



PART ONE



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Organization Development and Change

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What are organization development (OD) and change management (CM)? Why should you care about them? What are some key terms used in OD and CM? What is systems thinking and why is it important to OD practitioners? How is OD related to other HR fields? How does OD relate to globalization? What is global OD? This first chapter addresses these and related questions.

WHAT ARE ORGANIZATION DEVELOPMENT AND CHANGE MANAGEMENT?

Organization development (OD) and change management (CM) help people in organizations identify and plan how to deal with changes—intentional and unintentional—in their environment. Before we define them more precisely, try the following exercise. Get some paper and record your answers to the following questions. Write down the first thing that comes to your mind in response to each question:

1. *Who* should be involved in an organization change effort, and how should they be involved?
2. *Who* should make decisions about the way in which a change effort of any kind is launched? Implemented on a continual basis? Evaluated?

3. *What* do you believe about change in the world generally?
4. *What* do you believe about change in today's organizations?
5. *What* do you believe are the biggest challenges facing decision-makers in organization change efforts?
6. *What* do you believe are your strengths and developmental needs in enacting the role of "helper to others" in a change effort? What do you do especially well? What do you wish to personally develop to become a more effective change agent? On what basis do you believe as you do?
7. *When* do you believe that a group of people might need an external facilitator in a change effort?
8. *Where* do you believe are the most profound changes occurring in the world, and why do you think as you do?
9. *Why* should OD and change be a focus for managers? Other groups?
10. *How* should change be defined? Marketed? Launched? Implemented? Evaluated?
11. *How* have you reacted in the past to change in an organization in which you have been employed or to which you have been a consultant? Think about what you did and how you felt as the change occurred.
12. *What* are some common examples of organization change in organizations? Reflect on what they are. Consider such interventions as team building, implementing technological change, succession planning, culture development, aligning management, enterprise-wide change, mergers and acquisitions, and structural reorganizations.

Now identify a few professional peers or colleagues—or find some mentors whom you believe to be more experienced than you are—and pose these questions to them. Use this activity as a "warm-up exercise" to focus your thinking about OD and change. When you finish, continue reading because many of your answers will most likely *change*.

Organization Development Defined

According to Clardy (2003, p. 785):

"The field of planned organization change was long equated with organization development (OD). OD proponents were up-front with the bona fides of their approach: full disclosure, informed consent, inclusive participation, and so on. These canons of OD provided the principles and practices that could be applied to any organizational change project. Yet, for a number of years, standing alongside the OD literature were smaller volumes (Zaltman & Duncan, 1977) that did not so neatly fit the OD mold. By these accounts, the geography of organizational change management was bigger than that encompassed by OD."

While some might disagree with the assertions in the preceding paragraph, those assertions are effective in helping readers to clarify their beliefs about the field of OD and to recognize that there are multiple ways of defining the field.

Over the years, OD has been defined and redefined by just about every author who has written about it. Here are a few definitions, organized chronologically, that represent a range of ways to understand OD:

- Organization development is “an effort (1) planned, (2) organization-wide, and (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization’s “processes,” using behavioral-science knowledge” (Beckhard, 1969, p. 9).
- Organization development is “a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets, and challenges, and the dizzying rate of change itself” (Eennis, 1969, p. 2).
- Most people in the field agree that “OD involves consultants who work to help clients improve their organizations by applying knowledge from the behavioral sciences—psychology, sociology, cultural anthropology, and other related disciplines. Most would also agree that OD implies change and, if we accept that shifts in the way an organization functions suggests that change has occurred, then, broadly defined, OD is analogous to organizational change” (Burke, 1982, p. 3).
- Organization development is “a systemic and systematic change effort, using behavioral science knowledge and skill, to change or transform the organization to a new state” (Beckhard, 1999, personal communication).
- Organization development is “a process that applied a broad range of behavioral science knowledge and practices to help organizations build their capacity to change and to achieve greater effectiveness, including increased financial performance, customer satisfaction, and organization member engagement” (Cummings & Worley, 2009, p. 1).

These definitions imply several key points:

First, *OD is long-range in perspective*. It is not a “quick-fix” strategy for solving short-term performance issues, as employee training is often inappropriately perceived to be. Many managers are becoming acutely aware of the need to move beyond quick and often unworkable solutions for complex organizational problems. Organization development is a means to bring about complex, deep, and lasting change. This may include *any* domain in the organization that is in need of discovering ways to improve performance. Traditional OD asserts a need for patience and a long-term effort in order to achieve deep and significant change. In many organizations OD is coupled with strategic business planning, a natural fit because both can be long-range in scope. For more information on OD and strategy, see Chapters Sixteen and Eighteen.

Second, *OD works best when it is supported by top managers*. They are traditionally the chief power brokers and change agents in any organization; top managers often control an organization's resources and reward systems. Although OD efforts can be undertaken at any organizational level without direct top-management participation, OD is more likely to succeed if it has at least tacit approval from top management.

Third, *OD effects change primarily, although not exclusively, through education*. Organization development expands people's ideas, beliefs, and behaviors so that they can apply new approaches to old states of existence. Even more important, OD change efforts go beyond employee-training efforts and concentrate on the work group or organization in which new ideas, beliefs, or behaviors are to be applied. Organization development has often been synonymous with organization learning (Argyris, 1993, 2004; Bennis, 1969; Kanter, 1995; Lippitt, 1958; Senge, 1990; Vail, 1996). Peter Senge (1990, p. 13) says, "A learning organization is a place where people are continually discovering how they create reality and how they can change it. Organization-wide learning involves change in culture and change in the most basic managerial practices, not just within a company, but within a whole system's management.... I guarantee that when you start to create a learning environment, people will not feel as though they are in control."

The words *change* and *learning* are often used to mean the same thing. Consider, for example, the title of a classic book, *The Laboratory Method of Learning and Changing*, by OD founders Benne, Bradford, Gibb, and Lippitt (1975). Many of these early leaders of the field were innovative educators. Many OD founders were leading educators. They saw that one of OD's major goals was to innovate and re-invent education. It is important to remember that learning is broader than education, and learning occurs outside classroom settings. For instance, how a manager or consultant models behavior provides an important learning lesson for others, who may be inclined to imitate how their leaders behave.

Fourth, another OD effort that is interrelated to organization learning is *knowledge management (KM)*. KM focuses on organization learning as it transforms to elicit tacit knowledge and new knowledge that can be organized and used to improve performance (Cummings & Worley, 2009). Many case studies on KM as it relates to OD are available in *Harvard Business Review* and the Society for Organizational Learning (SOL: www.solonline.org).

Fifth, *OD emphasizes employee participation in assessing the current state and in planning for a positive future state; making free and collaborative choices on how implementation should proceed; and, empowering the system to take responsibility for creating and evaluating results*. In this sense, OD differs from other methods that hold managers or consultants responsible for the success or failure of a change effort. In OD, at its best, the entire system is accountable rather than just management. Further, in OD, everyone in an organization who

is affected by change should have an opportunity to contribute to—and accept responsibility for—the change. Organizational effectiveness and humanistic values meet as employee ownership of processes and outcomes increases. Although early OD contributors did not focus on business effectiveness, it has become equally important in OD ideology over the past decade (Gottlieb, 1998).

What Organization Development Is Not

OD is not a toolkit filled with canned tricks, piecemeal programs, gimmicks, and techniques. Rosabeth Moss Kanter said, “Piecemeal programs are not enough. Only total transformation will help companies and people master change” (1995, p. 83).

Consultants reduce their chances for success if they rely on cookbook approaches to change. One size does not fit all. One approach to change, as listed in a step-by-step model, does not work with all groups, corporate cultures, national cultures, or people, unless the “approach” is designed for guidance, is understood to be flexible, and is subject to adaptation to the needs of the group and the culture in which the intervention is being used.

OD is not a mechanical rote application of someone else’s best practice. On the contrary, it uses one’s whole self, encountering the full and quantum living system. Living systems are made up of vibrant communities and changing networks (formal and informal) that practice feedback, self-organization, continuous change, and learning. Such systems need helping processes that are organic and emerging. Rote mechanisms and un-integrated change processes are less effective and usually short-lived.

OD is not about short-term manipulation to achieve immediate financial gains. Using OD in such a way ensures failure. Instead, OD provides an adaptable and real-time discipline for living systems that require information sharing to govern next moves and adjustments. It is interactive, relational, participative, and engaging. Rigid tools most often prevent the use of living robust processes and can actually keep high-performing culture from emerging.

Effective trainers are often understood to be in control of a management development effort. But facilitators of organization change are not in control of the change effort. Instead, they facilitate collaboration with internal partners. Facilitators learn, personally shift, and change with the organization. Successful change efforts require an ebb and flow. If an inappropriate approach is chosen, it quite likely will not relate to the living and constantly changing “realities” of the system.

Edgar Schein sent us the following comment via email this past June. It is in regard to his well-known contribution to the OD field, *Process Consultation*: “What gets me is that people still see it as a technique to be chosen among other techniques rather than as a core philosophy of how to establish a relationship with a human system. Oh well.”

In his classic book, *Process Consultation Revisited*, Schein (1999, p. 245) wrote:

“In previous versions of this book, I attempted to categorize interventions...I have concluded that such categories are not really useful because they divert one from the more fundamental question of figuring out what will be helpful at any given moment in the evolving relationship. I prefer a general concept of ‘Facilitative Intervention’ that implies that a consultant should always select whatever intervention will be most helpful at any given moment, given all one knows about the situation.”

Schein’s statement suggests that “facilitation intervention” requires judgment calls on the part of the OD practitioner and leader. According to Tichy and Bennis (2007), judgment always includes the suggestion of high stakes or “something big at risk,” (p. 78), yet not making the choice for intervention, when needed, is a risk of lack of facilitative intervention.

Change Management Defined

“Defining change management is tough under any circumstances,” write Holland and Skarke (2003, p. 24), “especially in the context of a new technology being implemented in an existing organization.” Mention the issue of change management and a typical response is the question “Does it really matter in the real world?” The answer to that question is “Of course.” After all, definitions are important because they can provide clarity.

In the simplest sense, *change management* means the process of helping a person, group, or organization change. The word “management” implies an effort to plan the change and exert influence over other people in the process. Change management thus implies a purposeful effort to bring about change. Kudray and Kleiner (1997, p. 18) define change management as “the continuous process of aligning an organization with its marketplace—and doing it more responsively and effectively than competitors.” Anderson and Anderson (2001, p. xxviii) define change management as “a set of principles, techniques, and prescriptions applied to the human aspects of executing major change initiatives in organizational settings. Its focus is not on ‘what’ is driving change (technology, reorganization plans, mergers/acquisitions, globalization, etc.), but on ‘how’ to orchestrate the human infrastructure that surrounds key projects so that people are better prepared to absorb the implications affecting them.”

In discussing OD, Warner Burke (2008) states, “The change that occurs in organizations is, for the most part, unplanned and gradual. Planned organization change, especially on a large scale, affecting the entire system, is unusual; not exactly an everyday occurrence” (p. 1). “Planned change” has always been a key ingredient in any definition and application of OD. Planned change results from an extensive assessment of the situation and then plans for customized

interventions that are created to increase organizational excellence. Change management is the management of the planned changes.

Given the situation that we have described—that change is continuous and that the rate of that continuous change is speeding up—the field of OD today is shifting from focus on “assessment” and “planned change” and driven instead by the knowledge that, in order to keep up with this current reality of continuous and rapid change, the focus of both OD and CM must shift to processes that help organizations identify and plan for ways to move toward their “desired future state.” Change management as a methodology has always been “more mechanistic” than traditional OD. As the future is emerging, both CM and OD are discovering that regardless of the “model” one uses, it is the perspective of continuous and relentless change that must guide the process.

WHY CARE ABOUT OD AND CHANGE?

According to the Greek philosopher Heraclitus, “There is nothing permanent but change.” By that he meant that everything is always in flux. As the Chinese suggest, no one can step in the same river twice, because the river is always in motion and is therefore always changing. What is new since the last edition of this book is that the pace of change has accelerated and the theories, approaches, and techniques have multiplied.

The year 2009 has seen radical change in global markets and national economies. Our world is getting more interconnected and our economies and industries are global. There are crises in financial institutions, the housing market, automotive production and sales, education, healthcare, and energy markets, to name only a few major issues. We will likely experience more change during the next few decades than has been experienced since the beginning of civilization. We can expect more confusion in our organizations attempting to cope with change than at any other time in history.

On the positive side, nano-technology, green technology, unified communications technology, virtualization technologies, social software, and information systems—the whole technology world—will bring advances beyond our imagination. These technologies will inevitably impact the way we “do” OD.

The field of OD has a history of over fifty years during which time the rate of change has sped up exponentially. OD practitioners have been thinking about, and actively intervening to help, organizations cope with this changing reality. It is worth reflecting on what changes are occurring, why they are occurring so fast, and what effects those changes are having on the world around us and on the field of organization change—in particular on the practice of OD.

What Changes Are Occurring?

As cited in the second edition of *Practicing Organization Development*, Rothwell, Prescott, and Taylor (1998; 2008) identified six key changes that would have the greatest impact in the workplace and workforce over the next ten years. The study began with an analysis of published accounts of workplace trends. Only trends mentioned three or more times were included on the initial list, resulting in a total of 158 trends. Then a handpicked group of HR experts rated the trends for their relative importance to the present and future workplace and workforce. The result was a narrowed-down list of six key trends:

- Changing technology;
- Increasing globalization;
- Continuing cost containment;
- Increasing speed in market change;
- Growing importance of knowledge capital; and
- Increasing rate and magnitude of change.

Changing technology refers to rapid advances in human know-how. *Increasing globalization* refers to the impact that rapid transportation and global communication have on how organizations conduct business. *Continuing cost containment* refers to efforts undertaken by organizations to address declining profit margins, wrought by the ease of price comparisons through web-based technology. To maintain a profitable business, organizations are making major efforts to improve profits by reducing the costs of business operations. *Increasing speed in market change* refers to the continuing importance of beating competitors to the punch by meeting the rapidly changing tastes of consumers. *The growing importance of knowledge capital* refers to the key value-added capabilities of human creativity and innovation to identify new businesses, new products, new services, and new markets. Finally, *the increasing rate and magnitude of change* refers to the increasing speed and scope of changes that are occurring. In short, change itself is changing—and posing ever-more-daunting challenges for business leaders who need to respond in real time to breaking events.

Each trend influences the others. The definition of each trend may vary by organizational context and even by functional area. The trends are related in that many are root causes of other trends or consequences of other trends. And each trend requires new competencies from leaders to respond to, or even anticipate, the changes brought by each trend.

Today, these changes can be seen everywhere, in all types of organizations. They continue with organizational downsizing; continuous implementation and updating of technologies to enhance performance; mergers and acquisitions; globalization of industries like automotive and aerospace; mandated governmental

or community action group pressures; and communications (Palmer, Dunford, & Akin, 2009). Organizations are experiencing a multitude of forces for change, both external and internal.

Why Is Change Occurring So Fast?

Time has become a key strategic resource largely because of the unprecedented development of ways to communicate, from computers and cell phones to airplanes. The challenge of the future is to help people learn to ride the waves of change in real time and as events unfold. Time has become important precisely because changing technology provides strategic advantages to organizations that understand the importance of time and timely action. Today the organization that makes it to market first often seizes the lion's share of the market and is likely to keep it. And organizations that miss technological innovations that increase production speed or improve quality lose out to global competitors who function in a world where differences in labor costs can easily be taken advantage of because of the relative ease of international travel and communication.

Changing technology is also a driver for the information explosion—and vice versa. Consider the sheer magnitude and pace of the information explosion:

- The sheer quantity of information is increasing so fast that no one can keep pace with it. The amount of information created over the last thirty years is greater than what was produced over the previous five thousand years. “Researchers from the University of California estimate that 800MB of new information is produced and stored each year for every member of the human race” (see “Reclaim Your Brain,” 2003, downloaded on 19 January 2009 from <http://news.bbc.co.uk/1/hi/magazine/3230665.stm>).
- According to one source (see www.softpanorama.org/Social/overload.html), more than 100,000 new book titles are published in the United States every year—and the total number of books published worldwide may exceed one million.
- The “millions of data” that are on the Internet are not stored on a single computer, but rather on a network of millions of independently owned and located computers. No one, not even Google or MSN, has successfully indexed or cataloged the entire Internet because it is so vast (see www.barbarafeldman.com, *Where is all the data stored?*).
- We all are experiencing an invasion of our time with a tremendous number of phone calls, emails, voice mails, and text messages. Many people carry cell phones twenty-four hours a day, seven days a week.

People have different ways of responding to information overload and change. One approach is to give up. Another approach, widely used, is to

try to master clever ways to do more than one thing at a time—that is, multi-tasking. But efforts to cope with the effects of change by trying to do more than one thing at a time are causing additional problems. Multi-tasking can actually reduce productivity because it may take as much as 50 percent longer to process two tasks performed simultaneously than it takes to do them one after the other (Meyer & Evans, 2001).

What Effects Are Those Changes Having?

There are many effects of change.

One effect is that change begets more change. As organization leaders struggle to meet competitive challenges, they search for ways to slash cycle times for product development, chase fads to discover new ways to gain advantage, and struggle with efforts to manage a burgeoning number of initiatives and improvement efforts.

A second effect is that the turbulent changes in the environment (political, economic, technological, and social) have prompted increasing cynicism about change, an emerging theme in the literature about change management (Bruhn, Zajac, & Al-Kazemi, 2001; Stanley, Meyer, & Topolnysky, 2005). Cynicism about change means that workers and managers increasingly question the motives of those who sponsor, champion, or drive change. Cynicism about the motives of other people erodes trust and confidence in organizational leaders. A growing number of scandals in business, government, education, the media, and the church only reinforce that cynicism.

A third effect is growing stress on individuals and their families. As the rate and magnitude of change increase, individuals struggle to keep up emotionally as well as cognitively. Their stressed-out feelings about change, if expressed, occasionally erupt in workplace violence, as found from studies of over 300,000 instances of workplace violence annually in the United States (Magyar, 2003). Stress may also prompt increasing instances of “desk rage” (Wulfhorst, 2008), create pushback through growing interest in work/life balance programs (The 24/7 Work Life Balance Survey, 2008), and encourage some people to seek innovative ways to work through telecommuting or other efforts that distance them from others.

So Why Should Anyone Care?

The field of OD can help an organization anticipate, adapt, and respond to change. According to Cummings and Worley (2009), “OD is both a professional field of social action and an area of scientific inquiry into the organization” (p. 1) that we feel can positively impact human and organizational effectiveness and performance. So people should care about OD because it is rapidly emerging as the leading business topic—if not *the* key business topic—on how to handle change and lead effectively.

The ability to lead and manage change successfully sets leaders apart from followers. A study by Rosen and Digh (2001) identified “guiding people successfully through change” as one of twenty key competencies for global managers. According to a second study by the Center for Creative Leadership on “Essential Leadership Skills for Leading Change” (2006) in today’s marketplace, the ability to lead employees is number 1, and the ability to manage change is number 2 (compared to 1 and 7, respectively, in the 2002 study) as requirements for continued success and competent change leadership. As the pace increases, the field of OD is beginning to experiment with the idea that “leadership” skills will be essential at every level of the organization. New experimental OD type processes are already creating ways to empower all levels and categories of workers to become leaders and innovators within their own spheres of influence. This topic is further discussed in Chapter Six on leadership and OD.

There is clearly a need for improvements in demonstrating these and other OD competencies presented in Chapter Five. After all, the track record of change efforts is not so good. Consider: success rates for reengineering efforts in Fortune 1000 companies range from 20 to 50 percent (Strebel, 1996). A study of corporate mergers revealed approximately 50 to 75 percent of mergers and acquisitions fail to meet the expectations that were initially projected (Schraeder & Self, 2003). Furthermore, even five years after a completed merger or acquisition, 70 percent of the surviving organizations are continual underperformers in their respective industries (Perry & Herd, 2004). Finally, only 15 percent of information technology projects are commonly cited as successful (Amber, 2007), and 50 percent of firms that downsized actually experienced a decrease—not an increase—in productivity (Applebaum, Everard, & Hung, 1999).

Smith (2002) reaches several conclusions about failed change efforts based on a survey of 210 managers. His survey results reveal that 75 percent of change efforts fail to make dramatic improvements, that top and middle management support for change is essential to success in change efforts, that about 50 percent of all change efforts emanate from the top while 47 percent come from division or department heads, and that most change efforts occur as a reaction to a combination of organizational and environmental factors. Further, the survey results reveal that most organizations rely on financial, operational, and customer service metrics to evaluate the success of change efforts, that success is highly correlated with visible support from a change sponsor, that failure is associated with missing or conflicted leadership, and that managers agree much more clearly on why change succeeds than on why it fails.

To summarize, then, organization change presents one of the greatest challenges in modern organizational life. All managers and employees will have to deal with it. If they cannot, they are not likely to be successful in what they do in the future—no matter what their specialty areas might be.

As the field of OD begins to cope with these disappointing outcomes, innovation in the field itself is emerging. The rapid rate of change makes it obvious that new and innovative processes must be agile, situational, and involving of all levels of the organization. While it has become common knowledge that traditional change processes are not as successful as one would hope, the OD innovations of whole system transformation, solution-focused practices, and system-wide invitation to experiment with and create innovative ways of planning and implementing change are emerging. These experiments are proving to be ways to re-energize the practice of OD with new and innovative applications that are more aligned with the changing rate of change. (See Parts Three and Four in this book for examples of these new OD practices.)

WHAT SPECIAL TERMS ARE USED IN ORGANIZATION DEVELOPMENT?

Like every other field of endeavor, OD has its own nomenclature or special terms. Although these terms can create barriers to understanding and may be sources of suspicion for those not versed in them, they are useful when consultants and customers communicate with one another.

Organization Change

Roland Sullivan invited the professional OD community, which often dialogues at www.odnetwork.org/listsinfo, to respond to a concern he heard often from the late Bob Tannenbaum. Bob felt that OD needed a fresh definition of “change.” He wished for a common definition that those who initiate change would find useful in helping the larger world better understand who we are and what we do.

Matt Minahan summarized the dialogue:

“We put this question to our 1500+ members, and found, to no one’s real surprise, that there isn’t one agreed-upon definition among our members. There were discussions of many factors in our field, change for what reasons, with which values, at the service of whom, at what scale; whether it has to be proactive or could be reactive; whether it should be led or managed; and, even, whether our field should just use the existing definitions for simplicity and clarity.

“Integrating the best of everything that was offered, we could say that: ‘Organization change is the process of learning and behaving differently, in order to achieve new and better outcomes, by reordering the system structures that drive behavior.’

“Of course, ‘new’ and ‘better’ are loaded with implicit values, but a values basis for the definition seemed to be important to our members.”

Other variables that came up in the list discussion included:

- The beliefs that we, and our client organizations, hold about the world and change and how we organize those beliefs;
- The fit between our capability/willingness to change and the challenge, danger, or opportunity that confronts us;
- The alignment between the organization and its environment and the likelihood of suboptimization at some point;
- The ability to deeply influence the organization, down to the pattern, or second loop, level;
- The patterns of relationships resulting in and arising from different conversations; and
- Finally, there was an interesting conversation about the difference between managing change as reacting to the environment, versus leading change as anticipating and influencing the environment.

Change is a departure from the status quo. It implies movement toward a goal, an idealized state, or a vision of what should be, and movement away from present conditions, beliefs, or attitudes.

Different degrees of change exist. In a classic discussion on that topic, Golembiewski (1990) distinguished among three levels of change:

- *Alpha change* implies constant progress, a shift from a pre-change state to a post-change state in which variables and measurement remain constant. It is sometimes associated with incremental change.
- *Beta change* implies variable progress, a shift from a pre-change state to a post-change state in which variables and measurement methods themselves change. For example, as members of an organization participate in a change effort, they become aware of emerging issues that were unknown to them at the outset. The members change their vision of what should be and thereby alter the course of the change effort itself.
- *Gamma change* implies, in addition to beta change, a radical shift from what was originally defined as a pre-change state and a post-change state. It is sometimes called transformational change, a radical alteration from the status quo, a quantum leap or paradigm shift. It involves a complete revolution in “how we do things” or “what results we strive to achieve.”

Anderson and Anderson (2001) provide another classic perspective on levels or types of change. They distinguish among:

- *Developmental change*: “[It] represents the improvement of an existing skill, method, performance standard, or condition that for some reason does not measure up to current or future needs.” (p. 34)

- *Transitional change*: “Rather than simply improve what is, transitional change replaces what is with something entirely different.” (p. 35)
- *Transformational change*: It is the “most complex type of change facing organizations today. Simply said, transformation is the radical shift from one state of being to another, so significant that it requires a shift of culture, behavior, and mindset to implement successfully and sustain over time.” (p. 39)

Finally, there is a common distinction of levels of change that combine the first two above: first-order, incremental change and second-order, transformational change.

- *First-order, incremental*: This is “evolutionary”—the kind of change that moves strategically, slowly, and purposefully, bringing a “learning perspective” into an organization. First-order change often occurs without disruption of routine work. Change feels like an adjustment that supports organizational effectiveness (Palmer, Dunford, & Akin, 2009).
- *Second-order, discontinuous change* “is transformational, radical, and fundamentally alters the organization at its core” (Newman, 2000, p. 604).

Although categorizing change can be misleading, disruption is often present in gamma type, transformational, and second-order change. It is this kind of change that disrupts past assumptions, encouraging leaders to look to others to fill gaps of need and to support the identification of new ways of doing things. This type of change transforms the structure and disrupts the comfort zones of the organizational members (Beer, 2008; Burke, 2008; Palmer, Dunford, & Akin, 2009), often causing confusion, loss, separation, and frustration. However, if there is an awareness of each other’s role and it is handled right, it can be very effective.

Change Agent

In the 1950s the National Training Laboratories (NTL) founders were in Europe collaborating with the Tavistock Institute. Someone from Tavistock used the phrase “change agent” to describe a person who facilitates change by intervening in groups and organizations. The NTL group started using it, and now it has become a common phrase among change makers and leaders. So when you hear the phrase “change agent,” recognize that it is a key OD phrase that has become popularized over the years. It says what we do. We are agents who facilitate positive learning, change, and development.

A change agent is a person who attempts to change some aspect of an organization or an environment. Change agents “are often OD practitioners who assist through their process and OD expertise” (Jones & Brazzel, 2006, p. 117). These

practitioners may be internal or external to the organization. A major impact of this new age of continuous change on the field of OD is on the role and tasks of the “change agents” themselves. While OD consultants have most often been defined as “facilitators” of change (rather than “leaders”), the complexity of every individual environment in which OD practitioners work demands a more “facilitative” and even “educational” approach to helping the system identify and plan for new ways of functioning and relating. The major reason for this shift is that people internal to any organization must learn how to cope with the changing rate of change. Without this approach of imbedding OD competencies in the system itself, we see the high rates of “failure” reported earlier in this chapter.

In response to this reality, it is interesting to note that Drucker took the term “change agent” to a new level. As the classic definition above states, the phrase traditionally refers to a person. But management pundit Drucker challenges us now to see the *organization* as change agent. Writing in *Executive Excellence*, Drucker (2004, p. 3) says:

“We can already see the future taking shape. But I believe that the future will turn in unexpected ways. The greatest changes are still ahead of us. The society of 2030 will be very different from today’s society and bear little resemblance to that predicted by today’s futurists. The next society is close enough for action to be considered in five areas. [The fourth area is] change agents. To survive and succeed, organizations will have to become change agents. The most effective way to manage change successfully is to create it.”

In his conscious shifting of meaning that we attach to the work “change,” Drucker tapped into the emerging idea in the field of OD that “change” is not an event, but rather the constant state in which we live. While the rate of change may vary, in fact, as in any living system from the human body to the universe, once change ends, the living system is dead! Change is the water we swim in. OD is a process for enabling human systems to embrace and continuously build upon the changes that are an inevitable part of a living system.

Client

The *client* is the organization, group, or individuals whose interests the change agent primarily serves.

Although consultants often think of the client as the one who authorized the change effort and pays their bills, they are not always certain whose purposes are to be served. For this reason, a key question for any OD consultant to consider is “Who is the client?” (Varney, 1977). On occasion, the “client” may not be the one who originally sponsored or participated in the change effort.

Again, in this new era, the potential exists for the whole system to be the client.

Culture

One focal point of OD is making changes in an organization's *culture*. Prior to the early 1980s, the issue of culture was restricted to anthropology and OD circles, but culture became a popular buzzword after the publication of *Corporate Cultures: The Rites and Rituals of Corporate Life* by Deal and Kennedy (1982) and *In Search of Excellence: Lessons from America's Best-Run Companies* by Peters and Waterman (1982). Peters and Waterman provided numerous examples demonstrating the importance of culture in many of the best-known and best-run companies in the United States at that time. Generally, corporate culture means:

“Basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously, and that define in a basic ‘taken-for-granted’ fashion an organization’s view of itself and its environment. These assumptions and beliefs are learned responses to a group’s problems. They come to be taken for granted because they solve those problems repeatedly and reliably.” (Schein, 1985, pp. 6-7)

Intervention

An *intervention* is a change effort or a change process. It implies an intentional entry into an ongoing system. Cummings and Worley (2009, p.750) define intervention as “any action on the part of a change agent. [An] intervention carries the implication that the action is planned, deliberate, and presumably functional.”

Many people suggest that an OD intervention requires valid information, free choice, and a high degree of ownership in the course of action by the client system. Argyris defined an intervention with the following classic statement: “To intervene is to enter into an ongoing system of relationships, to come between or among persons, groups or objects for the purpose of helping them. The intervener exists independently of the system” (1970, p. 15). Once again in this emerging environment where systems are seen as whole organisms, the field is examining assumptions about the viability of seeing any person working within that system as “independent.” Many of the emerging processes in the field of OD are focused on the “wholeness” of any human system.

Sponsor

A *sponsor* is one who underwrites, legitimizes, and champions a change effort or OD intervention. Sponsor tactics can include listening, supporting, developing, empowering, or promoting a person or group as capable. It can include verbalizing positive impressions and images regarding performance, expression of feelings of goodwill, or promoting acceptance, or making statements of capability, or the likeability of a person or group.

Of necessity, sponsorship is not a one-time gesture. Just doing it once won't work. Sponsorship gestures performed over time can create assumptions of capability and appropriateness.

A person can also be a negative sponsor. A skeptical or cynical comment shared with the right person, or expression of "concerns" regarding intervention needs with a targeted person or group, whether valid or not, can lower or eliminate positive assumptions held by listener(s). The potential for an intervention to succeed can be lowered by comments made by a negative sponsor.

Stakeholder

A *stakeholder* is anyone who has a stake in an OD intervention. Stakeholders are the people who maintain an interest in the organization's success or failure. Stakeholders may be employees, board members, customers, suppliers, distributors, and government regulators. Many of the OD interventions presented in the upcoming chapters are from a stakeholder's perspective. The role of stakeholders is growing more important to organizational success. The goal is to establish what some have called a "boundaryless organization" (Ashkenas, Ulrich, Jick, & Kerr, 2002), which has permeable boundaries.

WHAT IS SYSTEMS THINKING AND WHY IS IT IMPORTANT?

In the simplest sense, a *system* is a series of interdependent components (Burke, 1980). For example, organizations may be viewed as social systems because they depend on interactions among people (Katz & Kahn, 1978). In addition, any organization that gives and takes information from the environment is an *open system*. Organizations take in *inputs* (customer requirements, raw materials, capital, information, or people), appreciate value through the input of a *transformation process* (production or service-delivery methods), and release them into the environment as *outputs* (finished goods, services, information, or people) (see Figure 1.1). This transformation cycle must continue to add value in the process of producing desired results if an organization is to survive.

A *subsystem* is a system that is part of a larger system. In one sense, subsystems of an organization (a system) may include work units, departments, or divisions. In another sense, subsystems may cut across an organization and encompass activities, processes, or structures. It is thus possible to focus on an organization's maintenance, adaptive, or managerial subsystems (Katz & Kahn, 1978).

Facilitating collaboration with our clients is a key competency for OD practitioners. The identity of a system shifts when it creates a new collective and common understanding. The shift creates a culture where many ideas for action will bubble up. Helping the system distill "B" (suboptimal) ideas from

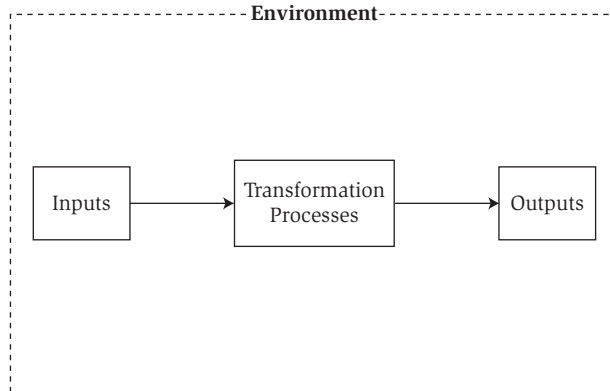


Figure 1.1. A Model of a System

“A” (best) ideas is a role very much needed today. And as OD practitioners experiment with whole system processes, the trend is toward “trying out” ideas in multiple experimental processes rather than trying to sort ideas with pre-experimental judgments. In other words, it is sometimes the idea that we might label “sub-optimal” that turns out to be the solution!

Interdependence comes from a trusting, open, self-realizing process. It is the opposite of a culture that is hindered by fear, closed behavior, and imposition. Such fearful cultures create dependence on autocratic leaders. Today we need the collaborative spirit of an engaged system to meet customer requirements and create success both for the system and for their customers. Systems thinking and acting can hurl an organization into higher levels of performance.

Systems thinking is also important to OD for the simple reason that a change in any part of a system inevitably changes other parts of the system. The implications of this simple statement are, in fact, profound. The change process in any part of a system creates change in all parts of the system. Any change in a system will have both predictable and unpredictable consequences. Mitigating the unpredictable consequences best occurs if all parts of the system are in collaboration throughout the change effort. The book’s website has an exhibit that compares and contrasts systems and non-systems behavior.

WHAT ARE THE PHILSOPHICAL FOUNDATIONS OF OD, AND WHY ARE THEY IMPORTANT?

One way to view the history of OD stresses its emergence from four separate but related behavioral-science applications: (1) laboratory training, (2) survey research and feedback, (3) Tavistock sociotechnical systems, and (4) process

consultation. While Chapter Three will provide a different, and more comprehensive, perspective on the origins of OD, it is worthwhile here to offer a brief view of historical influences to provide readers with essential background information right at the start of the book.

Laboratory Training

An early precursor of thinking about OD and change, laboratory training is associated with unstructured, small-group sessions in which participants share their experiences and learn from their interactions. Bradford, Gibb, and Benne (1964) explain this application in the following way:

“The term ‘laboratory’ was not idly chosen. A training laboratory is a community dedicated to the stimulation and support of experimental learning and change. New patterns of behavior are invented and tested in a climate supporting change and protected for the time from the full practical consequences of innovative action in ongoing associations.” (p. 3)

Unlike employee-training sessions, which focus on increasing individual knowledge or skill in conformance with the participant’s job requirements, laboratory-training sessions focus on group processes and group dynamics. The first laboratory-training sessions were carried out in the 1940s. In particular, the work of the New Britain Workshop in 1946, under the direction of such major social scientists as Kurt Lewin, Kenneth Benne, Leland Bradford, and Ronald Lippitt, stimulated much interest in laboratory training. The leaders and members of the workshop accidentally discovered that providing feedback to groups and to individuals at the *end of each day* produced more real learning about group dynamics than did lectures. The groundbreaking work of the New Britain Workshop led to the founding of the National Training Laboratories (NTL Institute for Applied Behavioral Science).

Early laboratory training sessions were usually composed of participants from different organizations, a fact that led such groups to be called “stranger T-groups.” (The term *Tgroup* is an abbreviation of “training group.”) Bradford, Gibb, and Benne (1964) define a T-group as relatively unstructured where individuals participate as learners. The data for learning are not outside these individuals or removed from their immediate experience within the T-group. The data are transactions among members’ behaviors in the group, as they work to create a productive and viable organization and support one another’s learning within that society.

Behavioral scientists later discovered that the participants had difficulty transferring insights and behavioral changes to their work lives. This transfer-of-learning problem increased interest in conducting such sessions in a single organization, a technique that has evolved into what is now called *team building*.

Laboratory training was an important forerunner of OD because it focused attention on the dynamics of group or team interaction. In addition, it provided

a basis for team building, which is still an important OD intervention, as discussed in Chapter Fifteen.

Survey Research and Feedback

Survey research and feedback also made an important contribution to the evolution of OD. This approach to change was developed and refined by the Survey Research Center at the University of Michigan under the direction of Rensis Likert. Likert directed the Survey Research Center from 1950 to 1970. He became widely recognized for his innovative use of written survey questionnaires to collect information about an organization and its problems, provide feedback to survey respondents, and stimulate joint planning for improvement. This technique is called *survey research and feedback* or *survey-guided development*.

Likert's method began evolving when he observed that many organizations seldom used the results from attitude surveys to guide their change efforts. Managers authorized the surveys but did not always act on the results. This "ask-but-don't-act" approach produced greater frustration among employees than not asking for their opinions in the first place.

The centerpiece of Likert's approach was a technique called the *interlocking conference*. Survey results were given to top managers during the first conference, and then other conferences were held to inform the organization's successively lower levels. In each conference, group members worked together to establish an action plan to address problems or weaknesses revealed by the survey. This top-down strategy of feedback and performance planning ensured that the action plan devised by each group was tied to those at higher levels.

A philosophy about organizational systems governed much of Likert's work. He believed that any system—that is, an organization or a component part of an organization—can be categorized into one of four types based on eight key characteristics. The four organizational types are shown in Exhibit 1.1.

Likert's System 4 type of organization suggests the "ideal" organization. In Likert's System 4 organization, leadership is based on influence, not authority or power. Employees are motivated through the intrinsic rewards stemming from the work itself. Communication is balanced, with a great deal of two-way interaction between managers and employees. Likert (1961) justified System 4 as a norm or ideal because he found that "supervisors with the best records of performance focus their primary attention on the human aspects of their subordinates' problems and on endeavoring to build effective work groups with high performance goals" (p. 7).

Likert's views, described in his two major books, *New Patterns of Management* (1961) and *The Human Organization* (1967), had a profound influence on OD. He demonstrated how information can be collected from members of

Exhibit 1.1. Characteristics of Likert's Four Types of Organizations

<p>System 1</p> <p><i>Exploitive-Authoritarian</i></p> <ul style="list-style-type: none"> • Dogmatic leadership • Manipulative use of rewards • Top-down communication 	<p>System 2</p> <p><i>Benevolent-Authoritative</i></p> <ul style="list-style-type: none"> • Parental approach to management • Supervisors expect subservience lower down
<p>System 3</p> <p><i>Consultative</i></p> <ul style="list-style-type: none"> • Management listens to employees, but reserves the right to make decision • Some reliance on intrinsic rewards; most rewards are based on extrinsic (money) rewards 	<p>System 4</p> <p><i>Participative</i></p> <ul style="list-style-type: none"> • Leadership based on influence • Authentic and trusting relations • Intrinsic rewards predominate • Two-way communication

an organization and used as the basis for participative problem solving and action planning. In addition, he advocated pursuit of a norm for organizational functioning (System 4) that has since prompted others to pursue similar norms for organizations. In some respects, Likert's views about the System 4 organization are important precursors to the modern-day interest in self-directed work teams and high-performance work environments.

Likert, along with the other experimenters in the OD field, were men and women of vision who helped move our image of the ideal organization from mechanistic model of "organization as machine" to the reality of "organization as human system." In this decade, the shift has to incorporate the idea of "organization as continuous change."

Much of the experience and methodologies of traditional OD practice still inform the work of OD practitioners. But the field is expanding rapidly, not so much toward new "models" for change, but rather toward an understanding of the compelling need to be agile and innovative as we work to include the complexity of the rapid and continuous change that can make our traditional "data-gathering" obsolete as we realize that "data" in human systems can become irrelevant in a nano-second!

Tavistock Sociotechnical Systems

Another major contributor to the evolution of OD is Tavistock Sociotechnical Systems. Tavistock, founded in 1920, is a clinic in England. Its earliest work was

devoted to family therapy in which both child and parents received simultaneous treatment.

A team of Tavistock researchers conducted an important experiment in work redesign for coal miners at about the same time that laboratory training was introduced in the United States. Before the experiment, coal miners worked closely in teams of six. They maintained control over who was placed on a team and were rewarded for team, not individual, production. New technology was introduced to the mine, changing work methods from a team to an individual orientation. The result was a decrease in productivity and an increase in absenteeism. The Tavistock researchers recommended that the new technology could be used by miners grouped into teams. The researchers' advice, when implemented, improved productivity and restored absenteeism rates to historically low levels in the organization.

Tavistock sociotechnical systems' key contribution to OD was an emphasis on both the social and the technical subsystems. Tavistock researchers believed that organizations are systems composed of key subsystems. One such subsystem is the people in an organization. The other is the non-human subsystem. Both must be taken into account if a change is to be successful.

Process Consultation

Another influence on our field has been Schein's process consultation. *Process consultation* can be defined as the creation of a relationship that permits both the consultant and the client to perceive, understand, and act on the process events that occur in the client's internal and external environment in order to improve the situation as defined by the client.

Schein writes:

"In reflecting on process consultation and the building of a 'helping relationship,' the question arises, where is the emphasis or the essence that makes this philosophy of helping 'different'? In my reflections on some forty years of practicing 'this stuff,' I have concluded that the essence is in the word relationship. To put it bluntly, I have come to believe that the *decisive factor as to whether or not help will occur in human situations involving personality, group dynamics, and culture is the relationship between the helper and the person, group, or organization that needs help*. From that point of view, every action I take, from the beginning contact with a client, should be an intervention that simultaneously allows both the client and me to diagnose what is going on and that builds a relationship between us. When all is said and done, I measure success in every contact by whether or not I feel the relationship has been helpful and whether or not the client feels helped.

"Furthermore, from that point of view, the principles, guidelines, practical tips, call them what you like, fall out as the kinds of things I have to constantly remind myself of in my efforts to build that kind of helping relationship. Let us review the principles from that point of view.

1. Always try to be helpful.
2. Always stay in touch with current reality.
3. Access your ignorance.
4. Everything you do is an intervention.
5. It is the client who owns the problem and the solution.
6. Go with the flow.
7. Timing is crucial.
8. Be constructively opportunistic with confrontive interventions.
9. Everything is a source of data; errors are inevitable—learn from them.
10. When in doubt share the problem.

“These principles do not tell me what to do. Rather, they are reminders of how to think about the situation I am in. They offer guidelines when the situation is a bit ambiguous.” (1999, pp. 243–245)

So there you have it! Remember always that OD is more than just applying techniques, tools, and methods. Good OD is built on having a clear understanding of its theory base and terminology. Effective OD involves building effective relationships that are trusting, open, self-discovering, and interdependent. We best serve by staying in the here and now and innovating responses and interactions that facilitate movement to a client-desired state that helps the clients discover with us action that will bring them success and unprecedented results. It is about adding both meaningful and measurable value to any encounter. This is a world of work that is most personal, challenging, and meaningful.

HOW OD IS RELATED TO THE HR FIELD

Organization development (OD) may be regarded as part of a larger human resource (HR) field that is unified in its focus on people—primarily people in organizational settings. However, OD’s central focus differs from that of other HR fields. Yet, it is worth considering the relationship between OD and this field, because OD activities are affected by—and, in turn, affect—other HR activities.

Leonard Nadler (1980, 1989) is one prominent authority who made an early attempt to explain these relationships. He distinguished between human resource development (HRD), human resource management (HRM), and human resource environment (HRE) activities. Taken together, they encompass all HR fields. In Chapter Four, Rothwell shares how the fields have converged.

Human Resource Development

Human resource development, according to Nadler (1989), consists of training, education, and development. It is defined as “organized learning experiences provided by employers within a specified period of time to bring about the possibility of performance improvement and/or personal growth” (p. 6). *Training* is a short-term change effort intended to equip individuals with the knowledge, skills, and attitudes they need to perform their jobs better. *Education* is an intermediate-term change effort intended to prepare individuals for promotions (vertical career progression) or for enhanced technical abilities in their current jobs (horizontal career progression). *Development* is a long-term change effort intended to broaden individuals through experience and to give them new insights about themselves and their organizations. All HRD efforts share a common goal of bringing about “the possibility of performance improvement and/or personal growth” (p. 6).

Human Resource Management

Nadler believes that HRM includes all activities traditionally linked with the personnel function except training. *Human resource management* (HRM) is thus associated with recruitment, selection, placement, compensation, benefits, appraisal, and HR information systems. According to Nadler, all HRM efforts share one common goal: to increase organizational productivity by using the talents of its current employees.

Human Resource Environment

Human resource environment includes OD and job—or work—redesign—efforts. According to Nadler, HRE activities focus on changing working conditions and interpersonal relationships that interfere with performance or impede employee creativity. Unlike other HR fields, HRE activities share one goal: to improve the work environment through planned, long-term, and group-oriented change in organizational structures or interpersonal relations.

More Recent Thinking About HR, OD, Training, and HRD

The HR, OD, training, and HRD fields have not remained static. Thinking about all these fields has been changing in recent years. A major change has been a movement away from activities or techniques and toward a greater focus on results and on demonstrated, measurable achievements. The HR and OD fields are converging—a topic treated at greater length in a later chapter of this book. The training field has been changing, with increased recognition of the importance of obtaining results rather than just the activity of training people. While

systematically designed training has remained important, even as e-learning methods have come into vogue and then faded in the face of the growing importance of blended learning (Rothwell & Kazanas, 2008), greater focus has turned to what learners must do to take responsibility for their own learning process (Rothwell, 2002).

Human resource development (HRD), now an outdated term that reflects outdated thinking, has evolved into a new generation called *workplace learning and performance* (WLP). WLP is defined as “the integrated use of learning and other interventions for the purpose of improving individual and organizational performance. It uses a systematic process of analyzing performance and responding to individual, group, and organizational needs. WLP creates positive, progressive change within organizations by balancing human, ethical, technological, and operational considerations” (Rothwell, Sanders, & Soper, 1999, p. 121). Unlike HRD, which was operationally defined in terms of such activities as training, OD, and career development (McLagan, 1989), WLP focuses on results, performance, outputs, and productivity through learning. It is thus goal-oriented (Rothwell & Sredl, 2000). The most recent research after Nadler, and others, in the field of HRD has broadened the definition of what the field is, pushing the boundaries to include anything that uses learning as the means to the end of improving human performance and innovation (Bernthal, Colteryahn, Davis, Naughton, Rothwell, & Wellins, 2004; Salopek, 2008).

GLOBAL OD

As the world “shrinks,” the practice of OD has spread across the globe. Global OD begins with the same definition of OD that has to do with the application of behavioral science knowledge yet makes it explicit that there are additional cultures beyond those where the roots of OD have been located (USA and Great Britain). Therefore, Global OD faces the challenge of changing individual, group, and organizational behavior without having the usual and anticipated “rate of predictability.” According to Eric Gaynor (personal communication), “the challenge has to do with the fact that—at present—there is an incomplete and insufficient body of knowledge in behavioral science for the diversity of existing cultures and sub-cultures, and we are in the first stages of learning.”

Global organization development is a process for changing an organization to improve its effectiveness. The *global* reference refers to being cognizant that there are, in addition to factors that are political, economical, and technological, cultural factors that may influence your change initiative or may alter your approach.

For certain, global means we are in a period of unprecedented change that is affecting all of us and will continue to do so as we become more globally integrated. In comparison, Yaeger, Head, and Sorensen (2006) stated a similar premise of producing change to improve effectiveness in an increasingly interdependent world. But their book also points out that OD is founded on optimistic and democratic values and the concern for basic human principles, and that it must be considered that these principles may not be accepted globally. As a global OD practitioner, you must be aware of culture values and understand economic, political, and social factors. Chapter Twenty-One discusses the meaning, application, and implications of global OD.

OD, as supported by Blake, Carlson, McKee, Sorensen, and Yaeger (2000), is applicable across diverse cultures, environments, and boundaries, which is critical in this era of globalization. Whether OD is local or global, it is primarily concerned with a thoughtful understanding of the changes in the cultural, economic, political, and humanistic perspectives of people in different places around the world. These considerations must be made as you plan and implement change.

OD is faced with a globe that is getting smaller with markets that are getting more demanding every day. Customers and competition are no longer in this city, this state, this region, or in this country or on this continent. As noted in *BusinessWeek* (1994), "Not only is work becoming seamless as it moves between home, office, and phone, but it also is becoming endless as it rolls through a twenty-four-hour day" (pp. 24–26). This is partly caused by the "continental time divide" that exists as OD working partners and clients exist across the world instead of in the next conference room. Reflecting these issues, OD is far from understanding the dynamics and effects of the issues caused by the practice of OD in a globalized world.

SUMMARY

In this first chapter and the literature of recent years, the labels of "organization development" and "change management" have been, in many cases, intermingled. Marshak (2005) suggests that the difference between the two is ideological and methodological. We suggest a difference just might be that OD works from a set of human values and base of valid information coming from assessment, along with making free choices with the client system regarding what tools or interventions to enact the change as you will learn from this book.

In change management, managers and executives, using OD practitioners as agents and resources, identify, plan, direct, and steer change. Changes are made with the participation of the members in order to secure buy-in and

support for the changes. The changes are, for the most part, meant to advance the competitive and economic well-being of the organization and its stakeholders. Marshak states:

“In organization development, in contrast, the assumption is that changes cannot be successfully identified, let alone implemented without the true involvement of those responsible for doing the actual work. The purpose of involvement is to secure the best ideas and information to address the situation, with buy-in a side benefit. It is also usually assumed that there will be interdependencies and dynamics that cannot be fully anticipated or planned for, requiring an interactive process open to new developments and outcomes.” (2005, p. 22)

In this chapter we also addressed many important questions. The questions and brief answers as a starting point to them supplied in the chapter follow:

Question: What do you believe about change?

Answer: Clarify your beliefs about people, change, organizations, and other issues relevant to organization change and development.

Question: What are change management (CM) and organization development (OD)?

Answer: Change management implies “a purposeful effort to bring about change. Organization development is a system-wide application of behavioral science knowledge to the planned development, improvement, and reinforcement of the strategies, structures, and processes that lead to organization effectiveness” (Cummings & Worley, 2009, p. 1). Another key difference between OD and other change management strategies may be OD’s important focus on values and ethics, both key issues to business in the wake of a continuing spate of ethical scandals affecting previously respected organizations.

Question: Why should you care about organization development (OD)?

Answer: People should care about organization development because it is rapidly emerging as a key business topic—if not the key business topic in the change global environment and economy.

Question: What special terms of importance are used in organization change and development?

Answer: Key terms include change; change agent; client; culture; intervention; sponsor; and stakeholder.

Question: What is systems thinking, and why is it important to OD practitioners?

Answer: Systems thinking is important to OD for the simple reason that any change in any part of a system changes other parts of a system.

Question: How is OD related to other HR fields?

Answer: A simple way to distinguish OD from WLP is to think in terms of what is to be changed and how it is to be changed. OD focuses on changing an organization and the modes of behavior demonstrated in the corporate culture. WLP focuses on getting results in organizational settings, using any and all methods appropriate to do that—but with a heavy emphasis on learning-oriented efforts for individuals and groups.

Question: What is global OD?

Answer: Global OD is, as noted above, a planned process for changing an organization to improve its effectiveness while being cognizant that there are, in addition to factors that are political, economical, and technological, cultural factors that may alter the humanistic perspectives of people in different places around the world, ultimately altering your approach from the OD perspective.

In this chapter we have discussed and answered questions pertaining to OD and change management, with a focus on OD. We discussed what OD is and what it is not and defined terms that are curious to OD. With these topics and others, it has been our goal to give you a glance at history (which will be discussed in more depth in Chapter Three), and to prepare you for what is to come. OD is an exciting and ever-changing field—after all, change is our working and learning topic and our vocation. To follow, you are offered the opportunity to read the thoughts of leaders in the field...and to reflect on and digest their experiences of the past and anticipations of the future of OD. We think you will find the contributions in this book exciting and beneficial to your practice of organization development.

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