Notes on Organizational Change

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Bil Kleb and Bill Wood

THE BECKHARD-HARRIS-GLEICHER change model[1] states successful change will happen if and only if the product of the level of dissatisfaction with status quo, the appeal of the future vision, and the clarity of the steps necessary to achieve the vision is greater than the cost of change, measured in terms of emotion, direct expenses, and lost opportunity.

$$\text{change} \iff \text{dissatisfaction} \times \text{appeal} \times \text{plan} > \text{cost}$$

If any factor is low, the chance for successful change is slim, no matter how compelling the other factors might appear. Similarly, if the cost is high, change is not worth pursuing.

SATIR'S MODEL of well-managed change[2,3,4] emphasizes all change entails phases of loss and chaos that, if unanticipated, will cause a retreat to the original status quo. A change agent initiates the descent into chaos and then a transforming idea marks the beginning of the ascent to the new status quo.

Five stage Satir change model diagram
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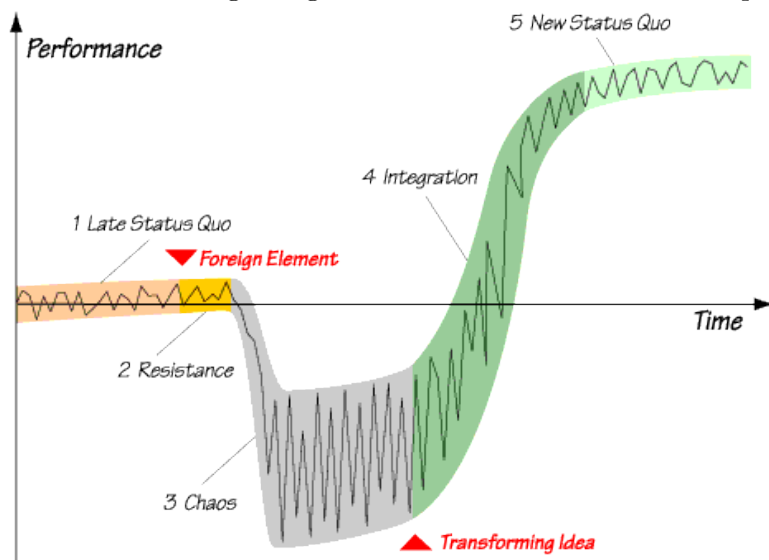
[1] R. Beckhard and R. Harris. *Organizational Transitions*. Addison-Wesley, 1987

[2] Virginia M. Satir, John Banmen, Jane Gerber, and Maria Gomori. *The Satir Model: Family Therapy and Beyond*. Science and Behavior Books, 1991

[3] Gerald M. Weinberg. *Quality Software Management: Anticipating Change*, volume 4. Dorset House, 1997

[4] R. Beckhard and R. Harris. *Organizational Transitions*. Addison-Wesley, 1987

THE BATESON DOUBLE BIND[5,6] is a recipe for schizophrenia that should be avoided in organizational structures:

1. Locate a victim who is somehow dependent on you.
2. Issue a primary injunction with a threat of punishment for non-compliance.
3. Issue a secondary injunction that contradicts the first, again coupled with the threat of punishment for non-compliance.
4. Make the contradiction undiscussible and provide a threat of punishment if it is discussed.
5. Make the undiscussibility undiscussible, but make appearances that everything is discussible.
6. Make the victim believe they cannot exit the situation.

BLOCK observes that vision statements are worth something only to those who make them.[7] A vision cannot be handed down from upon high. Instead, each person or team needs to craft their own vision statement to have vested ownership and accountability. One clear requirement, however, is that at each level the vision must be tied to the one above.

What the core workers do need from those above is a clearly defined, tangible mission statement that can be used by those at the lowest levels to make everyday decisions. NASA's current vision, mission, and goals slides have recently been cited[8] as embarrassing examples of what not to do:

[5]Gregory Bateson, D. D. Jackson, J. Haley, and J. H. Weakland. Toward a theory of schizophrenia. *Behavioral Science*, 1, 1956

[6]Gregory Bateson, D. D. Jackson, J. Haley, and J. H. Weakland. A note on the double bind. *Family Process*, 2, 1962

Example: a researcher is dependent upon a mandated support service and the support staff imposes a level of service that is insufficient.

[7]Peter Block. *Stewardship: Choosing Service Over Self-Interest*. Berrett-Koehler, 1993

"Simple, clear purpose and principles give rise to complex, intelligent behavior," says Dee Hock, former CEO of Visa International. "Complex rules and regulations give rise to simple, stupid behavior."

[8]Edward R. Tufte. *The Cognitive Style of PowerPoint*. Graphics Press, second edition, 2003

STOP using PowerPoint bullet list slides for strategic planning, technical communication, or anything but a marketing pitch. Lou Gerstner simply shut off the overhead projector when he began to bring IBM back from the brink of bankruptcy in 1992. He introduced the novel idea of using complete sentences to describe how goals would be met.[9] Furthermore, 3M has documented[10] that bullet lists make us intellectually lazy in three specific ways: (1) they are too generic—they offer a series of things to do that could apply to any business, (2) they leave critical relationships unspecified, and (3) they leave critical assumptions about how the business works unstated. Our project planning needs to (a) embrace change, not try to suppress it and (b) use PERT charts with uncertainties instead of CPM diagrams.[11] Budgets are forecast tools, not specifications. Costs should only be tracked to the same level of precision as benefits are tracked, because the cost-to-benefit ratio has an approximate uncertainty equal to the maximum of the cost and benefit uncertainties.[12]

[9] Louis V. Gerstner, Jr. *Who Says Elephants Can't Dance? Inside IBM's Historic Turnaround*. 2002

[10] Gordon Shaw, Robert Brown, and Philip Bromiley. Strategic stories: How 3M is rewriting business planning. *Harvard Business Review*, 76, May–June 1998

[11] Robert Martin. *PERT: Precursor to Agility*. February 2003

[12] Tom DeMarco and Timothy Lister. *Waltzing with Bears*. Dorset House, 2003

References

Gregory Bateson, D. D. Jackson, J. Haley, and J. H. Weakland. Toward a theory of schizophrenia. *Behavioral Science*, 1, 1956.

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