

Organizational Behavior

the need for and the start of the change

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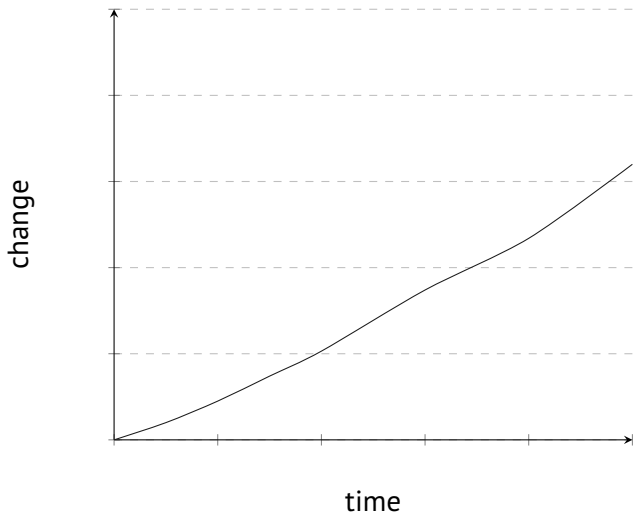
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The Gradualist Paradigm

the gradualist paradigm

the gradualist paradigm



the gradualist paradigm: a definition I/II

The Gradualist Paradigm

The gradualist paradigm posits that organizations adapt to opportunities and threats by engaging in a process of continuous incremental change. Their response is evolving and, over time, these continuous changes cumulate to transform the organization.

(Hayes, 2014: 47)

the gradualist paradigm: a definition II/II

The Gradualist Paradigm

Each variation of a given form is not an abrupt or discrete event, neither is it, by itself, discontinuous. Rather, through a series of ongoing and situated accommodations, adaptations, and alterations (that draw on previous variations and mediate future ones), sufficient modifications may be enacted over time that fundamental changes are achieved. There is no deliberate orchestration of change here, no technological inevitability, no dramatic discontinuity, just recurrent and reciprocal variations in practice over time. Each shift in practice creates the conditions for further breakdowns, unanticipated outcomes, and innovations, which in their turn are responded to with more variations. And such variations are ongoing; there is no beginning or end point in this change process.

(Orlikowski, 1996: 66)

the gradualist paradigm: processes associated with continuous change

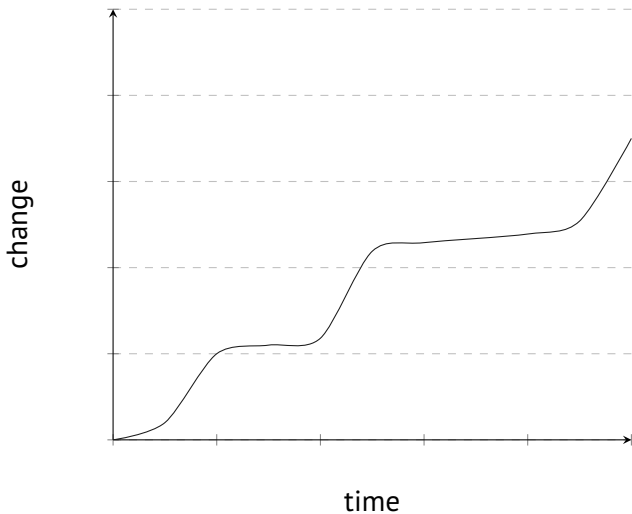
- Improvising:
facilitates the modification of work practices through mutual adjustments in which the time gap between planning and implementing narrows towards the point where planning (composition) converges with implementation (execution).
- Translation:
refers to the continuous adaptation and editing of ideas as they travel through the organization.
- Learning:
involves the continuous revision of shared mental models, which facilitates a change in the organization's ability to be responsive.

((Hayes, 2014: 48); see (Weick & Quinn, 1999))

The Punctuated Equilibrium Paradigm

the punctuated equilibrium paradigm

The punctuated equilibrium paradigm



the punctuated equilibrium paradigm: a definition

The Punctuated Equilibrium Paradigm

The essence of the punctuated equilibrium paradigm is that systems (organizations) evolve through the alternation of periods of equilibrium, in which persistent 'deep structures' only permit limited incremental change, and periods of revolution, in which these deep structures are fundamentally altered.

(Hayes, 2014: 48)

the punctuated equilibrium paradigm: key components I/III

deep structure

This deep structure is what persists and limits change during equilibrium periods, and it is what disassembles, reconfigures, and enforces wholesale transformation during revolutionary punctuations

(Gersick, 1991: 12)

the punctuated equilibrium paradigm: key components II/III

equilibrium periods

Within equilibrium periods, the system's basic organization and activity patterns stay the same; the equilibrium period consists of maintaining and carrying out these choices. As implied above, what "carrying out" means is different for different types of systems. In systems without intentionality, it can be a mechanical set of activities or a series of minor adjustments to the environment.

...

Systems in equilibrium also make incremental adjustments to compensate for internal or external perturbations without changing their deep structure.

(Gersick, 1991: 16)

the punctuated equilibrium paradigm: key components III/III

revolutionary periods

As long as the deep structure is intact, it generates a strong inertia, first to prevent the system from generating alternatives outside its own boundaries, then to pull any deviations that do occur back into line. According to this logic, the deep structure must first be dismantled, leaving the system temporarily disorganized, in order for any fundamental changes to be accomplished. Next, a subset of the system's old pieces, along with some new pieces, can be put back together into a new configuration, which operates according to a new set of rules

(Gersick, 1991: 16)

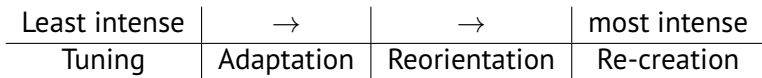
A Typology of Organizational Change

types of organizational change: basic and weakness

weak	Incremental	Transformational	
Proactive	Tuning	Reorientation	
Reactive	Adaptation	Re-creation	strong

((Hayes, 2014: 56) adapted from (Nadler & Tushman, 1995: 24))

types of organizational change: intensity



(Hayes, 2014: 60)

Recognition

bad recognition

- less time for planning
- involvement of others
- little time to experiment
- little opportunity to influence shifts

(Hayes, 2014: 56)

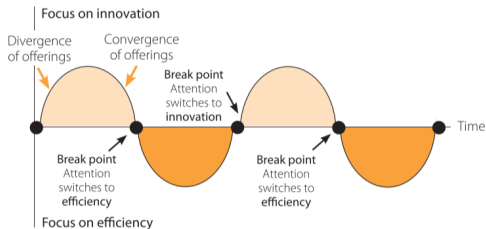
external sources of change

PEST

- political factors
- economic factors
- sociocultural factors
- rechnological factors

(Hayes, 2014: 68)

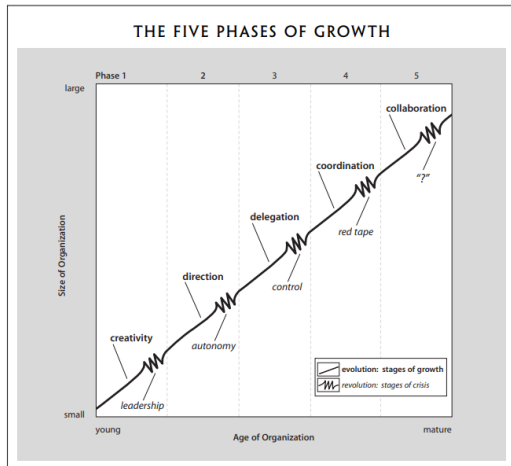
Strebel's cycle of competitive behaviour



((Hayes, 2014: 70) adapted from (Strebel, 1998: 11))

internal sources of change

The Five Phases of Growth



(Greiner, 1989: 5)

The Five Phases of Growth:

phase 1

Growth through creativity leading to a crisis of leadership

...

as the organization grows, the need for more knowledge about the efficiencies of manufacturing, more professional systems for maintaining financial control, and more formal approaches for managing and developing people lead to a crisis of leadership. A new approach to managing and leading the business is required, but the founders may not be qualified to provide this

...

((Hayes, 2014: 71) see (Greiner, 1989))

The Five Phases of Growth: phase 2

Growth through direction leading to a crisis of autonomy

...

organizations often differentiate activities and develop a functional organizational structure, along with a clear hierarchy, more formal communication systems, and more sophisticated accounting, inventory and manufacturing systems. Although this new level of order and direction delivers efficiencies, as the organization continues to grow, it eventually becomes less effective; [...] This leads to demands for greater autonomy.

...

((Hayes, 2014: 71) see (Greiner, 1989))

The Five Phases of Growth: phase 3

Growth through delegation leading to a crisis of control

...

Employees at lower levels are motivated and managers operating in a decentralized organization structure can act faster. Eventually, however, they begin to lose sight of organization-wide goals, develop parochial mindsets, and begin to work too independently. This gives rise to a need for greater coordination across the organization.

...

((Hayes, 2014: 71) see (Greiner, 1989))

The Five Phases of Growth: phase 4

Growth through coordination leading to a crisis of 'red tape'

...

Formal systems and procedures are introduced in order to facilitate greater coordination. While these measures align separate functions, departments and work groups around corporate goals, the creeping bureaucratization of the organization eventually stifles initiative and strangles growth.

...

((Hayes, 2014: 71) see (Greiner, 1989))

The Five Phases of Growth: phase 5

Growth through collaboration

...

Greater spontaneity is encouraged through developing interpersonal competences, matrix and network structures and associated systems that enable people to work together in ways that rely more on social control and self-discipline than formal control and close monitoring from above.

...

((Hayes, 2014: 71) see (Greiner, 1989))

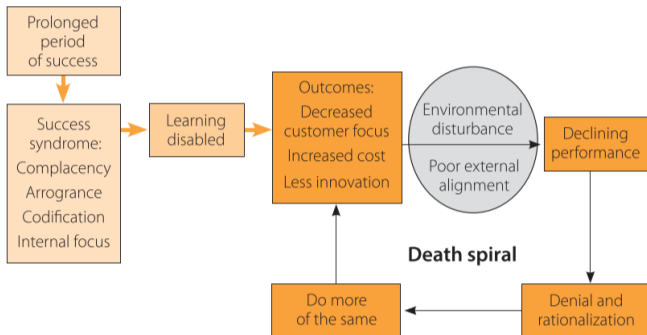
The Five Phases of Growth: practices

ORGANIZATIONAL PRACTICES IN THE FIVE PHASES OF GROWTH					
CATEGORY	PHASE 1	PHASE 2	PHASE 3	PHASE 4	PHASE 5
Management Focus	Make and sell	Efficiency of operations	Expansion of market	Consolidation of organization	Problem solving and innovation
Organizational Structure	Informal	Centralized and functional	Decentralized and geographical	Line staff and product groups	Matrix of teams
Top-Management Style	Individualistic and entrepreneurial	Directive	Delegative	Watchdog	Participative
Control System	Market results	Standards and cost centers	Reports and profit centers	Plans and investment centers	Mutual goal setting
Management Reward Emphasis	Ownership	Salary and merit increases	Individual bonus	Profit sharing and stock options	Team bonus

(Greiner, 1989: 10)

the trap of success

the trap of success



((Hayes, 2014: 73) adapted from (Nadler, 1995: 11))

indicators of effectiveness

indicators of effectiveness

- Purpose
- Stakeholder perspective
- Level of assessment
- Alignment
- Time perspective
- Benchmarks
- Constraining and enabling factors

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((Hayes, 2014: 73) adapted from (Nadler, 1995: 11))

a balanced scorecard

Perspective	Objectives	Measures	Targets	Need for change
Financial				
Customer				
Internal process				
Learning and growth				

((Hayes, 2014: 78) adapted from (Nadler, 1995: 11))

The Change Agency

playmakers

playmakers

Playmakers

The individuals who influence the organizational agenda are referred to by Pitt et al. (2002) as 'playmakers', a term they borrow from football, where it refers to the restless, energetic midfield role that links play, energizes the team and 'makes things happen'.

((Hayes, 2014: 81) see (Pitt, McAulay, & Sims, 2002))

the role of playmakers

- upward-facing advocates
 - rational arguments
- upward-facing emotive champions
 - use of emotions and polemics
- democratic brokers
 - facilitating lateral communication

((Hayes, 2014: 81–82) see (Pitt et al., 2002))

the deterministic view

The Deterministic View

The deterministic view is that the ability of the manager to influence change is limited because the main determining forces lie outside the organization and the realms of strategic choice for managers

...

one of the points that classical industrial organization and organizational ecology scholars can agree on is the deterministic role of the environment that constrains management action.

(Hayes, 2014: 86–87)

the voluntarist view

The Voluntarist View

...

rejects the assumption that managers are powerless. Advocates of this perspective argue that managers and other organizational members are the principal decision makers who determine the fate of the organization.

(Hayes, 2014: 87)

the voluntarist view: problems

LUCK

(Hayes, 2014: 87)

the voluntarist view: assumptions and attributes

- managers can make a difference
- managers can learn to manage change more effectively

- the confidence
- the motivation
- conceptual models
- action tools/interventions
- change management skills

(Hayes, 2014: 88)

the voluntarist view: the confidence

- locus of control (Rotter, 1966)
- learned helplessness (Seligman, 1972)
 - Motivational deficits
 - Cognitive deficits

(Hayes, 2014: 87)

Change Relationships

the deterministic view

- theorizing
- advising
- supporting
- challenging
- information gathering

(Hayes, 2014: 86–87)

collaborative relationships

- Do listen!
- Do not judge!

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