.

Steps in Organizational Transformations

Studies have shown some agreement concerning the steps that managers should take to bring about organizational change. For example, a study by Denhardt and Denhardt (1999) explored the question of how local government managers bring about change, based on case studies of three highly regarded local government leaders. Briefly, Robert O’Neill’s approach in Fairfax County, Virginia, has been to emphasize open communications throughout the organization, significant involvement of county employees in major decisions, and the building of more effective linkages with the community. Descriptions of Phil Penland’s work in Altamonte Springs, Florida, tend to center on two or three especially important or signal efforts that helped to set a tone or establish the culture of change and innovation that characterizes Altamonte Springs today. But what is most striking is the way in which Penland has encouraged a culture in which change is seen as a positive value rather than as something to be feared and in which all employees are actively involved in pursuing innovations that make the city work better. Jan Perkins in Fremont, California, has led a transformation that has centered on building more effective customer service, working internally and externally through the use of interest-based bargaining, and significantly involving citizens in every aspect of the city’s governance (see the case study later in this chapter).

Based on these case studies, Denhardt and Denhardt (1999) developed a model of leadership for change that posits a series of five steps that those wishing
to successfully bring about change in their communities completed. Successful public managers hoping to lead change must (1) assess the organizations’ environments and the need for change, (2) plan for change both strategically and pragmatically, (3) build support for the change process both through conversation and through modeling the change process in the managers’ own behavior, (4) implement specific changes while at the same time encouraging a broader positive attitude toward change and innovation, and (5) institutionalize the changes. Cutting across these issues, Denhardt and Denhardt also pointed out the importance of managers’ learning capacities, especially with respect to knowing themselves and their values, knowing their communities, knowing their organizations, and knowing their governing bodies. Finally, the authors suggested that the form of leadership these managers exhibited differs significantly from the traditional top-down, internally focused approach frequently employed in public administration; the former is much more open, free-flowing, engaging, and collaborative than the latter, yet it is firmly committed to the ideal of service to the community.

Although public sector change activities are likely to be considerably more attuned to public engagement than those in the private sector, these findings are consistent with those of scholars examining change in the private sector. Nadler and colleagues (1995, chap. 6), for example, suggested five phases in the change process:

1. **Diagnosis.** This is a thoughtful assessment of the current state—its strengths, weaknesses, and embedded aspirations. Diagnosis should not be complex or cumbersome; its primary purpose is to identify the resources available for developing the new organization. Therefore, the focus is on clarity, simplicity, and communicability.

2. **Clarification and coalition building.** The objectives during this phase are to refine and clarify the vision of the future state and to recruit key change agents and interventions. Here activity picks up; staff members are involved in articulating the future state and describing the specific changes to take place.

3. **Action.** The major changes are launched, and the organizational identity and architecture are communicated. At the end of this phase, the major pillars of the new organization should be in place.

4. **Consolidation and refinement.** During this phase, there are several activities ranging from assessment and checking to moving people who are not working out. The key output at the end of this phase is the broad-based implementation and acceptance of change.

5. **Sustainability.** During this phase, the challenge is to reflect on how the organization is working and what refinements, if any, are required to achieve the original design intent. Typically, the executive team collects data and uses them to evaluate the new organization’s strengths and weaknesses. In fact, one of the outputs of this phase might be to launch incremental change or refinements to the now current state. The purpose is to build the new organization into a high-performance mode.
Kotter’s (1996) work Leading Change added an interesting dimension to the transformational process, suggesting that too much complacency is the death knell of organizational change. He argued that managers often overestimate their own influence in organizations and underestimate how difficult it is to get people to change. According to Kotter, “Without a sense of urgency, people won’t give that extra effort that is often essential” (p. 5). He even recommended that managers create crises by allowing financial losses to occur or allowing errors to blow up instead of being corrected. Although such tactics seem especially questionable in public organizations, they at least emphasize Kotter’s recommendation that managers begin the change process by creating (or at least communicating) a sense of urgency.

Change and Innovation in Public Organizations

Public organizations present unique problems and opportunities for managers seeking organizational changes. For example, although politics plays a role in all organizational changes, the politics of change are considerably more complex in public organizations than in private ones. In a democratic political system, power is widely shared, meaning that many constituencies will need to be involved and many approvals might be required. As noted earlier, this aspect of change in public organizations is likely to become even more important in the future as the most pressing problems cut across agency and jurisdictional boundaries. Under these circumstances, Popovich (1998) and his writing team colleagues recommended that public managers be especially attentive to the politics of change. Among other things, the contributors to that volume noted that nearly every move public managers make will have political implications. Political leaders will want to know what is going on and will resent surprises. Moreover, managers should remember that government agencies are the way they are because somebody at some time wanted them to be that way. Nearly all barriers to effective agency performance (i.e., those burdensome rules and regulations) started out as reforms, and this political history is important to consider. For example, the state of Maryland has particularly rigid procurement rules that one might be inclined to change except that those rules are the result of a series of scandals that became important politically. So, any change-oriented public manager, in Maryland or anywhere else, needs to consider how proposed changes will be viewed by elected officials, citizens, and others.

Another important concern is that leadership in political offices and appointed offices can turn over quite rapidly. This means that changes that appear extremely important to one group might, for political or other reasons, appear quite “out of touch” to another group. Numerous changes in public organizations have garnered enthusiasm and support when they were introduced, only to be quickly discarded as the next administration came on board. But this is not always the case. The state of Oregon, for example, began a broad-based strategic planning process in 1988 that established several hundred benchmarks for assessing the progress of state government. Three consecutive gubernatorial administrations have embraced those benchmarks and maintained the momentum set two decades ago. (One variation of this issue is, of course, that organizational changes are influenced by
political cycles, especially the calendar of elections. Beginning major changes during the final year of a particular administration is not likely to receive strong support. Instead, this is the time to secure and institutionalize those changes that already have been made.)

Whether because of political constraints or because of other considerations, public managers seeking change in their organizations often make progress only through what Behn (1988) called “groping along” and what Denhardt (2000) called “pragmatic incrementalism.” Behn (1988) argued that change in public organizations often is not so much a matter of rational planning in which a manager considers all courses of action and then settles on a strategy that guides all of his or her future actions. Instead, “an excellent manager has a very good sense of his objectives but lacks a precise idea about how to realize them” (p. 645). But Denhardt pointed out that these managers are not moving forward randomly or without insight. Rather, they have a very clear idea of where they want to go, even though they might lack specific steps to reach those places. They do not have step-by-step plans, but they do have strategies, and from day to day and from moment to moment, they take advantage of opportunities to move in the desired directions. They might talk with citizen groups, encounter legislators in restaurants, or hold formal staff meetings. But in all of these settings, their messages remain much the same and fully consistent with the directions in which they want to move their organizations (Denhardt, 2000, chap. 5).

Another issue that has received increasing attention in the literature on public administration is how to create organizational norms where experimentation and innovation are not feared but rather valued. Light (1998) studied 26 public and nonprofit organizations in which innovation had become a way of life. Light found that these organizations followed many of the same prescriptions for organizational change that we already have discussed but that they were particularly adept at encouraging creativity. Among Light’s recommendations for creating “the freedom to imagine” were to stay “thin” (minimize organizational layering), create room to experiment (by granting groups the freedom to think “beyond the box”), push authority downward, lower the barriers to internal collaboration, democratize (by shifting from centralized rule to a more participatory style), prime organizations for innovation (by creating separate funding to implement creative new ideas), create a marketplace of ideas (in which ideas rise or fall on their own merits rather than on the basis of power or politics), prepare for stress (because change can be discomfoting), maximize diversity (internally but especially in relation to the community), and age gracefully (while maintaining an interest in innovation) (chap. 4).

Similarly, Denhardt and Denhardt (1999) found that many in public organizations, like their counterparts in business organizations, are “risk averse” in that they place a high value on not “rocking the boat.” This means that managers interested in encouraging innovation must take special measures to encourage employees to experiment, to value change, and (under the right circumstances) even to take risks. Indeed, a significant part of building a culture of innovation is setting expectations with respect to risk and opportunity. Change-oriented public managers want their employees to understand that there is no penalty for taking risks so long
as they are taken for the right reasons. In any case, although managers can bring about some changes “from the top,” in the long run many more innovations probably will occur if those throughout the organization know that change and innovation are valued, that they have been empowered to act, and that top management will support calculated risks.

Finally, Borins (1998) reviewed a sample of semifinalists’ applications for the Ford Foundation–Kennedy School of Government’s state and local government innovation awards. Consistent with what we have just said, a large portion of the innovations that occurred were initiated by public servants at the middle management level or on the front line. Borins argued that as public organizations devolve authority and responsibility throughout the organizations, we are likely to experience even more innovation. Moreover, in contrast to other findings, Borins did not find that public servants needed crises before they acted. Instead, they usually solved problems before they became crises (see also Borins, 2008). Borins wrote, “Politicians initiate in times of crisis, agency heads [do so] when they take over the reins or in an organizational change context, and middle-level and frontline public servants develop innovative responses as needed to solve internal problems or take advantage of opportunities” (pp. 284–285). Creating a culture in which persons throughout the organization are encouraged to experiment with new ideas is important in actually bringing about change and innovation, a conclusion also reached in a study of the city of Phoenix, considered one of the best run local governments in the world (Denhardt & Denhardt, 2001).

Finally, we should note that many in government think of innovation in terms of generating new practices or adapting new practices. Those governments or nonprofits that establish a culture of innovation will likely have success in generating and implementing new ideas. Others, however, can benefit from the established “best practices” of other organizations. For this reason, groups such as the Alliance for Innovation (www.transformgov.org) are engaged in research into best practices in local government and ways of implementing those best practices in other settings. There are also other resources for advancing the study and practice of public sector innovation, including the Innovation Journal (www.innovation.cc).

The Ethics of Managing Change

Although many consider management to be a fairly technical endeavor, there are important value questions that affect almost everything that managers do. Managers deal with humans and play a significant role in shaping the lives of those within and outside of their organizations. In so doing, they bear a special responsibility to their employees and the citizens they serve, a responsibility to engage in behavior that is not only efficient and effective but also ethical. In this section, we consider some of the values that enter into managers’ relationships with their employees.

Earlier, we reviewed some of the ways in which the manager tries to bring about change in the organization, including change through management action or reorganization and change brought about by reshaping the culture or learning capacity of the organization. But in any effort in organizational change, the wishes of the
manager are, to some extent, imposed on other people in the organization. If these people were left to their own devices, then they might act in quite different ways. But because of their roles and commitments within the organization, they act in the way that their manager desires.

Obviously, most efforts at organizational change involve attempts to maximize efficiency, effectiveness, and productivity in the organization. But these values are the values of management and might not necessarily be those of employees. For this reason, most attempts to transform organizations require managers to change the value system of the organization and its members in some way. That is, as Woodall (1996) put it, “It has become received wisdom that high levels of commitment and performance require employees to espouse values that are aligned with the managerial vision” (p. 28). In this view, the question becomes one of how the manager can persuade, entice, or co-opt others into following his or her vision of the organization and its future.

McKendall (1993) argued that most organizational change efforts actually serve to increase the power of management relative to others in the organization. This occurs for several reasons. First, planned change, especially strategic change, typically is initiated by top management and implicitly bears the message that top management not only is in control but also has a “right” to be in control. Second, as we have discussed, planned change creates uncertainty and ambiguity in the organization. Under these conditions, employees might seek stability through conformity to the wishes and desires of those who appear to be “in charge.” Third, efforts at organizational change involve management defining a new “reality” for the organization’s members. “It reaffirms the right of management to define the ‘order’ of the organization” (McKendall, 1993, p. 99). The basic question becomes one of how managers can secure compliance with their wishes.

Obviously, stating the problem in this way makes more apparent the possible ethical dilemmas that the managers may confront in attempts to change or transform the organization. At some point, change can become coercion, and influence can become manipulation—and there might be a very fine line between the two. Even though modern management expresses distaste for the old authoritarian biases of past management practices, there still are activities that managers engage in that have the effect of devaluing, and even dehumanizing, their employees. Being aware of some of the potential ethical dilemmas that are inherent in management and especially organizational change can help the manager to be more sensitive to the concerns of others in the organization and to be more likely to act in a consistently ethical manner. There are two areas that deserve our attention. First, who determines the need for change, the intended outcomes, and the organization’s values? Second, how can managers instill change in a way that is both effective and ethical?

The first question—who determines the need for change—may be addressed by thinking through the various obligations that public administrators have. Obviously, a manager (whether in a public or private organization) who pursues organizational change for his or her own self-interest would be acting in an unethical manner. But public administrators have a further obligation—to undertake change only as it is consistent with their obligations as public servants. Public agencies and their
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Managers are, first and foremost, accountable to the public. As Cooper (1998) put it, “It seems reasonable to expect that someone who accepts employment in a public fiduciary role [will] act generally in accordance with the values of the citizenry as expressed through a political system and direct citizen participation” (p. 69). More specifically, public administrators are expected to behave in a way that is consistent with the wishes of elected officials, especially as reflected in legislation. This means that a public administrator who changes the value system of his or her organization in such away that it no longer is consistent with legislation has acted in an unethical manner. Moreover, if an administrator acts outside of the law or his or her delegated authority in planning or implementing change, then this also would be considered unethical (Svara, 2006).

Beyond their obligations as public servants, public managers (indeed all managers) must face the question of the extent to which their imposing their values on others or their directing the behavior of others represents a violation of their employees’ freedom and autonomy. Lippitt and Lippitt (1978), in a well-known book on organizational consultation, wrote,

In the eyes of those persons who hold the enhancement of man’s freedom of choice as a fundamental value, any deliberate influencing of the behavior of others constitutes a violation of their basic humanity. On the other hand, effective behavior change involves some degree of utilization of power and control and a potential imposition of the change agent’s values on the client system. (p. 70)

Certainly, we typically assume that by involving ourselves in organizations, we give up some of our decision-making autonomy. But we also recognize that there are limits on the extent to which those in positions of power and authority can impose their will on others. Some such restraints are formal and specific, and they protect the rights of employees (e.g., prohibitions on sexual harassment). Others are more general. For example, the current emphasis on empowerment in organizations presents a significantly different answer to the question of power and control in organizations than that given by the early proponents of top-down “scientific management.” Moreover, we recognize that some organizations are more open and involving of lower-level participants than are others. In either case, merely by asking the question, we acknowledge that there is an ethical question concerning the extent to which managers can impose their values on employees. This goes to the second question—how managers can bring about change in a way that is both effective and ethical.

We can begin to address this issue by noting when managers’ activities would be unethical. For example, we generally would label as unethical actions that would coerce employees into certain behaviors. “Coercion takes place when one person or group forces another person or group to act or refrain from acting under threat of severe deprivation” such as the loss of one’s life, job, or well-being (Warwick & Kelman, 1973). Obviously, we would find overt acts of coercion to be objectionable, but in fact coercion is not always overt. Again, although most contemporary
management theories favor more open and involving styles of management, there still are situations in which employees are told essentially to “shape up or ship out.” Whether these actions are unethical is perhaps only possible to judge within the context of particular activities, but they certainly raise not just technical issues but ethical ones as well. (We should, of course, point out that in addition to the ethical question that coercion raises, in the long run, coercion is not likely to be effective anyway. At a minimum, it generates resentment, but beyond that it can lead to strikes, employee turnover, or even sabotage.)

Many of the same issues that we associate with coercion also can be raised with respect to manipulation. Although manipulation is a somewhat vaguer concept, it generally is taken to mean a type of interpersonal influence in which the manipulator intentionally deceives the target. Seabright and Moberg (1998) suggested that manipulation can be classified in two categories: (1) situational manipulation (in which the circumstances within which the target acts are so structured that the target sees no apparent alternatives) and (2) psychological manipulation (in which the target’s efforts to make sense of a situation are confused or misdirected). “Manipulation operates by robbing the victim of autonomy either in choice (situational manipulation) or in self-definition (psychological manipulation) for the sole purpose of advancing the perpetrator’s objective” (p. 167). The results are actions that are not freely undertaken.

We can easily think of examples of manipulation in organizations—fooling someone into doing something by the use of flattery or lies, playing on the emotions of someone to get one’s own way, making the target think that the agent’s way was his or her own idea, and so on. In any case, as with coercion, manipulative tactics that involve deception, threats, fear, secrecy, and dishonesty should be considered unethical. But manipulation sometimes is difficult to identify because it is so closely related to persuasion and facilitation, neither of which has quite the same negative connotation as manipulation. But in terms of organizational change, White and Wooten (1983) argued, “Basically, manipulation and coercion can occur when the organizational development effort requires organizational members to abridge their personal values or needs against their will” (p. 691). As with coercion, there may be practical negative consequences as well in that manipulation is likely to breed anger, fear, resentment, and hostility.

The question of autonomy leads to a final consideration—that organizational change efforts can become dehumanizing and therefore ethically questionable. Basically, this argument would hold that efforts at organizational change that suppress human development or limit the individual’s pursuit of meaning, autonomy, and independence raise substantial ethical issues. Many, of course, have argued that modern organizations, by their very nature, have tendencies toward dehumanization. What often is termed the rational model of administration primarily focuses on the organization achieving its objectives with the greatest possible efficiency. Efficiency becomes the key value in that model. But it does so by disregarding the question of human meaning. Individual members of the organization are not valued per se but only as means to given ends. Indeed, a major justification of the rational model is that it can help to eliminate those bothersome human qualities—such as
feelings, emotions, and values—that might interfere with the efficient pursuit of 
the organization’s objectives. The individual is not granted autonomy or meaning 
but rather is viewed in an instrumental fashion—valued only as a contributor to 
the organization’s objectives. Employees are forced into narrowly defined roles in the 
hierarchy so that their contributions can be regulated and controlled.

As with coercion and manipulation, dehumanization raises not only important 
ethical issues but also practical ones—dissatisfaction, lack of innovation, group-
think, and the creation of an overly conformist culture in which productive conflict 
cannot be found. Woodall (1996) summarized the ethical issues in organizational 
change in this way:

The role of change agents, and above all the process whereby a cultural 
change is introduced, are surrounded by ethical dilemmas. These do not just 
concern the inherent worth of the exercise or its benefit to the organization. 
They also include the impact on individual motivation to comply and above 
all the infringement of individual autonomy, privacy, self-esteem, and equi-
table treatment. (p. 35)

Reviewing the ethics of organizational behavior leads us to ask how public man-
gagers can bring about change while still maintaining a sense of democratic respon-
sibility and whether efforts at organizational change can be carried out in a way that 
avoids coercion, manipulation, or dehumanization. In either case, an appropriate 
response is to suggest that doing those things that promote the autonomy and 
independent involvement of individual citizens or employees provides the best pos-
sible ethical response. Indeed, one of the most significant ethical issues facing pub-
lic managers is how they can fully involve all of those individuals both within and 
outside of the organization who should play a role in decisions concerning the work 
of the public service (Svara, 2006). Public administration is, of course, different in 
the sense that, because public servants are involved in the governance process, they 
must constantly deal with issues such as justice, fairness, and equity. Every act of 
every public servant, whether in the formulation or implementation of public 
policy, is permeated with ethical concerns.

A Final Note on Personal Change

To be successful in changing public organizations, managers must develop a fairly 
specific set of skills necessary to the change process. As we have mentioned, many 
of these skills are what are called process skills—skills related to how things are done 
as opposed to what things are being done. A given task can be completed in a vari-
ety of ways, depending on the manager’s orientation; the difference largely lies in 
the area of process skills. As traditional modes of change that depend on authority 
and expertise give way to a growing need to generate the support and commitment 
of organizational members, these skills will become even more important. As we 
already have seen in this chapter, the success of organizational change efforts 
depends not only on what the manager does but also on how he or she does it.
We have, of course, already covered many process skills in this book—communications, motivation, negotiation, power and authority, and so on—but several of these skills deserve special attention in connection with the process of organizational change. First, change often is dependent on the manager’s (or the consultant’s) capacity for effective listening—that is, his or her ability to hear exactly what is being said by those throughout the organization and those outside who interact with the organization. The first stage in any organizational change effort is diagnosis, and that requires careful listening. Second, a manager interested in change will be aided by his or her ability to pick up behavioral clues that might not be apparent on the surface. Indeed, the manager’s capacity for empathetic understanding may be essential to effecting positive change. Third, we already have pointed out the importance of employee participation and involvement in the change process. But participation does not just happen. It requires the manager to act affirmatively to encourage open dialogue. The manager must feel secure in his or her own position so as to trust the suggestions that others make. Indeed, if the manager is insecure, then employees probably will not trust the manager.

As Judson (1991) wrote,

> Process skills have to do with the dynamics and quality of interaction among members of management and between managers, supervisors, and employees. The cultivation and development of effective process skills depend on having a supportive atmosphere in the organization, on personal willingness to take risks in trying new modes of interpersonal behavior, and on personal sensitivity to the behavioral clues offered by others. (p. 148)

Developing such skills demands much of the manager and even suggests that, to change the organization, the manager might need to change him- or herself. That deep and personal change required of the managers might, in the final analysis, be the single most important determinant of successful organizational change.

**Ways of Acting**

The following guidelines for action may help you to use the information contained in this chapter in your day-to-day work in public and nonprofit organizations.

1. If you are seeking to lead change, consider carefully the emotional and psychological components of resistance to change, both your own and that of others. People may oppose change for rational and objective reasons, but resistance also may indicate the play of emotional and psychological forces. People generally are more comfortable with patterns of behavior that are familiar to them. Changing those patterns requires a psychological adaptation, which often is quite difficult. In part, people must become accustomed to the new situation; in part, they must learn to accommodate the loss of what they had before. In either case, they need time to work through the important issues that often accompany change.
2. If you are seeking to lead change, try to clarify and communicate throughout the organization the problems associated with the current way of operating and what benefits might accrue if you tried something else. When people operate in one way for a long period of time, they come to think that is the only way of operating. That is why people justify keeping things as they are by saying, “We’ve always done it that way.” That might be true, but there also might be other ways of operating that will be far more effective.

3. If you are seeking to lead change, try to involve people throughout the organization in the change process. People are more likely to accept changes if they fully understand what is going on and if they feel a sense of “ownership” of the changes that are being made. Even more important, as one state productivity improvement director commented, “The people who do the work know the work best and know best how to improve the work.” For this reason, involving a wide range of people in the change process is likely to yield better ideas for how to improve the system.

4. Think about the forces that are driving change and those that are resisting change. A careful analysis of these factors often will indicate ways in which change can be introduced more effectively. Be especially careful to consider not just how to increase the pressure to change but also—and often even more important—how to reduce resistance to change. Be sure to match your approach to change—whether OD or Six Sigma or so forth—to the particular environment in which the changes will occur.

5. Consider the culture of the organization. Understanding the existing norms, beliefs, and values of those in the organization is an important first step in bringing about change. Cultural attributes typically are deep-seated in any organization (or any culture) and will represent substantial forces restraining change. On the other hand, by exposing the existing norms of the organization and by carefully developing a new statement of the organization’s vision and values (hopefully with broad participation from those in the organization), you might be able to set course for a new culture. Just remember that it will take a long time before any new culture becomes fully accepted as part of the very fabric of the organization.

6. Listen, listen, listen. The first step in bringing about change is to fully understand the organization and its stakeholders. Take time to listen to citizens, employees, clients, legislators, and those in various interest groups. Find out what they think about the organization and how it might be improved. Heed the advice of a local government budget officer who said, “If our city manager comes up with ten ideas a year, that’s good. But if a thousand people in the organization each come up with one, that’s even better. And besides, he probably won’t come up with ten anyway.” You might be that manager. Listen to the advice of those throughout the organization.

7. Think of building a capacity for learning in the organization. Although only individuals, and not organizations, are capable of learning, it is possible for you to affect the conditions under which learning that is helpful to the organization might occur. Individual insights and perceptions must be allowed to flow out into the larger organization where their impact will be greatest.
8. Remember the difference between single-loop and double-loop learning (learning new strategies versus learning new basic assumptions). Where those in the organization are facing decisions that are routine or repetitive, single-loop learning probably will be sufficient; where they are facing more complex and “nonprogrammable” decisions, double-loop learning will be required. Remember that sometimes single-loop learning appears to be double-loop when it really is not. Be sure that your learning processes engage the most basic and previously unchallenged assumptions of the organization.

9. If changes in the organization’s structure appear necessary, think twice. Make sure that the real issues are structural and not behavioral. If they still appear to be structural, then make sure that they require changes in the organization’s structure as opposed to work processes or core systems (e.g., technology). If structural changes still appear necessary, then proceed with caution and with the involvement of those affected.

10. Remember that today’s public organizations reside in a complex world of diverse policy networks. This means that for organizational changes to be effective, they often must involve citizen groups, stakeholders of the organization, and other public, nonprofit, and private organizations. Consider ways of involving all the relevant players in the design and execution of organizational changes, especially those that will affect other participants in the network.

11. To encourage change and innovation throughout the organization, consider employing a more organic, democratic, or participatory way of operating. Creating a culture in which people throughout the organization feel comfortable in proposing changes and feel confident that they will not be “killed” if well-considered risks do not pan out eventually will pay great benefits in terms of innovation. A key to innovation is to create spaces for innovation to occur. That is, give people the freedom, authority, and responsibility to propose and carry out needed changes. Encourage and reward innovation. Let people know that calculated risks sometimes are necessary for positive change to occur. Share leadership.

12. Be attentive to the politics of change. Remember that whatever changes you make in a public organization, there will be political implications. The existing system is the way it is because others—often political leaders of some consequence—thought that it should be that way. Recognize that changing something that others have invested political capital in has political ramifications.

Thinking in Action

Reasoning Processes in Organizational Change

Imagine a conversation in which Gina Leonard, the supervisor, called her employee Peter Brown into her office to talk about Peter’s recent performance. Gina had observed several recent lapses in Peter’s performance and had received complaints from others who were concerned as well. Moreover, she was concerned that Peter’s
disdain for others was affecting the performance of the work group as a whole. Gina really wanted to keep Peter in the organization because he was a highly skilled technician. But she also recognized that if things did not change, then she would have to build a case for his dismissal. Among the things Gina said in the conversation were the following:

Peter, your performance simply hasn’t been at the level we expect here.
People at your level have to set an example for others.
You seem to have a chip on your shoulder.
I don’t want to talk about what happened in the past that has led to these problems. That’s history. We have to deal with the future.
Let’s clear the air once and for all.
We need to be clear about your work and your impact on others.
I’ve heard several people describe you as “disruptive,” “uncaring,” and “detached.”
Others have even complained that you have been downright rude to them.

What is your reaction to Gina’s approach and her language? How would you diagnose what was happening here? What advice would you give to Gina in handling situations like this?

Assume that you met Gina in the hall later and that she asked what you thought of her approach as she explained it in a memo about her meeting with Peter. Write out a conversation between Gina and you using the right-hand side of several sheets of paper. On the left-hand side, write any thoughts or feelings that you might have during the conversation that you would not, for whatever reason, want to communicate to Gina. Following is an example:

Let Gina commit herself first so I can see what she thinks happened.

Gina: Did you read my memo on meeting with Peter?
You: Yes, I saw it. Must have been tough.
Gina: I just don’t know how to get through to a guy like Peter.

“A guy like Peter.” There’s a clue.

Write out your version of the conservation from here on. Trade your written conversations with another class member and analyze the hidden assumptions that person made in talking with Gina. Did that person consider Gina effective? If not, then why not? How close were the inferences that person made to the actual observable data? What actions might flow from such inferences? Is it necessary to create more abstract inferences to deal with the problem? If so, then how does the process of inference affect that of organizational change? How does all this connect to the
idea of double-loop learning? (This exercise is adapted from Argyris [1999]. See pages 71–87 in the original for a detailed examination of the factors at play here and their connection to the question of double-loop learning.)

**Leading Change in Local Government**

Read and be prepared to discuss the following two case studies.

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**Case Study 1**

Excellence in local government does not come about automatically but rather requires public managers to be highly skilled in leading change. When Jan Perkins became city manager of Fremont, California, in 1992, Fremont, like many other California cities, was suffering from both economic difficulties and the state’s efforts to pull back the property tax as a source of local government revenue. Yet while city employees were being laid off and services were being curtailed, citizen demand for quality public services remained high. More important, in Perkins’s mind, was the fact that citizens had lost confidence in their government. For both of these reasons, Perkins and other city officials in Fremont recognized that something dramatically different had to be done.

The change process started early in Perkins’s tenure, as one of her council members proposed bringing in an outside consultant (at a cost of $500,000) to diagnose what might be done. Especially because a neighboring city had just done the same thing and failed to adopt a single recommendation, Perkins believed that greater benefits could be obtained by working with those within the city to figure out how the quality and productivity of the city might be improved. A facilitated workshop session, involving top elected and appointed officials, was devoted to understanding “what we do, how we do it, and why we do it.” From there, the question became, “How can we do it better? Or, more specifically, how can we become fast and flexible, customer oriented, focused on results, and engaged in important partnerships internally and externally?” During the 5 years following the workshop, Perkins led a dramatic change in Fremont’s city government, a change built around delivering high-quality services to citizens, creating an internal culture built around continuous and employee-driven improvement, a highly collaborative approach to decision making and problem solving, and the creation of partnerships within the city and with surrounding communities.

The city’s interest in customer service was given initial impetus by complaints from local developers about how long it took to get permits and other approvals to undertake construction in Fremont. During a time when economic development was a key issue, these concerns were heard loud and clear, and the permitting process was improved significantly. Similar concerns were raised in other areas, to the point where Perkins and her top staff began

(Continued)
MANAGING HUMAN BEHAVIOR IN PUBLIC AND NONPROFIT ORGANIZATIONS

(Continued)

to concentrate on developing a serious philosophical and practical commitment to service quality. In part, Perkins described the philosophy as the Nike slogan: “Just do it.” That is, the message to employees was that if they saw a way in which the citizens of Fremont could be better served by city government, then they should take action. “Just do it.” But the philosophy also reflected an approach similar to the Nordstrom department store service philosophy—of being interested not only in the transaction (the specific product or service being delivered) but also in building a relationship (between customers and the business or, in this case, between citizens and government).

The city’s capacity to innovate has been aided by a much more collaborative approach to decision making and problem solving, an approach cutting across traditional organizational boundaries. Whatever their positions, employees are encouraged to think of themselves as representatives of the city and to do what is necessary to provide citizens with the answers they need. For example, if a planning department employee sees a streetlight malfunctioning, then that employee is encouraged to take action rather than just passing off the problem as one for the street maintenance people to discover and correct. Similarly, any employee receiving a phone call about any topic is encouraged to “own” that question until it has been answered satisfactorily.

This attitude also is supported by a strong emphasis on partnerships (or collaborative problem solving) at many different levels in the organization. Early in the process of labor negotiation, Perkins created joint labor management committees to consider “quality of work life” issues through a structured problem-solving process known as “interest-based bargaining.” This collaborative process encourages participants to identify their basic interests (before jumping to solutions) and then to engage in collaborative problem solving to find a way of accommodating the varied interests represented. Interest-based bargaining was so highly successful in labor–management relations that the same approach has been encouraged throughout city government. Training in the process has been offered to all employees of the city, and interest-based bargaining has become a standard way of doing business in Fremont.

The same approach to building partnerships through collaborative efforts is used as the city relates to citizens and to other nearby governmental entities. City employees do not just inform citizens about what is going to be done to them; they also go out and ask citizens what they want and then balance those interests with those of the city. Beyond that, city employees and citizens engage in interest-based problem solving even around issues of how to design a process to involve the public. The city engineer commented, “We do more than tell them what we are going to do. We go out now and involve them in the design of the process itself. The process is laid out by the people involved.” Perkins described the shift in thinking as a shift from government as a “vending machine,” where one puts his or her money in the slot and takes out the product or service (or kicks the machine when it does not work), to government as a “barn raising,” where many people come together to combine their efforts to produce a product or service that all can feel good about.
Perkins described the change process in Fremont as involving waves of change, with each wave building over time the quality of the city's work. Wave I involves recognizing the need to change; building trust and relationships internally; specifying the mission, vision, and values of the organization; gathering “low-hanging fruit”; and beginning education and training around these concerns. The key question here is, “Why do we do what we do?” Wave II involves deepening knowledge and skills, improving work processes, reforming the administrative system, building trust and relationships internally, and exploring more entrepreneurial activities.

The key question here is, “How can we best serve our customers?” Wave III involves rethinking the organization’s structure, making the boundaries between departments more permeable, providing seamless service delivery, and deepening trust and relationships both internally and externally. The key question here is, “Who does what?” Finally, Wave IV involves forming partnerships with other agencies and groups, integrating the community’s vision and the organization’s vision and creating interdependencies between the community and the organization, steering and rowing, and asking the question, “What is next?” In this case, Perkins’s waves of change have become an integral part of managing the city’s business.

(This real-life case study is drawn from a larger study by Denhardt and Denhardt [1999] of leading change in American local government. The entire report is available either in hard copy from the IBM Center for the Business of Government or online at www.businessofgovernment.org.)

Case Study 2

In 1993, a newly elected county treasurer in Maricopa County (Arizona) came forward and essentially told top administrators and the board of supervisors, “Well, guess what, you guys are out of money. You have no cash. Not only that, but you are probably $100 million in the hole.” According to Tom Manos, the current chief financial officer, “It was bad that we were that bad off. But it was worse that that we didn’t know. I’ve looked at monthly financial reports from that time and from those you’d think everything was peachy.” But financial games were being played and the county was nearly out of money. Not surprisingly, Governing magazine described Maricopa County as a “poster child for bad government.”

According to then chairman of the board of supervisors Betsey Bayless, there began a series of very intense sessions that first resulted in the termination of the county administrator and the chief financial officer. All employees were put on a 5-day furlough—that is, unpaid leave for 1 week, in order to cut the payroll down. There were also major job cuts. It was a very difficult period, one in which, according to one interviewee, “You’d turn over a rock and something ugly would crawl out.” Sandra Wilson, deputy county
administrator, who came to the county about this time, recalls sitting with Betsey Bayless “cutting budgets and having people scream at us.” Eventually, however, with the cooperation of the chairman, the board, and the county administration, a new strategic plan was put into place, efforts were made to gain control of the financial situation, and a search for a new county administrator was undertaken.

The board ultimately hired David R. Smith as county administrator. When Smith arrived in Maricopa County, he discovered that the county “just had no financial recording systems that they could trust. All the departments had their own shadow systems and they couldn’t get their main financial accounting system to work properly at all, so they were kind of in the dark as to what their real budgetary numbers were telling them. When I got here they were still losing money on a monthly basis, going deeper into the red.” Addressing the financial issue was paramount during this period. Ross Tate, now county auditor, commented, “Most departments ran off a shadow system. The system wasn’t good at variances.” Working with the board and with a new set of financial managers, Smith got the main system working and generating monthly budget reports. These reports were important so that Smith and the board would always know where things stood financially. Smith commented, “I always want to see the actual less than the budget and be sure we’re showing a positive budget variance as far as the totals go.”

The result was a set of budget metrics that were centrally generated and used in making every budget decision for the county. The idea was the managers in the county would constantly be driving positive budget variances and the budget against which those variances would be measured was “cast in stone.” According to Smith, “I would say, ‘This is the data we’re going to make decisions on. If you want to run your shadow system be my guest, but it has no relevance for our discussions. We are going to rely on this information we believe in, and that will be what we circulate through the county. When we call up and say your revenues are off, or your expenditures are too high or something, you’re in negative variance, well, this is the information we’re going to be using.’”

At about the same time, Smith made several significant changes in top management as well as put both a capital expenditure and job freeze in place. New managers were brought in who were, as Joy Rich of the Regional Development Services Agency put it, “invigorated and energized, then encouraged to go out and implement their ideas with as few impediments as possible.” It began to work. By March of 1995 the county actually broke even, in April and May there was a little positive variance, and by the end of June the county finished the fiscal year “slightly to the good.”

The county’s “Managing for Results” system has evolved to a fully integrated system of strategic planning, budgeting, and performance measurement, one of the most sophisticated in the country. In an effort to ensure greater accountability to the public, the county began a series of steps in 1998 to incorporate performance-based budgeting into its operations. That effort began with the development of strategic plans integrated with performance
measures in six pilot departments. The board passed a Managing for Results policy in September 2000, requiring that participation in the program would be necessary for future funding. Today the Managing for Results system integrates planning, budgeting, reporting results, evaluating results, and making decisions about future actions. In 2002, Governing magazine in cooperation with Syracuse University identified Maricopa County as one of the two best-run county governments in the United States.

(This case study was completed by Robert and Janet Denhardt and published in 2005 under the title, “Maricopa County: A Case Study in Rapid Organizational Change,” by Arizona State University's School of Public Affairs and Maricopa County, Arizona.)

Based on your reading of these cases and your own experience, answer the following questions. How do public managers assess the need for change in their communities? How do they envision change? How do they lead change? How do they create a culture of change—that is, a culture in which change and innovation are valued and not avoided? How do the two cases differ in the approach to organizational change that was taken?

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**An Approach to Leading Change***

In April of 2007, Michael Gold was asked to present his Jazz Impact program to a gathering of IBM's thought leaders at their world headquarters in Armonk, New York. They were gathering to explore the relationship between transformational leadership, creativity, risk, and innovation; and seeking a touchstone experience for their discussions.

Jazz Impact held appeal for a number of reasons. First, jazz is an art form based in the essentials of collaborative transformation: generative growth, integrating change, and the ability to sustain innovation. Secondly, jazz musicians know how to work with ambiguity, how take action despite uncertainty, and how to challenge the status quo. Finally, the Jazz Impact group promised a collaborative style learning experience tied to the challenges of complexity and accelerated change.

When the executives entered the meeting space, they were, of course, surprised to see a jazz ensemble—piano, upright bass, small drum kit, and alto saxophone. Before any words were spoken, the musicians engaged them with their music, prompting their minds in a way entirely unexpected. Incoming information in the form of music was captured and stored as somatic experience, coded into the body's senses and feeling states with the result of intensifying its capacity for recall. Longer recall would also facilitate the possibility of integrating this new experience with deeply seated existing knowledge. But no one in the audience was aware of this at the time. They were fascinated just listening and this was good.

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* This case is adapted from Cimino and Denhardt, forthcoming.
When the piece ended, Gold engaged the 25 participants in a simple polyrhythmic exercise of clapping opposing rhythms and singing a simple melody. The intent was to push their processing away from the rubric of handouts, PowerPoint, and analytic monologue. Bit by bit, they got into it. Over the next 2 hours, the model of the jazz ensemble would push them further still, helping them to frame discussions of organizational dynamics difficult to address in ordinary language. Jazz, however, provided the perfect vehicle because it was made of the same “stuff.”

Gold placed the executives in what he likes to call “liminal” situations and challenged them to work creatively and collaboratively. The term liminal refers to the threshold between what we do and do not understand. In jazz, as in life, we are constantly moving back and forth across that threshold. Just so, we discover new knowledge, and via the cognitive process known as transfer, we integrate our new knowledge with our existing knowledge. The most useful integrations (those actually facilitating transformational change) take place only when our new knowledge has been retained in a deep and meaningful way—and for long enough periods—to allow transfer to happen.

How would you assess the value of an approach like this? How would using this approach compare to using appreciative inquiry or Six Sigma? When would you use one approach and when would you use another?