

ORGANIZATIONAL CHANGE

—DYNAMICS AND DIMENSIONS—

Dr. Harry R. Knudson, Jr.

A great deal of current writing in the field of management and organization has been devoted to discussion of the process of organizational change. Most of these discussions have been very general and have not analyzed this fascinating organizational phenomenon with any rigor or precision. Consequently, many people have an impression of organizational change as a nebulous, ill-defined, yet simple and singular process. While there is much that we do not know about change, we do know enough to be able to talk about change more precisely. This article attempts to do this, with the specific purpose of identifying and exploring some of the dimensions of change. Before starting this exploration, however, we should like to make some general comments about change in order to provide a starting point for discussion.

The first general consideration of note is that the process of change is deceptively complex. Because change does have many variables with a large number of interrelations among these variables, we find it difficult to talk about it meaningfully. The complexity of the process is overwhelming, and in order to discuss it at all, we have to greatly oversimplify it. Our communication facilities are inadequate. Having oversimplified it for discussion purposes, we then tend to oversimplify it conceptually, and actually regard it as a simple process. It is not.

A second significant general factor regarding change is that it is a continuous process. We mean by this that change rarely will have a clearly defined initiation and termination point. More usually, it has neither. For example, if the change involved is the implementation of a new policy, the manager will find himself involved with this change over a period of time, making many adjustments to the functioning of his organization as he judges the effectiveness of

Author: Honorary Member, The Institute of Management Research, College of Commerce, Seoul National University. (See The Profile of Author, pp.11~12)

the implementation of the new policy. It does not take effect suddenly and completely without further attention from the manager. Indeed, with some major changes in policy, the period during which a manager might expect to devote considerable time and effort to the change process might extend over several years.

Even in a situation that would seem to require much less attention, for instance when a relatively routine change is concerned—the manager may still find himself very involved in the change process, if only because different people may perceive the same situation in very different ways and all may not agree with his definition of routine. Thus, reaction to a “routine” change may vary considerably, and even though a termination point is expected, it may not materialize. Of course, the change process may seem to have a definite beginning and end if the manager chooses to act in ways that ignore continuing consequences and reactions.

A great deal of the recent discussion concerning the change process has centered on techniques of introducing change. Much of this discussion has been normative, suggesting different ways that executives should behave in introducing change to minimize undue organizational disruption. Considerable attention has been given to the particular devices, methodology, and techniques of introducing change that have been successful in certain circumstances. Participation has been an especially popular subject in these discussions and is considered by some authors to be a panacea. Any change will be successful if management will get those involved to participate in making the change—or at least feel that they have participated. Other authors, a smaller group, have taken issue with this attitude, suggesting that if the net result of a change is disadvantageous, participation will not alter this effect. While this emphasis on the introduction of change has brought welcome attention to some of the problems and considerations regarding this phase of change, it has detracted from other aspects of change, conveying the impression that the introduction of change is the totality of change.

Interestingly, the problems of introducing change have been considered primarily from the viewpoint of the “outsider,” the problems of the “staff” attempting to introduce change in “line” organizations, or the problems of the technical specialist getting his specialized knowledge into the flow of organizational activities. Relatively little has been said concerning the problems of the introduction

of change by an individual who is a "social outsider" but who is an integral part of the organizational unit. In many instances, this is the manager. And often it is the "outside" manager who is responsible for many of the changes in an organization. This problem is much more complex. Obviously the manager has a more powerful organizational position than the staff specialist. The instance of an "outsider" manager introducing changes is especially common if the manager has recently been promoted. The tendency to introduce changes —necessary or not— to establish managerial position is quite prevalent.

Another common theme that runs through much of the writing about change but that is rarely explicitly stated is that change is paradoxical. Each manager has certain responsibilities regarding achievement of established organizational goals and other responsibilities regarding the maintenance of established organizational relationships. The responsibilities of the manager in achieving organizational goals are apparent, but it should be recognized that if the manager wishes to achieve organizational goals, he must also have reasonably stable relationships in the organization. Much of the research done by Rensis Likert and his associates draws attention to the importance of the maintenance functions of an administrator and the relative effectiveness of maintenance-oriented and task-oriented administrators. Thus, a basic responsibility of the administrator is to minimize the frequency with which the social relationships of the organization are disturbed. Yet as one of the most significant factors in the change process in that he must implement change to achieve organization goals he must consciously and purposely introduce and initiate disturbances and alterations in the social relationships of the organization.

On one hand the manager is admonished to maintain and protect organizational relationships and on the other he is encouraged to advocate change, thus upsetting established social relationships.

Another basic premise concerning change suggests that change is primarily a social phenomenon. Certainly there are technical aspects of almost any change, but the overwhelming weight of research and informed opinion is that from an organizational standpoint the social aspects of change are more significant. The old wives' tale that "people resist change" is invalid. People do not resist change as such; people not only accept many changes but in some instances enthusiastically support them. If an individual feels that the

change will be damaging to his established relationships or his self image. he will probably tend to resist it. If he feels that the change will improve his relationships, he will tend to accept the change. Perhaps for a while he will have a neutral attitude while he attempts to define how his relationships will be affected. This attitude will not last for long, however. Usually, he will be rapidly influenced by others in the organization and will not come to a "resist" or "accept" position very quickly. The popularity of the resistance cliché may be due to the fact that some people may resist changes we support, and we generalize this experience, not realizing that from other viewpoints the proposed change may not seem advantageous.

People also react to *perceived* changes in their organizational relationships, whether or not these changes actually occur. This is a most subtle point; difficult for many managers to fully understand and even more difficult to live with. A manager must act on the assumption that his people perceive many changes. And from a behavioral standpoint the fact these changes have not occurred is irrelevant.

There are some classic examples of the social aspects of change. One of the most dramatic of these is that discovered by Paul Lawrence and Harriet Ronken in their early research regarding the change process. In this instance, a new electronic component was developed in the "wrong" part of the organization in that new ideas for the new component were not initiated and processed by that section responsible for development of new products. With management's approval, after initial development activities, a pilot plant was established and experimental production was undertaken on a limited basis. When an appropriate number of units had been manufactured and were ready to be tested, they had to be taken to the development section of the company because the necessary equipment for running the tests was available only there. The development engineers, using "their" equipment, tested each of the new units and found none of them to be acceptable. Using the same equipment and the same procedures but with a little more care, those people who had the original idea and who had been working with the new tubes in the pilot plant tested "their" tubes and found that all of them functioned satisfactorily.

The development engineers perceived the new tubes as a threat to their role and position in the organization, and fearful of disrupting their established relations they perhaps unconsciously manipulated the testing equipment so that

the components would not function properly. In this manner they attempted to preserve their organizational position and relationships. While the technical aspects of attempting to develop a new product were especially important in the early phases, in a larger sense they were less significant than the considerable social aspects involved. Change is primarily a social phenomenon. Those changes that people do resist, they resist because they want to prevent damage, as they perceive it, to their established social relationships in the organization.

Dimensions of Change

With the preceding as a foundation, we can now attempt to be more precise about the dimensions of change. The major variables in the change process are the people who will be affected by the change and the relationships they have established in the organization, the organization itself and the climate into which the change will be introduced, and the "leader" involved and his established pattern of leadership. There are several dimensions within these variables and it is these dimensions and more importantly, the relationships among them that are the essence of organizational change. If the manager is to understand the change process, he must realize that change is not a simple, single level kind of process, is complex and multi-dimensional and that the many dimensions of change are factors that have to be considered in the decision-making process.

One of the dimensions of change involved the nature of the change. Is the intent of the change to modify actions, relationships, or attitudes? Or does the change involve a combination of these factors? Changes in action are relatively easy to achieve and often can be accomplished in a short period of time. This is especially so if the manager wants people to stop doing something, if the "something" is highly visible and if the manager has a means of feedback and control that permits convenient follow up.

Changes in organizational relationships are more difficult to achieve and probably will take a longer period of time. Rarely do organizational relationships remain constant even if the change factor is not present. Although the organization chart cannot record it, there is usually a "bargaining" or "trading" element in organizational relationships that comes into play at various times. That is, all relationships are usually in the process of being altered and re-established. When a change is introduced, all relationships affected assume very definite and active bargaining natures. The individuals or groups involved must

renegotiate and reestablish a mutually acceptable working relationship before anything can be accomplished. If the manager wishes to change relationships, he must be aware that this negotiating process requires a certain amount of time.

Changes in attitude are perhaps most difficult and usually require major long-run efforts. The long run nature of this kind of change suggests that the manager might use different techniques than in the instance of attempting to alter actions. A change in manufacturing procedure might be achieved through a short, specialized training program or by some explicit instructions from a superior. A change in attitude, however, might take considerable time and require a much greater amount of different kinds of effort from the manager. If he wants his subordinate managers to develop a different attitude about supervision, he may have to become very personally involved in implementing this change.

Another dimension of change is concerned with who is involved in the change. Will the proposed change involve only subordinates or will peers and superiors also be affected? Many changes affect more than one of these general groupings although the main impact may fall on one particular group. The manager must know not only who is affected in this general sense, but he must have much more specific knowledge — precisely who is involved, and what is the nature and characteristic of the person or group. The manager should also understand that the terms “subordinate”, “peer” and “superior” may refer to a complex of relationships that does not appear on the organization chart. Any organization is composed of a system of relationships involving official position, influence roles, social position and position resulting from technical knowledge. In determining the “who” of change, the manager must consider the nature of this system, not concentrate only on the formal or officially designated relationships. An individual who is subordinate to the manager in organization position may be his peer or superior when other factors are considered.

Another aspect of the “who” dimension of change concerns the group affiliation of the people involved. Rarely will the manager be dealing with individuals. More often he will be dealing with individuals who are also members of some kind of group, either a formal group recognized as such by the organization or an informal group that has arisen to satisfy the social needs of its members

but has no direct connection with the formal organization structure. Either of these kinds of groups could have a great effect upon their members and their resultant attitudes toward change. Much of the current research in this area indicates that a person will behave differently as a member of a group. As a group member he assumes many of the values, sentiments and attitudes of the group and voluntarily subordinates some of his personal objectives to assist in achieving the objectives of the group. If groups are present in the situation and the change itself might be sufficient impetus for group formation, the manager must ascertain the nature of the group, its goals and objectives, what it stands for, its system of values, and who its leaders and members are. Group membership is one of the strongest influences in the social structure in an organization and for any given individual his group may be the single most important determinant of his behavior.

Distance is another dimension of change, both physical distance and organizational distance. If the people affected by the change are separated physically, obvious problems exist. No less serious because it is so evident is the problem of communication over distance. Problems of miscommunication and inadequate communication are great even on a face-to-face basis and over many miles such problems become especially difficult.

Even if the people involved are physically close, however, questions of organizational distance exist. For example, are the people involved in the immediate social group of the manager? Are they his own group of organizational associates with whom he has continuing effective interactions? Or are they more distant, even though in his own department or division? Perhaps they are even more distant in that they are in the same organization but are in a different department. The manager trying to implement a change which will have its primary impact upon, for example, subordinates in another department faces a much more difficult task than one who is involved in a situation in which the organizational distance is less great. The problems of implementing change in an organization entirely separate from his own probably present the manager with his most difficult problems with regard to distance. As either the organizational or the physical distances increase, the process of change becomes more difficult.

Another important dimension of change concerns the nature of the organization in which the change process will take place. Here, many variables deserve

consideration, including the age of the organization. The manager involved in change in a young organization is faced with a much different situation than the manager concerned with change in an older institution. A young institution has not yet had the opportunity to develop its traditions and values, and the guidelines they provide will not be available. Sometimes, however, these traditions may be such that they may impede change. In either event, the manager will have some benchmarks to guide him. In a young organization, this valuable knowledge will not be available to him.

An even more significant question is concerned with the organization's experience with change, regardless of age. Has it had a history of many changes? Have they been successful? What is the nature of these changes? Certainly an organization that has experienced many successful changes will provide more fertile ground for change than one in which change has been an unusual and unsatisfactory occurrence.

Other variables concerning that nature of the organization that merit analysis are the stage of its growth and the nature of the organization's activities. For example, is it established and mature or is it involved in organizational growing pains? Is it a manufacturing organization that produces tangible products or is the end result of its efforts an idea or the completion of certain processing activities which are not highly visible?

The manager must also be aware of the general level of competence of the organization. It is characterized by a large number of highly skilled and educated professional and technical personnel or is it primarily composed of less highly skilled individuals? Is the nature of its activities highly demanding?

Still another factor concerning the nature of the organization is its goal or objective. Does the organization have a special purpose which is accepted by all its members or is the organization more "typical"? Is the nature of this purpose such and its acceptance so strong that any change will be accepted providing the basic objective of the organization is not altered. Will the organization do anything to "win the war" or "conquer disease"? If this is the case, the manager has greater latitude in selecting action alternatives, and can utilize the overriding objectives as a positive motivation for change.

Another major dimension of change involves the expected magnitude of the change. Is it minor, affecting only a few people in part of the organization, or will everyone be involved? Often a large change may be less difficult than

a small one, especially if existing organizational relationships can be moved intact to the new situation. The introduction of an entirely new manufacturing process may be less difficult than a minor alteration in an existing process if the people involved can continue in their accustomed roles and relationships. A small change quite often results in the disruption of very personal relationships and may be met with severe resistance. More often, however, the manager will not find himself dealing with either of these extremes and faces the problem of adjusting his actions and behavior to coincide with his estimate of the severity of impact on the change. The greater this impact, the greater the managerial resources that will be required over a longer period of time to achieve successful implementation.

Another dimension closely related to the impact of the change is the manager's estimate of probable reactions to the change. Depending on his estimate of these reactions, the manager will probably choose different patterns of behavior. Although this appears overwhelmingly logical, this dimension of change is often ignored for the manager tends to become emotionally involved with the idea of change and, assuming it is his idea, he may not be capable of effectively evaluating possible reactions. Because it is his change, it will certainly be accepted. Thus, consideration of different degrees of acceptance is ignored.

The nature of the leadership utilized by the manager is another significant dimension in the change process. This dimension of change is very broad and has been the subject of much research and theorizing. Again, this effort has not yet resulted in specific behavioral instructions for the manager but several useful frameworks for analysis of leadership behavior have been developed, such as the leadership continuum framework of Tannenbaum and the Theory X and Theory Y concept of McGregor. A manager will probably find that his behavior does not precisely fit any of the frameworks or categories, but it is important that he has an understanding of the nature of his leadership style. Explicitly, what characterizes his style and what are the basic assumptions upon which he acts? How well accepted is his leadership pattern? How successful has it been? Understanding of these aspects is important for more than anything else it is through his leadership style that the manager communicates with his organization — and his organization is very alert to this style and variations in it. If the manager does not have a thorough understanding of his leadership style he may unconsciously vary it during the change process and increase

possibilities of resistance, not because of the planned change, but because of the unplanned change in leadership style.

A final dimension of change to be considered is the personal goals and objectives of the manager. In assessing this dimension, the manager must be quite candid with himself. What are his own interests in the change—advancement, solidification of position, or financial reward? His own interest in the change will have effect on his actions and attitudes and he should attempt to precisely identify the nature of his interest.

Conclusion

In this paper we have identified and highlighted some of the major dimensions of the change process in an attempt to counteract certain trends we have observed in current literature — the tendency to greatly oversimplify the change process and the placing of unwarranted emphasis on certain aspects of change, primarily the introduction of change. We have probably made the function of the manager in implementing change more difficult by stressing the complexity of the change process, but we feel that this is a more valid statement of reality than the oversimplified impressions that seem prevalent.

Much research remains to be done before specific behavioral instructions can be provided for the manager involved in change or even before an adequate model of the change process can be developed. Certainly a most apparent weakness in our current understanding, even with an awareness of the dimensions of change, is that we don't know very much about the relationships among the dimensions or the relative significance of each. Is the leadership style more important than the nature of the organization in the successful implementation of change? At this stage, we cannot answer this kind of question except with opinion. We do not even know the exact relationship of these, or of any of the other dimensions of change, much less their relative significance. Hopefully, some of the research now in process will provide us with some data that can answer these and other related questions. Until that time we must encourage the manager to be aware of the complexity of the change process and its major dimensions.

Decision-making is undoubtedly easier in a situation with relatively few variables. While emphasizing the complexity of the change process makes decision-making more difficult for the manager, in our judgment he will be able to make decisions of a higher quality if he is at least aware of most of the variables in the situation.

<The Profile of Author>

Professor Harry R. Knudson is Honorary Member of The Institute of Management Research, College of Commerce, Seoul National University.

He visited Korea to observe the actual situation of academic and educational field of business administration and the managerial climate of the business world in April, 1967. He then provided us with his authoritative suggestions for the respective development. Since 1966 he has had charge of the seminar, held at the University of Washington, Seattle, U.S.A. for the Korean Top Management Impact Team and thus has contributed toward the consolidation of Korean-American mutual ties in the field of business administration and the growth of the field in Korea. As it is for the first time for the author to write for a journal published in Korea, his brief personal history is here introduced.

Dr. Knudson is Professor of Policy and Administration and Organizational Behavior, Graduate School of Business Administration, University of Washington. During 1965~1966 he was a visiting professor at the Graduate School of Business, Stanford University, where he was Coordinator of the Management of the Human Resources Program of the International Center for the Advancement of Management Education (ICAME). Professor Knudson was formerly a Ford Foundation Fellow at the Graduate School of Business Administration, Harvard University.

Professor Knudson attended Indiana University where he received B.S. and M.B.A. degrees. He received a Doctor of Business Administration degree from the Graduate School of Business Administration, Harvard University.

His administrative experience includes service as Director of College Recruiting, Gargill, Inc., and Chief, Category "C" Section, Headquarters, USAF Institute of Technology. In addition, he has served as a management consultant to many organizations, including the University Hospital, Seattle; The Boeing Company; Robbins and Meyer Company, Springfield, Ohio; Weyerhaeuser Company, Tacoma, Washington; Raytheon Company, Waltham, Massachusetts; Panel Build Systems (Division of U.S. Plywood), Lynnwood, Washington; Peter Bilder, Inc., Lynnwood, Washington; the U.S. Navy; Member of the Board of Directors of several small business organizations.

Professor Knudson has been designated as an Associate of the Japan Management Association, Tokyo, Japan. He has been appointed External Examiner for the Faculty of Commerce, Lucknow University, India.

He has served on the faculty of many executive development programs, including the Weyerhaeuser Middle Management Development Program, the Weyerhaeuser Management School, the University of Washington Advanced Management Program, the Wittenberg College Business Exe-

cutive Development Program, and the American Savings and Loan Institute. In addition, he has presented a series of special seminars in the areas of organizational behavior and organization theory to groups of executives from the Boeing Company, the Raytheon Company, the U.S. Naval Torpedo Station, Polaris Missile Facility, Pacific, U.S.N., and the Simpson Timber Company.

Professor Knudson is author of Human Elements of Administration, published by Holt, Rinehart and Winston, co-author of Modern Concepts of Organization, which will be published in the near future, and author of Management of Human Resources: Concepts for Developing Nations, and Organizational Behavior: Cases for Developing Nations, both published by Addison-Wesley. He is also author of many articles and monographs which have been published in leading national and international journals. Human Elements of Administration was selected by the Western Management Association and the California Personnel Management Association as one of the "Ten Best Business Books" published in 1963.