Mastering Organizational Change

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1. Change is essential to organizations

The need for organizational change is greater than ever. Companies that once thrived under 20th century realities must now look to adapt as technology, globalization, and competition have shifted markets and changed the scope of how organizations do business. Gone are the days when leaders need only manage bottom lines to achieve success. Today's business leaders must find ways to not only drive the bottom line, but simultaneously grow and challenge their organizations in new ways. Through shifting landscapes, successful organizations are those that prove themselves capable of mastering organizational change.

Despite the importance of change to organizational success, case studies and empirical reviews show that change is hard and that change done well is rare. Organizations are complex networks of values, systems, and core processes all united and aligned (Mea, 2018). As leaders look to envision and implement change, they must choose where to focus their attention While some leaders may single out the mission and values as in need of update, others may see dated workplace culture, misalignment in essential tasks, or inefficiency in organizational systems as the culprit. While diagnosing areas for growth is important, as Hanna notes, "a common error in organizational improvement work is to address certain design elements in isolation" (2013). Thus, change that seeks only to address one or a few of these elements without addressing the organization holistically will fail. True and effective organizational change requires that leaders consider and address change through all dimensions of the organization to ensure alignment, consistency, and ultimately success.

2. Understanding organizations

There are many models that seek to illustrate the complex dynamics between the elements that shape an organization. For example, Hanna's Organization Systems Model (OSM) offers a way for leaders to better understand the primary factors that shape their organization (2013). The OSM model identifies stakeholder needs, strategy, results, and culture as key elements all undergirded by the underlying values and beliefs of the organization. Another theory by Jamieson views organizational context as a function of the competing forces of culture, system, and structure all operating under the influence of the mission and goals of the organization. (Jamieson, 2018). The organizational elements in these two models make different claims about the hierarchy and interactions between various organizational elements but each are rooted in a foundational assumption about the multidimensionality and holistic nature of organizations. For leaders to spark meaningful organizational change, they must first understand the interdependent network of forces that make up their own organization. Then they can take action in ways that account for and preserve alignment across all dimensions of the organization.

Primary Change Elements

Within the field of organizational change, one measure used to assess the strength of an organization is its internal alignment (Nautin, 2014). Those who advocate this approach see alignment as key to ensuring that organiza-

tions are efficient and nimble enough to adapt readily to change. These modern notions of organizational change are influenced in part by Wilson's foundational writings on the critical task – what he defines as the unifying force and function of an organization (1989). When the critical task is not well defined the resulting ambiguity can lead to inconsistency and unproductivity that can adversely echo throughout all elements of the organization. Thus for Wilson, clarity in the critical task is essential to strong organizations. This point is echoed by many other scholars who define effective organizations as those in which the systems, structure, and culture are in alignment with the critical task and mission of the organization (Merton, 2004). The primary takeaway for organizational leaders is that the efficacy of their change efforts can be directly influenced by the degree to which they ensure alignment between these key elements with each other and with the critical task.

An exploration of how the systems and culture of an organization can contribute to its success shows why these elements matter for change, which can be a useful starting place for leaders looking to create change within their organization. These two elements were identified in Jamieson's model as the two of the core dynamic element of organizations and provide a useful model to understand the holistic model of organizations.

Culture

Organizational culture is a "persistent, and patterned way of thinking about the central task of and human relationships within an organization" (Wilson 1989, 91). Culture breathes life into an organization and although intangible, culture is often one of the most influential factors within an organization. There are two key reasons why culture matters when thinking about organization change.

First, at a systems level it is critical that an organization's culture aligns with its critical task and mission. When this is the case workers have a clear sense of investment in and purpose behind the work that shapes organization. However, change often requires that the critical task and mission evolve. When leaders fail to ensure that culture also changes to realign with these elements, the beliefs and values that once successfully governed how people and systems interact may no longer prove successful in the new organizational environment (Merton, 2004). Secondly, culture is a direct reflection of the beliefs and values held by those who work there, and it is important to consider how changes in culture impacts the individuals who make up an organization (Wilson, 1989). One of the greatest challenges to changing organizational culture is the resistance, uncertainty, and fear that it can trigger in workers. In times of change, these fears can manifest in feelings of temporary incompetence, insecurities about job loss, loss of personal identity, and loss of group membership (Shein, 2017). These fears stem from the imbalance and uncertainty that workers feel in times of change – an idea that is supported by Maslow's belief about what individuals need to develop and feel secure (Maslow, 1943). Ultimately culture matters because culture animates how people and systems interact. Leaders must look to manage and change culture in ways that align the overall organization, but also in ways that mitigate fear and invest individuals within an organization.

Culture: Lessons for leaders

Leaders have the ability to shape organizational culture by influencing how those around them view change. Employees' feelings of fear of change can manifest in ways that seem like resistance, as Heath & Heath and Shein caution, but is actually the result of lack of clarity (Heath & Heath, 2013; Shein, 2017). For this reason, leaders should equip themselves with a clear understanding of Shein's strategies to help lead others through change. At the core, leaders invested in these strategies understand the value of investing others in a compelling vision behind the change and developing opportunities for training, growth, and feedback.

By following Shein's guidance, leaders can significantly assuage worker fear and provide clarity (2013).

Systems

How organizations operate, interact, and manage their performance is a direct result of the systems in place. Early notions of organizational systems were measured in terms of efficiency and rooted in the idea that efficiency can be produced and replicated through the application of scientific principles (Taylor, 2004). While efficiency is certainly still a component of system success, more modern and holistic notions of organizations view efficiency as one, but not the only measure of the quality of organizational system. Modern theories of organizational change posit that the strength of a system is measured by the degree to which it is aligned with an organization's critical task. Moreover, under ideal conditions the critical task of an organization should dictate how systems are designed.

Systems matter when thinking about organization change because efficiency and alignment are impacted by the full arc of organization elements, from mission to culture to goals. A change to one these elements will require a shift in organization systems as well. The realities of competition and market forces, create clear incentives for leaders to strive for greater efficiency (Wilson, 1989). However, too often leaders falsely assume that simply shifting their mission statement or goals is enough to direct change within the system themselves (Rumelt, 2012). Throughout periods of change, leaders must ensure that their organizational systems remain clearly defined in terms of its critical task. This clarity matters because when tasks within a system are misaligned or removed from a larger purpose, they are more likely to be performed poorly and inefficiently (Wilson, 1989). Even more critically, outdated systems that remain unchanged can overtime create a 'trained incapacity' among workers which stunts potential for growth and thwart change efforts all together (Merton, 2004).

Systems: Lessons for Leaders

People are what make up organizations and thus, how people invest in and relate to their role is of critical importance when ensuring system level efficiency (Ott, 2004). To perform their best, workers need clarity to understand how their role fits into large systems and structures. Leaders, in turn, have an obligation to ensure that through periods of change they communicate with workers not only about how the core systems of the organization will shift, but how each of their individual role fits into the new model.

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