FIFTH EDITION

ORGANIZATION DEVELOPMENT

The Process of Leading Organizational Change

DONALD L. ANDERSON

Organization Development

Fifth Edition

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Organization Development

The Process of Leading Organizational Change

Fifth Edition

Donald L. Anderson

University of Denver

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PREFACE

In 2018, the World Economic Forum issued its *Future of Jobs Report.* Perhaps not surprisingly, the report noted an increase in jobs focused on robotics and automation, Big Data, artificial intelligence, and data science, whereas it also noted that jobs focused on data entry and factory work will likely be in decline. The report authors predicted that more than half of all jobs will require significant reskilling by 2022, making lifelong learning an increasing necessity. Yet against the backdrop of this focus on technology, the report authors also made a specific mention of the increasing influence of the field of organization development (OD). The report concluded:

> Also expected to grow are roles that leverage distinctively "human" skills, such as . . . Training and Development, People and Culture, and Organizational Development Specialists (World Economic Forum, 2018, p. viii).

It seems that every few years, the field of organization development (OD) finds itself at a crossroads. Some feel that the field has strayed too far from its founding humanistic values of democracy, diversity, autonomy, collaboration, and choice. They argue that OD is in danger of being diluted or collapsed into human resources roles, leadership development, and talent management. Others feel that the "touchy feely" old values deserve a fresh update and that OD practitioners have a great deal to contribute to organizational efficiency, effectiveness, and enhanced performance in ways that helps both organization and individual. They see the role of the practitioner as a business adviser who can incorporate humanistic values without being hypocritical.

I wrote (and continue to update) this book because, like the World Economic Forum, I firmly believe that OD as a field of research and practice has much to offer to people in contemporary organizations who are struggling with an incredible amount of change. Old management styles no longer fit the needs of today's workplace and workers. New organizational forms are emerging to cope with the increasing pace of change, globalization, digitization and the latest technologies, economic pressures, and the expectations of the contemporary workforce. Managers struggle to engage employees despite ever-present threats of downsizing and outsourcing. In such an environment, many employees find work to be less personally satisfying than they did before.

Skilled OD practitioners understand the dynamics of human systems and can intervene to encourage a healthy, engaging, and productive environment. Unfortunately, it has been challenging for many students to develop these skills. It generally requires "breaking in" to an OD department, finding a (hopefully skilled) mentor, and learning as much as possible through academic courses or self-discovery. While they are regularly tested on the job, managers and executives have few opportunities to develop their skills as change agents as well. Project managers, IT professionals, educators, and health care administrators all report that the skills of OD are applicable to their jobs.

My hope is that this book will provide theoretical and practical background in OD to give you an introduction to the basic processes of organization development and change. It will also give you a chance to practice in a safe environment where you can develop your skills. I hope you find the book to be readable but rigorous—practical and relevant but with a solid academic foundation—and comprehensive enough without being exhausting.

For this fifth edition, I have updated many sections of the book to reflect recent research and advances in practice while retaining classic approaches and foundational theories with which most practitioners ought to be familiar. Highlights of this new edition include the following:

- A new feature, “Profiles in Organization Development,” that showcases practitioners and researchers to highlight their experience, different paths to and histories in the field, and the diverse types of OD that are practiced today
- Additional case studies to allow you to practice using OD concepts and skills
- A revision to Chapters 12 and 13 to highlight the growing importance of organization design and culture interventions
- Additional examples of global issues in organization development
- New readings at the end of each chapter, where appropriate

My continued thanks to the students at the University of Denver as well as to the clients who share with me their struggles in achieving change at work. Reviewers and readers of prior editions continued to share ideas to improve this volume. As always, I am grateful to my family and friends, especially my wife, Jennifer, for their patience, support, and encouragement.

EXERCISES AND ACTIVITIES

Many chapters contain exercises, activities, and role plays that can be used to practice skills and apply concepts developed in several chapters of the book. This chart details which exercises and activities accompany which chapter and topic.

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Sustaining Change	Chapter 14: Sustaining Change, Evaluating, and Ending an Engagement	387

ANCILLARIES

Instructor Teaching Site

A password-protected instructor's manual is available at **edge.sagepub.com/andersonod5e** to help instructors plan and teach their courses. These resources have been designed to help instructors make the classes as practical and interesting as possible for students.

An Overview for the Instructor offers the author's insights on how to most effectively use this book in a course on organization development and change.

PowerPoint Slides capture key concepts and terms for each chapter for use in lectures and review.

Case Epilogues provide additional information about the organizations or scenarios featured in the text.

Discussion Questions suggest additional topics to engage students during classroom discussions and activities.

Sample Course Syllabi provide models for structuring your course.

A Test Bank includes multiple-choice, short-answer, and essay exam questions for each chapter.

Video Resources for each chapter help launch class discussion.

Student Study Site

An open-access student study site can be found at **edge.sagepub.com/andersonod5e**. The site offers videos of the author discussing the major stages of organization development, Web links to additional tools, and **Learning From SAGE Journal Articles**, with access to recent, relevant, full-text articles from SAGE's leading research journals. Each article supports and expands on the concepts presented in the book. This feature also provides discussion questions to focus and guide student interpretation.

This text is accompanied by *Cases and Exercises in Organization Development & Change*, *Second Edition* (ISBN 978–1-5063–4447–8), which follows the same chapter organization as this text. A bundle of this text with the cases and exercises book is also available.

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WHAT IS ORGANIZATION DEVELOPMENT?

Think for a moment about the organizations to which you belong. You probably have many to name, such as the company where you work, a school, perhaps a volunteer organization, or a reading group. You are undoubtedly influenced by many other organizations in your life, such as a health care organization like a doctor's office or hospital, a church group, a child's school, a bank, or the local city council or state government. Using an expansive definition of organization, you could name your own family or a group of friends as an organization that you belong to as well. With just a few moments' reflection, you are likely to be able to name dozens of organizations that you belong to or that influence you.

Now consider an organization that you currently do not belong to, but one that you were dissatisfied with at some point in the past. What was it about that organization that made the experience dissatisfying? Perhaps you left a job because you did not have the opportunity to contribute in the way that you would have liked. Maybe it was a dissatisfying team atmosphere, or you were not appreciated or recognized for the time and energy that you dedicated to the job. It could have been a change to your responsibilities, the team, or the organization's processes. Some people report that they did not feel a larger sense of purpose at work, they did not have control or autonomy over their work, or they did not find an acceptable path to growth and career development. Perhaps you've witnessed or been part of an organization that has failed for some reason. Perhaps it went out of business or it disbanded because it could no longer reach its goals.

You've likely had some excellent experiences in organizations, too. You may have had a job that was especially fulfilling or where you learned a great deal and coworkers became good friends. Maybe your local volunteer organization helped a number of people through organized fundraisers or other social services activities. Perhaps you joined or started a local community group to successfully campaign against the decision of your local city council or school board.

All of this is to demonstrate what you already know intuitively, that we spend a great deal of our lives working in, connected to, and affected by organizations. Some of these organizations function quite well, whereas others struggle. Some are quite rewarding environments in which to work or participate, but in others, organizational members are frustrated, neglected, and disengaged.

The purpose of this book is to introduce you to the field of organization development, an area of academic study and professional practice focused on making organizations better—that is, more effective and productive and at the same time more rewarding, satisfying, and engaging places in which to work and participate. By learning about the field of organization development and the process by which

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it is conducted, you will be a more effective change agent inside the organizations to which you belong.

ORGANIZATION DEVELOPMENT DEFINED

Organization development (OD) is an interdisciplinary field with contributions from business, industrial/organizational psychology, human resources management, communication, sociology, and many other disciplines. Not surprisingly, for a field with such diverse intellectual roots, there are many definitions of organization development. Definitions can be illuminating, as they point us in a direction and provide a shared context for mutual discussion, but they can also be constraining, as certain concepts are inevitably left out, with boundaries drawn to exclude some activities. What counts as OD thus depends on the practitioner and the definition, and these definitions have changed over time. In a study of 27 definitions of organization development published since 1969, Egan (2002) found that there were as many as 60 different variables listed in those definitions. Nonetheless, there are some points on which definitions converge.

One of the most frequently cited definitions of OD comes from Richard Beckhard (1969), an early leader in the field of OD:

> Organization development is an effort (1) *planned*, (2) *organizationwide*, 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. (p. 9)

Beckhard's definition has many points that have survived the test of time, including his emphasis on organizational effectiveness, the use of behavioral science knowledge, and the inclusion of planned interventions in the organization's functions. Some critique this definition, however, for its emphasis on planned change (many organizational changes, and thus OD efforts, are in response to environmental threats that are not so neatly planned) and its emphasis on the need to drive organizational change through top management. Many contemporary OD activities do not necessarily happen at the top management level, as increasingly organizations are developing less hierarchical structures.

A more recent definition comes from Burke and Bradford (2005):

> Based on (1) a set of values, largely humanistic; (2) application of the behavioral sciences; and (3) open systems theory, organization development is a systemwide process of planned change aimed toward improving overall organization effectiveness by way of enhanced congruence of such key organizational dimensions as external environment, mission, strategy, leadership, culture, structure, information and reward systems, and work policies and procedures. (p. 12)

Finally, I offer a third:

> Organization development is the process of increasing organizational effectiveness and facilitating personal and organizational change through the use of interventions driven by social and behavioral science knowledge.

These definitions include a number of consistent themes about what constitutes organization development. They propose that an outcome of OD activities is organizational effectiveness. They also each stress the applicability of knowledge gained through the social and behavioral sciences (such as sociology, business and management, psychology, and more) to organizational settings.

MAKING THE CASE FOR ORGANIZATION DEVELOPMENT

Perhaps the point on which most definitions agree is that the backdrop and purpose of organization development is change. As you have no doubt personally experienced, large-scale organizational change is rarely simple and met without skepticism. As Peter Senge and colleagues (1999) write, "Most of us know firsthand that change programs fail. We've seen enough 'flavor of the month' programs 'rolled out' from top management to last a lifetime" (p. 6). Because of its impact on the organizational culture and potential importance to the organization's success, organizational change has been a frequent topic of interest to both academic and popular management thinkers. With change as the overriding context for OD work, OD practitioners develop interventions so that change can be developed and integrated into the organization's functioning. Significant changes today are facing organizations and their teams and individual employees.

To become effective, productive, and satisfying to members, organizations need to change. It will come as no surprise to any observer of today's organizations that change is a significant part of organizational life. Change is required at the organizational level as customers demand more, technologies are developed with a rapidly changing life cycle (especially high-tech products; Wilhelm, Damodaran, & Li, 2003), and investors demand results. As Rita McGrath (2013) writes, "Music, high technology, travel, communication, consumer electronics, the automobile business, and even education are facing situations in which advantages are copied quickly, technology changes, or customers seek other alternatives and things move on" (p. 7). This requires that organizations develop new strategies, economic structures, technologies, organizational structures, and processes.

Change is required of team members, who now are likely to work virtually in collaboration with members from around the globe. Cultural differences, changes in communication technologies, and a changing diverse workforce all combine to complicate how team members work together. Role conflict and confusion in decision processes and decision authority are common when members who have never worked together are thrown into an ad hoc team that is responsible for rapid change and innovation.

Change is also required of individuals. Employees learn new skills as jobs change or are eliminated. Organizational members are expected to quickly and flexibly adapt to the newest direction. Best-selling business books such as *Who Moved My Cheese?* teach lessons in ensuring that one's skills are current and that being comfortable and reluctant to adapt is a fatal flaw. Leaders today need to adapt to matrix organizational structures and new participative styles of leadership rather than old hierarchical patterns and command and control leadership (Holbeche, 2015). For organizational members, change can be enlightening and exciting, and it can be hurtful, stressful, and frustrating.

Whether or not we agree with the values behind "change as a constant," it is likely to continue for the foreseeable future. Whereas some decry an overabundance of change in organizations (Zorn, Christensen, & Cheney, 1999), others note that it is the defining characteristic of the current era in organizations and that becoming competent at organizational change is a necessary and distinguishing characteristic of successful organizations (Lawler & Worley, 2006).

There are, however, more and less effective ways to manage change. Creating and managing change in order to create higher-performing organizations in which individuals can grow and develop is a central theme of the field of OD. When we speak of organization development, we are referring to the management of certain kinds of these changes, especially how people implement and are affected by them.

WHAT ORGANIZATION DEVELOPMENT LOOKS LIKE

It may be easiest to understand what organization development is by understanding what forms it takes and how it is practiced. The following are five examples of published case studies of OD in action.

Example 1: Increasing Employee Participation in a Public Sector Organization

Public sector organizations, it has been noted (Coram & Burns, 2001), often face additional special challenges in the management of change. Bureaucratic structures, interfaces with regional governments and legislatures, political pressures, and legislative policies all complicate the implementation of new processes and changes to organizational practices. In the Republic of Ireland, a special initiative aimed to reduce bureaucracy in the public sector to gain efficiency, improve customer service, and improve interdepartmental coordination (O'Brien, 2002). Many programs of this type have been launched in other organizations as top-down mandates from senior management, causing frustration and decreased commitment among staff members who resisted the mandated changes.

One department wanted to do things differently. The offices were in the division of Social Welfare Services, a community welfare organization of 4,000 employees. Two Dublin offices (50 employees each) became the focus of this case. These offices chose to involve employees in the development of an initiative that would improve working conditions in the department as well as increase the employees' capacity for managing changes. A project steering team was formed, and it began by administering an employee survey to inquire about working relationships, career development, training, technology, and management. Follow-up data gathering occurred in focus groups and individual interviews. The tremendous response rate of more than 90 percent gave the steering team a positive feeling about the engagement of the population, but the results of the survey indicated that a great deal of improvement was necessary. Many employees felt underappreciated, distrusted, and not included in key decisions or changes. Relationships with management were also a concern as employees indicated few opportunities for communication with management and that jobs had become routine and dull.

The steering team invited volunteers (employees and their management) to work on several of the central problems. One team worked on the problem of communication and proposed many changes that were later implemented, including a redesign of the office layout to improve circulation and contact among employees. As the teams continued discussions, they began to question standard practices and inefficiencies and to suggest improvements, eventually devising a list of almost 30 actions that they could take. Managers listened to employee suggestions, impressed by their insights. As one manager put it, "I have learned that a little encouragement goes a long way and people are capable of much more than given credit for in their normal everyday routine" (O'Brien, 2002, p. 450).

The joint management–employee working teams had begun to increase collaboration and interaction among the two groups, with each reaching new insights about the other. As a result of the increased participation, "There appeared to be an enhanced acceptance of the change process, coupled with demands for better communications, increased involvement in decision making, changed relationships with supervisors and improved access to training and development opportunities" (O'Brien, 2002, p. 451).

Example 2: Senior Management Coaching at Vodaphone

Vodaphone is a multibillion-dollar global communications technology company headquartered in the United Kingdom and was an early leader in the mobile telephone market (Eaton & Brown, 2002). Faced with increasing competition, the company realized that in order to remain innovative and a leader in a challenging market, the culture of the organization would need to adapt accordingly. Specifically, senior management realized that its current "command and control" culture of blame and political games would hinder the collaboration and mutual accountability needed to succeed in a competitive environment. Instead, the company wanted to encourage a culture of empowered teams that made their own decisions and shared learning and development, speed, and accountability.

Several culture initiatives were implemented, including the development of shared values, the introduction of IT systems that shared and exchanged information across major divisions that had hindered cross-functional learning, and the establishment of teams and a team-building program.

To support the initiatives and encourage a new, collaborative management style, Vodaphone implemented a leadership coaching program. Top managers attended the program to learn skills in conducting performance reviews, helping employees set goals, and coaching teams. Following the program, managers had one-on-one coaching sessions with a professional coach who worked with participants to help them set coaching goals and reflect on how successfully they were able to implement the skills learned in the program.

As a result of the program, managers began to delegate more as teams started to solve problems themselves. Teams began to feel more confident in their decisions as managers trusted them. Eaton and Brown (2002) attribute several subsequent company successes to the program, noting that it was critical that the coaching program was integrated with the other culture change initiatives that it supported. "Cultural change takes time," they note, and "traditional attitudes to management do not die away overnight" (p. 287). However, they point out that a gradual evolution took place and the new cultural values are now the standard.

Example 3: Team Development in a Cancer Center

Health care workers who have the challenge of caring for critically ill patients experience stress, emotional exhaustion, and burnout at very high rates compared with workers in other fields. Without social support from friends or other coworkers, many workers seek to leave the field or to reduce hours to cope with the emotional exhaustion of such a demanding occupation. Consequently, many researchers have found that health care workers in particular need clear roles, professional autonomy, and social support to reduce burnout and turnover.

In one Canadian cancer center (Black & Westwood, 2004), a senior administrator sought to address some of these needs by creating a leadership team that could manage its own work in a multidisciplinary team environment. Team members would have professional autonomy and would provide social support to one another. Leaders volunteered or were chosen from each of the center's main disciplines, such as oncology, surgery, nursing, and more. Organization development consultants were invited to lead workshops in which the team could develop cohesive trusting relationships and agree on working conditions that would reduce the potential for conflict among disciplines.

In a series of three 2-day workshops over 3 months, the team participated in a number of important activities. Members did role play and dramatic exercises in which they took on one another's roles in order to be able to see how others see them. They completed surveys of their personal working styles to understand their own communication and behavior patterns. The team learned problem-solving techniques, they clarified roles, and they established group goals.

Three months after the final workshop was conducted, the facilitators conducted interviews to assess the progress of the group. All of the participants reported a better sense of belonging, a feeling of trust and safety with the team, and a better understanding of themselves and others with whom they worked. One participant said about a coworker, "I felt that [the workshops] connected me far differently to [a coworker] than I would have ever had an opportunity to do otherwise, you know, in a normal work setting" (Black & Westwood, 2004, p. 584). The consultants noted that participants wanted to continue group development on an ongoing basis.

Example 4: A Future Search Conference in a Northern California Community

Santa Cruz County is located in Northern California, about an hour south of San Francisco. In the 1960s, the county had approximately 25,000 residents in an agricultural region and in a small retirement community. In the late 1960s, the University of California, Santa Cruz, opened its doors, and in the following years the county began to experience a demographic shift as people began to move to the area and real estate prices skyrocketed. By 1990, the population had reached 250,000 residents, and increasingly expensive real estate prices meant that many residents could no longer afford to live there. Affordable housing was especially a problem for the agricultural community. A local leadership group had convened several conferences but could never agree on an approach to the housing problem.

In the mid-1990s, a consortium of leaders representing different community groups decided to explore the problem further by holding a future search conference (Blue Sky Productions, 1996). They invited 72 diverse citizens to a 3-day conference not only to explore the problem of affordable housing but also to address other issues that they had in common. The citizen groups represented a cross-section of the community—from young to old, executives to farmworkers—and social services agencies. Attendees were chosen to try to mirror the community as a "vertical slice" of the population. They called the conference "Coming Together as a Community Around Housing: A Search for Our Future in Santa Cruz County."

At the conference, attendees explored their shared past as individuals and residents of the county. They discussed the history of the county and their own place in it. Next, they described the current state of the county and the issues that were currently being addressed by the stakeholder groups in attendance. The process was a collaborative one; as one attendee said, "What one person would raise as an issue, another person would add to, and another person would add to." There were also some surprises as new information was shared. One county social services employee realized, "There were a couple of things that I contributed that I thought everyone in the county knew about, and [I] listen[ed] to people respond to my input, [and say] 'Oh, really?'" Finally, the attendees explored what they wanted to work on in their stakeholder groups. They described a future county environment 10 years out and presented scenarios that took a creative form as imaginary TV shows and board of supervisors meetings. Group members committed to action plans, including short- and long-term goals.

Eighteen months later, attendees had reached a number of important goals that had been discussed at the conference. Not only had they been able to increase funding for a farmworkers housing loan program and create a rental assistance fund, but they were on their way to building a $5.5 million low-income housing project. Participants addressed a number of nonhousing issues as well. They embarked on diversity training in their stakeholder groups, created a citizen action corps, invited other community members to participate on additional task forces, and created a plan to revitalize a local downtown area. "Did the future search conference work?" one participant wondered. "No question about it. It provided a living model of democracy."

Example 5: A Long-Term Strategic Change Engagement

ABA, a German trading company with 15,000 employees, embarked on a major strategic change initiative driven by stiff competition (Sackmann, Eggenhofer-Rehart, & Friesl, 2009). A global expansion prompted the company to reorganize into a three-division structure. A decentralized shared services model, comprising 14 new groups, was created for administrative departments that would now support internal divisions. To support the culture of the new organization, executives developed a mission and vision statement that explained the company's new values and asked managers to cascade these messages to their staffs. This effort was kicked off and managed from the top of the organization.

The director of the newly formed shared services centers contacted external consultants, suspecting that a simple communication cascade to employees would not result in the behavioral changes needed in the new structure. The new administrative groups would have significant changes to work processes, and the lead managers of each of the 14 new groups would need assistance to put the new values and beliefs into practice. The consultants proposed an employee survey to gauge the beliefs and feelings of the staff and to provide an upward communication mechanism. Survey results were available to managers of each center, and the external consultants coached the managers through an interpretation of the results to guide self-exploration and personal development. Internal consultants worked with the managers of each of the new centers to facilitate a readout of the survey results with employees and take actions customized to the needs of each group. Consultants conducted workshops for managers to help them further develop personal leadership and communication skills, topics that the survey suggested were common areas of improvement across the management team. Over a period of 4 years, the cycle was repeated, using variations of the employee survey questions, a feedback step, and management development workshops covering new subjects each time.

Interviews and surveys conducted late in the process showed that employees had a positive feeling about change in general. Leaders reported noticing a more trusting relationship between employees and their managers characterized by more open communication. Center managers took the initiative to make regular and ongoing improvements to their units. Sackmann and colleagues (2009) noted the need for a major change like this one to include multiple intervention targets. This organization experienced "changes in strategy, structure, management instruments, leadership, employee orientation, and the organization's culture context" (p. 537), which required a broad set of surveys, coaching, and workshops to support. "These change supporting activities helped implement the change with lasting effect" (p. 537), they conclude.

As you can see from this and the previous examples, OD is concerned with a diverse variety of issues to address problems involving organizations, teams, and individuals. OD is also conducted in a diverse variety of organizations, including federal, state, and local governments (which are among the largest employers in the United States, according to the U.S. Bureau of Labor Statistics), public sector organizations around the world, health care organizations, educational settings, and nonprofit and private enterprises. Interventions can involve a single individual, a small team (such as the cancer center team described earlier), multiple teams, or a whole organization. It can also consist of multiple targets of change, such as in the Vodaphone initiative that involved not only large-scale culture change but also the implementation of teams and individual coaching. OD can also deal with multiorganization efforts, such as in the case of Santa Cruz County, or it can involve multiple national governments. The target of change can be something as seemingly simple as increasing employee involvement or developing coworker relationships, or it can be as potentially large as creating the vision or strategy of an entire organization or documenting the 10-year future of a large county.

Marvin Weisbord

Marvin Weisbord had a 50-year career as manager, writer, researcher, and consultant to corporations and medical schools. He was a founder and co-director of Future Search Network, a global nonprofit whose members manage strategic planning meetings for communities worldwide. He received a lifetime achievement award from the Organization Development Network, which voted his book *Productive Workplaces* one of the "Top Five Most Influential OD books of the Past 40 Years." For 20 years, he was a partner in the consulting firm Block Petrella Weisbord, a member of the NTL Institute for Applied Behavioral Science, and a member of the European Institute for Transnational Studies (ITS).

How did you get started in OD? What favorite lessons stand out about your work with people and organizations?

I learned to do organization development (OD) by doing it. I became an advocate for projects to help people learn from their own experience. Most people know more about their work than they realize. They rarely have a chance to discover it. Given time to educate one another, people always learn more about the whole than any one person knew before. Given influence over policies and work systems, people perform better than they think they can. This has occurred for decades regardless of culture, age, class, gender, ethnicity or "personal style." I learned that "sustainable change" was an oxymoron! The best we could hope to sustain was peoples' commitment from one meeting to the next. That is a priceless change worth having. If you want a new culture, make every meeting congruent with the culture you want. You'll never do better than that.

I learned the power of applying systems thinking to complex tasks. Getting from Point A to Point B means paying attention all at once to economics, technology, and people. Such was the origin of my 6-box organizational diagnosis model. I imagined it as an aircraft's instrument panel. I likened leadership to scanning the dials, keeping all the instruments in balance, mindful that you never can change just one thing.

For two decades after leaving the consulting business, I ran and taught a three-day planning event called "Future Search." Indeed, Sandra Janoff and I showed more than 4,000 people around the world how to do effective large group strategic planning for themselves. I liked that work because it required all the key players in the same room. Whatever did or did not happen was up to them. We saw people who had never worked together do things in a few hours that none believed possible. We documented positive results from Future Searches all over the world.

What other jobs or experiences helped you as an OD practitioner?

I could not have become an OD consultant had I not worked for a decade in a business forms company. I could not have written up my OD cases had I not been a magazine writer. Nor would I have gotten into the NTL Institute, a group dynamics pioneer. I could not have learned to function in groups, nor how to do action research, without being an NTL workshop leader for 20 years. I could not have learned

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the nuts and bolts of collaborative consulting without partnering with Peter Block and Tony Petrella. Had it not been for research in medical schools with Paul Lawrence and D-I (differentiation-integration theory), I might never have got how behavior change follows structural change more often than vice versa.

I could not have appreciated the unity of human experience but for Sandra Janoff's and my shared interest in applying D-I theory to strategic planning. Nor could I have freed myself to work easily anywhere in the world without John and Joyce Weir's gift of owning my experience without needing to deny anybody else's. In the long run, I integrated everything I learned into a dance that included human relations, socio-technical systems design, and personal growth.

What do you think are the most important skills for a student of OD to develop?

If you want to help others, do what they never did before: Start with yourself. You cannot get too much self-knowledge. That requires finding parts of yourself you didn't know existed. There is a lifetime of work for each of us in finding our "shadows," harmonizing inner voices that tear us apart. We're never finished, and the right time to do it is every day.

When you walk into a meeting, imagine everyone doing their best with what they have. Then deal with people the way you find them. Realize that you can't change them. You can learn to do things you never did before—even accepting others the way you find them. You can give people opportunities they never had. You will not discover this in power points and executive summaries.

Can you comment on the future of organizations and the field of OD?

After 30 years of Future Searches, I believe that the best way to manage the future is to understand that it happens now. Both past and future exist only in the present. Today is yesterday's future. It's dissolving into the past by the second. Learning that is the best asset a consultant can acquire. Look around you. Whatever people are doing today was yesterday's future. We cannot solve novel problems before we have them. Improving companies and communities can be satisfying work if you avoid thinking you build for the ages. You can only do "future" work in today's meetings. You can only capitalize on the expertise, experience, hopes, fears, and dreams of those doing the work. Figure how to get everybody improving whole systems. If you put energy into doing that you can make a difference, not someday, but every day.

WHAT ORGANIZATION DEVELOPMENT IS NOT

Despite this seemingly expansive definition of what organization development is and what issues and problems it addresses, it is also limited. OD is not any of the following.

Management Consulting

OD can be distinguished from management consulting in specific functional areas such as finance, marketing, corporate strategy, or supply chain management. It is also distinguished from information technology applications.

Yet OD is applicable to any of these areas. When organizations attempt a conscious change, whether it involves implementing a new IT system; making changes in strategy, goals, or direction; or adapting to a new team leader, OD offers relevant processes and techniques to make the change function effectively. An OD practitioner would not likely use expertise in one of these content areas (for example, best practices in financial structures of supplier relationships or contemporary marketing analysis) to make recommendations about how an organization does this activity. Instead, an OD practitioner would be more likely to assist the organization in implementation of the kinds of changes that management consultants would advise them to make. Thus, OD makes a distinction between partnerships with a client where the consultant offers content advice and those where the consultant offers process advice. Consulting where the practitioner offers content advice falls under the heading of management consulting, whereas OD offers consultation on the process used to reach a desired goal. Most management consulting also is not based on OD's set of foundational values (a topic that we will take up in detail in Chapter 3). In Chapter 5 we will discuss OD consulting in particular and differentiate it from management consulting activities with which you may be familiar.

Training and Development

While individual and organization learning is a part of OD and a key value we will discuss in a later chapter, OD work is not confined to training activities. OD is not generally the context in situations in which learning is the sole objective, such as learning a new skill, system, or procedure. OD deals with organizational change efforts that may or may not involve members of the organization needing to learn specific new skills or systems. Many training and development professionals are gravitating toward OD to enhance their skills in identifying the structural elements of organizations that need to be changed or enhanced for training and new skills to be effective. Other aspects of the training and development profession, however, such as needs assessment, course development, the use of technology, or on-the-job training, are not central to the job of the OD practitioner.

In addition, most training programs are developed for a large audience, often independent of how the program would be applied in any given organization. While some OD interventions do incorporate training programs and skill building, OD is more centrally concerned with the systemic context that would make a training program successful, such as management support, job role clarification, process design, and more. As Burke (2008) writes, "Individual development cannot be separated from OD, but to be OD, individual development must be in the service of or leverage for system-wide change, an integral aspect of OD's definition" (p. 23).

Short Term

OD is intended to address long-term change. Even in cases in which the intervention is carried out over a short period (such as the several-day workshops conducted at the cancer center described earlier), the change is intended to be a long-term or permanent one. OD efforts are intended to develop systemic changes that are long lasting. In the contemporary environment, in which changes are constantly being made, this can be particularly challenging.

The Application of a Toolkit

Many OD practitioners speak of the OD "toolkit." It is true that OD does occasionally involve the application of an instrumented training or standard models, but it is also more than that. To confuse OD with a toolkit is to deny that it also has values that complement its science and that each OD engagement has somewhat unique applications. As Feyerherm and Worley (2008) write,

> Too many clients ask, "How do I do x?" or "What tools are available to change y?" and too many OD practitioners, in an effort to be helpful, give the client what they want instead of what they need. The "tool" focus ignores assessment and risks, providing a band-aid in organizations without attacking core problems. (p. 4)

Students of OD who seek out tools without being knowledgeable about the OD process and the reasons for the use of the tools are likely to find themselves having learned how to use a hammer and enthusiastically go around looking for nails (only to realize that not every problem looks like the same nail). As Schein (1999) puts it,

> Knowledge of many different kinds of interventions does not substitute for the knowhow of sensing what is needed "right now." . . . In fact, having a skillset of interventions "at the ready" makes it harder to stay in the current reality because one is always looking for opportunities to use what one believes oneself to be good at. (p. 245)

OD is more than a rigid procedure for moving an organization, team, or individual from point A to point B. It involves being attuned to the social and personal dynamics of the client organization that usually require flexibility in problem solving, not a standardized set of procedures or tools. In Chapter 3 we will discuss the values that underlie OD to better understand the fundamental concepts that explain how and why OD practitioners make the choices they do.

WHO THIS BOOK IS FOR

This book is for students, practitioners, and managers who seek to learn more about the process of organizational change following organization development values and practices. We will use the term *organization development*, as most academic audiences prefer, over the term *organizational development*, which seems to dominate spoken and written practitioner communication. We will also refer to the *organization development practitioner*, *consultant*, and *change agent* in this book as a single general audience, because these terms emphasize that OD is practiced by a large community that can include more than just internal and external paid OD consultants.

OD includes (and the book is written for) anyone who must lead organizational change as a part of his or her role. With the magnitude and frequency of organizational change occurring today, this encompasses a wide variety of roles and is an increasingly diverse and growing community. The OD practitioner can include the internal or external organization development consultant, but also managers and executives; human resources and training professionals; quality managers; project managers and information technology specialists; educators; health care administrators; directors of nonprofit organizations; leaders in state, local, and federal government agencies; and many more. We will also more frequently discuss *organizational members* than employees, which is a more inclusive term that includes volunteers in nonprofit groups and others who are connected to organizations but may not have an employment relationship with them. The term also is intended to include not just leaders, executives, and managers but also employees at all levels.

OVERVIEW OF THE BOOK

This book provides an overview of the content of organization development, including theories and models used by change agents and OD practitioners. It also explores the process by which OD is practiced. The objective of the book is to acquaint you with the field of OD and the process of organization development consulting. The goal is to develop your analytic, consulting, and practitioner skills so that you can apply the concepts of OD to real situations. We will simulate these consulting situations through detailed case studies, which follow many of the skill development chapters, in which you will be able to immediately practice what you have learned in the chapter.

Chapters 2 through 5 will explore the foundations of the field, including its history, values, and an overview of the key concepts and research in organizational change. In these chapters you will learn how OD began as a field, how it has evolved over the past decades, and how most practitioners think of the field today. In Chapter 3 we will discuss the underlying values and ethical beliefs that influence choices that practitioners must make in working with clients. Chapter 4 provides a foundation in research into organizational change from a systems perspective, a common way of thinking about organizations. We will also discuss a social construction perspective on organizational change. In this chapter you will be exposed to models of organizational systems and organizational change that have influenced the development of many OD interventions. In Chapter 5 we will define the role of the OD consultant, differentiating the OD consultant from other kinds of consultants, and describing the specific advantages and disadvantages to the OD consultant when the consultant is internal or external to the organization.

Beginning with Chapter 6, the book follows an action research and consulting model (entry, contracting, data gathering, data analysis/diagnosis, feedback, interventions, and evaluation). We will discuss the major actions that practitioners take in each of these stages and describe the potential pitfalls to the internal and external consultant. Chapter 6 describes the early stages of the consulting engagement, including entry and contracting. You will learn how a consultant contracts with a client and explores what problems the client is experiencing, how those problems are being managed, and how problems can be (re)defined for a client. In Chapter 7 we will cover how practitioners gather data, as well as assess the advantages and disadvantages of various methods for gathering data about the organization. Chapter 8 describes what OD practitioners do with the data they have gathered by exploring the dynamics of the feedback and joint diagnosis processes. This stage of the consulting process is especially important as it constitutes the point at which the client and consultant define what interventions will best address the problems that have been described.

Chapter 9 begins by describing the most visible aspect of an OD engagement—the intervention. We will discuss the components of interventions and describe the decisions that practitioners must make in grappling with how to structure them for maximum effectiveness. Chapters 10 through 13 address the traditional OD practices with which most practitioners ought to be familiar, including interventions such as organization design, strategic planning, quality interventions, team building, survey feedback, individual instruments, and coaching and mentoring. These chapters also incorporate practices such as appreciative inquiry, future search, and Six Sigma. These interventions are organized according to the target of the intervention, whether it be the whole organization, multiple groups, single groups, or individuals. In Chapter 14 we will conclude our discussion of the OD process by exploring how organization development practitioners separate themselves from client engagements and evaluate the results of their efforts. In Chapter 15 we will examine the practice of OD in different cultures and geographies by discussing how globalization impacts organization development. The book concludes in Chapter 16 with a discussion of the future of OD, where we will discuss the applicability and relevance of OD to contemporary organizations, given trends in demographics, working conditions, and organizational environments.

Following trends in the corporate world, ethical issues in OD are gaining the attention of academics, clients, and practitioners. While we will discuss values and ethics in Chapter 3, rather than leave ethical dilemmas to that chapter alone, we will also discuss ethical issues in organization development at relevant points throughout the book, when appropriate for the stage in the OD process being described.

Many chapters begin with an opening vignette and thought questions to set the stage for the topics covered in those chapters. Some of these vignettes present published case studies of successful and unsuccessful OD efforts. As you read the vignette and the chapter, consider what factors made the case more or less successful and what lessons the practitioner may have learned from the experience. You may wish to find the published case and read it for additional details not presented in the vignette. Reading published cases can help you develop a deeper appreciation for the complexities of OD work and learn from the successes and struggles that others have experienced. At the end of each chapter you will find questions for discussion, exercises, activities, and/or role-play simulations that can help you develop your OD skills through realistic scenarios where you can practice in a safe environment.

ANALYZING CASE STUDIES

The case studies included in this book are intended to help you learn the role and thought process of an OD consultant or change agent through realistic examples. By reading and analyzing case studies, you will actively participate in applying the theory and concepts of OD to complex, real-life situations that consultants find themselves in every day. These cases are all based in practitioners' real experiences—names and some details have been changed to protect the client's and practitioner's anonymity. By stepping into a practitioner's shoes, you will be challenged to make the tradeoffs and choices that managers and consultants are asked to make.

The cases will help you develop the problem-solving and critical-thinking skills that are central to the value that a practitioner brings to a client. Ideally you can discuss these cases with others who have analyzed them as well, and together you can identify the central issues in the cases and debate the most appropriate response. In this way, you will be assimilating knowledge that you have about organizations, change, human dynamics, and the concepts and theories of OD. You will learn the logic behind the choices that managers and practitioners make, and you will gain practice in making your thought processes explicit. The cases in the book will build on one another in complexity, so you will need to integrate what you have learned from previous chapters as you analyze each case.

The case studies in this book are written as mini-plays or scenes to provide a richly detailed scenario in which you can imagine yourself playing a part, in contrast to many commonly published case studies in which a few short paragraphs provide all of the detail available for analysis. Since a good deal of OD and change management involves noticing and responding to the human and relational dynamics of a situation in addition to the task and content issues, the scenes in this book provide both in order to give you practice in becoming an observer of people during the process of organizational change. The cases in this book also are situated in a number of diverse types of organizations in which OD is practiced, including educational environments, health care and nonprofit organizations, and for-profit businesses. Each of these types of organizations brings with it unique challenges and opportunities for the OD practitioner.

Each case provides a slice of organizational life, constructed as a brief scene in which you can imagine yourself playing a part, but which will require your conscious thinking and reflection. Cases present situations with many options. As Ellet (2007) writes, "A case is a text that refuses to explain itself" (p. 19). It requires you to take an active role to interpret it and discover its meaning. Fortunately, unlike the passage of time in real life, in written cases time is momentarily paused to give you the chance to consider a response. While you do not have the opportunity to gather additional data or ask questions of participants, you do have the ability to flip back a few pages, read the situation again, and contemplate. You can carefully consider alternate courses of action, weigh the pros and cons of each, and clarify why you would choose one option over another.

As a result of having to make these choices, you will hone your ability to communicate your rationale for your decisions. Classmates will make different choices, each with his or her own well-reasoned rationales. Through discussion you will sharpen your ability to solve problems, understanding the principles behind the decisions that you and your classmates have made. You will learn about how your own experiences shape your assumptions and approaches to problems. You will be challenged to develop your skills to provide evidence for your reasoning, defend your analyses, and explain your thinking in clear and concise ways for fellow practitioners and clients alike. You may find that these discussions prompt you to change your mind about the approach you would take, becoming convinced by a classmate's well-reasoned proposal, or you may find that your reasoning persuades others that your approach has the greater advantages.

Regardless, you will learn that there is no single right answer at the back of the book or to be shared by your instructor after you have struggled. For some of the cases in this book, your instructor may share with you what happened after the case concluded. This information may provide support for the approach you would have taken, or it may make you think that your approach was incorrect.

Instead of seeking the right or wrong answer, however, asking yourself whether your proposal was well reasoned given the circumstances is more important than knowing the exact outcome of the case. While you have the opportunity to do so, use the occasion of the case study and the discussion to play with various alternatives. Here, the process may be more important than the outcome.

The following tips will help you get started with case study analysis:

1. Read the entire case first, and resist the temptation to come to any conclusions the first time you read it. Allow yourself to first gather all of the relevant data about the situation before you propose any solutions or make any judgments about what is happening or what the client needs to do.

2. Use the tools and methods outlined in each chapter to help you think through the issues presented by the case. You will find worksheets, models, principles, and outlines that can assist you in identifying and categorizing problems, selecting and prioritizing interventions, and organizing ideas to respond to the client. Use charts and diagrams to map out organizational structures and underline key phrases and issues. Write questions that come to mind in the margins. Read the case multiple times to ensure that you have not missed a key detail that would indicate to a client that you had not been paying close attention.

3. Realize that like real life, case studies contain many extra details and describe multiple issues. Organizational life is messy and complex, and not all of these details are helpful or necessary to the consultant or change agent. A consultant helping a team redefine roles and responsibilities may be doing so in an environment in which the company has acquired a competitor or quarterly results were disappointing. Part of the practitioner's role is to sort the useful primary information from the unnecessary secondary information (or information that is unnecessary for the immediate problem). This is part of the value of these case exercises and a logic and intuition that you will develop as your skills and experience grow. Ask yourself what the client is trying to achieve, what he or she has asked of you, and what the core issues and central facts are.

4. Similarly, in any response to a client or reaction to a case, resist the temptation to comment on everything. An OD practitioner can help to prioritize the most pressing issues and help the client sort through the complexities of organizational life. It could be that part of the reason the client has asked for help is that the number of possibilities for action are too overwhelming to decide what to do next.

5. When you are prepared to write a response or an analysis, ask yourself whether you have addressed the central questions asked by the case and whether you have clearly stated the issues to the client. Once your response is written, could you send that, in its present form, to the client described in the case? In that regard, is the analysis professionally written and well organized to communicate unambiguously to the client? Will the client understand how and why you reached these conclusions?

6. As you write your analysis, ask yourself how you know any particular fact or interpretation to be true and whether you have sufficiently justified your interpretation with actual data. Instead of boldly stating that "managers are not trained for their roles," you could write, "Only 2 of 10 managers had attended a management training course in the past 5 years, leading me to conclude that management training has not been given a high priority." The latter uses data and makes the interpretation explicit; the former is likely to invite criticism or defensiveness from a client. This does not mean that directness is not appropriate, only that it must follow from the evidence. We will describe the considerations of the feedback process in depth in this book.
7. When you have finished your own thinking and writing about the case, and after you have had the opportunity to discuss the case and options for action with classmates, take the time to write down your reflections from the experience (Ellet, 2007). What did you learn? What principles might apply for the next time you are confronted with these choices?

Today's organizations are experiencing an incredible amount of change. Organization development is a field of academic study and professional practice that uses social and behavioral science knowledge to develop interventions that help organizations and individuals change successfully. It is a field practiced in almost all kinds of organizations that you can imagine, from education to health care, from government to small and large businesses. Changes that OD practitioners address are diverse as well, including organizational structures and strategies, team effectiveness, leadership coaching, and much more. OD is not management consulting or training and development, and it is neither short term nor the mere application of a standard procedure or toolkit. OD practitioners can include many kinds of people for whom organizational change is a priority, such as managers and executives, project managers, and organizational members in a variety of roles.

Think of a job that you have held. It may be your current job, or it may be a job that you had in the past. Now take a few moments and write down several reasons why you found that job or work environment to be a positive or rewarding experience, or several reasons why you found it to be a negative or unrewarding experience. Share your ideas with a classmate. Did you note any similarities or differences? What OD interventions discussed in Chapter 1 do you think might have been helpful in this organization?

Without looking back at the definitions in this chapter, how would you describe organization development to a friend, colleague, or potential client? Now compare your description to the definitions in the chapter. How is your definition different?

Have you ever participated in an organization development project or intervention? What was your experience?

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Marshak, R. J. (2006). Organization development as a profession and a field. In B. B. Jones & R. Brazzel (Eds.), *The NTL handbook of organization development and change: Principles, practices, and perspectives* (pp. 13–27). San Francisco, CA: Pfeiffer.

Case Study 1: Every Coin Has Two Sides

Read the case below and consider the following questions:

- What are the sources of conflict on this team? Which of the issues are personal or interpersonal versus systemic or organizational?
- If you were to summarize the issues for Tom or Jared, how would you present the data back?
- Do you think this team can reconcile this conflict, or has this team reached a point where it is beyond repair?
- What do you think an organization development practitioner could do to help Jared and this team?

"I have a strange situation, and I'm not sure why it's happening. I have done some investigating myself, but I'm perplexed about what do to next, which is why I reached out to you," Tom began.

"Tell me more about it," Paul asked. As an internal organization development consultant to Tom, he was used to perplexing situations and eager to hear more.

"One of the managers on my team, Jared, is relatively new. I have four other managers who are much more tenured in my organization, but he's been part of my group for only about 7 months. About 3 months ago, I started getting complaints from his team," Tom said.

"Remind me what Jared's team does?" Paul asked.

"Jared's team is responsible for the relationships with our suppliers. Any time we work with a supplier to buy parts from them, we have a supplier agreement that shows their agreed service levels to us, pricing, quality levels, shipping time expectations, and so on. Jared's team members work closely with our suppliers to monitor the quality of the products they are shipping to us and whether the supplier metrics are meeting our agreements," Tom explained.

"That helps. What kinds of complaints were you hearing from Jared's team?" Paul asked.

"At first I was hearing general comments such as 'he doesn't listen to us.' I take that with a grain of salt because to be honest, we have implemented a lot of changes in the last year, and I hear that complaint a lot. Plus people just don't like change, so they say that we're not listening just because they don't like what we are saying or we made a decision they don't like. About a year ago, we reduced our number of suppliers. We also centralized our supplier review teams into four locations in the U.S.: north, east, west, and south, and reduced staff by about 20%. While I tried to hold a lot of town hall meetings to communicate the centralization and the progress of our initiatives, I know that it wasn't a popular change with employees. We worked through it and tried to be patient, and I think that generally speaking morale is on the upswing," Tom said.

"But back to Jared's team," Paul prodded, returning Tom to the reason for the meeting.

"Yes, right. At first it was just one or two people that were the source of the complaints, but then I gradually started to hear other voices chime in. Jared's team has about 10 members, so I interviewed each one of them in a 'skip level' meeting, where I met one on one with each person. Employees were very frank with me about their feedback for Jared. They weren't sugarcoating. The themes centered on a couple of issues. In addition to listening, which was a pervasive comment, employees complained of not being taken seriously, being treated as incompetent, not having their ideas listened to, and being 'talked down to' in a condescending way," Tom said.

"That sounds like honest and tough feedback," Paul said. "Were you able to share with Jared what people generally said?"

"I did more than provide general feedback. I met with Jared and shared the very specific feedback with him. I told him that I had met with his team and they had some concerns about his management of them. I shared all that I've just said to you, about listening, taking people seriously, treating people as competent, and so on," Tom said.

"How did he respond?" Paul asked.

"He was embarrassed that I was confronting him with that data, and he wants to do something about it," Tom said. "But this is where it gets confusing. He said that he had no idea that his team felt this way. He told me about regular one-on-one meetings he has with the members of the team and how he frequently invites their feedback to him directly. He showed me a survey he did of the team and the written feedback they gave him as well, which was filled with positive comments. He was right that none of the concerns I brought to him had appeared on any of the feedback he had received directly," Tom said. "It just seems like such an odd disconnect between a group that has consistent negative feedback about his behavior but where Jared says he has absolutely no idea why people are saying those things about him."

"Thinking about the feedback you heard, have you ever heard similar points about your other managers? Is this type of feedback widespread throughout the organization?" Paul wondered.

"No. I've never heard anything like this about any of my other managers. This is a pretty friendly department, overall. This is the kind of place where people throw foam footballs around the cubicles at lunchtime and have summer picnics with each other's families," Tom said. "But with Jared, it seems like some kind of mob mentality is forming, where the group is nice to Jared directly but they spiral into an angry crowd that feeds off of one another when he isn't around. At first I was thinking that maybe it's just growing pains since Jared has a very different style than the former manager of this group, Brad."

"Tell me about the former manager," Paul asked.

"Brad got promoted and left the group, but he's still around the company. In fact it was from him that I originally started hearing about the complaints because the team was going to their old boss and he was sharing their feedback with me. I told him that he needed to get out of the team dynamic now and leave it to me. I don't think that's healthy. But he was popular with the team, he's laid back but insistent on high-quality work, and the team respected him, so I can see why they were trying to get him on their side," Tom said.

"How would you describe Brad's style?" Paul asked.

"He treats people as equals. He doesn't assume that he always has the answers, and he's open to suggestions if his team members think they have a good suggestion or innovation to propose. He's described as open, warm, and friendly. It's probably due to him that we have the friendly collegial atmosphere that we have here. At the same time, you can't get away with anything like slacking off or quality mistakes if you're a member of his team. Brad really works to develop a team mentality where everyone is in it together and not out for their own personal achievements at the expense of the group. If someone has a problem on Brad's team, they generally turn to the whole group to ask for input and not just assume that Brad will solve it. Frequent communicator, positive, team-oriented," Tom concluded.

"In hindsight, is Jared able to identify any time when he had a feeling or intuition that something might be going wrong? And is the team able to look at a specific example and point out why they felt like they weren't being taken seriously or being listened to?" Paul asked.

"I hadn't thought of that," Tom admitted. "Maybe we can ask the employees to share more specific examples. And that's a good action for Jared, too."

"Have there been any other performance-related concerns with Jared or his team?" Paul inquired.

"The thing is, I can't emphasize enough that Jared is a very smart individual. He's always in my office sharing progress on the team's work, he knows the content of the job really well, and he always has an answer to every question. I have a great deal of respect for his knowledge and expertise. That's why I hired him. But now that you mention it, there is another unusual situation we had. It's not a performance concern, but there was another situation. There was a big problem with three of our suppliers that took everyone's work to address. After the team got the supplier back on track and quality concerns diminished, Jared took the three employees who were assigned to those suppliers out to lunch to celebrate their success. It caused some hurt feelings among other members of the team because it was widely recognized that everyone participated on the project, not just those that were assigned to the supplier," Tom said. "Jared told me later that he wanted to hold up those three as role models in working with their suppliers. And then there are the gifts."

"Gifts?" Paul asked, puzzled.

"Around the holidays, Jared's team started giving him gifts. They started out as nominal sorts of things like pen and pencil sets or a desk clock," Tom said. "Then someone gave him a generous gift card, another gave him a new briefcase, and another gave him an expensive bottle of wine. It turned into some kind of competition. Jared pointed to that as an example of his good relationship with the team, but we finally had to ask employees to stop. It's strange because we don't usually share gifts like that here. It's never happened," Tom said.

"That really sounds like an odd situation. Why would employees give lavish gifts to a manager they reportedly dislike?" Paul wondered.

"Agreed. When I asked them about it, they said they felt obligated and actually complained about that, too. But I can't figure out how they would feel obligated when no employees across any of my other groups have ever given a gift to a manager. I don't really want to open up that whole gift situation again with employees, but I mention it just as background. You see how confused I am," Tom stated, exasperated. "My gut feeling is that there is some element of truth on both sides or some kind of deep misunderstanding. I need your help figuring out what that is and what to do about it."

"Let's start with Jared," Paul said.

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"Hi Jared, I'm Paul." Paul introduced himself and sat down at the table in Jared's office.

"I can't thank you enough for your time on this project," Jared said. "I am really hoping that you can help me understand how I can improve my relationships on this team and my management skills."

"I'm glad to help," Paul said. "I'd like to learn a little more about your transition to leading this team and how that went from your perspective."

"Absolutely. I have worked for the company for the past five years but only for the past six months on this team. I transferred from our east coast office to take over for Brad after his promotion," Jared said. "When I began, my first order of business was to improve productivity on the team. I took a look at the projects per employee as well as the weekly hours spent per employee with suppliers. Both of those were significant metrics for me to look at, and both were about 20% lower than I would have expected based on my experience. In my first few weeks, I had a meeting with the team where I asked them to identify initiatives that would help us improve our numbers. We came up with four initiatives as a group, and we chose project teams and team leaders for each initiative. Employees volunteered for the initiatives, and I have always said that the team owns them."

"Tell me how those initiatives have been progressing," Paul asked.

"I believe in empowering the team and giving them the authority to make decisions," Jared explained. "I asked them to come up with timelines, milestones, and deliverables, and for each project, we have a weekly review with me and the team. I'll admit that I did push them on some of the timelines, but in general, the whole team is doing incredible work. Our numbers are already up from the initial baselines."

"How do you see morale on the team right now?" Paul asked.

"It's not where I want it to be, but that is to be expected in the middle of a transition. That's why I've already started a recognition program to thank employees for reaching major milestones. I take the supplier leads out to lunch when they reach a level of quality that I've publicized to everyone. As a manager, my style is to push hard to accomplish our team objectives but to then recognize people when they succeed. Too many leaders just push people to get the work done but forget to say thank you, and any time you are trying to promote a change, it's important to celebrate the small wins," Jared said. "You asked me to think of specific examples of where misunderstanding could have occurred. I think my first attempt at recognition may have rubbed some people the wrong way, but when other team members reach their milestones, I will recognize them, too. It will take time for everyone to buy in to the change."

"Tell me about team meetings and how you interact with the team," Paul inquired.

"I think our team meetings are very productive. It's a light atmosphere, we joke around, and yet we also get the work done. I have regular one-on-one meetings each week with each member of the team, and these are really their time to bring up personal concerns, get career advice or coaching, or get feedback. I'm a strong believer in constructive feedback and coaching. A manager should praise in public and critique in private, so if I have direct feedback about an area that is an opportunity for improvement for someone on the team, I will wait to tell them that in a private setting," Jared explained. "I also try to coach employees as much as I can. I want them to know that they are in charge of their own careers, and I can help them grow their skills and experience so when they are ready to tackle the next challenge in their careers, they can set themselves apart."

"I have heard from Tom about some of the feedback the team has had, but I'd like to hear your perspective on that as well. Can you share with me what you have heard and what you think needs to be done?" Paul asked.

"Some of the complaints are about the workload and how strapped people are for time. I get that. I'm not entirely going to apologize for trying to push the team a little, but I also work hard to find additional resources when I can. So when someone is having trouble on a project, I try to create an environment where people want to help each other out. A great example of that comes from a recent meeting with Beth. She was struggling with her workload, so I asked other team members to jump in. Collaboration across a team is one of the most important factors in a team's success, and I believe that we succeed as a team or fail as a team," Jared said.

"Have you taken any action so far?" Paul asked.

"Yes. One comment Tom shared was that people felt like I was not recognizing the fact that they were skilled professionals. Recently I wanted to commend a real superstar on the team, Nadia. She had done an exceptional supplier review that caught a number of errors that would have been very upsetting to our customers. I sent a note to the team to showcase Nadia's work so that everyone would know of the importance of conducting high-quality reviews and how thorough she was," Jared noted.

"What needs to be done, in your view?" Paul concluded.

"I am at a loss. But I will commit to listening to every piece of feedback that I need to hear, and to doing what is needed," Jared said firmly. "I have no doubt that we all probably need to take action, and I want everyone to know that they can give me any direct feedback that they want. No one but Tom has mentioned anything to me directly, so I hope you can help."

"I'm going to talk to the team next, and then I will be better prepared to share specific thoughts with you about our next steps," Paul said.

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"You wanted a specific example, so I found one that illustrates a common scenario," Beth explained. "I'm sure he's told you about the initiatives that he assigned us to. Well, we have weekly project reviews to share our progress on each initiative. I'm one of the team leads for Supplier Quality, but I also have six suppliers of my own to manage on a regular basis outside of the initiative. Last week we had an initiative review with Jared, but there honestly wasn't much to share. One of my suppliers had a huge problem that required me to spend the entire week sorting out why they were not able to get us enough products in time for us to make our customer shipments. Customers have to be our top priority. I had no time to spend on the initiative since I was prioritizing my time on the supplier problem. So in this week's review, I told Jared that we didn't make as much progress as I would have liked. His first response was, 'What have you been doing all week? I wish I had that much free time,' and then immediately sent an e-mail to the entire team that read, 'Beth obviously needs help on her project since she was unable to make any progress this week. Please volunteer to help her immediately.' There was no recognition that I was doing other critical work, and it was offensive to point me out in front of my peers like that."

* * * *

"I'm sure you've heard about our first employee meeting with Jared," Luke pointed out. "He told us how he looks at employee performance. He told us, 'You need to set yourself apart from the others if you want to succeed around here.' That's a direct quote. Then he took a few people out to lunch when we had all helped them succeed, so we quickly learned that it wasn't worth helping out our peers. It's hard to get a raise or a promotion in this company, so everybody has started competing with each other a little. You have to be on Jared's good side. If you're one of his favorites, it is clear that you'll be taken care of."

* * * *

"You asked me if I have ever given Jared direct feedback," Mia said. "The answer is yes. Let me tell you how that went. I lead the team initiative on reporting where we are trying to organize a standard set of supplier reports so everyone has access to accurate data on a weekly basis. In one of our meetings, Jared said that he wanted to have a dashboard display different data than what we were planning. In fact, he was proposing changing the standard calculations that we have used for years. What he was proposing didn't make any sense, and no one spoke up. In my next one on one with him, he asked me if I had any feedback for him about how the project was going, so I told him. I said that his calculations could cause us a lot of problems. He immediately got defensive and told me that he was in charge and that if I didn't like that I could find a job somewhere else. I learned that whatever Jared says is the right answer. It's just not worth it to argue with him."

* * * *

"Our team meetings? I would say that they are like going to the principal's office," Nick said. "Initially we just acted like we did with Brad. Everyone spoke up, and we had free-flowing discussions. But then Jared started getting really serious. He brought charts showing how poorly we were performing as a team, and he started calling out certain people by name who he felt weren't performing up to his expectations. A bunch of us think that is ironic considering how we are more productive as a team than we have ever been. It just got really negative, and we all feel like we're a bunch of losers who can't get anything done. Now we just all stare down at our papers and take notes."

* * * *

"I'll tell you what happens when we try to be resourceful and innovative," Olivia said. "I am on the initiative team that is redesigning our new product supplier process. Basically this is how we start to work with new suppliers for our newest products. Our team had the idea to start participating in some of the marketing product meetings so that we would have advance notice of any new work coming to our group. If we had one person responsible for monitoring new products, we could get ahead of the curve and plan our work more accurately. We went to the head of marketing and got invited to the next meeting. At the meeting, everyone was really enthusiastic about this partnership and we all agreed it would be a huge time saver for everyone. Well, I was really proud of what we had done, and I made the mistake of telling Jared about this hugely successful meeting with marketing. His first statement to me was, 'Who told you to do that?' in a really angry tone. I said that it was part of our initiative, and he just cut me off and told me that any meetings outside our group needed to be authorized by him first."

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"I'll show you an example of one of the ways that he is always slighting us or getting a dig in," Nadia said as she pulled up an e-mail on her computer. "Just a week ago I finished conducting a supplier review that was a real headache to pull off and somehow Jared found out about it. He sent this e-mail on Monday and copied everyone on our team. It's short, so I'll read it to you. 'Everyone, Nadia has finally completed a supplier review and did an excellent job in uncovering major errors. This is why I insist on accurate metrics.' Who would send a message like that? First, what does he mean by 'finally completed'? Is he saying it took me too long or something? And then he adds his point about metrics, which is a clear insult to me because he mentioned one of my errors in a staff meeting last month. He didn't mention my name then, but I'm sure everyone knows. These kinds of comments are really demoralizing. You can't trust anything he says."

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"So that's about it," Paul concluded.

"I had a feeling some of this was going on from my conversations with employees," Tom admitted. "But you've found some surprising details. Now the question is, any ideas about what to do next?"

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HISTORY OF ORGANIZATION DEVELOPMENT

If you have just heard the term *organization development* (OD) used recently, you may be surprised to learn that the practice of OD is now entering into its eighth decade (even though the term itself first began to be used in the 1960s; see Sashkin & Burke, 1987). Like the business and organizational environments where it is practiced, OD has grown and changed significantly during this time. This chapter highlights different strands of research and practice to illustrate how each of these traditions of OD can be seen, explicitly and implicitly, in how it is practiced today. Nine major traditions of OD research and practice are described here, though these blend together and intersect one another, and the themes in these nine traditions can be seen throughout later chapters. These trends follow one another more or less historically, though there is significant overlap and influence among each of them.

By becoming aware of the history of OD, you will be more aware of how it has been defined throughout its life, as well as the changes that the field has undergone from its historical roots. In addition, you will better understand how today's practice of OD has undergone many years of research and practice to reach its current state.

The nine strands of OD research and practice discussed in this chapter are as follows:

1. Laboratory training and T-groups
2. Action research, survey feedback, and sociotechnical systems
3. Management practices
4. Quality and employee involvement
5. Organizational culture
6. Change management, strategic change, and reengineering
7. Organizational learning
8. Organizational effectiveness and employee engagement
9. Agility and collaboration

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LABORATORY TRAINING AND T-GROUPS

By most accounts, what has come to be known as organization development can be traced back to a training laboratory effort that began in 1946–1947 in Bethel, Maine, at what was then known as the National Training Laboratory (NTL) in Group Development. The laboratory's founders, Kenneth Benne, Leland Bradford, and Ronald Lippitt, were inspired to develop NTL by the dedicated work of a fourth scholar and their predecessor, Kurt Lewin. A German immigrant who had arrived in the United States in the early 1930s to escape the sociopolitical environment of his home country, Lewin was a social psychologist on the faculty at the University of Iowa. His interest was in studying patterns of group behavior, social problems, and the influence of leadership on a group. At its core, Lewin's work was an effort to understand and create personal and social change, with the objective of building and growing democracy in society (see Benne, 1964; L. P. Bradford, 1974; Hirsch, 1987; Kleiner, 1996).

In the 1940s, with his graduate student, Ron Lippitt, Lewin studied boys' clubs, specifically boys' reactions to different styles adopted by group leaders. Spurred on by the implications of these results, in 1945 Lewin established a Research Center for Group Dynamics (a phrase Lewin invented; see L. P. Bradford, 1974) at the Massachusetts Institute of Technology (MIT).

In the summer of 1946, a significant and unexpected finding occurred that dramatically changed the research and practitioner landscape at the time. It was at this time that the practices that became the T-group were discovered by Lewin and his students. The Connecticut Interracial Commission had asked Kurt Lewin to develop a workshop for community leaders in association with the Commission on Community Interrelations of the American Jewish Congress. The objective of the workshop was to assist community leaders in developing solutions to problems that they faced in their communities, specifically addressing problems in the implementation of the Fair Employment Practices Act. Participants included not only community leaders but also businesspeople, social workers, teachers, and other interested citizens. Instead of making attendees passively sit through lengthy lectures, speeches, and presentations by experts, which many of them had been expecting, organizers developed a workshop in which participatory group discussion, role playing, and teamwork would be the primary activities (Hirsch, 1987). Group leaders debated whether subgroups should be homogeneous (e.g., all teachers, all social workers) or mixed (Lippitt, 1949). These two considerations (group participation and composition) continue as key questions for the OD practitioner today.

For the researchers at the Research Center for Group Dynamics, it was an unusual opportunity to observe group processes and to understand how participants learned from their experiences in order to develop new skills that they could use when they returned to their communities. In addition, the workshop fit with the values that the researchers had espoused at the time. Kenneth Benne would later say,

> I saw it was an effort to help volunteers from various parts of Connecticut to begin to see themselves as agents of change in their responsible roles as citizens. . . . It seemed to me that this was research designed to serve both the purposes of social action and the purposes of more refined and powerful methods of training people for action. (quoted in L. P. Bradford, 1974, p. 19)

As a workshop designed for both social change and social research, each subgroup had a researcher assigned to it for note-taking and observation purposes.

Each evening, following the discussion session, the researchers convened to discuss the day's events to document observations, code interaction, and interpret group behavior. A few of the participants in the day workshops learned of these researcher meetings and asked if they could sit in and observe. The researchers agreed and opened the sessions to other participants who were free to attend if they wished.[1] The researchers continued their process of reflecting on and interpreting the participants' actions during the day while the participants listened. At one point, one of the researchers stated that he had seen one woman, who had been a cautious and quiet participant earlier, become a more lively contributor that day as a result of being assigned to a leadership role during a role-playing activity. Rather than allowing this observation to pass without comment, the researchers invited the woman (who was present at that evening's discussion, listening to the observation being shared) to discuss the hypothesis and to share her own interpretation. The woman agreed that, yes, it had been more enjoyable to participate as a result of being assigned to the leadership role. She found herself surprised by how much she was energized by the discussion and how much she changed from initially being uncomfortable participating to being disappointed when the discussion came to an end (Lippitt, 1949). This exchange led to a promising new pattern in which researchers reported on their observations and the participants listened, reflected, and shared their own interpretations of their own behavior.

Attendance at the evening sessions soared in subsequent days, with almost all participants attending, and this led to the researchers' conclusion:

> Group members, if they were confronted more or less objectively with data concerning their own behavior and its effects, and if they came to participate nondefensively in thinking about these data, might achieve highly meaningful learnings about themselves, about the responses of others to them, and about group behavior and group development in general. (Benne, 1964, p. 83)

Lewin seemed to know instinctively that this was a potentially powerful finding, remarking that "we may be getting hold of a principle here that may have rather wide application in our work with groups" (quoted in Lippitt, 1949, p. 116). The training group (or T-group) was born.

The following year, 1947, the first T-group session took place at the National Training Laboratory in Bethel, Maine. T-group sessions were designed to last 3 weeks and comprised approximately 10 to 15 participants and one or two trainers. In open and honest sessions in which authenticity and forthright communication were prized, group members spent time analyzing their own and others' contributions, as well as the group's processes. Regardless of whatever process the groups followed, the common objective of each T-group was to create interpersonal change by allowing individuals to learn about their own and others' behavior, so that this education could be translated into more effective behavior when the participants returned home. As the word spread about the effectiveness of the T-group laboratory method, managers and leaders began to attend to learn how to increase their effectiveness in their own organizations. Attendance was aided by a *BusinessWeek* article in 1955 that promoted "unlock[ing] more of the potential" of employees and teams ("What Makes a Small Group Tick," 1955, p. 40). By the mid-1960s, more than 20,000 businesspeople had attended the workshop (which had been reduced to a 2-week session), in what may be considered one of the earliest fads in the field of management (Kleiner, 1996).

The research that Lewin began has had a significant influence on OD and leadership and management research. His research on leadership styles (such as autocratic, democratic, and laissez-faire) profoundly shaped academic and practitioner thinking about groups and their leaders. His influence on his students Benne, Bradford, and Lippitt in creating the National Training Laboratory has left a legacy that lives on today as NTL continues to offer sessions in interpersonal relationships, group dynamics, and leadership development. The fields of small-group research and leadership development owe a great deal to Lewin's pioneering work in these areas. Though the T-group no longer represents mainstream OD practice, we see the roots of this method today in organization development in team-building interventions (a topic addressed in detail in Chapter 11). Lewin's research also influenced another tradition in the history of organization development—action research and survey feedback.

ACTION RESEARCH, SURVEY FEEDBACK, AND SOCIOTECHNICAL SYSTEMS

Lewin's objective at MIT was to develop research findings and translate them into practical, actionable knowledge that could be used by practitioners to improve groups and solve their problems. Lewin called this model *action research* to capture the idea that the research projects at their core always had both pragmatic and theoretical components and that rigorous scientific methods could be used to gather data about groups and to intervene in their processes (Cunningham, 1993). Two important developments during this time were a survey feedback process and the field of sociotechnical systems.

Survey Feedback

While Lewin and his colleagues were developing the T-group methodology, an effort was taking place at the University of Michigan, where a Survey Research Center was founded in 1946 under the direction of Rensis Likert. In his Ph.D. dissertation at Columbia in 1932, Likert had developed a 5-point scale for measuring attitudes (a scale known today as the Likert scale). One of the first "clients" brought to Michigan was that of the Office of Naval Research, which was "focused on the underlying principles of organizing and managing human activity and on researching techniques to increase productivity and job satisfaction" (Frantilla, 1998, p. 21). The contract with the Office of Naval Research provided needed and important funding for Likert's work on management practices in particular, culminating in a 1961 book, *New Patterns of Management*, which reported the results of his funded research. (These findings are discussed in the next section.)

The Survey Research Center's goal was to create a hub for social science research, specifically with survey research expertise. Sensing an opportunity to improve their organizations, derive economic success, and develop a competitive advantage, some organizations proposed survey research projects to the center but were denied because the center aimed to focus on larger projects of significant importance beyond a single organization and to share the results publicly. These two criteria (addressing questions of larger significance and making the results known to other researchers and practitioners) formed the core of the action research process. One such project that met these criteria was a survey feedback project at Detroit Edison.

Members of the Survey Research Center conducted a 2-year study at Detroit Edison from 1948 to 1950. The survey of 8,000 employees and managers was administered to understand perceptions, opinions, and attitudes about a variety of aspects of the company, such as career progression and opportunities for advancement, opinions about managers and colleagues, and the work content and work environment itself. The survey also asked supervisors specifically about their opinions about managing at the company, and invited senior leaders and executives to offer additional perceptions from the perspective of top management. The researchers sought to understand not only how employees at Detroit Edison felt about the organization but also how the results of this project could be used to understand, instigate, and lead change in other organizations. There were four objectives of the research project:

1. To develop through first-hand experience an understanding of the problems of producing change
2. To improve relationships
3. To identify factors that affected the extent of the change
4. To develop working hypotheses for later, more directed research. (Mann, 1957, p. 158)

Following the initial data collection, feedback was given to leaders and organizational members about the survey results. Mann (1957) described the process of sharing this feedback as an "interlocking chain of conferences" (p. 158) in which initially the results were shared with the top management, assisted by a member of the research team. At this meeting, participants discussed the results, possible actions, and how the results would be shared with the next level of the organization. Next, each of those participants led a feedback discussion with his or her team about the research results, also conducting action planning and discussing how the results would be shared with the next level. This pattern continued throughout the organization. At each level, the data relevant to that specific group were discussed. Mann noted that the leaders in each case had the responsibility of presenting the data, prioritizing tasks, taking action, and reporting to their supervisors when they had reached an impasse and needed additional assistance to produce change. The researchers observed that this series of feedback meetings had a very positive influence on initiating and leading change in the organization, but they had been unable to substantiate this observation with data.

In 1950 that changed with a second study conducted in eight accounting departments at Detroit Edison that had participated in the first survey. In four of the eight departments, after the initial feedback meeting, no action was taken based on the survey results (two intentionally as "control" departments; two due to personnel changes that made it impossible to continue to include them in the experiment). In the four departments that did take action, managers developed action planning programs that differed significantly from one another. Some programs took as long as 33 weeks, while others took 13; some departments met as frequently as 65 times, while others met as few as 9. Some department action programs involved all employees, while others were limited to the management team. Almost 2 years after the programs were initiated, a third survey was conducted in 1952 to compare the data for groups that had taken significant action and those that had taken no action.

The researchers found that among the groups that had taken action based on the survey results, employees reported a positive change in perceptions about their jobs (such as how important it was and how interested they were in the job), their supervisors (such as the manager's ability to supervise and give praise), and the company work environment (such as opportunities for promotion or the group's productivity) compared to the groups that had taken no action. Moreover, Mann (1957) reported,

> Employees in the experimental departments saw changes in (1) how well the supervisors in their department got along together; (2) how often their supervisors held meetings; (3) how effective these meetings were; (4) how much their supervisor understood the way employees looked at and felt about things. (p. 161)

Mann added that the change was even stronger in groups that involved all levels and employees in the action planning process. The researchers then could conclude that the conference feedback model they had developed was an effective one, in which data were collected and fed back to organizational members who took action to initiate changes based on the data and discussion of it.

Today, action research, following a model similar to what was done at Detroit Edison, is the foundation and underlying philosophy of the majority of OD work, particularly survey feedback methodologies. This model forms the basis of the OD process that we will discuss in greater detail in Chapter 5. Employee surveys are now a common strategy in almost all large organizations, and action research feedback programs have become one of the most prevalent OD interventions (Church, Burke, & Van Eynde, 1994). We will discuss the use of survey methodologies specifically as a data gathering strategy again in Chapter 7.

Sociotechnical Systems

Sociotechnical systems (STS) was developed in the 1950s, driven by the action research philosophy described earlier, at about the same time as the Detroit Edison survey research project was taking place. The concept of sociotechnical systems is generally traced to a study of work groups in a British coal mine reported by Trist and Bamforth (1951), and was further pioneered at the Tavistock Institute of Human Relations in London by Fred Emery (1959). The Trist and Bamforth study outlined social and psychological changes in work groups that occurred during a transition to more mechanized (versus manual) methods of extracting coal. They write that the study of coal workers shows that there is both a technological system (the mechanics) and a social system (relationships in work groups) in organizations that exert forces on an individual worker, and that the health of the system must take into account these two factors. The technological system consists of not just information technology as we might think of it today, but the skills, knowledge, procedures, and tools that employees use to do their jobs. The social system consists of the relationships between coworkers and supervisors, communication and information flow, values and attitudes, and motivation. In STS, OD interventions examine more than the social system, but in addition "arrangements of people and technology are examined to find ways to redesign each system for the benefit of the other in the context of the organizational mission and needs for survival" (Pasmore, Francis, Haldeman, & Shani, 1982, p. 1182). Cherns (1976), in describing and summarizing common sociotechnical design principles, acknowledged that those involved in work design often focused heavily on only one of the two systems, writing "that what they are designing is a sociotechnical system built around much knowledge and thought on the technical and little on the social side of the system" (p. 784).

Importantly, the technological system and social system interact with one another. An important principle of STS is that of joint optimization, which explains that "an organization will function optimally only if the social and technological systems of the organization are designed to fit the demands of each other and the environment" (Pasmore et al., 1982, p. 1182). One method by which joint optimization can be achieved is through an autonomous or semiautonomous work group, where members have some degree of ownership, control, and responsibility for the tasks that need to be performed. To jointly optimize both the social and technical systems of the organization requires an understanding of

1. the social processes that occur in organizations and the variety of theories and methods that exist to make more efficient use of human resources;
2. the technological processes used by the organization and the constraints that it places on the design and operations of the social system;
3. the theory of open systems, because no two organizations are exactly alike or are faced with the same environmental demands; and
4. the mechanics of change, both in the execution of the initial sociotechnical system design and in provision for the continual adaptation of the organization to new environmental demands. (Pasmore & Sherwood, 1978, p. 3)

Once a thorough diagnostic stage is completed to understand the social and technical system, the practitioner might propose interventions that could include "restructuring of work methods, rearrangements of technology, or the redesign of organizational social structures" (Pasmore & Sherwood, 1978, p. 3). As we will learn about more in the next section, findings of studies conducted at the time provided empirical evidence that involvement and participation in both the social and technical systems contributed to employee motivation and productivity.

Sociotechnical systems theory and practices are followed today by OD practitioners. Several global versions or variants have been developed as North American STS, Scandinavian STS, Australian STS, and Dutch STS, all with foundationally similar yet distinct approaches and philosophies (van Eijnatten, Shani, & Leary, 2008). Despite the fact that early studies of STS may have concentrated on manufacturing or physical production environments, there is increasing recognition that STS concepts have an important role to play today in our understanding of knowledge work, or how information technology and automation combine with social collaboration practices to affect our work environments.

MANAGEMENT PRACTICES

Based in part on findings from survey feedback and sociotechnical systems projects, several research programs in the 1960s prompted researchers and practitioners to adopt different ways of thinking about management practices. The aim of these research programs was to offer alternative ways of managing in contrast to the dominant methods of the time. Four notable research programs include (1) MacGregor's Theory X and Theory Y, (2) Likert's four systems of management, (3) Blake and Mouton's managerial grid, and (4) Herzberg's studies of worker motivation.

Douglas MacGregor, a scholar at MIT and a colleague of Lewin's during his time there, significantly affected thinking about management practices in 1960 with the publication of his book *The Human Side of Enterprise.* In it, he suggested that "the theoretical assumptions management holds about controlling its human resources determine the whole character of the enterprise" (p. vii). He believed that managers held implicit and explicit assumptions (or "espoused theories") about people, their behavior, and the character of work, and he noted that it was quite easy to hear how those theories influenced managers. In fact, he gave each of his readers an assignment:

> Next time you attend a management staff meeting at which a policy problem is under discussion or some action is being considered, try a variant on the pastime of doodling. Jot down the assumptions (beliefs, opinions, convictions, generalizations) about human behavior made during the discussion by the participants. Some of these will be explicitly stated ("A manager must himself be technically competent in a given field in order to manage professionals within it"). Most will be implicit, but fairly easily inferred ("We should require the office force to punch time clocks as they do in the factory"). It will not make too much difference whether the problem under discussion is a human problem, a financial or a technical one. Tune your ear to listen for assumptions about human behavior, whether they relate to an individual, a particular group, or people in general. The length and variety of your list will surprise you. (MacGregor, 1960, pp. 6–7)

MacGregor argued that managers often were not conscious of the theories that influenced them (remarking that they would likely disavow their theories if confronted with them), and he noted that in many cases these theories were contradictory. Not only do all actions and behaviors of managers reflect these theories, MacGregor believed, but the then-current literature in management and organizational studies also echoed these assumptions. He categorized the elements of the most commonly espoused assumptions about people and work and labeled them Theory X and Theory Y.

Theory X can be summarized as follows:

1. The average human being has an inherent dislike of work and will avoid it if [possible].
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment

to get them to put forth adequate effort toward the achievement of organizational objectives.

3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants security above all. (MacGregor, 1960, pp. 33–34)

In contrast to the assumptions about personal motivation inherent in Theory X, Theory Y articulates what many see as a more optimistic view of people and work:

1. The expenditure of physical and mental effort in work is as natural as play or rest.
2. External control and the threat of punishment are not the only means for bringing about effort toward organizational objectives. [People] will exercise self-direction and self-control in the service of objectives to which [they are] committed.
3. Commitment to objectives is a function of the rewards associated with their achievement.
4. The average human being learns, under proper conditions, not only to accept but to seek responsibility.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized. (MacGregor, 1960, pp. 47–48)

MacGregor wrote that adopting the beliefs of Theory Y was necessary to bring about innovative advances in products, technologies, and solutions to existing problems, and that managers would need to shed some of their existing assumptions about controlling people in favor of a more expansive and humanistic orientation to human behavior in organizations. His work went on to recommend several ways to put Theory Y assumptions into practice, including documenting job descriptions, restructuring the performance appraisal process, and more effectively managing salary increases and promotions.

At about the same time as MacGregor was arguing for a new set of assumptions about management, Likert (1961, 1967) studied four alternative ways of managing, the foundations of which correlate strongly with MacGregor's work. He agreed with MacGregor's assessment of the current state of management, writing that "most organizations today base their standard operating procedures and practices on classical organizational theories. These theories rely on key assumptions made by well-known practitioners of management and reflect the general principles they expound" (Likert, 1967, p. 1). Likert conducted a study in which he asked managers to think of the most productive and least productive divisions in their organizations and to place them on a continuum reflecting their management practices, which he labeled as Systems 1 through 4:

System 1: Exploitative authoritative. Managers use fear, threats, and intimidation to coerce employees to act. Information flow is downward and comprises orders being issued to subordinates. Upward communication is distorted due to fear of punishment. Decisions are made at the top of the organization. No teamwork is present.

System 2: Benevolent authoritative. Managers occasionally use rewards but also punishment. Information flow is mostly downward. Most decisions are made at highest levels, but some decision making within a narrow set of guidelines is made at lower levels. Some teamwork is present.

System 3: Consultative. Managers use rewards and occasional punishment. Information flow is both downward and upward. Many decisions are made at the top but are left open for decision making at lower levels. Teamwork is frequently present. Goals are set after discussion of problems and potential solutions.

System 4: Participative group. Managers involve groups in setting and measuring goals. Information flow is downward, upward, and horizontal. Decision making is done throughout the organization and is characterized by involvement and participation. Teamwork is substantial. Members take on significant ownership to set rigorous goals and objectives.

Likert (1961, 1967) found that managers reported that the most productive departments were run using a participative group management style, and that the least productive departments were led by managers who modeled an exploitative authoritative style. Despite this finding, Likert reported that most managers adopted the latter, not the former, style. To stress the point more forcefully, Likert (1967) followed up this perception data with quantitative data that showed a rise in productivity after a manager began to increasingly adopt the System 4 behaviors of participative management.

A third research program attempting to demonstrate a new set of management values and practices was that of Blake and Mouton. In *The Managerial Grid,* Blake and Mouton (1964) noticed that management practices could be plotted on a chart where the manager demonstrated a degree of "concern for production" and a "concern for people." Each of these could be mapped on a grid, with a score from 1 (*low*) to 9 (*high*). A high concern for production but a low concern for people was referred to as a "9,1 style." A manager adopting this style would demonstrate behaviors such as watching and monitoring employees, correcting mistakes, articulating policies and procedures, specifying deadlines, and devoting little time to motivation or employee development. Blake and Mouton advocate a 9,9 approach to management in which managers demonstrate both a high concern for production and a high concern for people, noting that one value of this style is that there is no inherent conflict between allowing the organization to reach its goals and demonstrating a concern for people at the same time. The 9,9 style, they argue, creates a healthier environment, because "people can work together better in the solutions of problems and reach production goals as a team or as individuals when there is trust and mutual support than when distrust, disrespect, and tensions surround their interactions" (Blake & Mouton, 1964, pp. 158–159). Blake and Mouton's grid OD program, detailed in subsequent volumes (Blake & Mouton, 1968, 1978), defined a five-phase intervention program in which managers are trained on the grid concept and complete team-building activities, work on intergroup coordination, and build and implement the ideal organization.

As a fourth example of research in management practices, in a research program beginning in the late 1950s, Frederick Herzberg began to explore the attitudes that people had about their jobs in order to better understand what motivates people at work. A number of studies had sought to answer the question "What do workers want from their jobs?" throughout the previous decades, with contradictory results. In interpreting the studies, Herzberg suspected that job satisfaction was not the opposite of job dissatisfaction. In other words, he believed that different factors might be at play when workers were satisfied with their jobs than when they reported being dissatisfied with their jobs.

Through a series of in-depth interviews, Herzberg and a team of researchers set out to investigate. They asked people to reflect on important incidents that had occurred to them in their jobs—both positive and negative—and asked participants to explain what it was about that event that made them feel especially good or bad about the job.

> The results showed that people are made *dis*satisfied by bad environment, the extrinsics of the job. But they are seldom made satisfied by good environment, what I called the *hygienes*. They are made satisfied by the intrinsics of what they *do*, what I call the *motivators*. (Herzberg, 1993, pp. xiii–xiv)

In the initial 1959 publication and through subsequent studies, Herzberg explained the key motivators that contributed to job enrichment, in what has been called his motivation-hygiene theory:

- Achievement and quality performance
- Recognition for achievement and feedback on performance
- Work itself and the client relationship
- Responsibility
- Advancement, growth, and learning

At the same time, Herzberg, Mausner, and Snyderman (1959) point out that hygiene factors will not necessarily contribute to job satisfaction, but can cause job dissatisfaction. "When feelings of unhappiness were reported, they were not associated with the job itself but with conditions that *surround* the doing of the job" (p. 113), such as

- Supervision
- Interpersonal relationships
- Physical working conditions
- Salary
- Company policies and administrative practices