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Organizational Behavior

the concept of strategy

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Introduction

questions

- How changes occur?
- How to analyze change?

- from a process perspective

Process models

Sources

- open system theories
  - thinking about organizations (and parts of organizations) as a system of interrelated components that are embedded in, and strongly influenced by, a larger system

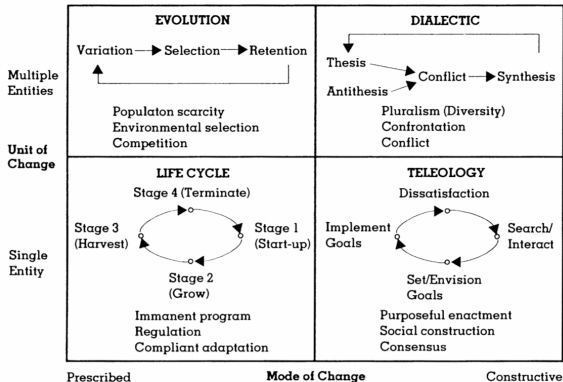# Types of Process Theories

Sources

- Life cycle theories
- Teleological theories
- Dialectical theories
- Evolutionary theories

Van de Ven and Poole (1995)

Process Theories of Organizational Development and Change

Process Theories of Organizational Development and Change[a]

[a] Arrows on lines represent likely sequences among events, not causation between events.

(Van de Ven & Poole, 1995: 520)

A life-cycle model

- A life-cycle model depicts the process of change in an entity as progressing through a necessary sequence of stages. An institutional, natural, or logical program prescribes the specific contents of these stages.
- motor:
    - A singular, discrete entity exists that undergoes change, yet maintains its identity throughout the process.
    - The entity passes through stages distinguishable in form or function.
    - A program, routine, rule, or code exists in nature, social institutions, or logic that determines the stages of development and governs progression through the stages.

(Van de Ven & Poole, 1995: 520–521, 525)

A teleological model

- A teleological model views development as a cycle of goal formulation, implementation, evaluation, and modification of goals based on what was learned by the entity. This sequence emerges through the purposeful social construction among individuals within the entity.
- motor:
    - An individual or group exists that acts as a singular, discrete entity, which engages in reflexively monitored action to socially construct and cognitively share a common end state or goal.
    - The entity may envision its end state of development before or after actions it may take, and the goal may be set explicitly or implicitly. However, the process of social construction or sense making, decision making, and goal setting must be identifiable.
    - A set of requirements and constraints exists to attain the goal, and the activities and developmental transitions undertaken by the entity contribute to meeting these requirements and constraints.

(Van de Ven & Poole, 1995: 520–521, 525)

A dialectical model

- In dialectical models of development, conflicts emerge between entities espousing opposing thesis and antithesis that collide to produce a synthesis, which in time becomes the thesis for the next cycle of a dialectical progression. Confrontation and conflict between opposing entities generate this dialectical cycle.
- motor:
    - At least two entities exist (each with its own discrete identity) that oppose or contradict one another.
    - The opposing entities must confront each other and engage in a conflict or struggle through some physical or social venue, in which the opposition plays itself out.
    - The outcome of the conflict must consist either of a new entity that is different from the previous two, or (in degenerate cases) the defeat of one entity by the other, or a stalemate among the entities.

(Van de Ven & Poole, 1995: 520–521, 525)

An evolutionary model

- An evolutionary model of development consists of a repetitive sequence of variation, selection, and retention events among entities in a designated population. Competition for scarce environmental resources between entities inhabiting a population generates this evolutionary cycle.
- motor:
    - A population of entities exists in a commensalistic relationship (i.e., in a physical or social venue with limited resources each entity needs for its survival).
    - Identifiable mechanisms exist for variation, selection, and retention of entities in the population.
    - Macropopulation characteristics set the parameters for microlevel variation, selection, and retention mechanisms.

(Van de Ven & Poole, 1995: 520–521, 525)

Reactive sequences

- subsequent events challenge rather than reinforce earlier events
- the importance of working on support

(Hayes, 2018: 8–9)

Self-reinforcing sequences

Self-reinforcing sequences

- Increasing returns
- Psychological commitment to past decisions
- Cognitive biases and interpretive frames

(Hayes, 2018: 8–9)

Increasing returns

- Set-up costs
- Learning
- Coordination
- Betting on the right horse

(Arthur, 1994)

Psychological commitment to past decisions

- escalation of commitment
- Gambler's Fallacy

- protection of self
- conistency
- naïve theory of chance

Cognitive biases and interpretive frames

- ■ Confirmation bias
- ■ Framing effect
- ■ Default effect
- ■ …

Path Dependence

Path dependence

- preformation phase
- path formation phase
- lock-in phase

(Sydow, Schreyögg, & Koch, 2009)

Conclusion

Conclusion

- self-criticism

Sources

Arthur, W. B. (1994). Increasing returns and path dependence in the economy. University of Michigan Press.
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