

Why Change Efforts Fail

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Twenty four technologies have reached a flash point this year...These technologies are changing the rules of the game...The key is applying the technology creatively. Why be competitive? The new rules suggest being innovative and not competitive. (Daniel Burrus, Techno-Trends, 1993)

But it's hard to tell the poison from the cure Hardest, for sure, to know the reasons why, why, why, All I know for sure, Is another day's gone by.

(Sting, "Another Day," Bring on the Night)

Resistance. The act of resisting whether actively or passively...a force acting in opposition to another force so as to diminish its effect or destroy it...a guerrilla or underground force.

(Webster's Dictionary)

Resistance. See revolution. Destruction, overturning, upsetting, turbulence, subverting, underground activity, anarchy and destroying.

(Webster's Thesaurus)

The landscape of organizational life suggests change has become a way of life. There are numerous sources. There is the emergence of new technologies. There is global competition. Values and life styles have changed.

Change has also changed. Change is continuous and discontinuous. Change is accelerating. Change is as rafting in white water. Change is rapid and complex.

With the change in change and the environs has come numerous change and organizational improvement processes. There have been great successes. However, there have been countless failure. This has resulted in blaming and escape goating. Executives are blamed. Consultants, of late, have become the new scapegoat. Yet, executives and associates know that they must change. The question on their minds is, "How do we stop this from becoming another failed change effort?"

It's difficult to know the reasons why people resist and why change fails. There can be numerous reasons. Resistance may be multi-dimensional. The reasons can be conscious and unconscious. The proposed cure for dealing with resistance may even poison the change process.

This article presents a number of change failure themes. Their avoidance may serve to prevent an organization's change process from ending up in the "Change effort graveyard."

The Failure of Commitment and Ownership

The first is a lack of system wide commitment and ownership. Executives and consultants assume responsibility for the change. Responsibility is not encouraged throughout the organizational system. Commitment and ownership fail to develop because such programs tend to be designed and driven

by top management and consultants. (Consultants also include books and programs developed by gurus and consulting/training firms and advise from outside advisors and boards.) Distrust, "just another fad to be survived" and "business as usual with management dictating rather than involving" syndromes may result when responsibility is not defused.

Jim Grady, founder of Grady Auto body, illustrates the results of not gaining commitment and ownership. Grady hit upon the idea of re-positioning his business to cater to women as a result of scouting tapes, newsletters and books. He came across statistics indicating women were the primary decision maker in auto purchases. Grady went with a hunch that they were also responsible for auto-body repairs. He transformed his establishment to appeal to the sensibilities of women and discovered a new niche. He hired women, conducted quality training, purchased a computer system and empowered associates. However, he failed to gain ownership and commitment from them. He never truly requested their thoughts and feelings about the changes. Resentment built up as a result of the feminizing of the business and the hiring of an inexperienced woman to supervise auto body work.

Expert Syndrome and Parental Management

A second factor is a failure to use the intelligence and knowledge of organizational members, customers and suppliers to discover real business opportunities and to develop action plans to capitalize on them. Stakeholders may be involved in implementing but not in designing and planning the change. Such a command and control approach fail to recognize that effective change is based on using and coordinating the intelligence and knowledge of all organizational stakeholders to produce results.

Executives decided to implement self-managing work teams at a manufacturing enterprise. A training manager was hired to command and controls the effort. She was to energize the change. She purchased a canned training program. She trained the workforce and organized teams. The results were disastrous. Quality and productivity decreased. Customer orders were late. Why? She had transformed the entire workforce into novices. Time-space was not created to learn the new tasks. Associates recognized this would happen. However, their intelligence and knowledge were not requested. Since they are not involved in designing the change, they have little energy to support it. The firm is returning to its traditional work design. Self-managing teams are considered another useless fad.

Defect Correction and Problem Solving Focus

Third is focusing on defect correction and problem solving. There are five problems. First, elimination doesn't necessary lead to effectiveness or quality. Problem solving is at best damage containment. At worst, it drains organizational energy and directs consciousness in the wrong direction.

Second, focusing on problems and defects tends to de-energize rather than energize participants and the enterprise.

Third, problem solving may evoke a heroic mind set. The shadow of heroic mind set is its draining of organizational vitality. The heroic character, as illustrated by the Greek character of Hercules, loves the problem and challenge. Here is where power and energy are focused. The heroic directs energy to "overcoming" rather than improving. Resources and human energy are drained from discovering and developing opportunities. IBM, for example, devoted considerable energy to the problem of selling mainframes. One solution was to hold back sales of personal computers that later came back to haunt Big Blue.

Fourth, problem solving may evoke a rational and traditional consciousness. Traditional problem solving may trap organizational members in the past and a linear step-by-step process. Such processes are thought to lead to creative ideas. However, problem solving processes aren't a substitute for creative thinking. In fact, They can destroy creativity by inhibiting the use of imagination, intuition, fantasy and soft data.

An OD consultant comment that the greatest difficult facing his organization is the lack of a "model" of the future organization. Executives are frighten to take action without such a model. Such comments illustrate the poverty of imagination created by problem solving, left brain analytic thinking and objectivity. It may also begin to explain the need for the certainty of principles, laws and guidebooks.

Finally, problem solving ignores the soulful aspect of organizational change. The soulfulness of organizational change may be illustrated by the following statement by Royce Cadwell, Southwestern Bell, concerning the lay-off associated with transforming to a team structure, "This is the hardest thing I've been through...But I believe, as hard is it was, it was in the

long term best interest of the employee body as a whole." The "hard thing" suggest that Cadwell doesn't have "hearts of stones" which tends to be assumed by rational problem solving. Solving organizational difficulties can torment the soul. Such torturing of the soul can lead to inaction. It can also lead to excessive analysis to deal with the soul torment. Finally, it can lead executives to armor themselves against the torment by becoming measurement, number, process and results directed. Why? Such armoring allows them to distance themselves from the torment and tortures of human suffering. Numbers, results and process don't touch but dry the soul.

Continuous Improvement

Fourth is an emphasis on continuous improvement. While continuous improvement can be beneficial, improving the existing system isn't necessarily going to create the competitive edge. Discontinuous improvement may.

IBM illustrates how a firm can engage in continuous improvement, win the Baldrige Award and still suffer decline. IBM required discontinuous improvement. This was recognized but not enacted. The IBM personal computer was an example of discontinuous improvement. However, management focused on continuous improvement in mainframe computers and stunned person computer marketing.

Mass Production Change

Fifth is the use of mass production training and programs such as team building, TQM and MBO to induce behavioral change and the assumption, technologies and tools transform. Training and technologies may be useful. However, they may also be wasteful. A large box manufacturer invested approximately 14 million in TQM training. However, the investment was wasted because the firm failed to change its structure and management practice: the primary source of quality problems. At a medical

instrument firm, mass production TQM training was provided. One director noted that only half the materials were useful to the firm and his unit. He wanted to modify the training to meet the authentic quality issue of his unit. However, he was unable to because of the mass production mind set of upper executives and consultants.

Mass production change programs tend to be based on mechanical rather than organic thinking. Mechanical thinking assumes a new program can be inputted into the organization and transformation will take place. Executives and consultant think that through analysis and replicate, high performance can be developed. Such thinking ignores the uniqueness of high performance enterprises. High performance evolved from the soil of uniqueness. They are not cloned from the DNA of a consulting program or fads.

Mass production training ignores differences. Different units and teams may face unique challenges and different environs. For example, at a brewery, customer service teams faced extremely different environs ranging from stable too turbulent. Executives used a mass production approach to improve customer service. This leads the turbulent environ team to be perceived as underdogs by executives because they continuously violated policy and practice to cope with customer requirement.

Fear of Chaos and Being Controlled by Control

Sixth is the need for control and the fear of chaos. Chaos is seen as an enemy and a negative sign. Management steps in and impose control. Why? First, there is a failure to recognize this an expression of the manager's psyche. Western managers tend to reflect the western ego's never manic obsession with control, power, predictability and doing. This is an expression of the heroic. Self-reflection and imagination are considered without

value. Feelings are armored against. Success is judged not by the maturity of wisdom but by the acquisition of power and control. Magical thinking may exist about being in control through measurement. Or, as the chairman of a Fortune 500 firm commented, "If you can't measure it, you can't manage it." Such thinking is magical because it ignores the importance of soft data and intuition. It also suggests a lack of wisdom. The facts suggest that soft data and intuition are as critical, if not more critical than measurement produced data. They also suggest chaos may be a nature aspect of change.

All limit awareness of how being in control maybe a secondary character to inhibit awareness of primary feelings such as fear, anxiety and depression and fantasies of uncertainty and doubt. Rather than coping with primary feelings and fantasies manager may take action to control necessary and healthy chaos; thereby, maintaining the fantasy of being in control. They return to the tradition rather than revitalizing. They may also declare war on organization rather than seeking to development commitment and creating time-space for high involvement. They may downsize rather than supporting innovation.

Second, management may fix the problem rather than creating a time-space for learning. At XEL when members of a team were discovered cheating, they were fired. A facilitator was appointed. Associates were annoyed because of the parental response. However, the facilitator's goal is to work himself out a job. CEO Jo-Anne Dressendofer, Imedia, has discipline her ego not to interfered when inexperienced teams make mistakes in the learning process. Jo Anne illustrates the wisdom of being rather than the doing of control.

Glamour Shots Change

Seventh is cosmetic change programs designed to show off to outside parties. This is analogous to the photo fantasies created at Glamour Shots. Leadership focuses on creating the

appearance. However, they are not committed to change. Glamour shot change maybe the norm rather than the exception. An ASQC employee survey found half reported quality as a top priority. However, only one in three reported their organization followed through with an effective program. Fourteen percent indicate participation in decision making.

Glamour shot change is illustrated by the implementation of TQM at an engineering firm. The owners decided to use TQM as a marketing ploy. A consultant was hired. The workforce trained in quality concepts and techniques. The owners declared associates were empowered. However, they refused to participate in session exploring culture changes. Improvements were identified but never addressed. When the firm experienced cash flow difficulties, the owners initiated a force reduction and a return to hierarchy. The result was distrust of the owners. TQM failed to improve quality.

True Believers and Forced Change

The true believer syndrome is continuously enacted. It may be the shadow of rationalism and empowerment: the religious impulse. The religious impulse leads executives and consultant to speak of evangelists, visions and mission statements. Peter Drucker, speaks of the "deadly sins" of management. Steven Covey's emphasizes devoting considerable time. Covey's emphasis on nature law and principles are analogous to good management commandments.

The problem is, often times, true believers seek to convert. They are fundamentalists. They don't not involve others. They indoctrinate. They are literal followers of the word. This limits the mind space for flights of imagination, inhibits inquiry and problem discovery.

True believers may also destroy rather than create community. They engage in "holy wars." The division executive hired a

transformational consultant to create a high performance organization. The consultant, a true believer in the certain personal success doctrine, conducted workshops to indoctrinate organizational members. The result was the creation of two camps: True believers and non-believers. The true believers proceed to engage in a holy war on the other group. Productivity, quality and climate degenerated.

They also de-empower others by giving them the organizational change commandments. Organizational members may become the equivalent of the "Children of Israel." The uncertainty of the human and organizational life is displaced by the certainty of the law. Says, archetype psychologist, Tom More, "Fundamentalism tends to idealize and romanticize a story, winnowing out the darker elements of doubts, hopelessness and emptiness. It protects us from the hard work of finding our own participation in meaning and developing our own moral values." Each time organizational members are indoctrinated into the principles of Covey or Deming, they are protected from the hard and soulful work of quality, effectiveness and leadership. They fail to address the dark side of organizational change and the mourning associated with it. Moral responsibility and the murky swamp associated with the interplay of darkness and light is taken from them.

Rat Psychology and Incentives for Passive and Compliant Change

Eighth is the use of reward and punishment systems and psychologies to reinforce the change and gain compliance: performance improvement and incentives. History suggests that manipulation through incentive and fear run counter to the human impulse towards freedom. This impulse emerged with the Greeks who defeated the great Persian empire. The Greeks fought as free men. The Persians were often whipped into battle. The Greek love of freedom also supported a knowledge explosion that still influences 20th century people.

History and Deming's observations are illustrated by the implementation of profit sharing at Grady's Auto body. CEO Jim Grady decided to change from flat rate for repairs to salary with profit sharing to improve speed, quality and reduce waste. Associates faced a pay cut with the potential incentive of higher dollars from profit sharing. There was one issue: trust. Associates were not certain that they could trust management. Jim's answer was employee meetings and variety of incentives. Neither cured the trust issue because Jim failed to listen. In fact, trust decreased so much that associates began investigating the accuracy of a new computer system fearing that management was cheating them. They found evidence that was the case. Jim opened the books. However, when associates came, a paper shredder was installed. Associates were told to accept the system or move on. Five original associates did. The moral of the story is that unlike lab animals, human being doesn't automatically respond to cheese. They have free wills and minds. They evaluate and mess with the experiment. Finally, conditioners may lose. Jim lost trust and five associates.

Failure to Learn to Learn

Chris Argyris has written extensively about how organizations, individuals and teams fail to learn by only correct surface errors. The former, Learning I, is single loop learning: correcting errors and problems. Learning II involves: (1) questioning basic assumptions and values, (2) focusing on discovering why errors and problems weren't corrected and (3) identifying their sources. Re-engineering is an example of Learning I. Exploring the assumptions and values causing a firm to have to be re-engineered is an illustration of Learning II.

Learning II fails to take place because espoused and actual theories of action are different. The difference between espoused and actual theory is illustrated by Jim Grady. While Grady espoused employee involvement, his behaviors were

authoritarian and expressed little interest in involvement. His failure to recognize this difference, resulted in five associates departing, a legal investigation, distrust and a degeneration of Grady's good organizational climate.

Defensive routines are the strategies used to inhibit learning the difference between the two. Argyris characterizes defensive routines as "any policy or action that prevents organizational players from experiencing embarrassment or threat in order to reduce or get rid of them." When Grady's associates questioned profit sharing and the organization's information systems, Jim's response was to accept it or leave. Grady illustrates the use of threats to prevent embarrassment.

Defensive routines also create double binds. For example, a group of managers suggested they were seeking self-directed, motivated and opportunity focused associates. However, each firm's reward system, performance appraisal and structure encouraged dependency and compliance. Top executives were extremely controlling and authoritarian towards middle managers. This characterization created double binds, preventing associates from being self-directed and motivated.

Denial and Contentment Amongst Organizational Members

When majority of organizational members is content or in denial, change will be strongly resisted and likely fail. Contentment is an expression of the traditional. The good old days are working just fine. Organizational members are very happy to live with static tradition. The organization's mythology and stories suggest change is unnecessary. Denial involves the awareness of the need for change. However, change is resisted by maintaining the air of contentment with tradition. Old stories and fantasies infected and distort changes in the environ and firm.

The story of change at Cin-Made Corporation illustrates contentment, denial and resistance. When Robert Frey initiated forced change, it was strongly resisted by union members who were content. They resisted involvement, suggesting that was the job of management. Manager denied need for associates to be involved. They resisted presenting them with financial information. One declared that profit-sharing was communism. Frey denied that his approach to change was creating resistance until after a strike when he recognized the knowledge and intelligence possessed by associates. This leads him to recognize the need to work as a team.

Fragmentation of Responsibility and Authority

Most change processes fragment responsibility and authority. A not atypical structure is: a design committee, a steer committee and the people performing the work. The design committee has responsibility for design recommendations. They scout workplace redesign processes and structures. They attend conferences. They conduct site visits. They create a report for the steering committee. The latter has approval authority. They evaluate the former recommendations. However, they lack their knowledge and intelligence. The result is recommendation rejection Why? It's usually not because of merit. Steering committee member assume that they must do something even if they don't have the intelligence to make an informed decision.

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