Designing a Collaborative Work Environment: A Case Study of Transformational Change

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DESIGNING A COLLABORATIVE WORK ENVIRONMENT:
A CASE STUDY OF TRANSFORMATIONAL CHANGE

A DISSERTATION SUBMITTED TO THE
FACULTY OF THE GRADUATE SCHOOL
IN CANDIDACY FOR THE DEGREE
OF DOCTOR OF PHILOSOPHY

DEPARTMENT OF CURRICULUM AND INSTRUCTION

BY

JAMES BAKER MORRIS

CHICAGO, ILLINOIS

JANUARY 1995
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ACKNOWLEDGEMENTS

I want to thank Dr. Barney Berlin, my dissertation advisor, for his ongoing support, patience, and encouragement. Without this support, I would have given up a long time ago. I am also indebted to Dr. Homer Johnson for his ongoing support and encouragement, and for opening up the world of Organization Development to me years ago. I want to thank Dr. Robert Cienkus, for his responsiveness and support, and Dr. Todd Hoover for his input. To James Sibley, Bill Wilborn, and Jerome Abend, your words of encouragement were tremendous.

I would like to thank my wife, Maria who had to spend countless months and years, waiting for me to complete this task. I love you. I look forward to spending time with my son, John Zachery and my daughter, Marissa Elizabeth.

I am indebted to my mother, Dorothy and my father, James who passed on July 24, 1994, for providing me with a foundation that I needed to complete this goal. Their love and support will always go with me. But most of all, I want to thank my Heavenly Father, for always being by my side.
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CHAPTER I
INTRODUCTION

The purposes of this dissertation are to: (1) investigate a significant organizational change that is taking place in a communications department, (2) determine the impact of the change on the people in the department, and (3) identify a theoretical model of organizational change that could be used to guide the change process. A key to this investigation will be the researcher's ability to step back from the role of practitioner and assume the role of researcher in order to capture trends, themes, and learnings that have occurred in this change process.

The department under study is changing its culture from a manager-centered workplace to a highly collaborative workplace. A manager-centered workplace could be described as the traditional work environment where the manager is responsible for making all of the work related decisions. A collaborative workplace could be described as an environment where employees are given the information, knowledge, rewards, and power to make important business decisions. The term "self-managed" will be used interchangeably with high-performance and collaborative throughout this study. The department attempted to change to a team oriented workplace on two previous occasions, but were not able to create an environment that produced high levels of internal collaboration.

The metaphor of the high-performance organization has been used recently to describe businesses that have made these transitions and have emerged
as winners in the global economy. In the past, the term high performance has referred to a body of literature in organization development which has focused on work systems design and common principles of human behavior. More recently, people have departed from this narrow definition and used the term to describe companies that are using their human, material, and technological resources effectively to achieve a competitive advantage. (Kulik and Zornitsky, 1992, p. 1)

The communications department is comprised of 75 employees who have experienced tremendous changes including the loss of approximately 50 employees over the past three years. In an effort to change the culture, senior management attempted to create a work environment that would enable the department to become more flexible and more responsive to customer needs. Two outside consulting firms were involved in the department’s previous efforts to change its culture. One of the external consulting firms was instrumental in crafting a mission statement and identifying core skills for the department. The mission statement and the core skills were the basis from which the current change process was initiated.

The communication department’s mission statement reads: "Corporate Relations helps the company reach its business goals by using communication to focus and energize its employees, and position the company favorably with its key publics." The department’s change vision is: "Corporate Relations will become a highly skilled group of communication professionals that users actively seek out as valuable members of their management staff."

Based on the work conducted by the external consulting firm, senior management decided that the department had to change its structure, compensation system, workflow, and internal relationships in order to provide the company with the appropriate services.
The services and products offered in the department are provided through speechwriting, public relations, publications, audio visual materials, consulting services, media, and client interaction. It provides internal and external communications that revolve around key company issues and corporate initiatives.

Problems have surfaced within the past year which indicate that the previous attempts to change the culture did not achieve the expected results. Issues and concerns were identified through opinion surveys conducted by the human resources department and from upward communications meetings held by senior management. Some of the specific problems identified were: work was not focused, people were not paid for their contributions, employees did not trust leadership, and career development was missing. Leadership recognized the department could no longer exist as a traditional communications department and it had to change in order to meet the needs of its customers. They also recognized that in order to reach the change vision and mission, the problems identified by employees had to be addressed.

The major outcomes of this study will be to:

(1) Investigate a significant organization change taking place in a communications department,

(2) Determine the impact of the change on the people in the department, and

(3) Identify a theoretical model of change that could be used to guide the change process.

The findings from this study will enable the researcher to develop strategies and methodologies in other departments and organizations interested in creating collaborative work environments. The researcher will document the steps used to identify and
implement the changes.

Much of the current literature written about collaborative work environments comes from the field of self-managed workteams (SMWTs). The literature on SMWTs revolves around training and education as the primary intervention in changing organizations, and focuses primarily in the manufacturing sector.

Interventions refer to the range of planned activities in which consultants and clients participate. These activities are designed to help the organization to function more effectively. Interventions used in organization development processes are sets of structured activities that can include: diagnostic activities, team-building, survey feedback, training, education, process consultation, career planning, strategic management, coaching, and counseling.

Every business in fact every organization has a culture. It is not easy to understand the culture from the outside, but people who work inside the organization know there are certain behaviors and beliefs that effect the way decisions are made and people get rewarded. Whether weak or strong, culture has a powerful influence on how work is accomplished. Culture has a major impact on the success of a business, and in order to shift the culture, interventions must be applied that stretch beyond training. In order to change a culture, the formal and informal systems must be addressed (Deal and Kennedy, 1983, p. 4), and most of the literature on self-managed teams does not stress the importance of managing change when creating a collaborative work environment. It is out of this context that this dissertation originates.

We believe that focusing on both performance and the teams that deliver it will materially increase top management’s prospects of leading their
organizations to become high-performance companies. Again, we do not contend that teams are the only answer to this aspiration. They are however, a very important piece of the puzzle - particularly because the dynamics that drive teams mirror the behaviors and values necessary to the high-performance organization and because teams are, simply stated, so practical. (Katzenbach and Smith, 1993, p. 250)

This research evolved from broader organizational questions that look beyond training as the total process for preparing an organization for self-management. It is based on the premise that organizations aspiring to achieve self-managed or collaborative work environments must apply the principles of organization development because of the impact of change on people and organizations. The change from a traditional manager-centered workplace to a collaborative workplace requires a shift in values, beliefs, and behaviors. A shift that will require more than just training employees in team skills.

The research questions are:

1. How does change impact an organization that is shifting its culture from a manager-centered workplace to a collaborative workplace?

2. What is the impact of the change on the individuals who are a part of the organization?

3. What are the benefits that can be derived from applying organization development principles?

The 'open systems' idea, simple to state but radical if acted on, is that all things, somehow, some way, link up and influence one another in all directions (Weisbord, 1991, p. 158). If organizations want to shift to a self-managed work environment, they must recognize that team(s) exists within a larger structure, and this structure must be acknowledged and analyzed in order to successfully transition from a few teams to a total
collaborative work environment. Solving the big problems of corporate life -- costs, markets, quality, customer satisfaction, money-making, fulfilling work -- lie in systems improvement, not in problem solving (Weisbord 1988, p. 251).

The difficulty encountered in changing to this process is that it places stress and pressure on older traditional systems that were developed from the Frederick Taylor Model which is based on manager control. The Taylor approach to management requires a controlling or manager-centered style that regulates the way people work and the manner in which work is accomplished. In order to change, a shift in behaviors, values, and beliefs must take place which is something that training alone is not designed to do. Yet most organizations will impose a training approach to move organizations forward without considering the depth of change they are initiating.

Many American companies are now starting at one of the most gut-wrenching choices they will ever have to make. They can carry on as they have and continue to surrender entire industries to foreign competition, or they can dig in and fight by rethinking and, in some cases, radically restructuring the way they do business. U.S. manufacturers who want to succeed in the decades ahead face a fundamental retooling according to a recent analysis in The Wall Street Journal. For most companies, nothing short of a philosophical break with the past will suffice. (Orsburn, Moran, Musselwhite, and Zenger, 1990)

The older traditional ways of control cannot survive in a fast-paced market-place, and companies will have to alter their work environments in order to stay in business. The problems organization encounter while empowering teams range from the mundane and predictable (management didn’t really want teams and didn’t support them) to the more subtle, our work structure tends to reward individual effort rather than team accomplishment (Holpp, 1993, p. 38). Many business leaders have begun to argue that organizations have to change the way in which they manage, and they need to change the
skills of the workforce if they are going to be competitive in the 21st century. They argue that we must move from managing companies as "command" organizations, to managing them as places that facilitate teamwork and pride of ownership among all employees (Kulik and Zornitsky, 1992, p. 1).

Self-Managed Workteams

Service and manufacturing organizations across the U.S. are searching for ways to create productive and collaborative workplaces, and many are using the SMWT process as a tool for creating those changes. A self-managed workteam is an intact group of employees who are responsible for a whole work process or segment that delivers a product or service to an internal or external customer. To varying degrees, team members work together to improve their operations, handle day-to-day problems, plan, and control their work. In other words, they are responsible for not only getting work done, but also for managing themselves (Wellins, Byham, and Wilson, 1991, p. 3).

Workteam members demonstrate classic teamwork, but they are more than simply good teamplayers. They have more resources at their command to achieve their goals than traditional teams do. A wider range of skills and cross-functional capabilities exist right on the team itself, and much more decision-making authority rests with the members. Workteams plan, set priorities, organize, coordinate with others, measure, and take corrective action-- all once considered the exclusive province of supervision and management. They are responsible for solving problems, scheduling, assigning work, and handling personnel issues. In most cases, the benefits held out by self-managed workteams -- stronger competitiveness in the marketplace, better quality products and
service, and higher employee morale -- can be achieved only through thorough ongoing organizational change (Moran and Musslewhite, 1989, p. 8).

None of this is news to most U.S. executives. In fact, all over the country they are giving serious thought to new --even startling -- ways to reduce bureaucracy, increase employee motivation, and foster continuous improvement. One controversial tool now generating intense interest is the self-managed workteam concept. But recent cover stories aside -- in Fortune, for example self-direction is not Johnny-come lately. During the past decade, a number of major American companies have quietly launched and nurtured self-directed workteams, and have reaped substantial rewards with little or no fanfare. Xerox, Proctor & Gamble, Tektronix, General Motors, Blue Cross of California, TRW, Shenandoah Life, and many others have realized the enormous power of the fully trained, fully committed team that is fully responsible for turning out a product or service. (Orsburn, Moran, Musselwhite, and Zenger, 1990, p. 5)

Self-directed workteams were first taken up by American industry during the late 1950s and early 1960s. But only a few organizations, like Proctor & Gamble, TRW, and Cummins Engine, were willing to venture into risky territory in the hopes of making a quantum leap in competitive strength. Workteams moved closer to the mainstream during the last decade when many large firms, rocked by global competition, realized their sheer size and rigid structures were dragging them down in bureaucracy, inflexibility, and the inability to innovate. To improve their quality and become more productive, they needed to find a way to create work units which were responsive to the everchanging marketplace (Moran and Musselewhite, 1989, p.4).

The SMWT concept functions counter to the way most U.S. organizations currently operate. Frederick Taylor believed close supervision was essential to get work done. It was his belief that most workers were not capable of making decisions and that management was in a better position to make choices for them. It was beyond Taylor's comprehension to see that higher productivity could be achieved by combining
fragmented jobs into a whole. Taylor's system was built to take the decision-making from the worker and leave it in the hands of management by breaking jobs into small pieces, enforcing uniformity through standard procedures and high wages. Most U.S. companies and institutions were designed out of the Taylor Model which breaks jobs down into smaller parts and requires a more controlling management style.

In order to control the smaller parts, layers upon layers of management are needed, and in some organizations it might be beneficial to maintain a controlling style of management. This style of management is appropriate when the organization wants to be low cost, high volume, with short ties to the customer. These organizations rely on routine work processes, with business practices that are very predictable and with few surprises. This type of organization does not need a high performance or collaborative work environment to meet customers' needs. It requires processes that are predictable and reliable, and a workforce that is tightly managed and controlled.

However, if an organization finds that it needs to differentiate and customize business practices, then a controlling style or manager-centered approach will not suffice. This organization will find that it has to establish longterm relationships, which creates complex and nonroutine work, and many unpredictable business practices. It is in this type of environment that the high-performance or collaborative work environment is appropriate (Bowen and Lawler, 1992, p. 38).

According to General Electric Chief Executive, Jack Welch, a primary cause of stagnant productivity in this country is the oppressive weight of corporate bureaucracy--what he called in a 1989 Fortune profile the cramping artifacts that pile up in the dusty
attics of century-old companies: reports, meetings, rituals, approvals, and forests of paper that seem necessary until they are removed (Orsburn, Moran, Musselwhite, and Zenger, 1990, p. 4). A lot of the artifacts stated by Welch are a result of the structures that have been put in place to support Taylorism.

Training is essential for helping specific teams to increase output and shift to self-management, but when faced with the complexities that are standing in the way of changing organizations, training alone is not enough. SMWTs operate in a very fluid and empowered way and most organizations are designed from the Taylor Model which is rigid and controlling. Yet most of the attention is directed towards training the teams and not towards addressing the culture in which the teams exist.

One of the purposes of SMWTs is to empower employees. Empowerment basically means giving employees the authority and responsibility for making decisions that were once reserved for managers. Power means control, authority, and dominion, and the prefix 'em', means to put on to or to cover with. Empowering then, is passing on authority and responsibility. As we refer to it here, power goes to employees who then experience a sense of ownership and control of their jobs. The process for changing the organization becomes a bottom-up approach, as opposed to a top-down approach that focuses on changing the culture of the organization.

Empowered individuals know their jobs belong to them, and given a say in how things are done, employees feel empowered when they are entrusted with more responsibility, show more initiative, get more done, and enjoy the work (Wellins, Byham, and Wilson, 1990, p. 22). Empowerment means that management trusts
employees at all levels of the organization to make important decisions that impact the business. It also means that management must identify the boundaries that will be shared, and be prepared to model the behaviors necessary for working in an empowered culture. Some managers believe empowerment means abdicating responsibility, when in fact it means changing the way people in the organization interact with one another. According to Jan Carlzon, CEO of Scandinavian Airlines, empowerment means to free someone from rigorous control of instructions, policies, and orders, and to give that person freedom to take responsibility for his ideas, decisions, and actions, and to release hidden resources that would otherwise remain inaccessible to both the individual and the organization (Bowen and Lawler, 1992, p. 32).

This dissertation will stress the importance of addressing culture in order to create a collaborative work environment, which will expand the SMWT process beyond the point of creating a fixed number of teams that are implemented in the workplace. It demonstrates how an organization can be guided toward collaboration by using organization development principles in an effort to manage the change process.

Sociotechnical systems theory allows us to examine the evolving, tightly-linked interactions between actors (the social system), knowledge (the technical), and organizational needs (the environment). Designing organizations for effective nonroutine work requires simultaneous attention to all three subsystems, just as in the case of routine work (Purser & Pasmore, p. 3). Moving to self-managed workteams is a change in the way people are accustomed to behaving and getting work done. This change dramatically impacts the people and the relationships necessary to work, and the
organization must strategize purposefully to facilitate this change. The strategy must include input from people at all levels of the organization in order to impact the culture shift, but it must start at the highest levels of the organization.

Research suggests that organizations do not change unless there is a clear business-based reason for change that involves organizational effectiveness. This is hardly surprising given the enormity of the effort required to make a major change in the way an organization is managed. Senior managers must clearly present the reason for change to the rest of the organization. What then is the best foundation upon which to build a program for change? I am convinced that it is organizational effectiveness and business necessity. (Lawler, 1992, p. 341)

It becomes evident to those who study and research SMWTs that this concept is not something that happens overnight. When organizations give authority and decision-making power to employees, they challenge many of the traditional behaviors of the organization, behaviors that have been in existence in some instances for decades. Managers who were once responsible for making decisions are now asked to assume different roles, and pass power and control to employees, which can be very uncomfortable and threatening. However, once this decision-making authority is shared with employees, they must be rewarded and compensated for this additional responsibility. Managers who are required to work with employees who know as much as they do is a major change in the culture, and can be extremely threatening for the managers who are required to share information and responsibility.

Entire human resource departments and technological systems have been developed during this century to sustain Taylor-based organizations, and to implement SMWTs in hopes of reversing the process will be very difficult. This research will
address the sociotechnical systems using the Weisbord Model as a template for understanding transformational change and for creating a collaborative work environment. This will happen by aligning all of the changes within the context of organization development.

Protocol

The protocol of this study will be to address the following areas in the context of transformational change:

(1) **Determine** the impact of the interventions applied in the change process.

(2) **Identify** the organization development principles that can be used as a guide in changing from a traditional manager-centered environment to a collaborative work environment.

(3) **Analyze** the change.

(4) **Document** the findings of the process.

This dissertation will provide an opportunity to study organizational change principles. The organization development tools will be used to address larger systemic issues, and the instructional design tools will be used to design education and training. These principles could provide department leadership with tools and methods to sustain change over the longterm, and put them into the position of facilitating change in the future. If the department is able to view this change from a sociotechnical perspective, they will be able to identify and address many of the broader organizational issues that were neglected in the past.
Key Challenges

In order for the department to change, some important issues must be addressed. The senior management group which consists of one senior executive vice president, and four assistant vice presidents must understand the principles of change. It will be necessary for the management team to get the buy-in and support from employees. Getting buy-in will include conducting sessions to clarify the mission and collect feedback on both the strategy design and the implementation process. Less successful changes often prove to be those in which the investments of time were delayed or avoided because senior management felt so overwhelmed with change activity that they could not do their work. In successful reorientations, senior managers saw change as an integral part of their work.

First, they must actively participate in the process and provide leadership along the way. This might help to create the ownership and commitment that was missing in the past and help senior management to comprehend the importance of their role in making this change successful.

The new job descriptions of leaders according to Ray Strata of Analog Devices will involve design of the organization and its policies. This will require seeing the company as a system in which the parts are not only internally connected, but also connected to the external environment, and then clarifying how the whole system can work better. (Senge, 1989, p. 343)

Second, the organizational issues must be identified and incorporated into the strategy. A number of areas in the department need to be addressed and integrated. The crucial areas are: (1) Leadership and the new role of senior managers; (2) Purpose and determining if employees understand the mission; (3) Organization structure and what the
team structure looks like; (4) Helpful mechanisms to determine how work will get done and how the administrative functions will be addressed; (5) Rewards and how the compensation system functions; and (6) Relationships and the role of coaches, the role of team leaders, and the role of team members.

The interventions designed to address these areas will allow the department to examine the results from an organizational perspective and not limit it to just a team training orientation. This could be a powerful educational tool for learning and for creating the longterm supports that were missing in the previous attempts to change the culture.

Third, the training/educational needs must be designed for every level of the department. This will have to be done on both a team and an individual basis because the department is now including compensation and capability blocks in the change process.

The department originally moved to a team environment and used training as the intervention. An external training firm conducted the initial team training and the department did not address the procedural concerns, nor establish a context for employees around the purpose of the change. As a result, the training took the form of a theoretical concept and was not attached to the real work of the department. Employees were not clear on the intent of the training or how it impacted their jobs.

Training must be reality based, and at the same time it must include the individual needs of the people in the department. Each person must be clear about his/her role and the direction that the organization decides to take. One of the key measures of success
is the manner in which people in the department are able to integrate the mission, team structure, training, and work.

The researcher will identify critical issues for internal consultants, trainers, or managers responsible for changing the culture to a collaborative work environment. This will enable them to avoid making some of the same mistakes in approaching transformational change. Consultants who are responsible for changing organizations realize problems are inevitable. However, most of the literature on change does not always provide data about the problems encountered. The literature usually provides the successful results or applications, but very little on addressing the actual problems. The problems often provide the information necessary for learning and for avoiding mistakes. The findings could be invaluable for internal consultants who are responsible for creating SMWTs or collaborative work environments within their own organizations. The researcher has an advantage of being an internal consultant of the company, and as a result, this dissertation will include details on the actual interventions, and a summary of the reactions, impacts, and adjustments made by the department during the project.

Organizations are trying to create empowerment via the team process, but very few address the organization development components at the beginning of the change process. Most utilize the standard approach of addressing the change entirely through training sessions and workshops, which is what this department did two years ago. Little is done to address the operational and procedural issues of the entire change process which are included under organization development.

The enormous benefits of collaboration are possible only through dramatic
organizational change. The fact is, no proven shortcuts have been found, for unless employees get the resources and authority they need, they'll never gain the flexibility and commitment from which all benefits ultimately flow. Therefore, any organization considering a self-managed work environment should first make sure that all of the following elements are in place:

- Top-Level Commitment
- Management-Employee Trust
- Risk-Taking
- Willingness to Share Information
- Commitment to Training
- Operation Conducive to Workteams
- Union participation
- Access to help. (Orsburn, Moran, Musselwhite, and Zenger, 1990)

Perhaps the most important lesson researchers have learned, is companies have taken a variety of approaches to becoming high-performance organizations. This diversity in approach suggests there is no single formula for improving performance. Organizations need to tailor their approaches based on specific needs as opposed to stock prescriptions and formulas which can become ends in themselves (Kulik and Zornitsky, 1992, p. 1). David Kearns while CEO at Xerox stated that the more Xerox examined Juran, Crosby, Deming, and the other quality gurus, the more convinced they became that it wouldn't make sense to just lift someone else's plan. It would never work to follow their prescription. Xerox knew it had to take pieces from all of them and add
their own ideas to create a soup that was very unique. For the more they learned about quality, the more they realized none of the gurus seemed to know how to deal with organization change (Kearns and Nadler, 1992, p. 164).

These organizational issues extend beyond training and require a great deal of indepth planning in order to effectively implement change. Organizations have been entrenched in the Taylor Model, and the elements needed to change organizational behavior are not viewed from a systemic perspective. When comparing the elements of the Weisbord Model (Leadership, Purpose, Structure, Rewards, Helpful Mechanisms, and Relationships) with the elements listed above, it becomes much easier to facilitate the change process and obtain the desired results by applying a model because it provides a process or pattern that can be followed. The researcher believes organization development models can provide the leverage to create collaborative work environments. However, the models should not be used as prescriptions, but only as tools to facilitate change.

This project is being considered as a pilot study by the rest of the company, and after completion, many of the practices will be incorporated on a company-wide basis. The design, implementation, and strategies could be a model for other departments within the company or for other organizations attempting to create collaborative work environments.

Summary

This pilot study will take place within a communications department of a service company. The department has decided to change its culture from a manager-centered,
top-down controlling environment to one that is flexible, innovative, and self-managing. Two previous attempts to change the culture neglected to address the broader organizational issues and as a result the researcher will apply organization development principles in order to study the change process.

The purpose of SMWTs is to share authority and control with employees. This is a major change for the majority of companies in the U.S. and the difficulty encountered by most organizations is they see SMWTs as a quick fix for resolving problems. Research suggests that organizations do not change unless there is a clear business-based reason for change that involves organizational effectiveness. If organizations want to shift to a collaborative work environment, there must be a recognition that the team(s) exist within a larger context, and this context must be acknowledged and analyzed in order to successfully transition to a self-managed work environment.
CHAPTER II

REVIEW OF THE LITERATURE

Today's organization faces tremendous pressure from fierce world market competition, deregulation, increasing mergers, rapid technological change, and global economic forces. To meet these challenges, organizations will need: high-performance to enable them to compete successfully in the world markets; high-flexibility to meet the rapidly changing technology and market conditions; and high-commitment from a multi-skilled workforce capable of meeting customer requirements and working toward continuous improvement. (Letize and Donovan, 1990, p. 62)

The issue facing most organizations is not about self-managed workteams or teambuilding. The issue is the manner in which organizations can create a workplace where collaboration or high-performance exists, and where the organization is flexible and responsive to market shifts in the global economy. Ten of the world's twenty largest companies by stock market valuation in 1972 have dropped from the list in 1992 (see page 21), including Sears, IBM, Xerox, General Motors, Ford Motor, and Proctor and Gamble. They have been replaced by companies such as: Wal-Mart, Mitsubishi Bank, Sumitomo Bank, Fuji Bank, British Telecom, and Daiichi Kangyo Bank. The reason for decline was the profound change in the marketplace to which they were required to adapt. None did, neither fast enough, nor fully enough in part because the erosion of their position was so gradual as to leave them unaware they were descending in a state of crises (Loomis, 1993, p. 39). A number of organizational realities make it very difficult for existing organizations to change to high-involvement management. High-
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The involvement organization is not a fine tuning of the traditional bureaucratic management style, but rather a complete change in the way an organization operates. All of the internal systems, operating procedures, and structures of most organizations need to be changed in order for them to move to high-involvement management. In short, a massive change is needed, one that may take not just years but in some cases decades to complete (Lawler, 1992, p. 346).

The most successful corporations of the 1990s will be something called learning organizations. The organizations that will truly excel in the future will be the organizations that discover how to tap people's commitment and capacity to learn at all levels in the organization. Learning organizations exist where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to learn together. (Senge, 1990, p. 4)

This will require that leadership relinquish some of their authority and share knowledge that was once deemed "for executives only". Self-managed teams, diversity, quality, and reengineering have threads of similarity. Each process requires that the larger organization change both the formal and informal systems. They are all linked because organizations are trying to change the workplace from one that is very different from the Taylor Model and enables the organization to move to a higher level of effectiveness. Is the pressure coming from global competition, or is it coming from another source? The researcher believes the pressure is coming from a global marketplace that is taking advantage of a resource that is dissolving the Taylor Model. The resource is information, and organizations that take advantage of this resource will be able to use it to meet their customer's needs.
Due to the availability of information, organizations are able to make changes more rapidly, and respond immediately to the needs of the customer. More than any other agent of change, information technology is transforming the way business works. It is helping companies get leaner, smarter, and closer to the customer. Those who seize the opportunities inherent in this revolution are capturing important competitive advantages. Computing is not yet the largest industry in the world -- at $360 billion a year, it runs well behind autos and oil -- but it has become the most important because of its power to transform the way people work (Sherman, 1993, p. 58).

We have for the first time an economy based on a key resource that is not only renewable, but self-generating. Running out of it is not a problem, but drowning in it is. Between 6,000 and 7,000 scientific articles are written each day, and scientific and technical information now increase 13% per year, which means it doubles every 5.5 years. But the rate will soon jump to perhaps 40% per year because of new, more powerful information systems and an increasing population of scientists. That means that data will double every twenty months. We are drowning in information but starved for knowledge. In the information society, we have systematized the production of knowledge and amplified our power. To use an industrial metaphor, we now mass-produce knowledge and this knowledge is a driving force of our economy. (Naisbitt, 1983, p. 16)

Intel Corporation is speeding up its research and development efforts of the 80x86 microprocessor line in the face of increasing competition from Advanced Micro Devices and Chips and Technology, Inc. One team is finishing the design of the next generation P5 or 80586 which will have 3 million transistors. Entry level P5 chips will clock 100 million instructions per second. Intel envisions 100 million transistors on a one-square inch microprocessor by the year 2000, its goal is a chip that runs at 250 MHZ and performs 2 billion instructions per second. (Fisher, 1992, p. 132)

With the onslaught of all of this information it will be virtually impossible for the traditional manager to manage effectively. A simple way to look at organization design is in terms of information processing. Most of what moves around Xerox and most
companies is not copiers or refrigerators or pretzels, but information written, spoken, and electronically transmitted (Kearns and Nadler, 1992, p. 296). The artifacts that Jack Welch talked about are breaking under the pressure of a new organization that is slowly emerging. Organizations are feeling pressure to respond to the changes taking place all around them, and all too often they will try anything that appears to bring relief. This is what happens with companies who blindly implement SMWTs. Because there is so much complexity to managing change, it requires that leadership have a great deal of knowledge, skill, and planning to direct the changes.

Organizations often turn to quick fixes or to the latest fads, such as teambuilding, quality circles, total quality management, empowerment, diversity, and reengineering, and use training as a cheap and painless vehicle for implementing fads. Organizations view these programs as a self-contained fix for their problems. There is very little thought about issues like compensation, work structures, job redesign, career development, and how these systems must be identified when changing organizational components. Unfortunately, when management fails to see results from the program, they usually cancel the program or initiate others based on the latest trend. In the eyes of employees these efforts take on the look of a flavor-of-the-month approach to doing business, and they usually don’t last.

Traditional ways of competing have reached a level of parity in which businesses cannot easily distinguish themselves solely on the basis of technology, products, or price. The ability of an organization to conceptualize and manage change -- to compete from the inside out by increasing its capacity for change -- may represent a novel way to
compete. The universal challenge of change is to learn how organizations and employees can change faster than changing business conditions to become competitive, that is to change faster on the inside than the change that is taking place on the outside of the organization (Jick, 1993, p. 60).

One of the trademarks of American business in the past decade has been the attempts by large organizations to manage large-scale planned change. Organizations such as AT&T, Chrysler, IBM, Sears, and GTE, have caught the attention of the public because they have made tremendous strides. But the concept of organizational change is not new. What is new, is the magnitude of the changes that are currently taking place in America today.

There are many types of change that can be included in large-scale organization change. These changes can be viewed from two aspects. One aspect is incremental change and the other is strategic change. Incremental changes are changes that focus on parts or subsystems of the organization. Strategic changes involve the entire organization. Incremental changes take place within the context of the existing structure. Within the context of incremental and strategic change, there are additional levels of change. Incremental change can occur when an organization is preparing for a future change. It anticipates what will happen and make adjustments in the organization to prepare itself for the future change. This can be called tuning. It has more of a planning process and does not view the change as urgent. Also included under incremental change is adaptation. This occurs as a result of changes in technology, markets, consumers, or legislation. Self-managed teams can be viewed as a way to shift aspects of the
organization and not involving the entire organization.

Strategic change as mentioned previously is more of a large-scale effort and requires higher levels of energy and resources. Reorientation is a strategic change that involves redirection of the organization. However, this type of change builds on the organization's existing values and belief systems. The changes are widespread, but they don't sever ties with the organization's past. On the other hand, re-creation is a strategic change that is initiated by events that could threaten the survival of the organization. These types of changes require shifts in leadership, values, beliefs, and behaviors. In essence it is a radical change that alters the very core of the organization.

Strategic changes are more intense than incremental change. The key to managing change is to be aware of the impact that change brings about. Although the communications department is using words that describe incremental change, in actuality it is implementing a change that borders on re-creation. It is the researcher's view that most organizations that attempt to implement high-performance teams apply incremental processes in an attempt to bring about strategic change (Jick, 1993, p. 229).

Some fundamental principles must be applied in all organizations preparing to orchestrate strategic change. (1) Creating a vision and explaining the desired state of the organization is crucial. It is important that employees of the organization are able to grasp the magnitude of the change. (2) Organizations need to manage the energy level of its members. If leadership is able to create support for the changes, it will spend less time trying to dispel rumors and fears. If on the other hand, people are frightened or worried, leaders must manage these concerns. (3) In order for change to be effective,
it must be linked to the strategic initiatives of the organization. Employees must be able to make connections between their individual goals and the organizational goals.

(4) Leadership is critical. Large-scale change requires leadership that is visible and active. It is important that leaders help to enable employees to take the risks and challenge the status quo in order to move the change. (5) Planning must be ongoing. Any organization that is preparing for change, needs to create a process for moving forward. As the organization progresses, it can change and alter its plans, which is a strong indicator of learning. Because change is so unpredictable, planning helps to reflect and make adjustments when necessary. (6) The internal subsystems, such as rewards, performance standards, information systems, budgeting, and planning must be revamped to support the new organization. (7) Resources must be available to make the change happen. Large-scale organizational change requires a significant amount of time, energy, and capital.

One service company that applied organization development concepts in an effort to change to workteams was Aids Association for Lutherans (AAL). AAL, located in Wisconsin, approached the self-managed workteams very deliberately and methodically.

The AAL management group started out by conducting an organizational analysis to determine the state of the company. It was assisted by an external consultant, who helped identify some of the organizational issues. The management group developed a vision and a gap analysis outlining the issues that needed to be identified in the change process. They went through three phases: (1) Identifying the need, (2) Setting broad parameters, and (3) Design and development.
What has been somewhat misleading in a lot of the earlier literature is that it appears as though the entire organization reorganized, when in fact only 30% of AAL reorganized in the renewal process. In phase one, AAL gathered data to determine how the organization was functioning. The Insurance Product Services Department, (IPS) the area that initially reorganized, made changes in the management staff to help create the organizational shifts they were looking to produce. In phase two, the management group developed a vision for the new organization and created a mission statement that outlined the department's new direction. In phase three, the department created teams to identify the critical areas that needed to be addressed.

Management used the input from these teams to create a strategy and an implementation plan. The focal point of the reorganization was to develop self-managing workteams. Some aspects of the SMWT process were not addressed in the literature, such as peer appraisal, progressive discipline, senior management involvement, and senior management education. The move to SMWTs required a clarification of the role of managers, but there was no mention in the data about the involvement of the senior management group beyond the planning stages. Management reviewed the compensation package that existed and as a result created a three tier approach to compensation that included:

1. a valued services component where, as new services were learned and applied, an employee was compensated;
2. team incentive dollars were tied to productivity measure; and
3. market adjustment was made to remain competitive within the marketplace.

The organization used opinion survey results to measure the change in employee
attitudes to determine if any shifts had taken place. It also reviewed customer indexes
to determine shifts in behavior. The primary reasons for the change in IPS was to get
closer to the customer and empower employees. They reported that the greatest value
of the restructuring was the organizational diagnosis, creating of a vision, and trying to
close the gap.

Their key success factors included: (1) Participation by employees in the process;
at all levels; (2) A clear energizing vision to gain the commitment of staff and
to motivate employees through the times of pain; (3) Patience to look at the
longterm gains to obtain results; and (4) Commitment of top management and
support of key corporate staff, such as human resources.

The AAL study is quite similar to the case study with the exception of the
following:

(1) the communications department is a smaller unit than IPS;

(2) the functions of the department are different;

(3) the communications department includes multiple levels of employees that
range from clerical employees to executive vice president;

(4) the cumulative impact from the communications department affects 50,000
employees versus 3500;

(5) the communications department is comprised primarily of knowledge workers
who conduct nonroutine tasks as opposed to workers who conduct routine
tasks;

(6) the overall human resources systems changes will be included at the outset
of the study; and

(7) the change vision and mission were developed two years ago by an external
consultant.

Peter Drucker contends that organization is a tool, and as with any tool, the more
specialized its given task, the greater its performance capacity. Because the organization
is composed of specialists, each with his or her own narrow knowledge area, its mission must be crystal clear. The organization must be single-minded, otherwise its members become confused. They will follow their specialty rather than applying it to the common task. Only a clear, focused, and common mission can hold the organization together and enable it to produce results (Drucker, 1993, p. 53). If organizations can focus energy and activity on their mission, this will provide a focal point for all of the work that takes place. It also provides each employee with a common purpose that links to the organization purpose.

The typical large business 20 years hence will have less than half the levels of management of its counterpart today, and no more than a third the managers. In its structure, and in its management problems and concerns, it will bear little resemblance to the typical manufacturing company, which our textbooks still consider the norm. Instead it is far more likely to resemble organizations that neither the practicing manager nor the management scholar pays much attention to today, the hospital, the university, or the symphony. Like them the typical business will be knowledge based; an organization composed largely of specialists who direct and discipline their own performance through organized feedback from colleagues, customers, and headquarters. For this reason, it will be what I call an information-based organization. Businesses, especially large ones, have little choice but to become information-based. Information technology demands the shift. (Drucker, 1988, p. 45)

The communication department is not looking to move to an organization where a few SMWTs exist within the department. Leadership wants to create an environment where everyone is capable of working in a collaborative manner, and this is based on the SMWT concept of empowerment. The work that the external consulting firm completed on the mission and core skills identification provided direction for the design of the capability blocks and the compensation system. This, then, requires as an absolute prerequisite of an organization’s performance, that its task and mission be crystal clear.
Results need to be defined clearly and unambiguously -- and, if at all possible, measurable (Drucker, 1993, p. 55). The department must articulate what the future looks like and help the employees transition to that future. All of the areas that are outlined must be integrated into one system, and this requires a great deal of time and patience.

Jack Orsburn, Linda Moran, Ed Musselwhite, and John Zenger's research on self-directed workteams focuses on the operational side of the teams process and includes tremendous information and tools for preparing organizations for teams. The tools identified include: (1) Creating a steering committee that learns about self-managed teams and benchmarks organizations that are actively involved in the process; (2) Conducting a feasibility study to determine if the organizational climate favors the work-team concept; (3) Developing a mission statement that includes how the team fits into the organization; (4) Selecting a design team that is made up of executives, managers, and supervisors; (5) Designing and implementing awareness training that provides background about the work and how the process will work; (6) Conducting workplace analysis, (7) Delivering team member training; (8) Designing manager and supervisory training, (9) Recognizing and rewarding team accomplishments; (10) Group problem-solving; and (11) Appraising peer performance. If closely analyzed it is evident this work does have an organizational slant to it, but it appears to be more of an incremental change versus a strategic change. The emphasis appears to be directed towards moving to teams as opposed to moving the organization on a whole toward collaboration. The literature doesn’t appear to place a strong emphasis on integrating the strategic initiatives with the
work of the teams. Most of the elements for changing a culture are included in the tools, but the process appears to remain at an incremental level.

Richard Wellins conducted a study for the Association for Quality and Participation which identified some key success factors for teams. The survey included 800-plus executives who responded to the survey. They reported improved quality, productivity, and morale, along with reduced labor costs. Team members, consultants, and facilitators noted increased involvement, increased morale, a sense of ownership, and stronger commitment. The major barriers for successfully changing to teams were identified as: insufficient training, incompatible organizational systems, resistance from front-line supervisors, lack of planning, and a lack of management support. Many of the executives were disappointed because they expected to see results in a short period of time.

This data confirms the fact that training alone is not sufficient to change organizations. The barriers listed above are derived from a larger context that could be addressed by utilizing strategic applications. It also indicates that executives are usually not aware of the complexities for changing organizations and view the teams as something distinct from the business operations.

If the U.S. is to become a world-class manufacturing nation, companies must be able to produce in small lots, customized products to increasing demands. This calls for flexible work practices and workers who are willing to move from job to job. Teamwork makes this possible because the employees are usually cross-trained to perform all tasks. To have world-class quality and costs, and the ability to assimilate new technology, we must have the world's best ability to develop human capability. (Hoerr, 1989, p. 58)

The SMWT concept is one way to include employees in the decision-making
The self-managed teams concept is a tool that can provide companies with a
competitive advantage and improve the cycle time for product delivery and service time. If properly understood and properly implemented, the concept could literally change the way organizations function. Self-managed workteams along with technology, information, leadership, and capital resources will be the way to position the U.S. economy for the 21st century.

America is adjusting to the competitive realities of a new economy. The new economy is distinguished from the old economy by a new set of competitive standards. In the old economy competitive success was based exclusively on the ability to improve productivity. In the new economy, organizations and nations compete not only on their ability to improve productivity, but also on their ability to deliver quality, variety, customization, convenience, and timeliness as well.

The shift from the old to the new economy results from the globalization of wealth and competition, and from the introduction of new flexible technologies that allow the simultaneous pursuit of the full range of new competitive standards. The competitive standards and flexible technologies of the new economy need to be housed in new kinds of organizations. Both large, top-down hierarchies typical of manufacturing, and smaller, isolated and fragmented structures typical of services are being replaced by flexible networks (Carnevalle, 1990, p. iii).

Not long ago, the information that corporate executives needed for decision making was locked up in the "glasshouse", a roomful of mainframe computers where only a professional computer programmer could use it. Today, low-priced innovations such as PCs, spreadsheet programs, Microsoft's relatively user friendly Windows software, E-mail, and local area networks linking groups of desktop computers bring ever more of this information out where people need it. This enables corporations to flatten organizations, yoke together teams across the barriers of specialty, rank, and geography and forge
closer strategic relationships with customers and suppliers.
(Sherman, 1993, p. 58)

The new economy that Carnevalle wrote about is a reality. Consumers are demanding quality service at reasonable prices, and they demand that products and services be designed to meet their specific needs. Organizations must be structured to meet these demands, and they must meet these demands rapidly. Customer loyalty can be measured by quality, service, and cost; just ask the companies that dropped out of the twenty largest companies in 1972. High-performing, self-managing, or collaborating, these will be the types of work places that will provide the competitive edge needed to stay in business in the nineties and beyond.

**Organization Development**

Explaining what organization development (OD) is and what people who practice OD do, continues to be difficult because the field is still being shaped to some degree and because the practice of organization development is more of a process than a step-by-step procedure. That is, organization development is a consideration in general of how work is done, what the people who carry out the work believe and feel about their efficiency and effectiveness, rather than a specific, concrete, step-by-step linear recipe or algorithm for accomplishing something (Burke, 1987, p. 1).

Organization development practitioners are concerned with change that integrates individual needs with organizational goals. This type of change will lead to greater organizational effectiveness because it provides an opportunity for members of the organization to get involved with the decisions that will directly affect them and their
work environment. This is where the SMWT concept should ultimately lead, and it is through the organization development process that the communications department can begin to identify the issues that need to be addressed.

One of the distinctions in this research is the fact the department will not have a specific number of intact workgroups that focus on one continuous process, as is the case with manufacturing teams. Instead, this will become a department where employees and senior managers will rotate from project team to project team. This is another key point in this research. Not only is the department looking to create a collaborative work environment, it is also including senior managers as members of the process. This deviates from the literature that traditionally focuses on creating self-managed workteams, and expands the process to move beyond the point of implementing teams because the department will operate as one fluid team.

We cannot, of course, prove that teams are necessary to high performance, although we sincerely believe it. But we can articulate the logic behind why so many organizations-of-the-future prognosticators continue to include teams in their visions. Real teams always thrive on performance. They cannot succeed without figuring out how to match their individual and collective strengths to the performance at hand. Teams invariably are more powerful than individuals and more flexible than organizational units. Teams support the risk-taking and experimentation so important to learning, change, and skill development. Finally, teams provide sources of motivation, rewards, and personal development that can never be duplicated by company-wide compensation and career planning schemes. In all these ways, then, we think it is fair to say that teams are a microcosm of the high-performance organization itself. (Katzenbach and Smith 1992, p. 258)

In order to help organizations shift from the control oriented style to the high performing and collaborative work environment, the role of organization development becomes very important. Organization development is a planned process of change in
an organization's culture through the utilization of behavioral science, technologies, research, and theory (Burke, 1978, p. 11). It is a process that brings to the surface or awareness of the members of the organization, the behavioral patterns that help or hinder change. Once these patterns of conformity are identified, the organization is in a position to build on the behaviors that help develop and ultimately change the ones that hinder. Organization development is concerned with change that integrates individual needs with organization goals, change that leads to greater organizational effectiveness through utilization of resources especially human resources, and change that will provide more involvement of organization members in the decisions that directly affect them and their working conditions.

Organization development is a total systems approach to change. Systems denote interdependency of components or subsystems, and of wholeness which are very important dimensions in organization development. Organizations are made up of different systems designed to sustain the organization and include: goals, technology, tasks, structure, human-social, and external interface relationships.

The goal subsystem is usually set forth in the organization’s charter or mission statement. From this subsystem, the subgoals of departments and units originate. The technological subsystem is comprised of tools, machines, procedures, methods, and technical information. This subsystem consists of the knowledge and information that has been utilized to produce an end product, and it flows from the goals subsystem. The task subsystem is comprised of the total work accomplished by the organization to produce a product or service. The available technology will determine how the tasks
are completed. The structure subsystem consists of task groupings such as units, teams, departments, or divisions. Connected to these groupings is the design of the work flow, or how a product moves through a group. The human-social subsystem includes the relationships that exist within an organization as well as the reward systems. The external subsystem consists of activities that exist outside of the organization, but impact the life and behavior of the organization. Some of the influences that come from the external subsystem include government, education, and competition (French and Bell, 1984).

Because the organization is highly interdependent, any type of change to the organization must be weighted to understand its impact on the entire organization. It becomes more evident that by changing one subsystem such as human-social systems, large-scale organizational change will not be accomplished. The organization development practitioner must view the organization from a total systems aspect and identify how each subsystem could be impacted by a change effort. Using a systems perspective makes it easier to see why training alone does not create a self-managed or collaborative organization.

Many diagnostic models can be applied to change organizations, and this researcher has selected two organization development models, the Nadler-Tushman Congruence Model and Model A as comparative models to the Weisbord Six-Box Model. This comparison will also help to further explain organization development principles.

**Weisbord Six-Box Model**

The Weisbord model was selected as the organization development model of application by the researcher because of its emphasis on leadership and purpose. The
model is represented by the six boxes displayed on page 40. Weisbord believes that for each box the organization should be diagnosed in terms of its formal and informal organization. A key aspect of any organizational diagnosis is the gap between the formal and informal dimensions of an organization. The formal dimensions include such things as: goals, technology, structure, policies, procedures, products, and financial resources. The formal side of the organization is more overt and can be seen through organization charts and other visible signs. The informal dimensions are more covert, but include such things as: beliefs and assumptions, perceptions, attitudes, values, informal group norms, and informal interactions. These dimensions are not as observable, but can be seen through interactions that take place on a day-to-day basis. The key aspect of any organization diagnosis is the gap between the formal dimensions of an organization, the written and accepted policies, and its informal policies or the behaviors that are actually demonstrated by members of the organization.

If there are gaps between the formal and the informal dimensions, the organization is probably functioning ineffectively. The Weisbord Model provides key diagnostic questions (see page 42) that can be used for each of the boxes. The model enables the consultant to visualize the organization as a systemic whole without a lot of complexity and identify the incongruencies that exist between the formal and the informal. The model can be better understood by reviewing the categories for each box of the model.
Purposes:
What business are we in?

Relationships:
How do we manage conflict among people? With technologies?

Leadership:
Does someone keep the boxes in balance?

Helpful mechanisms:
Have we adequate coordinating technologies?

Structure:
How do we divide up the work?

Rewards:
Do all needed tasks have incentives?

Figure 1. Weisbord's Six-Box Organizational Model. Source: M.R. Weisbord, Organizational Diagnosis: A Workbook of Theory and Practice, 1987.
**Purpose**

The purpose box enables the organization to understand the reason for being in business, and it highlights the organization’s unique features and things that make it different from the competition. Goal clarity details the specifics of the business and can be found in documents. The informal system demonstrates how well people understand the purpose and how they see their work fitting into the mission or goals of the organization.

**Structure**

According to Weisbord, the structure box provides three ways to organize a business. The first way is by function. A functional structure is comprised of specialists who work together. Functional organizations tend to resist change, and bureaucracy is a very dominant feature. This structure offers stability and a chance to enhance the specialization of each member; however, this structure require a longer time to make decisions.

The second way is by project or product. This structure is better suited to fast changing environments and technology. Individuals in this structure are responsible for multiple tasks, and they attempt to collaborate around a product or project. This structure responds very well to change and is easier for members to see the organizational goals. It also provides members an opportunity to broaden skills and have wider responsibilities.

Third is a matrix organization or a mixed model which combines the functional and project organization. A mixed model provides the organization with maximum
Table 2

Weisbord’s Six-Box Model with Formal and Informal Systems

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<th>Formal System (Work to be Done)</th>
<th>Informal System (Process of Working)</th>
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<td>Goal clarity</td>
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<td>What documents define</td>
<td>How well do people understand the</td>
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<td><strong>STRUCTURE</strong></td>
<td>Functional, program/project, or</td>
<td>How is work actually done or not</td>
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<td><strong>RELATIONSHIPS</strong></td>
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<td>How well do the relationships work?</td>
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<td><strong>REWARDS</strong></td>
<td>Explicit system - what is</td>
<td>Implicit, psychic rewards</td>
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<td>How do people feel about the</td>
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<td><strong>LEADERSHIP</strong></td>
<td>What does top management do?</td>
<td>How do they actually manage?</td>
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<td><strong>HELPFUL MECHANISMS</strong></td>
<td>Is there a budget system?</td>
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<td>Is there a planning and</td>
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flexibility by providing multiple career paths and by integrating skills. The matrix organization presents many challenges because members must be measured and compensated under dual structures which can be very complicated and frustrating. Conflict is more intensified under this structure because members will be involved with different managers. However, this structure is also more expensive.

**Relationships**

The relationships box reveals the nature and depth of relationships which exist within an organization. Relationships occur at three levels: (1) between people, (2) between units doing different tasks, and (3) between people and technology. If there is conflict within any of these three levels, the organization can become dysfunctional. Conflict may occur which can be beneficial for the organization, but how it is managed will determine the difference between a high performance and low performance organization. Relationships can be measured in the informal system.

**Rewards**

The rewards box focuses on motivation. The reward system (formal) does not guarantee that people will feel and act as if they are properly rewarded (informal). It is important that the reward system be integrated into organizational practices. The rewards should stimulate performance and be seen as symbols of the value for the contributions made by members. Informal feelings or beliefs determine if people really buy-in to the formal system.

**Leadership**

The leadership box is highlighted as the focal point and the center of the model.
Four tasks which come under the formal dimensions of leadership can make the difference between an organization that does or does not work. The tasks of leaders are (1) Defining purposes; (2) Embodiing purpose in programs; (3) Defending institutional integrity; and (4) Managing internal conflicts.

Leadership must identify where the problem areas of the organization exist and provide corrective action. The main leadership dilemma is getting members to share accountability. Leadership must be aware of the big picture and generate energy, so members of the organization are willing to follow them. This process can not be prescribed because all organizations are different. To the extent that there is no leadership at all, a formal organization may, in practice, be (informally) leaderless.

**Helpful Mechanisms**

Helpful mechanisms is very broad. They are helpful when they enable members to coordinate or integrate the work. Helpful mechanisms cut across the other boxes, and can fall into three classes:

1. Policies, procedures, agendas, meetings, formal events, activities, and tools which help people work together;

2. Creative adaptation which people devise to solve problems not identified by the formal mechanisms; and

3. Traditional management systems such as planning, budgeting, control, and measurement (information).

The mechanisms should enable the organization to get the work done. If a mechanism becomes a barrier, then it should be examined and revised as appropriate. The six-box model can be used as a diagnostic warning system to identify problem areas, or to prepare an organization for change. The questions asked from the boxes can
provide valuable data for an organization attempting to change its culture. The researcher will use this model as a diagnostic tool to identify the organizational gaps and interpret the changes that are taking place within the communications department. This will place the department leadership in a better position of understanding the changes and for designing interventions that will impact the culture.

In order to create a department where "employees become a highly skilled group of communication professionals that users actively seek out as valuable members of their management staff", Weisbord’s Six-Box Model can be used as a template to understand the change process. Weisbord has been involved with studying the team process since the early sixties, and his research considers the impact of Frederick Taylor’s influence on organizations. The model is simple to use and makes it easier to identify broader organizational perspectives versus limited program orientations.

**Nadler-Tushman Model**

The Nadler-Tushman Congruence Model can be used when the client has ample time to progress through the change process, but is more complex than the Weisbord Model. Nadler and Tushman make the same assumptions as Weisbord about organizations being open systems, and both models agree that organizations are influenced by the environment. Weisbord thoroughly analyzes the Taylor Model and compares it with work conducted by Eric Trist and Fred Emery whose research revolved around creating productive or collaborative work environments. His approach to teamwork is based on his own personal experiences from working internally in different organizations and from research conducted as an external consultant. He uses the Six-
Box model to help organizations move to productive work environments.

The Nadler-Tushman Model (Figure 2 on page 47) identifies inputs to the system as relatively fixed; the four they cite are the environment, the resources available to the organization, the organization's history, and strategies. The model views the history of the organization as an input that should not be ignored when analyzing an organization. It views strategy as a process for identifying opportunities, and emphasizes the need to strategize and plan, rather than being reactive and changing under pressure. The components of the transformation include tasks, individuals, the formal organizational arrangements, and the informal organization. The task is defined as the work done within a function, i.e. the specific work done by the members of the organization. A description of the work would be revealed in the workflow process. The task turns out to be the activities of the organization that produce a specific service or product. The second component includes the individuals or employees who perform tasks. In looking at individuals, it is crucial to consider the nature of the knowledge and skills possessed by each one. The third component, the formal organizational arrangements include structures, processes, methods, and procedures designed to get individuals to perform tasks. This component also includes organization design and work environment, physical environment, and various formal systems for attracting, placing, developing, and evaluating human resources in an organization. These factors create the organizational arrangements and are formal in that they are explicitly designed and specified in writing. The informal organization has arrangements that are usually implicit and not written down anywhere. These arrangements emerge over time and are used to fit where the
Figure 2. Nadler-Tushman Congruence Model identifies inputs and outputs that flow through the organizational systems.

W.W. Burke, Organization Development - A Normative View.
formal arrangements are missing.

The output describes what the organization produces and how it performs. There are three factors to consider when looking at output: (1) goal attainment, (2) resources, and (3) adaptability in a changing environment. This output is delivered through the work of individuals, units, departments, and divisions. The output is also influenced by individual behavior, such as stress, job satisfaction, and quality of worklife.

The Nadler-Tushman Model recommends three steps for diagnosis:

(1) Identify the system. Is the system for diagnosis a division, unit, or subsidiary of some larger system? What are the boundaries of the system, its membership, and relationship with other units?

(2) Determine the nature of the key variables. What are the dimensions of the inputs and components?

(3) Diagnose the state of fits by determining fits between components and diagnosing the link between the fits and the organization's output.

Model A

The second model selected as a comparative model to the Weisbord Model is Model A developed by Gerard Egan. Model A has three categories: the performance system, the people, and the persuasive variables. Most models refer mainly to structure, which is only one part of system design, however, Model A deals with the basic systems elements of design. The first six elements of Model A relate principally to the work of the system and its accomplishments. These elements are listed under the category of the performance system.

(1) Needs and wants focus on the members of the receiving system or of the community; (2) Mission determines the overall purpose of the system; (3) Major aims
translate mission into the major aims or areas in which accomplishments are to be pursued; 4) Goals translate major aims into the concrete accomplishments to which the work of the system is directed; (5) Programs develop the means and step-by-step procedures to achieve these goals; (6) Nonpeople resources provide the material resources people need in order to get the work of the system done.

Elements one through six provide an overview of what needs to occur in order to achieve the goals of the organization. By accomplishing this step the organization is able to meet the needs of the clients who will benefit from the products and services that are provided by the organization.

The following five elements focus on the members who are responsible for providing the products and services offered by the organization. When change occurs in an organization, it often means changing the structure of the organization, which usually means changing and shifting responsibilities and changing reporting relationships. However, in discussing the topic of structure, it is important to include roles and responsibilities, relationships, communications, and coordination of the elements. The structure often focuses on the task side of change, as the people side looks at the process or the how side of change. These elements are listed under the category of the people. (7) Human resources gets the human resources needed to implement the work that needs to take place within the organization; (8) Roles and responsibilities divide up the work that needs to get done and determining who will be responsible for getting the work done; (9) Relationships determine the relationship that needs to develop between the members of the organization and the systems that make up the organization;
(10) Communication provides the necessary information for members of the organization to deliver the products and the services the organization is responsible for delivering; and (11) Coordination/facilitation/authority/accountability determines the type of leadership or management needed to ensure that all of the elements of the model are coordinated.

The third part of the model looks at five sets of factors that impact the way the organization functions. These factors affect the day-to-day functions of the organization. These five elements are listed under the category of the pervasive variables:

(12) Reward system provides the incentives and rewards for getting work accomplished; (13) Quality of life guarantees that the needs and wants of the members of the organization are addressed; (14) Environment monitors and manages the impact of the external environment; (15) Politics monitor the ways that power is wielded in the organization; and (16) The arational and culture attempts to understand and manage the impact of the arational, unsystematic, and nonlinear dimensions of the organization and the environment.

Model A can be used as a checklist to help consultants design systems in an orderly fashion and prevent them from missing critical issues, such as the kind of culture that is being created or the impact of the environment. It can help members of the organization discover what is and is not working. As with the Weisbord Model, Model A can be placed over an organization like a radar screen. The blips that appear can be identified as trouble spots. Model A also outlines the geography of the organization.

The Nadler-Tushman Model includes many of the same elements of the Weisbord
Model. There is value in the Nadler-Tushman Model, but the researcher has found the Weisbord Model to be simpler to administer and easier to track.

Model A also includes a number of common elements to the Weisbord Model and is similar to the Nadler-Tushman and Weisbord Models in the way it approaches the organization analysis. The performance elements of Model A tie into the purpose of the Weisbord Model, the people elements are similar to the relationship box, and the pervasive variables are similar in concept to the helping mechanisms and rewards. The one component that stands out for the researcher is the fact that the Weisbord Model includes a component that specifically addresses leadership. This is one of the primary reasons that the researcher selected the Weisbord Model over other models. The Weisbord Model is simple to track and the researcher believes that responsibility for organizational change does not rest with employees or supervisors, but with senior management, a responsibility that can not be delegated.

Organizations are generating extraordinary efforts to create levels of competitiveness. Xerox, a 1989 Malcolm Baldridge winner and Corning, a 1989 finalist are reported to have spent roughly $800,000 each and some 14,000 labor hours preparing applications and their companies for the examination process. Organizations are investing huge sums of money to yield results, and for many, the results have been invisible. At least two businesses who were Baldridge recipients are now facing severe financial difficulty.

The question being raised is, "Why have some succeeded and others failed?" The explosion of recent prescriptions for creating high performance organizations has
contributed to many of these failures. Most of these programs generate initial excitement that offers a rallying point for the workforce, and many organizations embrace these programs because they are endorsed by the experts, sound right, or look good. Senior managers will observe the success of an industry leader and run to copy the model that was applied. What they do not realize is the successful organization has taken the time to plan and learn throughout the change process. They make adjustments when appropriate and alter the model based on the learnings. They are committed to working through the problems and benefiting from the value of the change.

The challenges facing American companies is not one of programs. It is to resist a quick fix mentality and implement strategies that are responsive to organizational needs and linked by design to measurable outcomes that affect business performance (Kulik and Zornitsky, 1992, p. 11). We all know that America faces a critical competitive challenge. If we’re going to confront it, then we have no choice but to create radically more effective organizations. Quality, high-performance work systems, and strategic organizational design all offer great potential. But the true answer will be the integration of all of the approaches (Kearns and Nadler, 1992, p. 299).

Organizational change starts with leadership. Unless senior management, including the CEO, have the drive and tenacity to persist, results will be slow or not achieved at all. The first responsibility of a leader is to define the purpose and then to challenge the members of the organization to mold that purpose until it becomes internalized in the organization’s culture.

However, there are no roadmaps or signposts that will tell people exactly what
to do to get to that future. What are the critical success factors for competitiveness -- the necessary and sufficient conditions for success? Xerox believes there are four: (1) Strategy - leadership needs to work to understand the unique features of the company and use these as competitive advantages, (2) Quality - many of the leading firms have recognized that quality has become a necessary but not sufficient element of competitiveness, (3) Organizational design - Xerox believes that an important opportunity for improvement of competitiveness will be the discovery, invention, and application of new architectures of work and organization, and (4) Organizational learning, the best competitors have a unique capacity to reflect upon and understand the meaning of learning and making decisions based on the newly attained knowledge. However, the key to these four success factors lies with leadership (Keams and Nadler, 1992, p. 303). Leadership must articulate the future and communicate it on an ongoing basis. They must create energy and commitment so people see benefit for the customer and for themselves.

Leaders provide the proper setting by designing organizations in which participation and anticipation work together. The role of the leader is much like that of an orchestra conductor. The real work of the organization is done by the people in it, just as the music is produced only by members of the orchestra. The leader serves the crucial role of seeing that the right work gets done at the right time, that it flows together harmoniously, and that the overall performance is properly coordinated (Bennis and Nanus, 1985, p. 214). In the opinion of the researcher, the Weisbord Model, places a higher emphasis on the responsibility of leadership, one of the most important catalysts
for managing change than do the other models.

Summary

Today's organizations are under tremendous pressure from fierce world market competition. In order to survive in a fast paced global market, these organizations must change the way they operate. The pressure is coming from customer demands and the technology that is making information available. Companies that convert information to meet customer needs will be the companies that survive. A collaborative work environment provides a vehicle for taking information and placing it into the hands of employees who are able to respond immediately to the customer. The Taylor system keeps decision-making away from the worker. The SMWT reverses this process.

It is a tool that addresses the changes in the world markets. But, in order to impact the organization on a broader scale, the SMWT process must be implemented on a systematic basis. Organization development provides the tools for understanding and analyzing change. By focusing on the total organizational needs, the organization will be more successful in removing the older traditional remnants of the Taylor system. While the Nadler-Tushman Model and Model A are comparative models just as capable of implementing change, the primary reason for selecting the Weisbord Model was its emphasis on leadership.
CHAPTER III

RESEARCH METHODS

This study was conducted through qualitative research methods that center around the following research questions:

(1) How does change impact an organization that is shifting its culture from a manager-centered workplace to a collaborative workplace?

(2) What is the impact of the change on the individuals who are members of the organization?

(3) What are the benefits that can be derived from applying organization development principles?

Action Research

The primary research tool was action research, a basic model that underlies a majority of organization development processes. This model is a data-based, problem-solving model that uses the steps involved in scientific inquiries. These steps include: data collection, feedback of data to the system, and action planning based on the data. Action research is an ongoing process that constantly provides data to the system undergoing change. Action research can be considered as a model or guide for changing organizations.

Kurt Lewin conducted action research in the mid 1940’s and early 1950s, in different behavioral domains. Lewin believed action research represented a link between experimentation and application, and between people of science and people of action.
In the real-world settings, where people with problems are looking for solutions to their problems, the action research model responds to their needs in a timely way.

Action research projects may be directed towards diverse goals and provide several variations of the model. Lewin recommends two broad categories of action research, the investigation of general laws and the diagnosis of a specific situation. The study of general laws leads to contribution of theory and practice, and to generalization about natural phenomena; and the diagnosis of a special situation leads to solving immediate, practical problems. The communications department has an immediate problem to solve, and a problem that points to a phenomenon that will provide some generalization about organization development and collaboration.

The methodological model for organization development is action research: data on the nature of certain problems are systematically collected (the research aspect), and then action is taken as a result of what the analyzed data indicate. The specific techniques used within this overall methodological model (few of which are unique to organization development) are:

(1) Decision by client that indicates a problem exists,
(2) Consultation with consultant,
(3) Data gathering and diagnosis of problem,
(4) Feedback to key client or group,
(5) Joint planning, and
(6) Action/implementation.

For change in an organization to be organization development it must (1) respond
to an actual and perceived need for change on the part of the client, (2) involve the client in the planning and implementation of the change, and (3) lead to change in the organization's culture (Burke, 1987, P. 9). Action research will create the relationship between the design team, leadership, and the employees.

There are four types of action research -- diagnostic, participant, empirical, and experimental. In diagnostic action research, the researcher enters into the problem and makes a diagnosis. After the diagnosis is made, the researcher offers recommendations to the client. The recommendations are derived intuitively and come from the researcher's knowledge or experience. It is very likely the client will not act upon the recommendations.

Participant action research involves the client in the research process from the beginning of the research. This involvement facilitates ownership on the part of the client and usually results in the implementation of the recommendations.

In empirical action research the client keeps a systematic, extensive record of action and its affects. The problem with this is that the client may have too few experiences to draw from and have nothing to compare them to. Clients may also lack objectivity in evaluating their own performance.

A fourth type of action research is experimental and is controlled research on the effectiveness of various action techniques. There is always more than one way of trying to accomplish something, however, the difficulty is trying to find which is the best. This is research on action. Organization development practitioners typically use participant action research.
The nature of organization development and action research are very similar. They are both variants of applied behavioral science, they are both action oriented, they are both data based, both call for close collaboration between internal and external, and both are problem-solving inventions. (French and Bell, 1984, p. 117)

It is widely held that people tend to support what they have helped to create. This belief is compatible with the collaborative aspect of the action research model and impels researchers and consultants to cooperate with the client. Such a point of view implies that the client system members and researcher should jointly define the problems they want to address, define the methods used for data collection, and evaluate the consequences of action taken. (Weisbord, 1978, p. 70)

There is tremendous debate between qualitative and quantitative researchers as to the value of their respective disciplines. In many ways a major trade-off between quantitative and qualitative methods permits the evaluation researcher to study selected issues in depth and detail. The fact that data collection is not constrained by predetermined categories of analysis contributes to the depth and detail of qualitative data. Quantitative methods, on the other hand require the use of a standardized approach so that the experience of people is limited to certain predetermined response categories. The advantage of the quantitative approach is that it is possible to measure reactions of many subjects to a limited set of questions that facilitate comparison and statistical aggregation of the data. By contrast, qualitative methods typically produce a wealth of detailed data about a much smaller number of people and cases (Patton, 1991, p. 14).

Perhaps nothing better captures the difference between quantitative and qualitative methods than the logic that supports each approach. Qualitative inquiry typically looks in depth on relatively small samples, even single cases (n=1), selected purposefully. Quantitative methods typically depend on larger samples selected randomly (Patton,
1991, p. 169). By selecting information-rich cases the researcher can learn a great deal about issues of central importance to the purpose of the research. The logic of probability sampling depends on selecting a truly random and statistically representative sample that will permit confident generalizations from the sample to a larger population. The purpose is generalization. The logic of purposeful sampling lies in selecting information-rich cases. The purpose of purposeful sampling is to select information-rich cases whose research will provide valuable knowledge to a certain field of study.

A strategy for selecting purposeful samples is to look for critical cases. The data-gathering focuses on understanding what is happening in each critical case and selecting a site that yields the most information and has the greatest impact on the development of knowledge in a given area. The critical case sampling does not permit broad generalization to all cases, but it does permit logical generalization from the weight of information and data produced in the critical case sample.

Critical case sampling involves participant observation, which is a strategy that combines document analysis, interviews of respondents and informants, direct participation observation, and introspection. Critical case sampling is not a single method or technique that a researcher does, but is a way of getting involved in the actual activities. Critical case sampling means that the researcher is using multiple sources. As a participant observer the researcher shares as intimately as possible in the life and activities of the setting under study. The purpose of such participation is to develop an insider's view of what is happening.

The researcher captures data through: collecting and analyzing program
documentation that reveals decisions and background about the department; observing what takes place in meetings, training sessions, and hallway conversations; interviewing individuals and small groups; and participating on committees and workteams. These different data gathering processes enable the researcher to validate findings by comparing data collected from different sources and methods. The multiple combinations of data types increase validity as the strengths of one approach can compensate for the weaknesses of another approach.

Interviews are a limited source of data because people can only report their perceptions and perspectives on what they have experienced. Interviews are also subject to a person’s emotional state at the time of the interview. However, interviews reflect the way a person or group of people feel about a given subject and allow them a chance to describe this in their own words. They also provide an opportunity to explore areas that uncover information that was not revealed through other sources. Observations provide a check on what is reported in the interviews. The interviews and observations enable the researcher to see beyond external behavior and to explore what is actually taking place in the field site, or in this instance, the communications department. Program documentation provides an analysis of a behind the scenes account of what may or may not be directly observed, and provides a base for asking questions that have not surfaced in other data gathering sources. A multi-method triangulation approach to critical case sampling increases the validity and reliability of data (Patton, 1990, p. 245).

The researcher uses multiple methods to gather different types of data such as program documents and records, which provide information about program decisions.
It is also important to note activity that occurred and the absence of activity. The researcher utilizes field notes to cross-validate and triangulate by gathering different kinds of data through observation, interviews, program documentation, recordings, photographs, and using multiple methods.

Using triangulation of data means gathering data, comparing, and cross-checking the consistency of information derived at different times and by different means within qualitative methods. It means comparing observational data with interview data, comparing what people say in public with what they say in private, checking for the consistency of what people say about the same thing over time, and comparing the perspectives of people from different points of view. It means validating information obtained through interviews by checking program documents and other written evidence that supports what interviewees state.

Triangulation of data sources will seldom lead to a single, totally consistent picture. The point is to study and understand when and why there are differences. The fact that observational data produce different results than do interview data does not mean that either or both kinds of data are invalid, although that may be the case. More likely, it means that different kinds of data have captured different things, so the researcher attempts to understand the reasons for the differences.

**Background Information**

The researcher was conducting research on self-managed teams for the corporate education department including benchmarking sessions to Xerox, General Electric, Fel-Pro, and USAA. The communications department heard about the research and in June
of 1992, the officers invited the researcher and a human resource director of compensation to present findings and provide direction to the leadership team (senior vice president, vice president, four assistant vice presidents, and two directors) at a one-day staff meeting.

The presentation started with a basic definition of teams: "A team is two or more people who come together to work on a common goal or purpose." The researcher explained there were different types of teams such as temporary teams or permanent teams. These teams form around a function or a project and range from controlled or manager-centered to self-managed, and the key to determining the type of teams is based on the purpose of the department which dictates the work. The importance of the vision and mission was emphasized as crucial to the change process.

The presentation included key success factors for moving into a team structure: clearly defined organizational goals, work processes identified, clearly defined leadership, training, supportive relationships, and human resource systems. There was a lot of discussion about the potential pitfalls: lack of management support, fear and distrust, no clear strategy, and insufficient training at all levels including leadership.

The officers invited the researcher to speak at a meeting before the entire department. Based on the questions asked in the second meeting, it appeared that a lot of confusion existed within the department about the definition of teams. Members of the department inquired about the best type of team structure for their department and were concerned about the multiple definitions and interpretations of teams that existed. There was a preoccupation with self-managed teams and it was evident that employees
were not very clear about the teamwork process.

After the department meeting the leadership team decided it wanted to pursue self-managed teams. They felt the mission and vision were firmly in place, but the compensation system was the missing key to successfully implement a collaborative work environment.

In October 1992, the researcher and an external compensation consultant conducted interviews at four different levels of the department to gather data and to understand the impact of the changes that had taken place. The first interview was conducted with the senior vice president who was very concerned about the changes and confusion that existed in the department. The senior officer talked about the work developed by the external consulting firm and the core and functional skills that were identified. The officer's primary concern centered around the need for a compensation system and career paths for the employees. The senior officer stated the department had to operate as a team and not as individual performers.

The second set of interviews included two assistant vice presidents who were extremely concerned about the department working as a team. They were worried that the previous changes were not working and that there had to be changes in the department structure. They felt career pathing was a major problem and a system had to be developed. They worried that if this third attempt was not successful, it would create turmoil in the department. They wanted help as soon as possible.

The third set of interviews were conducted with an assistant vice president and two team leaders who believed downsizing made things very murky and there was no
help for moving through the process. They felt the department just built new boxes and threw everyone into the process. They believed that unleashing people was powerful, but without a plan it would be destructive. The workload was increasing, and placed tremendous pressure on everyone in the department. Compensation was another real concern because some people were doing more than others and were not being properly recognized for their performance. This interview group felt a new rewards system was needed along with clarity around the workteam concept.

The fourth set of interviews were conducted with eight consultants who indicated they were put into teams without any direction. They explained that the first change in the department took place in July 1990, and the second change happened in April 1992. They believed the department worked better before the reorganizations because there was more flexibility. They expressed dissatisfaction because people were working more hours and expected to do more with fewer resources. They felt the new system was fine in theory, but in reality there was no clear direction and very little information. Expectations were unclear, officers were not available, and concerns were expressed about the ability of leadership to lead through this change. They wanted leadership to provide a clear strategy and demonstrate more interest and concern for the welfare of the employees. A high level of frustration existed within the group.

In November of 1992, the compensation consultant and the researcher prepared a summary and presented it to the leadership (officer) team. The following points were contained in the summary and identified as areas to address: (1) Specific career paths for consultants, specialists, professionals, and administrative employees; (2) A transition
plan to provide role clarity for employees while the skills were being developed to support clients and projects; (3) Clear specification of goals, roles, procedures, and relationships for employees, including information on how they will obtain the skill needs identified in the assessment; (4) Base compensation program to support skill development and horizontal organization structure; (5) Training to support skill development; (6) Clarity of organization mission, objectives and direction, providing "line-of-sight" for employees between their roles and performance outcomes. This includes infrastructure development as well as ongoing communication within the department; (7) Leadership that is actively involved with the teams. Involvement would be determined based on the maturity of each team. The leadership would share information on a consistent basis, and acknowledge and recognize teams from time to time; and (8) Measurement/Assessment to determine current organizational state versus preferred state.

The discussion focused mainly on the technical recommendations and what was needed to proceed with the compensation component. There was little discussion about the social issues which surfaced in the interviews, and the point was made during the feedback session that these issues were opinion survey concerns and not important to the process. The researcher expressed concern that these very issues could be a stumbling block to the process if they were not addressed. The researcher attempted to stress the importance of points six and seven which were included at the request of the researcher. Subsequent meetings were conducted without the researcher and it was announced that the department would proceed with the development of a compensation and reward
Rewards

In January of 1993, a design team was selected and given responsibility for developing a process that would enable the department to make the organizational transition from a manager-centered work environment to a collaborative work environment. This team was composed of one officer, two directors, one manager, six communication consultants, one secretary, one human resource director, three human resource managers, one organization development consultant (the researcher), and one external compensation consultant. The seventeen member team decided at its first meeting that a mission statement needed to be created. A subteam was formed (including researcher) to develop a mission statement. The final draft read: "The team will create a compensation and career development system that supports the department’s mission and key activities; recognizes and rewards team results; and provides the effective development and use of skills that our customers value." The team also identified core requirements for members of the team to follow.

The design team used the skills identified by the external consulting firm’s study and decided to expand the list to include: communication technology, coaching, business and industry knowledge, client interaction, and team skills. The design team was led by an assistant vice president who had a clear picture of what the change vision and mission would look like in the future. She informed the team that "jobs" as they knew them would no longer exist in the future. The intent of the design team was to build career paths based on competence and skill blocks. The design team decided to use three levels
of proficiency for the capability blocks.

The compensation consultant facilitated most of the early design team meetings and introduced a model for the capability block design. He instructed the design team to use the following information for completing the blocks: Knowledge and Results columns was not to be as detailed as the skill/activity columns. The skill/activity column was completed first because the things described in this block could be observed. "Is able" belonged in result column along with end products and standards of effectiveness. Measurement was listed in the result column. Action verbs were listed in the skill/activity column. This column addressed tasks and focused on the tactics. The knowledge column contained the knowledge needed and the methods for acquiring the knowledge. The external consultant identified core skills which was critical for designing the capability blocks (see example on page 68). These blocks were different from the traditional job descriptions and an example is listed on page 69. Every employee in the department was expected to achieve at least level one of the core skills and level one of the required skills. The functional levels would be developed based on the selection process of the team member, coach, and sponsor. The input into this evaluation would eventually come from department coaches, team leaders, team members, team sponsors, subject matter experts, and customers.

Employees would not be compensated for just having the skills, they would have to validate the skills and attain specific results which would be measured. The capability blocks were divided into three skill levels: entry (level one), intermediate (level two), and advanced (level three). Each employee was assessed on their individual skill level
Table 3

The core, required, and functional categories used to identify the skill levels of employees in the department

**CAPABILITY BLOCKS**

<table>
<thead>
<tr>
<th>Core Skills (10)</th>
<th>Functional Skills (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counseling</td>
<td>Art and Design</td>
</tr>
<tr>
<td>Creative Thinking</td>
<td>Audio Visual</td>
</tr>
<tr>
<td>Problem Solving</td>
<td>Communications/Development</td>
</tr>
<tr>
<td>Strategic Thinking</td>
<td>Systems</td>
</tr>
<tr>
<td>Business Writing</td>
<td></td>
</tr>
<tr>
<td>Client Interaction</td>
<td></td>
</tr>
<tr>
<td>Project Management</td>
<td></td>
</tr>
<tr>
<td>Presentation/Oral Communication</td>
<td></td>
</tr>
<tr>
<td>Team Skills</td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Required Skills (11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor/Shareholder Relations</td>
</tr>
<tr>
<td>Communications Technology</td>
</tr>
<tr>
<td>Magazine Writing &amp; Editing</td>
</tr>
<tr>
<td>Media</td>
</tr>
<tr>
<td>Meeting Planning &amp; Coordinating</td>
</tr>
<tr>
<td>Public Relations</td>
</tr>
<tr>
<td>Research</td>
</tr>
<tr>
<td>Speechwriting</td>
</tr>
<tr>
<td>Training/Skill Development</td>
</tr>
<tr>
<td>Financial Analysis</td>
</tr>
<tr>
<td>Business &amp; Industry Knowledge</td>
</tr>
</tbody>
</table>
Table 4

Example of one of the capability blocks used to assess employees

<table>
<thead>
<tr>
<th>CAPABILITY BLOCK: Media</th>
<th>LEVEL: 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>KNOWLEDGE</strong></td>
<td><strong>ACTIVITIES AND BEHAVIORS</strong></td>
</tr>
<tr>
<td>Basic understanding of media relations tools (fact sheets, media alerts, news releases, backgrounders, video news releases, etc.)</td>
<td>With guidance, can develop first drafts of media materials, such as media alert, press releases, fact sheets, and back-grounders</td>
</tr>
<tr>
<td>Understand applicable differences between local and national news markets; differences between the various media vehicles</td>
<td>With guidance, can select and coordinate the proper distribution systems</td>
</tr>
<tr>
<td>Understand company’s image and identity strategy</td>
<td>Can develop a complete, basic media plan/project that fosters company image</td>
</tr>
<tr>
<td>Understand what is news and what is required in a media relationship and the importance of balancing media interests with business interests</td>
<td>With guidance can develop and maintain local/regional/national media contacts</td>
</tr>
<tr>
<td>Understand the operational aspects of media (how the press works and why, who to contact, etc.)</td>
<td>Administers the PR Newswire process independently and accurately</td>
</tr>
<tr>
<td>Understand PR Newswire process</td>
<td>Can successfully pitch stories to the media - aggressively</td>
</tr>
</tbody>
</table>
which determined their level of proficiency in the new organization. The design team had the final responsibility for creating the capability blocks, developing training, designing the compensation system, and implementing the strategy.

The design team developed the capability blocks and got feedback from members in the department, corporate instructional designers, and subject matter experts. The compensation system was divided into five pay bands A, B, C, D, and E. Promotion from band to band would occur when the employee validated on all of the required capability blocks in the band. Incentive or variable pay would be available to all employees as a payout that would be driven by department and/or team results. This reinforced the need to promote collaboration. Also included in band A was the opportunity for nonexempts to qualify for exempt status by moving into band B.

The department conducted periodic meetings to update department members on the progress of the design team, while another team worked on identifying training for each of the capability blocks. The training would ensure that all members in the department would know where to go to get increase their skill levels.

In October of 1993, the human resources department, the officers, and the design team presented the entire capability block process at a department meeting. The employees were informed they needed to review all of the capability blocks and fill out a copy of the form can be found in Appendix A. This data included projects that were completed either internally or externally. The validation process indicated the employee’s level of competency and provided an assessment of their capability levels. The coaches worked with each employee to develop a plan for gathering and
documenting the data. After all of the data was gathered the partner and coach completed each of the capability blocks and documented the results.

This data was then given to the leadership team who made the final determinations for validation of each capability block. The partner began the evaluation process and determined their level of competency from the capability blocks. None of the employees received a decrease in pay, however, after a two to three year period, if the employee does not validate at the level of pay they were receiving, they could be terminated from the department. The success of this process depends heavily on the relationship between the coach and the partner. After the validation process was completed, employees were placed within a payband.

The design team decided at the beginning of the project to keep a list of all of the questions that team members or department members had about the process. This allowed the team to use the questions to track progress. The list of questions was periodically presented to the leadership team for answers and direction. It served as a valuable tool for assessing the level of comprehension for department changes.

**Purpose**

While the design team created the capability blocks, questions continued to surface about the new compensation system and its impact on the department. In March 1993, three members of the leadership team were invited to a design team meeting to address the lack of clarity and focus around the project. The researcher posed the question about the need to integrate other systems such as leadership, structure, rewards, mission, and relationships into the process. The leadership provided a context for the
entire change process. They presented a historical perspective on the department's change vision that connected all of the changes that had taken place through the previous years. They indicated that the department interviewed its customers and determined what they needed from the department. This resulted in the creation of the change vision, mission, and key activities. These elements were the ingredients for the compensation and development system. This discussion disclosed the need to identify delivery systems for the change vision, and leadership indicated that a team structure and a coaching system would be developed to support the process.

As the capability block process progressed, the leadership team positioned the change vision and the mission as the foundation for the process. These elements were positioned as the drivers of the change, and for the first time employees were seeing how the process integrated with the change vision and mission. A department checkpoint meeting was conducted on September 23rd to update the department on the progress of the design team. The leadership presented a model (see page 73) that described the entire change process. If analyzed closely, the model includes many of the components of the Weisbord model. It was designed by one of the directors with input from the researcher. This presentation was another opportunity to position the change in the minds of the employees and help them to understand how the entire system fit. Many of the conversations indicated that employees were beginning to see the connection between the work of the design team and the change vision and mission.
Corporate Relations' Change Vision

Corporate Relations will become a highly skilled group of communication professionals that users actively seek out as valuable members of their management teams.

Support Systems

Figure 3. Change model developed by the leadership team to explain the department's change process in a checkpoint meeting conducted in June 1993.
Coach and Partner Relationships

The officers realized that in order to meet the needs of employees in the new organization they would have to create different relationships because employees were concerned with the accessibility of the officers. In March of 1993, one of the members of the officer team worked with a small team to develop a coaching model. Coaching was described as a process that would provide mentoring, advocacy, validation, and recognition for employees. There were two primary roles in the coaching process, the coach and the partner. The intent was to develop a relationship where trust could evolve, and developmental needs could be handled. Coaches were identified by the leadership team based on their integrity, honesty, interpersonal skills, and knowledge. They were accountable for providing partners with personal insights about their opportunities for improvement, short and long-term career development, performance management goals, validation of capability blocks, and advocacy within the department. Partners were responsible for their own learning, commitment to the coach/partner relationship, and planning their development. The officers wanted to place more responsibility on partners to manage their own careers.

The formal coaching system was announced in July 1993, at a department meeting and the names of the coaches were presented. There were twenty coaches identified and their positions ranged from secretary to vice president. Employees were told to list the names of their first, second, and third choices for a coach. They were given two weeks to make a decision. The final list was decided by human resources and the senior vice president.
After the selections were made, training was conducted for the coaches on their role and on the mechanics of the process. The sessions included background on the capability blocks and the integration of the entire change process. Training materials were developed that gave the coaches guidelines for conducting the first meeting with the partners.

The partners expressed concerns about the skill levels of the coaches and their overall ability to support this new direction. As a result, the researcher contacted an external consultant who conducted overview sessions on the coaching model, as well as one day training sessions on coaching skills. The consultant conducted a two day session for the coaches with the first day dedicated to context setting. The second day was a skill building session that enabled the coaches to integrate the information from the first session and apply it in their coaching sessions with partners. There were a number of coaches who indicated that this session had more value to their partner-coaching sessions than the first day.

The first session provided a context of the coaching model and how it was integrated into the entire change process. The coaches expressed concerns about a number of factors including: confusion, lack of department focus, lack of trust, leadership’s inability to lead the process, inconsistent messages from leadership, fear of change, and heavy workloads. As a result of this session, additional meetings were conducted to provide the coaches with ongoing information and knowledge about the entire change process. The consultant also conducted sessions with leadership to provide them with feedback from all of the sessions held with the coaches and the partners. The
coaching model focused on moving the department from a controlled work environment to an empowered work environment.

Similar sessions were conducted for the partners, but these sessions were one and a half days long and were different from the coaches' sessions. The two coaching sessions averaged ten participants per session, while the partnering sessions averaged thirty partners per session. The first context session for the partners was very hostile and somewhat adversarial. The group comments included such things as: fear of failure, little empowerment, inconsistent messages, no department strategy, work of department was unclear, "old boy" network, frustration, fear, politics, and unwillingness to change. The two partners sessions were very similar in their responses. This was the first opportunity that employees had to freely express their concerns in a large group setting.

The second day of skill building with the partners was not as hostile. The partners experienced more difficulty with the change process than the coaches. Some of the partners indicated they were seeing tremendous benefits from having a coach support them, and valued having a coaching system. The coaches were scheduled to meet bi-monthly or as the need occurred.

Team Structure

In April 1993, the department announced that it was moving to a different type of team structure. The department identified three product areas or deliverables as the term is used internally. The deliverables are: (1) Relationships which guard the image of the company, (2) Internal communications to improve the company's ability to communicate and influence employee behavior and support customer relationships, and
(3) Support for business unit communication which integrates services with the company’s strategic objectives.

Team leaders were assigned to work with a member of the officer team to ensure efficient delivery of products and services to customers. Each member was assigned to work with a specific team as a resource and partner.

Team leaders and the officer team designed a training package that included such areas as: problem-solving, group dynamics, goal-setting, evaluation, teams, the change vision, key activities, and the mission. The entire team structure was positioned as another component of the change vision which was a direct link to meeting the objectives of the department.

All too often organizations seem to assume that the way to produce a change in management style is to invest large amounts of money in changing managers’ attitudes and skills. Training certainly is important, but decades of research have shown that changing managerial behavior requires more than simply training managers in participative decision-making and in the importance of focusing on human resources and listening to people. Important structural changes need to be made in an organization in order to change the way that its managers operate (Lawler, 1992, p. 342). The department took great strides to develop a system that was integrated into the vision and mission of the department. The researcher assisted with the development of a document that included specific roles for the team structure.

Included in the document were the responsibilities of the officer on supporting a project team and/or deliverable team. The sponsor was ultimately responsible for
supporting the team and ensuring that the project continually aligned with department focus. The sponsor also communicated the project and its objectives to the team leader and team members. Following is a list of responsibilities provided to the department during a checkpoint meeting on September 23 for sponsors, team leaders, and team members. These responsibilities outlined the roles and relationships the department created through the team structure.

Sponsors’ responsibilities included: (1) selecting and prioritizing work in the department; (2) identifying team leaders; (3) establishing and clarifying project objectives when necessary; (4) collaborating with leaders to identify skills needed on the project; (5) collaborating with leaders to identify team members; (6) allocating project expenses; (7) assisting leaders and members with goals; (8) providing organizational linkages when necessary; (9) providing leaders/members with pertinent information; (10) recognizing team accomplishments; (11) evaluating team results; and (12) creating a learning environment.

Team leaders’ responsibilities included: (1) working with sponsor to establish project objectives and deadlines; (2) working with sponsor to identify skills needed for project; (3) working with sponsor to identify team members; (4) working with sponsor and team to develop final project goals; (5) managing team to successful performance of objectives; (6) developing project plans; (7) coordinating implementation of project plans; (8) acting as a communication link between sponsor and team; (9) Ensuring use of quality principles and tools; (10) Collaborating with sponsor to identify additional resources; (11) Managing project performance breakdowns; (12) Monitoring and tracking team
performance; (13) Coordinating team evaluation process for results; (14) Inputing and updating Paradox system; and (15) Recognizing team members.

Team members' responsibilities included: (1) working with team leader to develop project goals; (2) working with team leader to develop budget; (3) working with team leader to develop timelines; (4) Sharing information with team; (5) Assuming accountability for team results; (6) Defining individual responsibilities; (7) Completing assigned tasks; (8) Providing back-up for other team members; (9) Ensuring use of quality tools; (10) Managing project breakdowns; and (11) Recognizing team members.

There was an attempt to create an environment where all of the department took responsibility for getting the work done, and for working in a way that created collaboration. The teams functioned on a rotating basis and the intent was to get everyone in the department to assume team leader roles at some point in the future. This structure required that the sponsor, team leader, and team members worked together in providing products and services to the customer.

Leadership

Based on the feedback from the partners and coaches training session, feedback from the design team meetings, and the interviews conducted in October, it was evident that the officer team needed to become more focused and consistent in their messages to the department. The researcher asked the consultant to spend time with the officers and provide them with feedback from the training sessions. The researcher discussed some of the observations made during the months on the project and presented this to the officers.
The researcher spent time consulting individually with various officers of the leadership team to provide data and feedback based on the researcher's observations. The researcher eventually recommended a teambuilding session for the officers that included gaining clarity around their role, and ensuring consistency in articulating the vision for the future. They agreed to have a session but requested that someone external to the company conduct the session. A professor from the University of Michigan's Business School was contacted by the researcher, and he agreed to interview two of the leadership team members to identify their needs. The officers decided not to have the teambuilding session after the telephone interviews.

Three of the six officers participated in the coaching sessions with the consultant and the results were mixed. One of the three experienced great difficulty with the training and did not return to complete the session. The other two were very comfortable with the model and had no difficulty with the material. All of the officers served as coaches.

The officers were not very clear about their willingness to share authority with the various levels in the department. In order to create a collaborative work environment, there needs to be a high degree of consistency in leadership behaviors. For large-scale change to take place in the way organizations are managed, it is vital that organizations become populated with managers who can and will lead transformations. I believe this is the most important thing that needs to occur in order for high-involvement organizations to be created (Lawler, 1992, p. 331).

Unfortunately, in most organizational change efforts, including SMWTs, the
senior management team is not expected to get involved in training and development. They usually sit on the sidelines and observe the process from a distance. There is often a feeling that the process will take care of itself once it gets started. It is difficult to get senior management to understand the value in learning about the basics of the process and to take the time to gain new skills in the midst of continuing to provide services to the larger company. This can be particularly threatening for managers who are not comfortable managing in a self-managed environment.

The researcher believes that interventions have to continue on different levels:

1. Leadership needs to understand their roles and identify the skills and capabilities to make this effort a success. This group has to be supported to lead, coach, and manage in a way that facilitates change in the new culture.

2. Team leaders need to be trained on all of the human resources systems, group dynamics, teambuilding, and business issues of the department.

3. Team members have to learn about their roles, human resources systems, and the business issues of the department.

4. Coaches have to be identified and trained in the areas of consulting, coaching, teambuilding, and group dynamics.

5. Partners need ongoing support to understand the mechanics of the new compensation system, the change vision, the mission, and team structure.

6. Customers of the department must be educated about the changes and informed as to how this new environment impacts the services and products produced in the department.

On the surface it might appear that training resembles some of the areas that have been developed by Wellins and Zenger. What is different is the emphasis placed on leadership and the stress placed on integrating the change vision and mission into the process. The entire change process must be understood by all members of the
department. The design team plays a crucial role in making sure the implementation plan is followed and the coaches assume a lot of the responsibilities from the design team. The plan must be monitored and adjusted as the department implements the changes. The design team must ensure that every aspect of the strategy is integrated into the mission.

Some aspects of the Weisbord Model have already been applied to the work of the department’s change process. This became evident in a department meeting where the mission was presented. The support systems diagram that was included in the checkpoint meeting on September 23rd was an example of how the model was being integrated into the process (see Figure 2 on page 73). This model includes: Focus and Deliverables, Coaching, Teams, and compensation which are elements of the Weisbord Model.

The training outline for team structure included specific categories linking the sponsor, team leader, and team members collectively into the work. All of this was connected to the change vision and mission. The capability blocks had been designed to drive the organization forward to a point where the change vision and mission converged. The researcher presented the Weisbord Model to three key people in the department, two vice presidents and a director who were responsible for creating many of the components of the change process. The model provided categories for specific actions, and the six-boxes provided specific opportunities to design interventions that helped to merge intent with specific results in the department.
Data Collection

Data collection occurred on two levels. The first took place when the researcher conducted structured interviews with a random sample of employees in the department. The random sampling process occurred in the following steps. (1) Names of employees were listed on a sheet alphabetically by exempt and nonexempt categories. (2) Each list included a number for each name starting with one and ending with the last name on the list. (3) The numbers were then listed on a sheet of paper and placed into a container where each one was selected. (4) Once the numbers were drawn for each name, they were matched with the numbers on the alphabetical sheets. Names were selected for each category (exempt and nonexempt) and the individuals were contacted to schedule the interviews.

This investigation helped to determine the impact of the change on individual employees and the department as a whole. The structured interviews included seven categories with five questions in each category for exempt and nonexempt employees, and seven categories and six questions for officers.

The first four questions (Appendix B) of the structured interviews focus on critical events that have taken place over the past two years. The fifth question focused on recommendations for simplifying and duplicating change efforts in the future, and was repeated for each critical event. The seventh category asked respondents to identify other critical events that were not included in the structured interviews. If additional events were identified, the first five questions were repeated.

The interviews focused on the feelings and reactions experienced by the
interviewees during the change process. A total of twenty-six employees (35% of the department population) from the department were included in the interviewing process (three officers, seventeen exempts, and six nonexempts). The interviews with officers included a sixth question inquiring about the decision not to administer the survey instrument (Appendix C) that was completed and approved. Relative to the survey instrument, a measurement team and the officers agreed to administer the survey on three different occasions; however, each time the survey was to be administered, they decided not to use it. This action in and of itself was an indication that the change process generated a host of unexplained responses and behaviors, and that transformational change is not necessarily a systematic process.

The interviews were transcribed and analyzed to identify particular themes or trends. The responses were also analyzed and categorized by event to determine the impact on the individuals and the department. The individual responses provided an opportunity to identify and assess the change process by each critical event. Once this was completed, the individual responses provided a composite of the overall change process from an individual or department basis. These data helped to determine how the experience of the change process differed by individual or critical event. This in turn enabled the researcher to compare and categorize the data in a manner that focused on the overall impact of the change.

In addition, question number five of the survey assessed the level of understanding about change management within the department. This information provided valuable insights for this investigation and for designing future processes or approaches to
managing change. What made the responses so interesting was the fact that the data came from the perspective of those who lived through the change, and it helped to determine if a certain level of expertise was ignored. The researcher believes that organizations under-utilize their employees.

The second level of investigation focused on data collected from department documents, workshops, meetings, and observations made by the researcher. This level of investigation enabled the researcher to assess the strategies and plans implemented, and triangulate them with the structured interviews. Triangulation of the data helped to determine the number of procedures, amount of time, and the resources used to introduce or implement each critical event, and the emotional levels experienced by individuals and the organization as a whole. The researcher reconstructed all of the critical events and assessed the results of each one. This was compared with the overall responses given in the structured interviews.

The researcher believes each of the critical events is a change in and of itself, and that each one triggered circumstances that were not always predictable. If there is no attempt to anticipate and prepare for change, an organization could experience major problems and be placed in a competitive disadvantage in the marketplace. This could also prevent the organization from moving forward with the change. This produces disruptive responses which may or may not help the change process.

Major interventions have taken place in this department, and each of the interventions can be correlated with the steps in the Weisbord Model. These interventions or critical events have generated reactions within the department and the
assessment of these events provided data about the impact of the change. The researcher applied the Weisbord Model as a tool for analyzing and understanding the changes.

The two levels of investigation assessed the transformation that took place within the department. This information provided data for managers and practitioners who are interested in managing and guiding transformational change processes. The data collected in this research enabled the researcher to identify shifts in the organization, and determine the impact of the change. This research evolved from broader organizational questions that look beyond training as the complete process for preparing organizations for high collaboration or self-management. It is based on the premise that organizations that want to achieve a highly collaborative workplace must apply the principles of organization development and view transformation from a total systems perspective.
CHAPTER IV
DATA ANALYSIS

The purpose of this chapter is to present and discuss the results of the data analysis. This will provide an opportunity to analyze the interview responses given by the twenty-six respondents, and to understand how each was impacted individually and corporately. This analysis increases learning about the impact of transformational change on the people who experience it.

The chapter will begin by addressing the methods used to identify themes and trends noted in chapter III. Next will follow the results from the critical events analysis and other significant events analysis. Following that will be a review of the data collected from department documents, workshops, meetings, and notes maintained by the researcher over the past two years.

Population Selection

A total of twenty-six individuals were randomly selected for the interviews (35% of the total department population) which were conducted over a four week period from March 14 through April 14, 1994. The interview sessions were conducted with seventeen exempt employees, six nonexempt employees, and three officers (see page 88 for a profile of the group). There were five officers in the department when the interviews started, but one resigned during the course of the interviewing process. The interview responses were categorized by each of the critical events. At the end of each
Table 5
Profile of the Twenty Six Respondents Who completed the Interviews

<table>
<thead>
<tr>
<th>Respondent One</th>
<th>Exempt Female</th>
<th>Publications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondent Two</td>
<td>Nonexempt Female</td>
<td>Secretary</td>
</tr>
<tr>
<td>Respondent Three</td>
<td>Exempt Male</td>
<td>Customer Service</td>
</tr>
<tr>
<td>Respondent Four</td>
<td>Exempt Male</td>
<td>Operating</td>
</tr>
<tr>
<td>Respondent Five</td>
<td>Exempt Male</td>
<td>Audio-Visual</td>
</tr>
<tr>
<td>Respondent Six</td>
<td>Nonexempt Female</td>
<td>External Relations</td>
</tr>
<tr>
<td>Respondent Seven</td>
<td>Exempt Male</td>
<td>Message Development</td>
</tr>
<tr>
<td>Respondent Eight</td>
<td>Exempt Male</td>
<td>Audio-Visual</td>
</tr>
<tr>
<td>Respondent Nine</td>
<td>Nonexempt Female</td>
<td>Secretary</td>
</tr>
<tr>
<td>Respondent Ten</td>
<td>Exempt Female</td>
<td>Message Development</td>
</tr>
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<td>Exempt Female</td>
<td>Media</td>
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<td>Nonexempt Female</td>
<td>Media-Administration</td>
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<td>Respondent Thirteen</td>
<td>Exempt Male</td>
<td>Strategic Relations</td>
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<td>Respondent Fourteen</td>
<td>Exempt Male</td>
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<td>Audio-Visual</td>
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<td>Nonexempt Female</td>
<td>Customer Relations</td>
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<td>Respondent Twenty One</td>
<td>Exempt Female</td>
<td>Message Development</td>
</tr>
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<td>Respondent Twenty Two</td>
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<td>Consultant</td>
</tr>
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<td>Respondent Twenty Three</td>
<td>Exempt Female</td>
<td>Change Coordinator</td>
</tr>
<tr>
<td>Respondent Twenty Four</td>
<td>Officer Female</td>
<td>Administration</td>
</tr>
<tr>
<td>Respondent Twenty Five</td>
<td>Officer Female</td>
<td>Communications</td>
</tr>
<tr>
<td>Respondent Twenty Six</td>
<td>Officer Female</td>
<td>External Relations</td>
</tr>
</tbody>
</table>
critical event, the respondents had an opportunity to make recommendations.

A list of all of the individuals in the department was obtained and each of the names was numbered from one through fifty-one for the exempt employees, and one through eighteen for the nonexempt employees. The fifty-one exempt names were individually folded and placed into an envelope, and seventeen names were randomly selected. The eighteen nonexempt names were then placed into an envelope and six names randomly selected. The three assistant vice presidents were automatically included in the interviews. The senior vice president’s schedule did not allow her to participate in the interviews. After all of the names were selected, each respondent was contacted and scheduled for an interview.

The interviews lasted from thirty to ninety minutes with an average time of forty-five minutes. Some of the interviews were extremely emotional, especially after the officer resignation was announced. Some of the respondents expressed their concerns about the resignation and the responses are included in the interview summaries (see Appendix D). All of the interviews were recorded by handwritten notes and summarized at the conclusion of each interview session. The interviews were conducted in a number of office locations based on the recommendations and comfort level of the respondents. Twenty of the respondents elected to remain in the department and six elected to go outside of the department.

Positive (+) and negative (-) indicators were used to identify and summarize interview responses (see Appendix D). After each interview was completed the indicators were assigned to all of the statements under each of the critical events.
The responses were summarized both individually and by critical event, which helped to determine if the responses were either supportive or nonsupportive of the changes. The positive indicators were assigned if: (1) the response supported the event or change, (2) the respondent believed that the change or event advanced the overall change effort, or (3) the response was perceived as encouraging or supportive. The negative indicators were assigned if: (1) the response was stated as a barrier, (2) the response was highly critical or opposed to the specific event, or (3) the response was perceived to be cynical or hostile towards the event.

This process identified themes and trends, which created a context for addressing the research questions. This process also helped to determine the individual and organizational impacts which address research questions one and two. An analysis of the responses from the respondents for each of the critical events will follow.

The critical events used in the interviews were:


(2) Design Team implementation in January 1993.

(3) Coaching System implementation in July 1993.

(4) Team Structure announcement in October 1993.

(5) Capability Block implementation October 1993.


A point to remember about the interview responses is that they were based on open-ended questions, which enabled the respondents to respond to any and all changes that have occurred in the department. This process enabled each respondent to identify
progress and advancements that had taken place in the department. It also enabled respondents to openly identify problems and frustrations encountered in the change process. The open-ended questions provided an opportunity to address various issues on multiple levels. All of the twenty-six respondents addressed the questions for the six critical events and the other significant events category.

Results

**Interview Responses to Questions on Mission**

The purpose of mission as outlined in the Weisbord Model is to identify the direction in which the organization wants to move. In the case of the department being studied, the mission was initiated by the senior officer in order to develop a closer relationship with the internal client. It was a catalyst that enabled leadership to declare to its employees and to its customers that it was redefining its work. The mission was a way to highlight the unique features of the organization and apply these features in order to leverage the strengths of the department and bring value to the company.

The twenty-six interview respondents indicated that the mission impacted both the department and the clients served by the department. Five respondents, or 19% of the respondent group stated that the department's relationships with their internal clients had changed. Respondents one and seven felt that partnerships had been created and the department's internal consultants were helping their clients to make important decisions. Respondent fifteen felt the department was more focused thus enabling it to work more closely with their business units. Table 6 is a summary of the responses provided by the respondents to the questions that focused on critical event number one, the mission.
Sixteen respondents, or 61% of the total respondent group believed the mission gave the department a clearer direction. Nine of the sixteen respondents, or 35% of the respondent group specifically used the word "focus" when describing the impact of the mission on the department. They indicated that the mission provided a focus for the department that was previously missing. Respondent seven believed the mission drew a line in the sand that declared and reinforced the department’s commitment to becoming a part of the business. The respondents also used words like "alignment," "clearer picture," and "a track to run on" when they talked about the impact of the mission and the direction it created.

Eleven respondents, or 42% of the respondent group believed that the mission was the appropriate or right thing for the department to undertake. The feeling expressed by the eleven respondents ranged from, "It was the right thing to do," to respondent twenty-five who stated, "I was moved by the mission". Two respondents or 8% of the respondent group stated that the mission was not the appropriate thing for the department to embark on.

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>believed the mission gave the department a clearer direction</td>
<td>61%</td>
</tr>
<tr>
<td>did not believe that the mission gave the department a clearer direction</td>
<td>11%</td>
</tr>
<tr>
<td>believed the mission was the appropriate thing for the department to do</td>
<td>42%</td>
</tr>
<tr>
<td>believed the mission was not the appropriate thing for the department to do</td>
<td>8%</td>
</tr>
<tr>
<td>felt the mission impacted skill levels in a positive way</td>
<td>11%</td>
</tr>
<tr>
<td>experienced problems during the initial stages of the mission</td>
<td>46%</td>
</tr>
<tr>
<td>were critical of the leadership team</td>
<td>35%</td>
</tr>
<tr>
<td>felt good about the leadership team</td>
<td>8%</td>
</tr>
<tr>
<td>felt more employees were needed in the initial design of the mission</td>
<td>15%</td>
</tr>
</tbody>
</table>
Three respondents, or 11% of the respondent group did not believe the mission provided a clearer picture. Respondent three felt that the mission was hypothetical, while respondent twenty was not able to see any transfer from the mission to the day-to-day operations.

Four respondents, or 15% of the respondents indicated that the mission specifically impacted the skill levels in the department. Respondent eleven indicated the mission enabled her to broaden her skills, and respondent seven believed that as a result of the mission, the department's consultants were doing work that was once reserved exclusively for the leadership team. This helped to enhance the skills of the consultants by providing them with opportunities to work on major company projects. "The Road Show", "The Quarterly Communications Meeting", and "The Reinvention Efforts," were given as clear examples the department was more involved in efforts that were crucial to the company. The three examples were cited as projects that helped the company to address profitability and efficiency.

Twelve respondents, or 46% of the respondent group identified problems that surfaced during the initial stages of the mission. Three of the twelve respondents expressed dissatisfaction with the department's methods of communicating change to employees, and five of the twelve respondents felt the planning process was poor. They felt that too much of the mission was left to interpretation. One respondent felt there was no game plan for moving into the future.

Five respondents, or 19% of the respondent group made references to the external consulting firm. Four out of the five spoke negatively about the work of the firm.
Respondent one felt the work was demoralizing and the initial training was poor. Another respondent stated, "The work was good, but the process was flawed".

Eleven respondents, or 42% of the respondents made references to the role of the leadership team or the officers. Two of the respondents felt the leadership team did a good job in leading the department through the change effort. Nine of the respondents, or 35% of the respondent group were critical of the leadership teams ability to guide the respondents through the change process. Respondents twenty-four and twenty-five, both officers and members of the leadership team felt they were not prepared to lead the department through the change effort. They believed the leadership team did not provide the guidance necessary to move the department forward. As a result, they believed the department experienced too many problems along the way.

Four respondents, or 15% of the respondent group felt the process used to design the department’s mission did not involve enough people from the department. They stated the initial design process only included two or three employees, and they believed more people should have been included. Some respondents believed this was one of the reasons that buy-in was hard to get from employees.

**Summary of Interview Responses to Questions on Design Team**

The seventeen member design team was created in an effort to get a representative group of employees in the department to develop a compensation system. The membership of the team was announced in January, 1993, and was one of the first visible signs that change was occurring in the department. The initial request for a compensation system expanded into a request for the capability blocks. Table 7
Table 7

Summary of Interview Responses to Questions on Design Team

- 23% - felt the cross representation on the team was good
- 23% - were concerned about the methods used to select design team members
- 35% - felt the design team members did an effective job
- 50% - felt the work of the design team was positive
- 19% - were unable to see any benefit from the design team process
- 27% - were frustrated with the results of the design team work
- 23% - believed the time frames set for completion of the project were unrealistic
- 11% - believed respondent twenty-five was the driver of the design team process

Six of the respondents, or 23% of the respondent group felt the cross representation from the department was good. Respondent twelve was excited because the team had a good mix of employees from the department. Respondent twenty-two viewed the mix as good because it included people who tended to have negative attitudes.

Although there were positive responses towards the mixed representation of the design team, six respondents or 23% of the respondent group expressed concern about the methods used to select members of the design team. Respondent nineteen stated, "It was discouraging to see the people who were selected for the team. I was disgusted over the selection of the people." Respondent eleven said, "It became clear that people on the design team became coaches and team leaders."

Nine respondents, or 35% of the respondent group felt the design team members did an effective job as a team. The responses included, "team did a good job," "work was great," and "this was a model of how teams can function." The design team
members were viewed as accessible and good role models.

One example of the team’s effectiveness was addressed by eight respondents, or 31% of the total group. These respondents stated the communication from the team was great. The team sent out weekly minutes and informed all employees about the team’s progress.

Thirteen respondents, or 50% of the group stated the work of the design team had a positive impact on the department. Respondents saw the work as providing a stronger focus for the department. Respondent two stated, "I felt it was the most important thing we have done in the department." Respondents indicated that the design team’s work made the changes real and helped establish the fact that the department was serious about changing. The respondents felt the design team initiated changes in the behaviors of the department.

Five respondents, or 19% of the respondent group were not able to see any impact from the design team or its work. Seven respondents, or 27% of the respondent group expressed discouragement or frustration with the work of the design team. Respondent three stated, "The process made me feel like I didn’t belong, I felt lost." Respondents used terms such as "stress", "pain," and "skepticism as they talked about their discouragement and frustrations with the design team process.

Six respondents, or 23% of the respondent group stated the time frames set for the completion of the work was a negative factor for the design team. Because of the number of changes that took place, respondents felt the process was slowed. Respondent twenty-three believed the design team needed more than one person dedicated on a full-
time basis. Design team members allocated time to the work based on their schedules, and as a result some respondents were discouraged because the process took too long.

Three respondents, or 11% of the respondent group stated that respondent twenty-five, an officer was the driver of the design team process. They felt there was a sense of confusion within the leadership team and that she was the one officer who understood what was going on. In comparison to the other officers or leadership team members, she was seen as the strongest supporter of the change.

Three respondents, or 11% of the respondent group felt the external compensation consultant did not add value to the process. Respondent twenty-four believed that the design team process improved after the consultant left the project.

**Interview Responses to Questions on Coaching**

The coaching system was designed as a mechanism for creating a support system within the department and for providing employees with a career counselor. A total of twenty employees were selected as coaches. Eighteen of the interview group respondents, or 69% of the respondent group felt positive about the coaching system. The responses ranged from feeling "good" to feeling "excited" about the system. Four respondents, or 15% of the respondent group did not see any benefit in the coaching system.

Nine respondents, or 35% of the respondent group were concerned about the methods used to select coaches and felt that others in the department were as qualified to coach as those selected. Three of the respondents in this category suggested that the overall selection process should be done on an open basis where participants select from
an open pool of coaches. Table 8 is a summary of the responses to questions that focused on critical event number three, coaching.

<table>
<thead>
<tr>
<th>Table 8</th>
<th>Summary of Interview Responses to Questions on Coaching</th>
</tr>
</thead>
<tbody>
<tr>
<td>69%</td>
<td>felt positive about the coaching system</td>
</tr>
<tr>
<td>15%</td>
<td>felt negative about the coaching system</td>
</tr>
<tr>
<td>35%</td>
<td>were concerned about the methods used to select coaches</td>
</tr>
<tr>
<td>58%</td>
<td>identified specific benefits gained from the coaching system</td>
</tr>
<tr>
<td>15%</td>
<td>were unclear about the role of the coaches</td>
</tr>
</tbody>
</table>

Fifteen respondents, or 58% of the respondent group were able to identify specific benefits gained from the coaching system. Eleven of the fifteen believed that the coaching system provided an opportunity to experience relationships that generated open and honest communication. They believed this was essential for their personal development. The respondents felt that the coaching system enhanced the relationships within the department. Three of the fifteen respondents felt coaching was a great developmental tool for the coaches, and it helped build their coaching skills in addition to benefiting the partners.

In spite of the strong support for the coaching system, respondents expressed concerns about the administrative aspects of the coaching system. Three respondents, or 11% of the respondent group felt the coaches didn’t always have the time to sit down with partners because they had too many additional responsibilities. They also stated that the coaches didn’t have access to the necessary information and this had to change in order for the coaching system to succeed. Four respondents, or 15% of the respondent group felt the role of the coach was still unclear. Respondent three stated, "The coaches
are nice people, but they are lost."

**Interview Responses to Questions on Capability Blocks**

The design of the capability blocks were initiated through an external consulting firm and completed by the seventeen design team members. The blocks identified the core skills of the department and were completed by sixty-nine employees in the department. The design team identified twenty-four skills that defined how the department would operate in the future. The capability blocks were divided into core skills, required skills, and functional skills, and were used to assess skill levels within the department. Table 9 is a summary of the responses provided by respondents to questions on critical event number four, capability blocks.

<table>
<thead>
<tr>
<th>Table 9</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summary of Responses to Questions on Capability Blocks</strong></td>
</tr>
<tr>
<td>50% - believed the capability blocks had a positive impact on the department</td>
</tr>
<tr>
<td>50% - did not believe the capability blocks had a positive impact on the department</td>
</tr>
<tr>
<td>58% - believed the capability blocks had a positive impact on them personally</td>
</tr>
<tr>
<td>35% - did not believe the capability blocks had a positive impact on them personally</td>
</tr>
<tr>
<td>23% - felt discouraged or depressed with their capability block assessment</td>
</tr>
<tr>
<td>58% - felt the capability block process was a good way to measure skill levels</td>
</tr>
<tr>
<td>42% - expressed concern about the validity of the capability blocks</td>
</tr>
<tr>
<td>15% - felt the compensation piece should have been introduced at the same time the capability blocks were introduced</td>
</tr>
</tbody>
</table>

Thirteen interview respondents, or 50% of the respondent group believed the capability blocks had a positive impact on the department. Some respondents felt the capability blocks gave the department a skill-based target to aim for and identified
behaviors of the new mission. Respondent twenty-three said, "This process spelled out what the work of the department would be, and it showed everybody where their skill levels were." The blocks provided an opportunity to look at the new organization and identify skills for the future. Respondent two stated, "This is a great reference for the future."

Thirteen respondents, or 50% of the respondent group felt the capability blocks generated a negative impact on the department. There were questions about the true direction of the department. Respondents weren't sure if the department was trying to create generalists or specialists? Respondents were also concerned that the blocks might be taken too literally. Respondent twenty stated, "The blocks have been devastating for some." Respondent seventeen stated, "Some are feeling that they do not have a job here because their skills don't fit anymore."

However, fifteen respondents, or 58% of the respondent group felt believed the capability blocks had a positive impact on them personally. Respondent two stated, "I have clearer insights on how to move forward." Respondent twelve stated, "The blocks tell me where I fit." The respondents were very consistent in stating that the capability blocks enabled them to get a clearer understanding of their skills. Nine respondents, or 35% of the respondent group believed that the capability blocks had a negative impact on them personally. Respondent three stated, "I was turned off totally, the process is a joke." Six of the nine respondents felt discouraged or depressed because their skill levels ended up lower than expected.

Six respondents, or 23% of the respondent group believed that the amount of time
invested in the capability block process was too high. Respondent two stated, "Time was a downside, we were told it took ten hours, when it was more like forty to fifty hours for each of us to go through the blocks. People were not prepared to spend long hours going through this process." Fifteen respondents, or 58% of the respondent group felt that the process was a good way to gauge where people stood in relationship to their skill levels. Respondent sixteen stated, "The blocks gave us a snapshot of the skills that we have to offer."

Eleven respondents, or 42% of the respondent group expressed concern about the construction and validity of the blocks. Respondent one stated, "The blocks narrowed the definitions so much that they could be crippling." Respondent seven stated, "We never assumed that the blocks might not be right." Respondents also questioned the ability of the department’s subject matter experts to create future based capability blocks. Four respondents, or 15% of the respondent group expressed concern about the compensation piece not being ready at the time the capability blocks were announced.

**Interview Responses to Questions on Team Structure**

Every person in the department was assigned to either a project team (deliverables team) or a permanent team (standing team). This structure is equivalent to Weisbord’s matrix structure. Ten of the twenty-six respondents, or 38% of the respondent group did not have a clear understanding of the team structure. The responses included not understanding the structure to having differing interpretations about standing teams and deliverable teams. Table 10 (see page 102) is a summary of the responses provided by respondents to the questions on critical event number five, team structure.
Five respondents, or 19% of the respondent group felt the team structure had a positive impact on them personally. Respondent fourteen stated, "The further we get away from control and command, the better it will be." Four respondents, or 15% of the respondent group felt the team structure had a negative impact on them personally.

Nineteen respondents, or 73% of the respondent group identified one or more things that impacted the department negatively. The responses included, "blocks were a total waste of time," "team structure strengthened the caste system," "levels of competition have increased within the department," and "department looks like total chaos." Two respondents were unclear on where the final authority rested for decision-making. Three respondents felt that competition in the department still existed with respondent twenty-two stating, "The department is very competitive and there is backstabbing". By contrast five respondents, or 19% of the respondent felt the teams worked well and they provided a valuable service to the department.

Five respondents, or 19% of the respondent group believed the team leaders needed to take a bigger role in the teams. Three respondents, or 11% of the respondent group felt that the department needed more team training.
Interview Responses to Questions on Progress Development Summary

The three officers administered the progress development summary (PDS) as a method for ending the old evaluation system and for sending a message that the new performance system was starting. It was prepared and delivered by the leadership team with input from the coaches. The progress development summary provided the department with a common start date that closed out the old evaluation system. This process made it possible for all employees in the department to begin the new year with a common evaluation date. The respondents were varied in their responses about the progress development summary. Table 11 is a summary of the responses to provided by respondents to the questions on critical event six, progress development summary.

<table>
<thead>
<tr>
<th>Table 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary of Responses to Questions on Progress Development Summary</td>
</tr>
<tr>
<td>19% - felt the PDS did not change</td>
</tr>
<tr>
<td>31% - were unclear about the new system</td>
</tr>
<tr>
<td>19% - felt the PDS gave all employees a common starting date</td>
</tr>
<tr>
<td>15% - felt negative about the PDS</td>
</tr>
</tbody>
</table>

Five respondents, or 19% of the respondents indicated that the progress development summary process did not change in any way, and that it appeared to be no different than progress development summaries in the past. In addition, respondent two stated, "I was aggravated that there was sufficient time for officers to do other things, but not for our own people." Eight respondents, or 31% of the respondent group were unclear about the new system. Questions were raised about the skill blocks and the mechanics of moving from block to block. Respondent one stated, "I don't trust the new
system because I don’t understand it". The respondents expressed concern about clarity, trust, and requirements for validating the skill blocks under the new system.

Five respondents, or 19% of the respondent group felt that the progress development summary gave everyone a consistent starting date and introduced a new performance evaluation system. Four respondents, or 15% of the respondent group did not feel positive about the progress development summary because the compensation system had not been integrated into the progress development summary process. Respondent six was frustrated because she felt the progress development summary provided an opportunity for leadership to inquire about employees’ feelings around the changes, and they didn’t recognize the opportunity. She felt this would have been a chance to demonstrate sensitivity towards the employees. Respondent twenty-three was stronger in her statements when she stated, "Some people think that the leadership is lying. People have two years to move up in their capability blocks, but they are not trusting management".

**Interview Responses to Questions on Other Significant Events**

A seventh category, Other Significant Events was included in the interview questions. This aspect of the analysis (research) was added in case the researcher omitted additional events that could have been deemed as critical. The responses were varied and appeared to focus more on perceptions and reactions to the change process, instead of a critical event. Table 12 (see page 104) is a summary of the responses provided by respondents to questions on other significant events.
Five respondents, or 19% of the respondent group were critical of the communications provided during the changes. They believed the department’s communication process was lacking and needed to be improved.

Four respondents, or 15% of the respondent group wanted to get more information about the dismissal of the officer. Respondents were angry because of the manner in which the resignation took place. On the other hand, three respondents, or 11% of the respondent group felt the dismissal would help the department move forward and was beneficial to the overall effectiveness of the change process. One respondent believed it would be in the best interest of the department to divide the salary of the officer to hire additional employees.

Nine respondents, or 35% of the respondent group expressed concern about downsizing and the number of people who left the department. Respondents felt the department lost some good people. Respondent twenty-one stated, "There is so much turmoil. So many people have left. Morale is very low and our pride is low." Eight respondents, or 31% of the respondent group indicated the changes were necessary and
beneficial. Respondent eight stated, "Entitlement is gone." Respondent seven stated, "I couldn't go back to the way things were." Respondent fifteen stated, "Overall impact is that people had to start earning their salaries." Respondents believed the department made progress and a lot of employees had been stretched to use other skills.

Seven respondents, or 27% of the respondent group were unsure of the impact of the changes. Respondent two stated, "I still feel uneasy about the past two years." Respondent twenty-three stated, "Some people are still living in the past."

Nine respondents, or 35% of the respondent group believed leadership needed to take on a more active role in the change process. Respondent four stated, "I think leadership was one of the missings. Leadership was mixed, they were all over the place." Respondents felt leadership had to take a stand and play a more visible role. Respondent twenty-one stated, "Leadership needs to let people know they will be better off on the other side."

Six respondents, or 23% of the respondent group believed the department needed to know more about the change process and that the change process needed to be better managed. Respondent fifteen stated, "People needed to have something on change. They needed something that talks about change and the implications for people who thrive on change and work in the new culture.

A sixth question was included in the officer interviews to inquire about the reasons for not using the questionnaire (see Appendix C) that was designed by a measurement team in December, 1993. The question was, "What were the reasons for not administering the mission and change vision survey?"
Respondent twenty-four stated that the survey may become a macro measurement and could still be used as a tool for the entire department. She stated the other officers were reluctant to use it because they felt that some employees could see this survey as giving them the option not to change. She was upset and felt it was a shame they didn’t apply organizational tools in the beginning of the change effort.

Respondent twenty-five stated there was still a chance the survey could be used. The timing had to be right and she didn’t want to cause more confusion than the department already had. Respondent twenty-six stated that the survey was not appropriate because it was too broad and should have focused on individuals. She didn’t see any value in a broad based survey and felt the department didn’t need to be concerned about the broader issues. She believed they needed to focus on the individual needs and take care of these before they try to look too broad. She believed the survey would be a waste of time.

**Research Observations and Notes**

The researcher reviewed notes maintained over the past two years which included: minutes from design team meetings, workshop responses, department memos, and personal observations. Based on the information included in the data described in the notes and memos, the researcher believes the employees have insights and ideas which could be useful in accelerating the change process.

In Chapter III, the section entitled "Background Information" addressed a focus group session conducted with eight internal consultants from the department. The purpose of the session was to get input from the consultants and learn about their
perspectives on the departmental changes. The session was conducted in October 1992, six months after the mission was introduced. The following comments were recorded by the researcher who co-facilitated the session: (1) People in the department are confused about the different types of teams; (2) Some people don’t understand parts of the business - we need to have more knowledgeable people in the department; (3) We don’t share information; (4) What is leadership’s responsibility?; (5) Leadership must coordinate functions and know what they expect; (6) We are frustrated by the lack of action, there is no urgency, and no decision-making; and (7) We are committed to making this change work.

The researcher extracted information from the design team minutes which were published by the team from January 1993 to August 1993. The minutes reflected activities that were conducted by the team, and included information that addressed the change process.

In April 1993 the design team identified subteams that were responsible for addressing different aspects of the capability block process. The following teams were selected:

(1) Exempt Capability Block Team
(2) Nonexempt Capability Block Team
(3) Administrative Guidelines Team
(4) Validation and Assessment Team
(5) Training Team
(6) Infrastructure Job Teams
(7) Pay Structure Team

Each team was responsible for addressing a specific area, and, as a result of the process, numerous issues began to surface as the design team moved closer to the
implementation date of the new compensation system. As the Exempt Capability Block Team completed their work, more and more questions were being raised by the team members about administrative guidelines and departmental relationships. The design team met on June 2, 1993, and raised the following questions: (1) How will authority work under the new system?; (2) What do officers have at risk; and (3) The system will not be totally objective, so how will subjective input be used?

The design team recommended that all of the new systems and processes (compensation, development, coaching, etc.) needed to be introduced in phases. They felt that the changes were too overwhelming to implement at one time. The leadership team agreed and decided that the changes would take place in phases starting with: (1) coaching system, (2) definition of roles, (3) career paths, (4) capability blocks, (5) assessments, and (6) performance management.

The design team recorded in the August 3 minutes that department employees needed to see linkages in all of the systems and processes. The employees were seeing too many gaps in the process, and they needed better clarification around the following roles: (1) coach, (2) partner, (3) team leader, (4) team members, (5) team sponsor and (6) leadership team.

The recommendations which were suggested by the employee group enabled the officers to plan the changes in a more formalized manner. They also enabled the employees an opportunity to experience the coaching system before moving to the capability block process. This provided the coaches with additional time to learn more about the capability blocks and prepare themselves for meeting with the partners.
The department hired an external consultant to conduct training for coaches and partners. Workshops were conducted in August and September of 1993. The workshops included an exercise that asked the participants to identify aspects of the department’s old and new culture which are listed on page 111. In another exercise the workshop participants listed the following questions for the leadership team to address: (1) What does empowerment mean?; (2) Will we change our structure and how will work come in?; (3) How long will this last?; (4) How will we support it longterm? (5) What is the difference between manager and coach?; (6) How do we balance the team concept and coaching? (7) Who has the responsibility for the final validation?; (8) What is the greater vision for the department?; (9) What is the role of leadership and their responsibility?; (10) Clarify what happens when someone is on six teams and a standing team?; (11) How will they all give input to my performance?; and (12) Why don’t we get consistent answers from the officers?

By reviewing the focus group statements from October 1992, the design team minutes from January though August 1993, the workshop responses from the August/September 1993, and the structured interviews from March/April 1994; the researcher believes there has been consistency in the messages and information provided by the employees in this department during the past two years.

Leadership made a few changes after the employees made their requests known, and these changes had positive effects on the change process. The recommendations for phasing the change had tremendous impact on clarifying the change process and for enabling employees to make necessary adjustments during the process.
Table 13

Responses from workshops conducted in August and September, 1993

<table>
<thead>
<tr>
<th>Old Culture</th>
<th>New Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;We&quot; and &quot;They&quot;</td>
<td>Us</td>
</tr>
<tr>
<td>Lack of Trust</td>
<td>Trust</td>
</tr>
<tr>
<td>Fear</td>
<td>Innovation</td>
</tr>
<tr>
<td>Backstabbing</td>
<td>Teams</td>
</tr>
<tr>
<td>Unfocused</td>
<td>Shared Vision</td>
</tr>
<tr>
<td>&quot;Looking Good&quot;</td>
<td>Support each other</td>
</tr>
<tr>
<td>Leadership Team doesn’t function as a team</td>
<td></td>
</tr>
<tr>
<td>We are the party Business Partner department</td>
<td></td>
</tr>
<tr>
<td>There are unskilled people in positions of influence and authority</td>
<td>Shared authority</td>
</tr>
<tr>
<td>Fear of failure</td>
<td>Risk-taking</td>
</tr>
<tr>
<td>Unfocused as a department</td>
<td>Shared Accountability</td>
</tr>
<tr>
<td>Movement is based on the &quot;Old Boy&quot; Network - Who you know</td>
<td>Skill-based on what you know</td>
</tr>
</tbody>
</table>
These changes included the coaching system which was introduced first, along with the other changes recommended by the design team. However, after some of the initial changes were implemented, the department leadership focused most of its attention on the capability blocks. The coaching system was introduced over a four month period and proved to be one of the more successful critical events.

The input from the employees helped to address many of the problems that surfaced during the change process. Unfortunately, many of the suggestions and recommendations presented were not addressed. It is possible this occurred because leadership was not prepared or trained to address many of the recommendations and because of their own internal problems. The researcher found that many of the responses and recommendations expressed by the respondents corresponded with many of the elements of organization development. It appears that the experiences of those who participate in the change generate solutions that reflect OD principles, which can provide tremendous benefits to the change process.
CHAPTER V

SUMMARY OF THE RESEARCH

This chapter summarizes the data from Chapter IV and addresses the research questions in Chapter I. It is important to note that in Chapter I, a manager-centered workplace was described as the traditional work environment where the manager is responsible for making all of the work related decisions. A collaborative work environment was described as a workplace where the employees are provided with the information, knowledge, rewards, and power necessary to make business decisions. To move from one environment to another is a major shift because behaviors, norms, and values also have to shift.

In reviewing the results provided in Chapter IV, it is apparent that changes have occurred at both an individual and an organizational level. Feedback suggests the change process has had both positive and negative effects from an individual and an organizational level. In an effort to address the broad spectrum of these various effects, this chapter summarizes the data collected in the previous chapter.

Research Question One

"How does change impact an organization that is shifting its culture from a manager-centered workplace to a collaborative workplace?"

A particular corporate purpose might not appeal to everyone. It says, we’re going in this direction. We think it’s the best direction. It defines the field and says, Here are the types of plays we’re going to call. This is the way we’ll play. If you don’t like to play that way, tell us; we’ll trade you. It sets
up a decision to fit -- not a question of whether the group or individual is good or bad. When a company defines its purpose, it is with the understanding that anyone from a vice president to an hourly worker might choose to say, I can't accept these values. It's not the game I want to play. The purpose tells people what they can be a part of. It declares, what we're all about so you can decide if it's something you can commit yourself to. We're not saying you have to be this way. You decide whether or not you want to. (Frohman, 1989, p. 16)

The development of a mission statement helped respondents to know and understand that the department decided to take itself in a specific direction, namely to create a partnership with their clients. This partnership changed the role of the employees to a generalist role, as opposed to a specialist role. One third of the respondents believed the mission gave them focus, and 61% believed the mission provided a clear direction. Respondents were able to identify specific products, such as "The Road Show," and "The Quarterly Officer's Meetings," as indicators that the department's relationship with their clients was changing. The mission was valuable and useful in helping to direct the focus of the department, and was a significant factor in directing the efforts of the change process.

A key for organizational consultants and leaders is to realize that the change process will not always be positive, especially when an organization's values, beliefs, and norms are being threatened. Yet people seem to be surprised and shocked when chaos runs rampant through their organizations. Shock is not an unusual reaction (Jick, 1992). However, the key is that leadership or the consultant guiding the change must be prepared to address the different types of reactions generated during a change process.

Most people, of course, do adapt to change, but not before passing through some other psychological gates. One way to think about the reaction pattern relates to a theory based on risk taking. Change, they assert, requires people to perform or perceive in unfamiliar ways, which implies taking risks, particularly
those associated with self-esteem -- loss of face, appearing incompetent, seemingly unable or unwilling to learn, and so on. People move from discomfort with risks to acceptance, in four stages: shock, defensive retreat, acknowledgement, adaptation and change. This can be linked to bereavement reactions.

Change Stages (Risk Taking)

1. Shock - Perceived threat, immobilization, no risk-taking
2. Defensive retreat - Anger, holding on, risking still unsafe
3. Acknowledgement - Mourning, letting go, growing potential for risk taking

The design team process was an intervention that helped to reinforce the department’s commitment to change. The team was effective in its communication and helped to drive the change deeper into the department. It took the theoretical concept of a team and applied this it in a way that demonstrated a change in departmental behaviors. A prime example was utilizing a cross-section of employees working together effectively. The team also modeled behaviors that were necessary for working collaboratively. The work of the team was a model of how the department needed to work in the future.

The coaching system appeared to provide an impact that had a positive effect on the department, and filled a void of not having someone in the department accountable for career development. It created relationships that did not previously exist on a wide-scale basis, and helped the employees to feel someone in the department was concerned about them as individuals.

The capability blocks generated a mixed response from the respondents. One half or 50% of the respondents believed the blocks had a positive impact on the department.
They stated that the blocks helped to identify the behaviors of the mission, which provided a clearer picture of what the role of the employee would actually look like. At the same time the blocks created turmoil internally. The capability blocks appeared to have placed more stress on the department because for the first time standards were established for employees. This process created more than job descriptions, it produced a basis for measurement that was communicated to everyone at the same time. The capability blocks created problems for some employees because they would be measured against standardized criteria, and for the first time, they would be compensated for results. Further, it meant that all employees would have to learn new skills, and be evaluated on this basis. The blocks threatened the traditional salary process and long standing seniority system of the department.

The question on team structure generated negative responses from 73% of the respondents. It was difficult to determine how much of an impact this had on the department and exactly why competition escalated. It does appear that behaviors in the old culture listed in the workshop responses, such as "fear," "backstabbing," and "lack of trust," did not disappear. The problem with this reaction is that it is the antithesis of a collaborative workplace. The department must find a way to generate support and collaboration. The researcher can only assume that the changes from the capability blocks are forcing individuals to focus on their own well being and ignore the interest of the department as a whole. An individual’s myopic focus creates problems for a team based organization.

The focus of the mission was to create a highly skilled consulting team, and not
to create a highly collaborative team environment, although this was expected. The type of environment the mission was striving to create was not clearly articulated, nor understood. Although the department wanted to create a collaborative based environment, the emphasis of the mission had been towards a highly skilled professional who provided the client with a specific service.

The researcher concludes that the design team was successful because it was brought together to create a compensation system, and the department made every effort to provide resources to the team. The design team worked as a cohesive team in an environment that presented it with obstacles and resistance. The team helped the department to better comprehend what the future would look like through the completion of the capability blocks. The capability blocks helped the department to focus on the performance of the individual, and therefore the reward process had greater benefits for the individual than it did for the teams.

The team structure on the other hand was structured to determine how work was done. This process was far less structured and far less unpredictable because no two projects were the same. By comparing the amount of time and resources committed to the six critical events, it was observed that the team structure process was allocated the least amount of time and resources by department leadership. Three employees were asked to develop information on the team structure, and no external consultants were included in the design. This was an indication that the importance of the team structure was understated and its link to the mission was not clearly understood by leadership. This process was a crucial link for creating a collaborative environment. The emphasis
on the process needed to shift from the capability blocks to the team structure.

The progress development summary process did not generate a high degree of positive response from the respondents. The respondents were not cognizant of any significant changes with the progress development summary process. For most, it was just another application of the old progress development summary process. The researcher concludes that employees were anticipating the announcement of the compensation system, and were disappointed with not having a final process in place.

The other significant events category indicated that 35% of the respondents were concerned with downsizing. The department’s new set of values and beliefs were becoming more evident as respondents used such statements as "Entitlement is gone," and "People have to start earning their salaries". This was an indication that people are beginning to speak about the changing departmental values identified in the workshop and described as the new culture. The old culture was one where promotions and advancement depended more on who you knew, and employees were looking at the capability blocks as creating an even playing ground where everyone had to demonstrate their skill levels.

The organizational changes were more evident in: (1) the work assigned by the department, (2) the language that was being spoken in the department, and (3) the behaviors that were beginning to surface. By placing more emphasis on team structure and the role of leadership, the researcher believes that the transition process will accelerate.

Each critical event presented a new opportunity for the department to challenge
and change the values, beliefs, and norms of the old culture. The events could be viewed as six individual attempts to attack the old organizational structure. Based on responses for the respondents, positive changes have been seen in all of the critical events. However, the positive impact on the organization ranged from a high of 69% in the coaching system to a low of 8% in the progress development summary. Although positive results occurred in the organization, the events did not appear to be integrated. Organizational changes can take years to occur, and it is important that people in the organization understand the nature of the change process. It is also critical that leadership recognize shifts in employees' behaviors, and realize that small positive shifts, even in the case of an 8% range which might seem small, is an indication that the process is moving in a forward motion. The question raised by the researcher is what amount of change is sufficient, and should this be spelled in something other than financial results?

**Research Question Two**

"What is the impact of change on the individuals who are members of the organization?"

This area offers great possibilities and opportunities to expand the work of organization development. Concern for the individual takes on more importance and places more emphasis on the need to identify issues and problems that impact individuals, which broadens the implications for organization development. It appears that in the midst of large-scale changes, all too often the needs of the individual get lost in the process.
International Business Machines Corp. is cutting 25,000 jobs this year and approved last February that most of the 47,000 workers in its U.S. marketing and services branch will be offered voluntary early retirement. IBM’s work force of 400,000 strong in 1986 will dwindle to 275,000 by the end of this year. In September Eastman Kodak Company said it was slashing 12,500 workers. In October ITT Corporation announced layoffs of 5400, and Chemical Waste Management Inc. said it is cutting 1200 workers.

The result? American corporations are beginning to look more like cruisers than battleships. They are trimmer, faster, more efficient, with less firepower than they once had, but when they do open up, their CEOs hope it is with much greater accuracy and that world-class products will be launched at targets that have been better researched and defined.

Unfortunately, the cost in human capital has been enormous, and the casualties are still mounting. For those hundreds of thousands of Americans who once felt like they belonged to a corporate family, the word they despise most is the dirty "D" word - downsizing. It's a clinical and barren word that fails miserably to convey the depth of frustration, suffering, economic hardship, and betrayal they feel. (Yates, 1993, p. 16)

The impact on the individual was not as evident in the mission process as it was in some of the other critical events. The reason was the mission focused on the big picture with an eye on the future. It wasn't until the changes begin to show up in the day-to-day operations that it took on more significance for the individual. It appears the more focused and specific the changes became, the more of an impact it had on the employee.

Four respondents indicated that the mission impacted skill levels, and that the work of the consultants was changing. The individual impact heightens as the interventions touch the actual work and as measurements are applied to the employee's performance. This is where the behavior changes start to become more noticeable.

The design team process affected the design team members more than it did the non-team members. The expectations around the compensation piece created frustration for the department as a whole because it took too long, and employees were concerned
about their salaries. The design team selection process was another point of frustration, but not to the extent demonstrated in the responses for the capability block process and the team structure.

The coaching system had a greater personal impact from an individual perspective than did the mission and the design team process. The coaches spent time working with the employees to help them complete their capability blocks, and this had a direct impact on the employees by helping to create a higher level of trust. The coaching system generated respect in some of the coaching relationships which was nonexistent in the old culture. Respondents expressed emotions like "feeling good," and "excited," when speaking about the coaching system. So the individual impact intensified in the coaching system because the relationships provided a support system which directly benefitted individuals. This created more conversations and career development discussions in the department, which did not occur previously.

At least 58% of the respondents felt the capability blocks had a positive impact on them personally, while 35% of the respondents believed that the blocks had a negative impact on them personally. The feelings ranged from feeling good about the capability blocks to feeling discouraged and depressed. The employees were faced with the reality of their skill levels. Although emotions were expressed in all of the critical events, this was the one that surfaced the greatest range of emotions and included strong emotions such as anger and fear.

The capability blocks generated responses that addressed issues about individual value and self-worth. The only other time deep feelings were expressed during the
interview process occurred when the topic of downsizing surfaced. Because many of the respondents found gratification from their careers, the researcher believes that this foundation was shaken because they had been assessed less than level three on many of the skills that had brought them success in the past.

A great deal of effort was spent on creating an organization design for change, but very little on helping individuals make the transition through the change stages. The researcher concludes that respondents view the blocks as an evaluation process for success or failure in the new organization. If employees are not able to validate at a certain level in two years, they would be forced to leave the department. For some who had built a strong career in the department, this was a harsh reality.

Although the coaching system was designed to create a closer working relationship among employees, some respondents did not feel as though they benefited from this experience. The reasons cited were based on the difference in the skill levels of the coaches. Those individuals assigned to coaches with poor skills were at a distinct disadvantage in going through the change process. If coaches do not have the appropriate coaching skills, they will not be able to help employees, leaving them on their own to handle work and career development issues. The researcher has concerns that the department has overlooked the impact of change on some of the individuals in the department, especially those who are struggling through fear, anger, and depression.

The researcher concludes that the majority of the respondents have experienced the change as positive, but what is unknown is how much of an emotional shift employees had to make over the past two years. What is known is that some of the
respondents have used terms like "demoralized," "depressed," and "frustration" to identify their experiences, which indicates that the changes have had deep personal impact on some of the respondents.

Based on comments made by a limited number of respondents, and from the researcher’s observations in workshops and meetings, the researcher concludes that the longer term employees have experienced more difficulty in making the shifts than the younger employees. It is clear that the longer term employees have more to lose from a financial point than the shorter term employees, because the paybands and skill blocks reward people for learning new skills and for producing results. During the interview process and the two workshops, the researcher observed that many of the senior employees expressed a great deal of anger about the change.

Respondents addressed the role of leadership in relationship to the mission, design team, capability blocks, and other significant events. The researcher concludes that the role of leadership has to be clearly defined, and the skill levels of leadership need to be enhanced. When the organization attempts to change values, beliefs, and norms, employees need support to move through the various stages of the change process. Fortunately for many of the respondents, their coaches were able to help them move through some of the changes. But it must also be pointed out that the coaching system was not implemented until eighteen months after the mission was introduced, which left a number of employees to figure out the changes on their own.

The researcher concludes that leadership was at a major disadvantage from the beginning of the process because the external consulting firm created the mission without
much input from members of the department. The responses from the interview summaries indicated that leadership was not in agreement on many of the changes. Respondent twenty-five, the one officer whose name was mentioned on numerous occasions, was viewed as the leader of the change process. The other officers were also responsible for leading the change, but they were not perceived by respondents as being able to articulate the mission as clearly as respondent twenty-five. This inconsistency in perceptions created problems, because each officer was responsible for certain teams, and depending on which sponsor was assigned to a particular team, the leadership style for each team varied. The inconsistency in leadership created confusion for many of the respondents. The researcher concludes that much of the inconsistency arose from the fact that leadership was not able to own the mission because they did not fully understand it.

James M. Kouzes, president of the Tom Peters Group believes that you can’t talk about vision without talking about credibility. Leaders must have personal credibility to communicate a vision. Otherwise, why should anyone believe what sounds like a pipe dream for the future? Kouzes says that an organization that wants its employees to accept and act upon its vision must do three things to be perceived as credible: First, make the vision clear to everyone; Second, unify employees behind the vision; and finally, increase the intensity level of the vision by putting it into practice. (Lee, 1993, page 25)

The role of leadership is crucial in making the mission live within an organization. It also requires that certain skills are necessary for moving the vision through the organization. The researcher believes leadership had different images of what the mission looked like and therefore conveyed different messages, making it hard for employees to embrace it.
Given the strong emotional responses that most of us feel at the onset of a change - anger, depression, shock - and that often these are unacceptable emotions either to ourselves or at the workplace, we need to console ourselves that these are indeed natural reactions. People need to give themselves permission to feel what they are feeling; change always implies a loss of some kind, and that must be mourned: a job, colleagues, a role, even one’s identity as it has been wrapped up in the prechange situation. Accepting and focusing on our negative reactions is not the same as wallowing in them, of course. (Jick, 1992, p. 327)

The researcher concludes that leadership must be trained and prepared to address the organizational elements of change, but more importantly, they must be trained and equipped to handle the individual reactions to change. Based on responses provided, it appears that four of the respondents (one, three, twenty, and twenty-six) are in the stages of defensive retreat (Jick, 1992, p. 324). And unless specific interventions are provided to these employees they would be seen as antagonistic to the change process. This requires skills in helping employees to understand the benefits of the change process. It also requires that leadership listen and comprehend the reasons for resistance. Although the coaching system has had a strong impact on the department, the ultimate responsibility for employee welfare rests with the leadership team.

The change process provided some important shifts in the department such as: closer working relationships with the clients, stronger relationships between coaches and partners, completed capability blocks and an assessment process, work that engages internal consultants in high profile projects, and the application of the skill blocks by employees. It should be noted that the negative impacts have also caused reactions, because employees are now questioning the new values, beliefs, and norms for the department. It is also an indication that some employees realize the old culture is changing, but are unsure of what it is changing to. The researcher believes the
department is creating a stronger communications consulting presence in the company and establishing higher skill within the department.

Based on the interviews and summary responses, each of the critical events impacted people differently. As a result, individuals could have had six opportunities to be impacted positively or negatively, depending on how well they were able to grasp or understand the critical event. There didn't appear to be much effort to address the individual needs of the employees beyond the coaching system. Because the change process can either bring people together or create divisions, it is important to determine how individuals have been impacted by the change process. Most large scale change efforts focus on the broader organizational issues, and not the specific individual needs. However, without the buy-in and support of individuals, large scale change can not take place. Change takes place through individuals who comprise the organization, and this permeates throughout the organization.

Research Question Three

"What are the benefits that can be derived from applying organization development principles?

The Weisbord Model was selected as the organization development tool to be applied in this change effort. It was selected because of its simplicity, and because it places leadership at the center of the change process. The model provided a diagnostic tool for maintaining focus and for identifying the patterns of change that took place over the past two years. The model was analyzed in relationship to the changes and reviewed to determine the benefits of using an organization development model in change efforts.
The Weisbord Model is made up of 6 boxes: Leadership, Purpose, Structure, Helpful Mechanisms, Rewards, and Relationships. Each of the boxes was analyzed in relationship to the project, and to identify the benefits provided by each box.

In Chapter II, the model was described and the six boxes identified. Leadership is depicted as the hub of the model, and while the word was not specified in the structured interviews, sixteen out of the twenty-six respondents (61%) used the word leadership to indicate the importance of this component for successfully leading and managing the change process.

The respondents expressed concern that leadership was crucial for the success of the change and they were very specific in saying that leadership needed to play a stronger role in leading the change. Nine respondents stated that the leadership team did not appear as a team, and that each officer had their own perspective. This generated frustration for the respondents because they desired and needed to be led through the change effort.

According to the Weisbord Model, the role of leadership is to set direction. Respondent twenty-four, an officer and member of the leadership team, indicated that her team was not together and that they did not understand change, and therefore were not able to lead effectively. She believed the leadership team was not prepared to lead the department’s change effort.

One third, or 35% of the respondents felt leadership needed to provide direction for the employees. These respondents felt that some of the behaviors of the leadership team did not change from the old culture because they were still too busy handling their
other responsibilities. Respondents believed this demonstrated a lack of concern for employee well-being and demonstrated a lack of sensitivity on leadership’s part. The responses indicated there were a number of missing pieces in the change process, and ironically, communications and trust appeared as major missings, two areas leadership are responsible for.

Respondent twenty-six felt the leadership team was not strong enough in declaring that change was nonnegotiable. The handling of the officer’s resignation was seen as another behavior indicative of the old culture and the respondents were unhappy with how it was handled. There was a lot of speculation about the resignation, but almost no information was provided. The change was announced via electronic mail, and this seemed to create a lack of credibility with leadership. Some of the respondents felt leadership did not provide the direction needed to properly implement and guide the change process, and therefore they did not have a great deal of trust in the total leadership team.

The Weisbord Model’s focus on leadership is essential, especially when helping an organization to change. The model identifies the necessity for having a strong leadership presence. Respondent twenty-five provided leadership in this change effort, but the respondents indicated it was not enough because of the inconsistent behavior of the other officers.

The respondents indicated that some of the organization behaviors have not changed and the officers were still acting out of hierarchy. Respondents expressed concern that information was not shared, and that people were not comfortable with the
leadership practices. Respondent three stated he was not ready to challenge ideas and viewpoints publicly for fear of retribution.

One of the difficulties facing leadership, revolved around the fact they had been asked to lead something called "change" and had not been prepared to do this. It is critical that leadership understand the components of change and be prepared to lead the effort. Although changes have occurred in the department, leadership did not demonstrate the full range of skills necessary for leading the change effort.

In the Weisbord Model, purpose is defined as providing the organization with clear focus and direction. It enables the members of the organization to direct their energies and attention to the purpose. The purpose can be used as a measurement to determine if the organization is on track. It can also be used to identify the behaviors necessary for working in the new environment. The work done by the outside consulting firm provided the necessary direction for the department. The unfortunate thing about the change vision and mission process was that it was given to someone else to create. The leadership team was not prepared to lead the change because they were not the architects of the mission, and therefore had little or no ownership in it.

Respondent twenty-five was able to drive the change and was the only person in the department who approached the senior officer and offered feedback when the mission was initially created. This officer was able to speak to the mission with passion, and enroll the design team members to the point of their becoming advocates for the change. This same officer was responsible for creating the coaching system and making sure that the system was put in place. She envisioned the future in a way that helped the design
team to create the capability blocks, and took responsibility for leading another team in the design and implementation of the coaching system. Although she provided strong leadership in the change process, she was just one of four officers responsible for leading the change effort.

The researcher believes that without the one officer driving the process, it would have stopped. This officer was mentioned by the respondents as having a clear understanding of the mission, and she helped others to see it. Unfortunately, leadership was mixed and respondents felt there needed to be a clearer direction of change so employees could see how the pieces of the puzzle fit together.

Overall, the mission was responsible for guiding the department forward. The change process moved forward and the department is in the process of becoming a different organization. As a result, relationships are changing, the department's focus has shifted, work is different, and new behaviors are demonstrated. The mission has been effective in setting the change process in motion.

Creating a mission is no quick fix, Covey emphasizes. You can't use shortcuts or gimmicks. It's a long, involved painstaking process. You're writing a constitution, a frame of reference for everyone (Lee, 1993, p. 28).

The Weisbord Model indicates there are three ways to structure an organization, by function, product, or matrix. The department attempted to use a matrix organization that combined functional and project teams. The functional teams were the standing teams, such as: the Media Team, the Publications Team, and the Customer Service Team. The project teams were the deliverable teams created around a specific project
and disbanded after the project was completed.

It is important that the structure flows from the mission which defines the work processes. This created confusion for respondents because the leadership team was not clear about the work processes. Respondents indicated that work was not prioritized and some team members had to decide which teams were more important to work on.

The structure enables an organization to identify the work and how it will get done. Respondents have clearly indicated that this critical event was the most frustrating because there were no visible connections with the mission, and leadership did not provide clear directions.

Performance evaluation becomes difficult because the matrix system has two different types of teams that require dual measurement systems. The standing teams will remain together and have consistent work, while the deliverable teams will disband after a project is completed. These are some of the issues that had not been addressed in the team structure implementation. These questions are the basis for many of the concerns raised by the respondents.

The Weisbord Model points to the fact that leadership must be prepared to address these issues about structure because the impact will be critical to the work and the performance of employees. Although the concept is good in theory, respondents were unclear about the existing structure in the department. In reviewing the critical events, the team structure responses received the highest percentage of negative responses. This is also the event that received the least amount of time and resources from the department. The department implemented teams, but did not clarify the processes and
methods of how work would pass through the teams and the department. If this is not addressed, it will cause major conflicts in the department and impede the capability block validation process. The blocks can only be validated through work which comes through the team process and represents a part of the structure.

In the Weisbord Model, rewards focus on motivation as an integrated part of the organizational practices. The purpose is to stimulate performance and demonstrate the contributions of employees. The capability blocks were designed to drive new behaviors in the department, but the initial request came from a need by leadership to create a new compensation system. Leadership wanted to provide incentives for moving the organization to higher levels of skill.

The capability blocks have done a good job of helping employees to assess their skill levels and skill gaps. The blocks have been powerful in setting up the skills for the new organization. However, the blocks were not connected to the compensation system and this created a high degree of anxiety and frustration, instead of energy and excitement. The compensation system was officially announced later in the process.

In positioning the change process, the initial request for a compensation system was premature and did not have a context that was based on the department’s mission. The development of the compensation system should have been one of the last events to occur. There also needed to be more focus on identifying and shifting behaviors from the old culture. By applying organization development models, leadership can guide the change process and link rewards to the process, thus generating the long-term support and commitment needed to transform organizations.
This is a very broad category, but focuses more on the administrative side of change. It focuses on the procedures and policies that need to exist in an organization. The department did not provide administrative guidelines for the critical events and are now having to go back and develop them for the coaching system and the capability blocks. The team structure was not at the point where they could even develop guidelines because there were too many fundamental questions over definitions and roles.

Helpful mechanisms can help leadership to integrate the strategic intent with the operational and administrative details. The design team did this for the capability blocks and the progress development summary. A subteam worked on the coaching system and continues to do this while the team structure was still without substantive details.

The helpful mechanisms began to show up as the administrative process that resided in each of the critical events. The poor administration of the team structure was an example of how inadequate helpful mechanisms can impede the success for change.

The department made tremendous strides in this area. The coaching system did a lot to improve the relationships within the department. Partners got the information they needed, and the coaches were working with leadership in a very different way.

When words like trust and credibility are questioned, this is an indication the department is probably not operating as a collaborative team. This is a possible indication the new culture has not yet been established. All too often, relationships are not valued or understood in a business context, and often they are overlooked. Weisbord’s Model recognizes the need to create a workplace where relationships are valued. This is crucial in moving the department to a collaborative workplace, which
is where the department wants to move. It is also the basis for building trust.

Leadership has to be clear on what relationships need to look like in the future, and determine what levels of satisfaction will be applied in order to measure their effectiveness.

Summary

The corporations that will succeed and flourish in the times ahead will be those what have mastered the art of change: creating a climate encouraging the introduction of new procedures and new possibilities, encouraging the anticipation for and response to external pressure, encouraging and listening to new ideas from inside the organization. The individuals who will succeed and flourish will also be masters of change: adept at reorienting their own and others' activities in untried directions to bring about higher levels of achievement. They will be able to acquire and use power to produce innovation. (Kanter, 1984, p. 65)

The Weisbord Model, as well as other organization development models enable people to categorize and manage the change process. It enables leaders to identify the critical events, and isolate specific problems. The researcher concludes that the tool is critical for moving into a change effort. But it can not be used in isolation.

The model provides a mechanism that enables leadership and employees to discuss the changes, and a method for planning the changes. The change process started with the mission, but didn’t move until the design team started to address the capability blocks. It took a specific action to move the mission from a theory to a point of operationalizing the change.

The model can be used to address each of the components of change and prepare leadership to lead it. The leadership team should have had an opportunity to explore the potential impacts of the change before it took place and the model could have done that.
The leadership team should have been totally responsible for creating the mission, which was too important to leave to a few internal consultants and an external consulting firm. Organization development models provide leaders with tools that can support them in planning and strategizing for change. It appears that most of the events have occurred haphazardly. As a result, respondents on a whole are not able to anticipate how the changes will impact them. The researcher must point out that the mission has become clearer as a result of the hard work that has taken place, but a lot of the confusion could have been avoided.

The entire change process must be integrated and all of the events must be coordinated. The researcher did not have any difficulty with placing the critical events within the model. However, without some type of strategy, the process becomes almost unmanageable. Many of the questions generated by the respondents involved the question of integration. The model is a powerful tool if appropriately applied at the outset of the change process because it provides a way for organizing the change. Unfortunately, many of the events were developed as the process moved forward. Without a method for categorizing the change process, it can appear as chaotic, which is how it showed up for some of the respondents.

Although the department has made progress, there is still a lot of work that needs to be addressed. The researcher concludes that large scale change requires skills and competencies that are not found in the typical management courses and experiences. If the process is not properly planned, the impact can result in inefficient work and emotional scars that are not easily healed. More will be said about the benefits of
organization development in the next chapter, which will address recommendations and conclusions.

The components of the model have been beneficial, especially the purpose, which was responsible for creating the change vision and mission. This process set in motion all of the changes underway. The mission was the cornerstone of the change process, and the researcher concludes that too much time elapsed between the development of the mission and the formation of the design team.

The researcher concludes there was insufficient information provided to employees at the outset about the background and reasons for the change. The Nadler-Tushman Model and the Weisbord Model both include a process for utilizing external data. This data includes such things as economic conditions, changing markets, and legislation. This type of information was not utilized or provided to the employees. More information addressing the reasons for change could have helped employees to put the process into a better perspective.

If there was one critical event that appeared to be deficient, it was the team structure. This event was crucial to creating the foundation for a collaborative work environment, but there were not enough planning and resources dedicated to this process. The capability block process will drive the need to work in teams, but the researcher doesn’t believe that this should be the driver. The team structure should be the process that drives how the department works together, but it must emanate from the mission.

The capability blocks are indeed cutting edge technology for performance management and career development. The capability blocks spell out the skill
requirements for workers, and it includes a compensation system that is based on results. This system is focused on knowledge workers which is where the business world is moving.

Overall, the researcher concludes that this department has taken on so much change that it has been overwhelming for leadership and the employees. The leadership team needed to have some type of strategy for moving the department through the change process and a follow-up system for mid-course adjustments. The researcher believes that the department has made positive strides in moving the change process forward.

Earlier in the chapter, the researcher stated that organization development tools alone are not totally sufficient when engaging in a major change effort, especially in the turbulent world of downsizing, rightsizing, and job cuts. There are thousands of tips for how to make change take hold. These five - consensus, two-way trust, skill-building, patience, and flexibility are the ones we have found most useful in our attempts at solving this difficult problem (Deal and Kennedy, 1983, p. 166).

One of the strongest methods for creating change is to build support for the change and get people to enroll in the process. By creating consensus, peer relationships are vital to gaining support. Openness and trust are crucial for creating effective communications which enabled leaders to get feedback on the change process, and enable employees to provide input into the change process.

Moving from one work environment to another requires a shift in skills and behaviors. Skill-building is essential for everyone involved in the change process, especially for leadership. The organization must allow for old behaviors and attitudes
to shift. Finally, the organization must be open to learn from the changes and make adjustments when necessary, which requires flexibility.

In addition to the organization development model, these concepts must be integrated into the change process. Organizational change requires a balanced approach that integrates managing the change process and leading people through the changes, two very distinct processes. This requires leadership to be properly trained and prepared before embarking on the mission.

The organization development principles should be applied at the outset of the change effort. This will help to provide a context for the change process. Those who are responsible for leading the change should use the model as a template for planning and implementing it. People are generally resistant to change, and the model can be used as a tool to enable people to better understand the direction of the change. This concept will be further explored in the next chapter which will address recommendations and conclusions.
CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

Change has no conscience. Doesn’t play favorites. Takes no prisoners. And change ruthlessly destroys organizations with cultures that don’t adapt. Just look around -- it’s happening to companies everywhere. In years past we could get by with a slower response time. Competition wasn’t so stiff. There was enough space between major change events for people to catch their breath and collect their senses. But those days belong in history books. A world of high velocity change calls for radical shifts in behavior. Specifically, we must think differently. Reorder our priorities. Develop faster reflexes. Give the culture an entirely new set of responses. We can’t afford to ignore change and do what comes naturally. We must face reality and do what works. (Pritchett, p.3, 1993)

Transformational change impacts organizations on multiple levels and at accelerated speeds. It can present different looks simultaneously and create challenges that often seem insurmountable. It can appear as both positive and negative at any given time. The positive side can surface as the organization moves forward, and the negative side as the fundamental beliefs of the organization are challenged. However, in order to change the culture; values, beliefs, and behaviors must be challenged and perhaps, replaced. Transformational change is not a haphazard process that just happens, but one that must be understood, managed, and purposefully led.

A new culture of values and goals and a set of procedures cannot be bought like a new suit. Consultants and academics can be used to facilitate or accelerate the rate of change, but developing a new culture takes time, because it must reflect the truth of what is important to that organization. (Bardwick, p. 101, 1993)
The change process can be viewed as a battle. A battle against values, beliefs, and behaviors that have been entrenched for years, or sometimes decades. To change the culture of an organization means impacting the organization at the very fiber of its being.

Watching a corporate culture change is like walking through a war zone. You see misery. Wreckage. Trauma. And casualties. The upheaval will be enormous, and some people won't make the cut. (Pritchett and Pound p. 22, 1993)

This study found that transformational change occurs at two levels. The first level is the process level which includes dimensions such as Weisbord's mission, structure, rewards, and helpful mechanisms. These are all of the processes that do not address human relationships. These processes must be put into place in order to direct and guide the change process. The first level can be described as the building blocks for creating the framework of the process which concentrates at the organizational level. In the communications department it included the mission, capability blocks, design team, team structure, and the PDS.

The second level occurs at the human or individual level. Organizations are eventually changed through processes that are applied by people. Most organizational change methodology emphasizes the process side of the equation with little or no attention paid to the human side. The Weisbord Model includes leadership and relationships in two of its boxes, which indicates that the model recognizes the importance of the human element. This limited study found that the human element is just as important as the process side, and should be viewed as the life or energy that
drives or operationalizes the framework. Leadership, which is a critical component of the human element stands at the pinnacle of the change process and is a primary driver for the success of the change process. Leadership needs to be equipped with tools and skills for implementing a balanced approach to leading change.

Leadership must be prepared to lead change which means understanding the overall strategy, identifying the necessary resources, possessing the proper skills, and having the persistence to move the process forward. The skills needed to lead organizations in the nineties are radically different from the skills needed to lead organizations in the past. In addition to management skills, leadership needs the basic knowledge of organization development principles in order to assess and understand the dynamics of change. By knowing and understanding how organizational systems and subsystems work, leadership can direct the transformational change effort and minimize the chaos and disruption that occurs during the process.

Involvement of people from every level of the organization is crucial. All too often, the people who are in senior management positions make all of the decisions about the change process, with little or no input from employees at the lower levels. It is imperative that input is garnered from every level of the organization. The initial phases of the process starting with the creation of the mission to the implementation of structure must reflect behaviors of a transformed culture. This is a powerful way to demonstrate the importance of transforming the culture, and for involving everyone in the process.

Change creates a wide spectrum of emotions, from excitement, joy, hope, and
encouragement to fear, anger, discouragement, and depression. Leadership must be prepared to direct and lead a change process which includes gaining support and commitment from the employees impacted by the process. Organization development tools are critical for preparing an organization for change. However, skill development is important for identifying the components of the human side of the process. Leaders need skills to communicate and model behaviors that demonstrate the values and beliefs of the new environment. They also need feedback when their own behaviors are not in sync with the messages they send. Feedback is another essential tool for providing information to individuals and to the organization.

When anxiety is high, so are dependency needs. Employees are looking to the leaders to give them faith that the future will be better. They are vulnerable and want to believe they can depend on those in command. That's why trust becomes especially important. To maintain trust, leadership must be consistent. Credibility is lost when there are big discrepancies between what leaders say and what they do. (Bardwick, p. 99, 1993)

Once leadership articulates the new mission, it can begin to identify the structures needed to sustain the new environment. In addition, leadership must identify the human resource and skill levels necessary for working in the new environment.

Organization development tools are essential for leading organizations through change, but they can also be used to identify the skill sets needed for the future environment. The tools can provide leadership with a template for anticipating the difficulty that derives from change. Those leading change must understand the relationships that exist within the organizational systems and subsystems. Leadership must be educated on the various models of change, just as they are educated and
prepared to address issues such as finance, management, and marketing, the stereotypical "hard skills" for business. In addition, leadership must be equipped with skills such as listening, speaking, coaching, facilitation, and group dynamics, in order to address the human dimensions of change.

In order for organizations to survive in today’s global market, a different leadership style will be required. Organizations can no longer wait until change comes knocking on their doors. Leadership will need to possess skills for working in an environment that constantly changes. They will also have to share power and authority with employees who will be required to assume critical decision-making responsibilities.

Teams will drive organizations, and collaboration will force organizations to reassess how they must interact. As a result, organizations will have to examine compensation systems that are based on sharing power and information with employees at every level of the organization.

Organizations will have to determine what type of leadership is necessary to move forward. They must be very explicit on what the skills look like and be prepared to enforce performance requirements, no matter what position level an individual holds. Levels of hierarchy will have to be eliminated. In order for employees to respond to the change process, the reward system must reinforce the direction of the change.

Although the capability blocks were a tremendous performance evaluation tool, they placed a higher emphasis on individual performance as opposed to a team based performance. It should be noted that team skills is a required skill that is listed on page table three on page 68. This skill provides more focus on the team process.
Organization development tools can be used to strategize a process for creating change. The implementation of the process must include information describing how people will function and interact in the new environment. Leadership must identify tools for determining how employees react both individually and collectively in order to make adjustments and create ongoing momentum. While organizations are responsible for setting direction and generating profits, the focus on the individual can not be overlooked or overemphasized. Relationships are very important and just as organizations are seeking to build greater relationships with customers externally, they must build greater relationships with employees internally.

Findings in this study indicate that the mission provided direction and focus for the change effort. It also enabled a majority of the respondents to have a clearer understanding of the change process. The mission was cited as one of the tools that provided the department with a clearer picture of the change process. Change as we already know, is not a neat and simple process that is easy to manage. Although a clear majority of the employees in the department felt the mission was positive, there were also a few who believed it was negative. Organization development tools are capable of guiding change efforts, but the tools alone are not sufficient.

This study found that multi-level participation can provide valuable input into the process. The design team and the coaching system were two areas where multi-level participation was successful. The position levels of the coaches ranged from secretary to officer, yet none of the respondents expressed concern about these differences. What were challenged were the methods used to select participants, which was an indication
that many of the individuals selected were able to effectively function in the role of coach. Total participation in the change process is important, but it requires an objective process for selecting employees to gain buy-in and support from employees.

The reactions to change can vary as demonstrated in the summary responses to the six critical events. The impact of the events were experienced on different levels by respondents as a group and as individuals. This is one of the reasons that the change effort must be continuously measured and lead. The team responsible for leading the change effort must have a shared and clear understanding of the overall outcome of the change process, and the organization development tools are critical for making this happen.

This study found that methods used to evaluate and reward performance must be considered at the beginning of the process. They can’t be handled as add-ons, or they will not show up as drivers of the change, especially to those being impacted. Instead they will be viewed as distinct from the process, which can create confusion and mistrust. Respondents spoke about the value of the capability blocks for the department as a whole. However, only one respondent, respondent twenty-two was able to make a link between the capability blocks and the mission. She experienced the capability blocks as a way of articulating and demonstrating what the values and behaviors of the new environment. Unfortunately, this was not addressed by any other respondent.

The following themes emerged in various aspects of this study:

1. The role of leadership is crucial to the success of a major change effort.

   Leadership must be prepared to plan, lead, and adjust whenever the need occurs.
This requires that leaders be flexible on the one hand, but persistent enough not to lose sight of the longterm destination. Leaders must be consistent in their speaking and in their behaviors.

(2) Employees must understand the changes, and why they are being asked to change. This level of understanding must start at the very beginning of the effort, and continue throughout the process. Communication can be a powerful tool for demonstrating the behaviors of the future state. By sharing vital information at the initial stages of the change effort, employees will be in a better position to assess the impact of the changes from an individual and organizational basis.

(3) Training and education are critical for providing everyone in the organization with the appropriate skills for moving through the change process. Spending time communicating, training, and planning are other opportunities for sharing knowledge and information. The communications department spent many hours in workshops, communication sessions, and meetings preparing and updating employees on the changes. Respondents believed these approaches provided opportunities to move the effort forward, but felt more was needed. Training and education must occur on a more consistent basis, and it must be ongoing. The integration of training and education must be identified for every level in the organization.

(4) The traditional compensation systems must be changed in order to reward the skill levels of the people who are asked to work in a collaborative environment. There must be a shift in paradigm about how employees are paid and rewarded. It
should not be unreasonable to think that an exempt employee with the education and experience, should be compensated on the level of senior management if it can be proven that the contribution was just as significant. This does mean that every level of the organization must be held to a common set of performance measures that are linked to specific and measurable goals, if the organization is committed to creating a collaborative work environment. In addition, if teams are to be valued, compensation must reflect team performance.

(5) Employees must be recognized and treated as valuable assets of the organization, and their ideas and feedback must be highly regarded. Employees are a powerful tool for monitoring and assessing the level of impact on their organization. If given the opportunity, their input and feedback can provide valuable insights about the progress of the change effort; for instance a focus group made up of consultants was conducted in October 1992, workshops for employees were conducted in July and August 1993, and respondent interviews were conducted in March and April 1994. The information and feedback provided in all three of these processes were very consistent. Employees can be a powerful gauge for assessing the impact of change, and for making recommendations needed for adjusting and improving the process.

To survive in today's marketplace requires that organizations change or die. Not only is change required, but it must accelerate. The key to rapid and successful change means having the necessary tools and skills. In addition to the other skills mentioned
earlier that need to augment the process skills, the following should be included: giving feedback, team-building, problem-solving, and learning. These skills are often cited as "soft-skills," but are the fundamental skills needed to build a collaborative work environment. The focus of these skills should also be concentrated at the senior management levels, and not just on the lower levels which has been the traditional method used in the past.

In addition to leadership learning new skills, they must be willing to share their knowledge and information at every opportunity. This means educating employees about the financial and management decision-making processes. It means disclosing information to employees that will enable them to make decisions at higher levels of the decision-making process and take accountability for making high level business decisions. Ultimately, it means sharing power.

While a major portion of this study centered on change, the end result of the change was to create a collaborative work environment. This focused on transitioning from the old culture to the new. Organization development provides the tools for navigating through the changes, and the skill sets mentioned above provide the capability for properly applying the tools throughout the transition. These skills are very important because they model the behaviors and values of the new organization, and facilitate commitment and support from employees. Transformation begins when people can see visible signs of change. It is the role of leadership to demonstrate these signs in the initial stages of the process. The following recommendations were made to assist leaders, consultants, or researchers who are responsible for changing organizations.
Recommendations for Future Actions

The following recommendations are based on the findings from this study. The researcher believes the following ten actions will accelerate the time and effectiveness of the change process. If considered at the outset of the change effort, these actions will enable organizations to utilize broader aspects of its human resources, and garner wider support and participation within the organization. These recommendations are not all inclusive, but are important in achieving organizational results.

(1) Develop a business case for the change. This business case should provide factual reasons for why the organization needs to change. Also included in the business case are the organizational penalties for not changing.

One of the difficulties of changing is that people are not always given sufficient information and reasons to understand the purpose of the change. If people understood what was driving the need for change, they would be able to use this information to determine the rationale behind the efforts. This would also enable them to make a well informed decision to either support or oppose the change. The business case can also be used as a measurement to assess the overall progress of the change process.

(2) Identify the organization development tools that will be applied in the change process.

It is crucial that organizations have some type of template to guide them through the change effort. The organization development tools enable leaders of the organization to look into the future and develop the systems that need to be built or transformed in order to support the new culture. This process can not be designed after the fact, but must be considered at the outset of the change.
(3) Identify a team of individuals who have the skills necessary for leading the organization through the change process, and for leading in the new work environment. The level of position should not be a determining factor for selection to the leadership team.

Leadership is critical for the overall success of the change. It is the researcher’s belief that it is the most important component for ensuring the success of the change. Individuals with the skill to help the organization transition from the current to the new is essential. It is important to find people who have the necessary skills versus putting people into leadership positions based solely on title. This sends a message that the new organization is focusing on results, and not on position or title.

(4) Identify the training and educational requirements needed to function in the new environment.

Develop training and education that prepares leadership and every other level to go through the change process. This begins with the business case. Provide leadership with a thorough understanding of organization development tools, and give them the human and interactive skills needed to implement the tools. Training and education include building skill levels in technology, business, interpersonal skills, decision-making, and team building. Every employee will need to be prepared to handle higher levels of authority.

(5) Involve key stakeholders at every opportunity.

As the changes begin to unfold, the organization needs to develop measurements to ensure that their service levels are not suffering. They will have to be in a position to work with their stakeholders. The stakeholders need to actively participate in the
process and provide feedback during the course of the change process. Their ongoing feedback is crucial to the success of the change effort.

(6) **Focus on the mission and use the mission as the driver of the end state.**

Leadership must be able to help employees to see the end state of the transformational process, which must be supported by the business case. However, the mission must be seen as a future state that provides opportunities. And the opportunities must be embraced and recognized from an individual perspective as well as from the broader organizational perspective. The mission should be presented so that every employee has a clear picture of how they fit into the future. This will help each employee to determine if they are willing and able to commit to the direction that the organization has decided to take.

(7) **Identify the roles in which people will function.**

Leadership must be able to identify skill levels needed to function in the new environment. They will need to determine what level of power and authority will be shared with employees. If leadership is serious about creating transformational change, then the roles of employees has to be evaluated early in the process. This enables leadership to identify the level of power and authority they are willing to share, and it enables employees to know what is expected of them.

(8) **Determine what relationships will look like.**

If the organization is truly committed to working differently, then the organizational hierarchy will have to be dismantled and reassembled. Employees will
have to have access to knowledge, information, and power. These are the areas that must be addressed and spelled out so no one is confused and disappointed later in the process. This process truly helps to define the difference between a command and control culture, and an empowered culture. Model the type of relationships that will be applied in the new culture.

(9) Identify tools for measuring internal progress.

Leadership needs to identify tools for measuring support and resistance to the change process within the organization. These tools could include surveys, focus groups, individual meetings, and large scale department meetings. These should be conducted on a regular basis. It is also important to identify when the change is successful and acknowledge when changes have occurred.

(10) Identify activities that could be implemented early in the effort.

Identify actions that could be implemented early in the process. These actions should include early signals that the traditional environment is changing. These actions should include messages that traditional behaviors and beliefs are changing. The more actions and visible signs seen by people in the early stages, the stronger the message that change is occurring. The design team was a clear sign that change was beginning.

Limitations of Study

One of the limitations of this study was the point of entry made by the researcher into this project. The researcher’s involvement started after the mission was created which was too late to influence the level of input used to create it. The mission is a
critical part of the change process, and establishes many of the principles for the entire process.

Another limitation was having minimal access to the senior vice president. She was somewhat removed from the process, and was not very visible to the rest of the department. There were times when the officer group struggled and needed direction. This is a role that this officer could have taken responsibility for.

Another limitation was not being physically located in the department. There were so many things that happened within the workplace on a daily basis which were not always reported or acknowledged. These daily interactions would have been helpful to monitor over an extended period of time to identify specific individual and organizational behavioral changes.

**Suggestions for Further Research**

This research indicated that change efforts must take into account the human side of change in order to create a more balanced approach to the process. This requires that leadership acquire a broader range of skills that extend beyond the basic fundamentals of business. The role of leadership and the impact of the human side if better understood, could present a more indepth view of the change process.

There are also opportunities to track how individuals respond and adjust to the change process. It would be important to determine if there are certain mechanisms in the change process that generate reactions to build employee buy-in and support to the change effort, or if they generate resistance and opposition. If these triggers could be detected, they might provide insights into ways for accelerating individual and broad
based support for change.

Another opportunity exists at the organizational level. The models of organization development are being challenged to lead changes that are more indepth and more complex than they were just ten years ago. A study on the distinctions in the change process today and in the past would be valuable to the field of study, along with the reliability of the models to successfully guide change in the nineties and beyond.

Summary

We are at a crossroads. We can take the high road, reinvigorate our organization, and renew American cultural tradition of democratizing our institutions by aligning our organizational practices with emerging paradigm. Or we can take the low road, and continue to use our organizations as instruments for immediate profit for a small number of us. We squander our human resources, and watch the nation deteriorate from a cancer of the spirit. (Niernberg, p.11, 1993)

This qualitative study focused on the impact of change at the individual and organizational levels. As the department changed, the changes impacted individuals on multiple levels. The departmental change was initiated out of a need to create teams and develop a compensation system to support a team based environment. What emerged for the researcher was a realization that in the midst of changing, the department had to constantly shift and adjust as it discovered and rediscovered new findings as a result of the change process. The shifts and adjustments were based on the feedback and reactions from the people who worked in the department.

It soon became apparent that changes in the organization were taking place on a daily basis. This happened when employees began to worry if the job they held for the past thirty years would be there at the end of six months. The changes showed up when
an employee had to make decisions previously made by a higher level officer. The daily changes feed into the broad based organizational changes which eventually reach the destination months or years later.

The importance of monitoring and leading change on a daily basis is critical because the change process is constantly evolving. The impact whether positive or negative has been initiated in the early stages, and is shaped on a daily basis. The change process once initiated will move in one direction or another, depending on the process design and the human element. Ultimately, it is people who determine that direction.

The era of things is passing. The era of intangibles is on the rise -- the use of information, the creation of knowledge, attention to work flow and interpersonal processes, and the creation of the right organizational environment. These intangibles are becoming more important than the product itself since they result from attention to the process that creates the product. (Nirenberg, p. 63, 1993)

This study revealed that people react to change differently, and these reactions range from fear to excitement. One of the challenges in the future will be for leaders to understand the reasons for the reactions, and determine how to direct that energy towards positive results for both the individual and the organization. Leadership must be clear on what it is looking to accomplish, and be prepared to enroll employees in that process. Leadership has a responsibility to develop employees, which includes providing timely feedback, and ongoing support. If individuals do not have the skills necessary for functioning in the new environment, then leadership must work together with the employee to identify alternative career paths.
A collaborative work environment requires a different type of social contract than the ones that existed in traditional work environments of the past. If the goal is to become a collaborative workplace, then trust, respect, and learning must be included in the values and beliefs. This entails providing information and knowledge on every possible occasion. It means giving employees information when the organization is on course and giving employees information when the organization is straying off course.

The exciting thing about the collaborative work environment is that it offers people a chance to participate to the highest level of their potential. It recognizes the contributions made by individuals collectively, which in turn guarantees the success of the organization. Change that focuses on creating high-performance and collaborative work environments will require a high degree of employee input, with an emphasis on sharing information, knowledge and rewards. Without this type of involvement, the changes of the future will take organizations down the path to failure.

If we attempt to grow alone we assure that the oppressiveness of the system eventually will close in around us. If we grow together, the system itself must change. (Nirenberg, p 191, 1993)
APPENDIX A
SELF-ASSESSMENT FORM
### SELF-ASSESSMENT

**CAPABILITY BLOCK: MEDIA**

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<td><strong>WHAT LEVEL HAVE I ACHIEVED?</strong></td>
<td><strong>OVER WHAT TIME PERIOD IN MY CAREER WAS CAPABILITY DEVELOPED AND DEMONSTRATED, AND WHAT WAS MY ROLE DURING THIS TIME?</strong></td>
<td><strong>WHAT PROJECTS DID I WORK ON TO DEMONSTRATE THIS CAPABILITY BLOCK LEVEL?</strong></td>
<td><strong>WHY DID I ASSESS MYSELF AT THIS LEVEL?</strong> (discussion points for conversation with verifiers)</td>
<td><strong>WHO CAN VERIFY THIS INFORMATION?</strong> (agreement between coach and partner as to who will verify capability level)</td>
<td><strong>WHAT DID THE VERIFIER(S) SAY REGARDING YOUR ACHIEVEMENT OF THE ACCOMPLISHMENTS OUTLINED IN THE CAPABILITY BLOCK?</strong></td>
<td><strong>AT THIS TIME, AM I INTERESTED IN FURTHER DEVELOPING THIS CAPABILITY BLOCK?</strong></td>
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If the coach gathers verification, the back-up should be a summary of the conversation with the verifier(s) which includes an assessment of the employee's achievements and specific examples of work that links to the accomplishments listed on the appropriate capability block.
APPENDIX B
INTERVIEW QUESTIONS
INTERVIEW QUESTIONS*

1. WHAT WAS THE IMPACT OF THIS CHANGE PERSONALLY?/ ORGANIZATIONALLY?

2. WAS THERE ANY PART OF THIS CHANGE THAT ENCOURAGED YOU? IF YES, WHICH PART AND WHY?

3. WAS THERE ANY PART OF THIS CHANGE THAT DISCOURAGED YOU? IF YES, WHICH PART AND WHY?

4. HOW DID YOU FEEL ABOUT THIS CHANGE?

5. IF YOU HAD TO INTRODUCE THIS CHANGE ALL OVER AGAIN, WHAT RECOMMENDATIONS WOULD YOU MAKE?

OFFICERS ONLY

6. WHAT WERE THE REASONS FOR NOT ADMINISTERING THE MISSION AND CHANGE VISION SURVEY?

* The five question was repeated for Mission, Design Teams, Coaching, Capability Blocks, Team Structure, Progress Development Summary and Other Significant Events.
APPENDIX C
MISSION AND CHANGE VISION MEASUREMENT SURVEY
MISSION AND CHANGE VISION
MEASUREMENT SURVEY

The following questions are designed to measure the progress of the change vision within the department. The first 22 questions have five possible responses: 1=Strongly Agree, 2=Agree, 3=Neutral, 4=Disagree, 5=Strongly Disagree. The four remaining questions are open ended and will require more detail. It should take approximately 20 minutes for you to complete this questionnaire.

Please circle only one response for each statement.

1. I clearly understand the change vision and mission of the department ........................................ 1 2 3 4 5

2. The department's change vision and mission meet the needs our customers ................................. 1 2 3 4 5

3. The team structure provides a more efficient way for getting the work done ................................ 1 2 3 4 5

4. Leadership has presented a clear picture of how the changes all fit together ................................ 1 2 3 4 5

5. The compensation and development system rewards me for my contribution ............................... 1 2 3 4 5

6. My coach provides the support I need .......................................................... 1 2 3 4 5

7. Career paths are well defined and I know what I need to do in order to progress in my career .......... 1 2 3 4 5

8. I value my relationship with my coach ......................................................... 1 2 3 4 5
Please circle only one response for each statement.

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree

9. Leadership provides the support I need
   to perform my job .................................. 1 2 3 4 5

10. I have a good understanding of the goals and
    objectives of department .......................... 1 2 3 4 5

11. The overall quality of work done in the department
    is good ............................................. 1 2 3 4 5

12. I feel very comfortable with the new
    compensation and development system ............. 1 2 3 4 5

13. The team structure enables the department to prioritize its work . . . 1 2 3 4 5

14. My coach and I have developed an effective
    process for working together ........................ 1 2 3 4 5

15. The deliverables enable the department
    to satisfy the needs of our customers .............. 1 2 3 4 5

16. I have made a commitment to take
    responsibility for my development .................. 1 2 3 4 5

17. I feel encouraged to come up with new and
    better ways of doing things ........................ 1 2 3 4 5

18. The change vision has made a positive
    difference in the way I approach my work .......... 1 2 3 4 5

19. I am satisfied with the information I receive from leadership on the changes
    that are taking place in the department ............ 1 2 3 4 5

20. The entire department operates as a team ............... 1 2 3 4 5
21. How satisfied are you with the recognition you receive for doing a good job?

Very Dissatisfied...........Satisfied...............Neutral...........Dissatisfied.....Dissatisfied

22. Considering everything, how would you rate your overall satisfaction in Allstate at the present time?

Very Satisfied...........Satisfied...............Neutral...............Dissatisfied....Dissatisfied

Please complete the following questions.

What have we done well? ___________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
What needs to be accelerated? ______________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
What needs to be started? __________________________________________________
_________________________________________________________________________
_________________________________________________________________________
What barriers remain?

The results of this survey will be used to measure progress in the department and to serve as a basis for the leadership team to improve the deliverables.

THANK YOU!
APPENDIX D
INTERVIEW RESPONSES
#1 Interview Responses - Exempt Female

Mission

- We have the five key activities and Change Vision - have not seen us operate out of these.
- We are not held accountable.
- We don’t get to use the mission to make decisions.
+ The five key activities focus on the external, internal, and front-line.
+ We have a partnership with the businesses.
- Mission Statement was really good, but it was never presented and we never talked about it. This could have been a unifying thing and we could have gotten behind it.
- We didn’t do anything with the Mission.
- McKinsey stuff was demoralizing, it created a sense of exclusivity
- Boot camp stuff was poor.
- There was not a partnership with group below officer.
- We went to boot camp without preparation, not enough communication.
+ The mission is fine as it is.
- No one acknowledged the change, it is okay to say that we are going to change.

Design Team

- I went to one of the Compensation and Design Team meetings and was not reinvited, I was left out and no one told me why.
- P.O. was responsible for driving the team, it was her doing.
+ This was a model of how teams should function.
+ M.P. sent out well done notes, and she provided as much information as we needed.
+ Team members were accessible.
+ M.P. made an effort to create a sense of openness and a sense of honesty.
+ This was a model of how teams should function - made it perfect.

Coaching System

- The coaching system created a caste system, certain labels were created.
- Let everyone pick their own coach.
+ Coaches have access to information, and people with information have advantages.
+ There are a lot of people who get information about the direction of the department from ongoing meetings, and they get insights about leadership expects.
- Partners don’t get to participate.
- Certain people have insights and perspectives that allow them to do good work.
- How do partners get information.
- If people are allowed to select their own coach and they select the wrong person, talk to them and let them know why the person is not qualified to coach.
- Leadership team doesn’t have the guts to tell people the truth.

Capability Blocks

- I have a shrug my shoulders attitude about this whole thing.
+ This is the best work that anyone in the department has done.
+ The 24 basic capability blocks can be used to help us, we need them individually.
+ We now have a target.
+ This is good to gauge where people are at.
+ This was very powerful work, however I don’t like the quantifying aspects. They don’t have any value. These can be very counter productive, and should be used as guidelines.
- The blocks narrowed the definition so much that it could be crippling.
- This whole thing could be gone in two years.
- It was very cumbersome, and tying it to compensation will be hard.

Recommend

• Each officer should interview each person two to four hours and prepare to talk about skills. Each officer should take fourteen people and come to individual agreements.
• Let people know here you are and here’s how you get there.
• Let’s plan with coach on how I move and let’s decide about ongoing learning about the compensation system.
• We can still use the old system, If I am a level three, what’s the impetus for moving any further?

Team Structure

- I don’t understand the structure.
+ Some people are actively involved.
- Team leader will have a bigger scope.
- Caste system is getting stronger for people who are on the right side.

PDS

- I don’t care if they replace one system with the other.
- I don’t trust the new system, because I don’t understand it.
- I am not doing my best work. I am not using my creativity. I am not pushed and stretched.
- I didn’t have a clue on the year end PDS. I was able to gauge myself in terms of other people in the old system.
- I am too busy doing production.
Other Significant Events

- The lack of communication is unbelievable, the need for communication is at an all time high. I want to know about Marshall and why he was let go.
- It was almost like the were not being honest and withheld information.
- We have made a gazillion steps forward, we are more professional and more accountable.
- There has been a lot of stretching for a lot of people.
- The department has moved further along that me as an individual.
- Vision was very powerful and not packaged.
- Capability blocks gave us a target.
- Aggressiveness of seeking out client departments was professional and has helped move us forward.
- Outsiders help to provide focus. We need outside help to keep it objective.
- How were people selected to rotate outside of the department.
- We are proud of department, but I want to know that I contribute to that.
- Trust is at the bottom of it all.

#2 Interview Responses - Nonexempt Female

Mission

+ It was very complicated initially and I was not sure how it would all play out. I had no opinion about it, I believed that it was the right thing to do.
- We didn’t stop doing the unnecessary work, we only stopped doing a few things, but not enough.
+ We are geared towards the business units who are the customers.
+ I like the fact that we have a focus, the whole thing now makes sense. I was not discouraged because I got the information that I needed.
- Leadership could have worked on some things quicker.

Design Team

+ I know that we were pioneering something new and I think that the team held us together in the beginning as we tested the waters.
- The team had unrealistic goals on timeframes.
- It should be okay to say we not done.
+ I felt it was the most important thing we have done in the department.
- We started to get rushed towards the end.
+ I think it helped me out personally, because I was part of a unit that was changing.
- I was the only representative for support and I felt I needed to force some issues.
Recommend

- There needs to be more than one support person on the Comp and Design Team.

Coaching System

+ I felt good about coaching.
+ We had four leaders and I always had a boss to go to.
- The department must consider workload and determine how much can a coach handle.
- I am still unsure of coaching.
- I am doing some things that are borderline management.
- They "used me" because I don’t have a degree.
- We still don’t understand what a coach is supposed do.
- Some coaches define their own role, some more than others.
- The coaches need to be as dedicated to the process.
- Some of the coaches took on more than they could handle, and were afraid to say "no"

Recommend

- Define coaches role and plot out what role coach should be.
- Visit other departments to get input, don’t rely just on our input.

Capability Blocks

+ The blocks helped me to go a long way, I see the plans that weren’t there before.
+ I have clearer insights on how to move forward.
+ Neat to see how I fall out.
+ This is a great reference for the future.
+ I have great insights of who I am.
- The time was a downside, we told it took ten hours when it was more like 40 - 50 hours for each of us to go through the blocks.

Recommend

- Be up front and honest about the time investment.
- People are feeling that the department is too self-indulgent.

Team Structure

+ The team workshop helped me to understand the team process and it introduced a lot of processes in a very short time.
- I am not sure that the department is functioning in teams.
Exempts ask me for input, if my input is that valuable then put me on the teams. Nonexempts should be seen as full team members.

Recommend
- Should have implemented training closer to the time it was introduced.
- Make nonexempts full team members.

PDS
- There wasn’t enough time for officers to do PDSs.
- I was aggravated that there was sufficient time for officers to do other things, but not for our own people.

Recommend
- Start earlier to spend quality time in completing the PDSs. Some officers had 20 to complete. There is no way that someone can remember or care to evaluate people effectively.

Other Significant Events
- I still feel very uneasy about the past two years.
- We are still trying to put us together.
- There are still too many missings.
- We should have been honest and said here is the work and this is what it will take to get it done.
- The reinvention work has put a glitch in the way we feel about this work.
- Marshall’s leaving has had an impact. We through everything out of the window in how we handled his leaving. It was opposite of how we value people. People did not feel good about the process of how he was let go. I don’t feel good about it.
- Lots of work left to do.

#3 Interview Responses - Exempt Male

Mission
- The mission did not have an impact on me. It was very hypothetical.
- It was disconnected and management driven.
- Officers don’t talk to the people who do the work.
- Nothing gets translated into day-to-day work.
- Management is distant from the day-to-day realities.
- Management never stopped to ask what is it we are trying to change. They never knew what we had - should have been a new vision.
- Management has to be assertive and say no to certain work.
- Too many are hung up on what the clients want. Are we here to provide a mechanism for what the company wants or from what the president wants?
- We are chasing our tails and we are not assertive. We need to say what we should be doing.

Design Team

- The purpose was to roll out the department in a specific niche.
- I believe this was a slim cut of communication, and it didn’t fit into my current job.
- The team tried to get a consensus and the blocks are still not completed.
- Management was out of control. They never took control of the process - it wasn’t where the horses went.
- The process made me feel like I didn’t belong. I felt lost.
- I feel that I have accomplished a lot in my career and that I am not needed.

Recommend

• Whole process should have been turned over to HR.
• Do a pilot first and test it to work out problems and see how it plays out.

Coaching System

- Coaches are nice people, but they are lost.
- It reminds me of trying to teach QES without going through QES. Coaches were learning with us and leadership did not understand the process.
- Coach can’t manage me. This should be more of a buddy system.
- I don’t see benefit in coaching, it would be better to have a buddy system.
- Coach can’t help me guide my career through this company. Only my manager can guide my performance.

Recommend

• Coaches must be involved in day-to-day responsibilities, because the coaches don’t understand the process.

Capability Blocks

- I was turned off totally - it’s a joke.
- If you have a future someone will stand up and make you look good. Leadership was not able to assess me properly.
- No one knows my true capability, we just created stacks of paper.
- This was a substitution for management. They abdicated responsibility.
- The skill validation was a total disaster. We needed to look across the industry and not just have an internal focus.
- I refused to do verifications, my PDS reflects my performance.
- I was not willing to trust outsiders to evaluate my performance.
- This process could jeopardize people’s career in the long run. There are no
guarantees that this movement is going to help me in the marketplace. My specialty is getting lost.
- Are we generalists or specialists?

Recommend
- Nothing should be rolled out in mass.
- Too much change happening at once. Make sure people understand the process. Test a small group and not confuse everyone.

Team Structure
- I don’t even know is I belong in the department.
- My unit was left out and this stuff didn’t apply.
- Wasted two years.

Recommend
- Find out what department does before shifting to a team structure. Leadership should have sat with each of us to decide our level of expertise.

Other Significant Events
- Need to talk about Marshall.
- All of the people leaving has left a bad taste. This ain’t the place to be.
- If this is the way that we deal with Marshall, an officer, then I don’t have a chance
- If I don’t fit in then let me know up front, and give me six months.
- Standing teams will create chaos. People will look out for themselves to make sure they benefit.
- Verification - I got to the point where I am not going to do any more. This has been mass chaos.
- I think about what I say in public before I say it.

Recommended
- People are very discouraged and very confused. There needs to interaction between the officers and the people. Officers are too busy to work with people.
- Rita needs a higher presence in the department. She doesn’t know what goes on.
- Trust is missing.
- Should have been closer and more involved formally to capture things as the process unfolds.
- Officers should take the time to get to know their people. I got on the elevator with an officer and they pushed the wrong floor for me to get off. They didn’t even know which floor I worked on.
- Other officers in companies that I worked for knew the names of employees’ children and even asked about them occasionally.
# 4 Interview Responses - Exempt Male

**Mission**

+ With the mission there needs to be alignment by leadership. It is the right thing to do.
+ Mission defines direction and focus. It defines work and establishes work. This is a clear track to run on.
+ We are out in front of reinventing ourselves.
  - The part that is discouraging is that this is a new idea, because we are learning as we go.
  - For those of us in a leadership position it is frustrating because we are not getting direction and clarity.
+ I feel good about the mission.
  - We made a few misstatements a couple of times.
  - Rita’s concept is the right step, however, I believe what we went to teams to early.
  - We made the change before it was understood.

**Recommend**

- Start the same way with vision and mission and base it on customer needs. Create an understanding for the need to change and enroll people up front. Communications is critical.

**Design Team**

+ This was seen as an enrollment to get people on board and used a representative group.
+ The communications and understanding of the team was tremendous.
  - I was discouraged because the team process slowed things down. Surfacing uncertainty and trudging through the team is a tough. However, if you need to slow it down, slow it down!
+ I would not make any changes to the process.

**Coaching System**

- System is too new to evaluate.
+ This is a totally different way of managing work processes and people. We are still learning from it and about it.
+ As a result of the system, a lot more conversations are taking place in the department, which will create a lot more openness.
+ There is a closer working relationship between leadership and coaches.
  - People are still having to work through a new way of doing business, coaches can have different interpretations.
+ I think the coaching system will work.
Recommend
- From the outset establish a process for creating a closer working relationship and understand how system must be implemented.
- Make sure leadership is available when I have a question about validation.

Capability Blocks
+ Makes you take a look at skills.
+ This is a good evaluation.
+ Not sure that anything is discouraging about them, they gave a realistic look and consistent look at skills and abilities.

Recommend
- There needs to be consistency and clarity of communications and preparing individuals who are evaluating themselves and for coaches to know what is being asked.
- Clarify requirements and outcomes upfront.

Team Structure
+ Teams will work.
- We must have an understanding up front and we must be very specific about role clarity.
- People are not sure what role does department play with teams.
- There isn’t a consistent understanding of teams.

Recommend
- Be up front with communications and establish needs before declaring teams.
- Once you make declaration then train and communicate.

PDS
- This process was no different than the other PDSs.

Other Significant Events
- There was not enough communication.
- We did not have a communication strategy.
- I think leadership was one of the missings. Leadership as mixed, they were all over the place. Senior Officer never took charge.

Recommend
- Make communication and implementation strategy an integrated process.
- Senior Officer should have made all of the other officers report through one person.
#5 Interview Responses - Exempt Male

Mission
- Direction and focus should not be stated as murky. State here is where we are going.
- I had some uncertainty because I didn’t know how it would impact me at the time it was announced.
- I thought it made sense, although I was not heavily involved in the beginning.
+ There were some changes that needed to be made, but I think some things have improved.
+ The changes are exciting, but I am cautious.
- Some people have a lot more to lose.
- As a manager I had a hard time trying to promote the changes.
+ Communications is vital.
- Brown bags didn’t do it after a point in time.
- Everything could have been better with more communications too many questions and there was a point where there was feedback.
+ I feel excited about the mission.

Recommend
- Provide up front information about why change is necessary and perhaps what is happening in other companies.
- Everything could have been better with more communications.
- Take staff through a series of steps - here is what it looks like and explain the process as it occurs.

Team Design
- Don’t know if it had an impact.
- I asked why certain people were chosen and why certain competencies chosen and not others.
+ I thought the team did a good job.

Coaching System
+ The overall system is another good thing.
+ The system was designed with good intentions. The people asked for it.
+ I don’t feel the system has any negative impact.
- I wondered which people would be coaches. I was told this would be a rotational opportunity.
- I feel that a lot of questions weren’t answered up front.
**Capability Blocks**
- It was rather depressing to find out that after 20 years I am at a certain level. I am not sure how the blocks were set up.
+ I feel okay because the blocks give me a change to grow.
- The process turned out to be so much work.
+ Patti has tremendous finesse, and her coaching ability helped me to get over my worry.

**Recommend**
- Come out with the fact that this is a new process and we don’t expect people to be at level three right away. And that this is a way to meet the future and we will back it up with education and training.

**Team Structure**
+ I was concerned with the way we were changing and that if you were not a part of a deliverable team that I would not be here. The work represented by the deliverable teams is an indication of where the department is heading.
- Be careful how teams are introduced.
- There is a whole period of being fearful. Internal communication board will help us move forward.
- I think the process is working, but the communication is not working. We need lateral communications

**Recommend**
- Until you know how it will be introduced, be careful how it is explained. We were initially told that there are primary things we will do, and now we are adding more teams.

**PDS**
- The change did not have an impact on me.

**Other Significant Events**
- Change must be managed.
- Leadership must manage the process.
- The more people become fearful, the more chance that behaviors could be harsh and people could become vicious.
- People need to buy-in. There was never buy-in. No one ever came to me to get my personal buy-in.
- The communication was not effective. Be clear up front.
- If you are the leader then lead, set the course and get my input.

**Recommend**
- Have a plan worked to with daily ongoing communication which addresses set-backs. actual aspects must be defined.
#6 Interview Responses - Nonexempt Female

Mission

+ The mission gave us direction and made us more focused.
+ I feel that the missions is pretty well defined.
- It took a long time for the mission to come, we kept hearing that we are working on it.

Recommend

- Identify what is holding it up from getting approved.

Design Team

+ The team should include everybody to give people a new challenge.
- Team became too secluded. There was not a lot of interaction with other teams.
- Everything is "helter skelter", people are cynical.

Recommend

- Have a random selection for membership on team.
- Initially roll out the process to a few people and bounce things off of others.

Coaching System

+ Initially I was very skeptical about coaching, but now I understand feedback and I can now see things that I was not sure of. I get good beneficial feedback.
- Time element is a problem. The coaches don't always have time to sit down with everybody.
+ My relationship with my coach has improved.

Recommend

- Explain why certain people were selected. Some of the coaches have had poor experiences.

Capability Blocks

+ My initial reaction was positive. This was a chance to let people know what I did. People don’t know my background.
- There has been some confusion. Nit picking of the system is frustrating. At first we were told they want everything and then told not enough. We got mixed signals.
+ What the blocks are supposed to do is good. The validation process has to be objective.
- The biggest thing is how dollars are tied in.

Recommend

• Provide detail about how the blocks work and how I can validate over a six month period.

Team Structure

- I was on a standing team. Now I am on the expense team, admin. team, urban team, and I am stretched too thin.
- Initially, people were confused.
+ I now get more exposure which is good for me. The more exposure I get the greater the benefits.
+ The team process is getting people to work together. I now interact with more people.
- Coach says to be on many different teams. But told to be careful which teams to participate on. Make sure that I benefit from the process.
- Resources are too thin.

Recommend

• Allot human resources appropriately. One person can not be on five different teams and be effective.

PDS

- My PDS was very impersonal and I was disappointed. I expected to have more of a dialogue and discussion.
- This was a good opportunity to ask how we feel about the changes. Ask us how we are doing.

Recommend

• Changes should be open and adaptable. Don’t be inflexible. Make the appropriate adjustments based on feedback. People have ideas to add.

Other Significant Events

• People are leaving in this department because the change is too overwhelming. The changes are either not being accepted or not presented.
• I want to know if I can go somewhere in this department.
• If you have the same people how do you identify who has more value?

# 7 Interview Responses - Exempt Male

Mission

+ The department wanted to be well rounded and not just specialists. But it asked for something that we weren’t. It drew a line in the sand that said we need to be a part of the business.
+ The mission will lead us to new and different opportunities.
+ I now work on projects that are tough. They help me to communicate tough decisions.
+ We are now sitting at the table with our business partners up front. I sat with the reinvention team up front.
+ Leadership took responsibility.
+ Consultants are now doing work that officers used to do.
+ We are now able to deliver on requests.
+ I have seen positive results.
+ We have better people now than we ever had. Senior manager has gotten rid of the "deadwood".
- I am concerned that there is too much work for too few people. The people at the table are capable of being there.
- Initially we tried to establish the difference between specialists and doers. This created an us versus them. It created a division in the department. Here are the "Chosen".

Design Team

+ This is a lot more work, people have asked me about the team.
- There was a lot of skepticism because we messed with people’s livelihood.
- The amount to time it took has been tremendous and the cycle time has been enormous.
+ I feel that this has been a very unique experience and I don’t think you can avoid the time investment.

Recommend

• I don’t know if it could be done differently, I can’t imagine how it could be done differently.

Coaching System

+ There is great freedom and the idea of not having the hierarchy.
+ P. O. is a great person and is nice to do things without approval levels. I don’t report to anybody.
+ The coach is a sounding board.
- My coach is very busy and I need to have more access to her.
+ I feel excited about the coaching system.
- Unclear why some people picked to be coaches. The selection process eliminated people who felt qualified to coach.

Recommend
• Be very clear on the criteria for why some people are picked and some aren’t.
  People were disappointed.

Capability Blocks

- Frustrating because I was an author of the blocks.
- The system was good, but the intangibles make it difficult.
- Language makes it tough, too demanding and too rigid of what we wrote. All of the people needed to be contacted was too much.
- We never assumed that the blocks might not be right.
- If you take all of the data collectively, I could have been a certain level. We must use discretion. There has been an equity issue. We started to compare people and asked if so-and-so is a two, how can I be a two. Then we moved a person based on this comparison. Validate me on my own merit, not on the comparisons made with another employee.

Team Structure

+ Look at the teams as a way to build skills, so people are selected for their expertise.
- The team structure did not have an impact on me. I was already operating that way.
- The teams are not being used as a developmental process. People aren’t selected to develop skills or capabilities on a team.
- We created another bureaucracy.
- This is a waste of energy.

PDS
- The PDS process did not impact me. When the point comes that it looks different, it may make a difference.

Other Significant Events

• Downsizing has had an impact. We haven’t hired too many people with my skills. People keep going away and no one comes in. There is a change
in the amount of work that I do.

- People are leaving, who is picking up the slack?
- We are aging.
- I couldn't go back to the way things were.
- We have done a lot of the right things.

**Recommend**

- Take the salary from Marshall and use it to hire new talent.

### #8 Interview Responses - Exempt Male

**Mission**

+ The mission changed my job entirely. I went from being a technical person to a communications consultant. I went from being very operational to what the new department should be.

+ The mission is not direct, but we needed help. Some of it has been left to interpretation.

- There is a lack of clarity which translated to a lack of unity in leadership. They were effected as well as we were. The interpretations were not consistent.

**Recommend**

- Make sure leadership is prepared and has a strong leadership direction.

**Design Team**

- The initial request was for compensation, but it turned out to be equity under the system.

+ The process created buy-in.

- There was a lack of unified leadership. The team rode Patti. She drove it.

- There was a lack of agreement among leadership. They didn’t work things out and they needed to discuss it as a team.

- We created the process as we worked. We went down the wrong path and it is important to be able to shift.

- We believed that our knowledge was greater than what showed up. We need to recognize where we are at times.

**Recommend**

- Be honest with the level of knowledge and speaking. Don’t create false
Coaching System

+ I liked it and I still do. Russ was my coach and we always had a good relationship.
+ Coach has been accessible and valuable to my development.
- I was discouraged because of the slow responses that were coming to people. People needed answers and they expected them. Coaches were not prepared.

Recommend

• Prepare coaches before introducing the program. Provide them with information and define their roles. There needs to be a support system for coaches and they need access to leadership. They need access information on a daily basis.

Capability Blocks

+ We finally mapped out what needs to be done.
+ Personally it helped me to decide what I needed to do.
+ There wasn’t anything that discouraged me. The things that did were very superficial.

Recommend

• Involve as many people are possible without destroying the process. This ensures that no one is surprised.

Team Structure

- I believe that teams had a positive impact. Confusion lived at all levels. Interpretations were different.
- People were all over the place. There is work to be done.

Recommend

• Someone needs to do an analysis of the teams. Help people understand what type of team they are.

PDS
- I am very concerned because there is not compensation in place. How will my performance be reviewed during the gap?

Other Significant Events

- Compensation and the relationship to the other systems is the core driver. We are playing with people’s money and effecting their potential income.
- This whole thing has been taken too lightly. It is not perceived as serious because there was lack of trust.
- Entitlement is gone. We know the value that people can bring. This is very different for people and frightening for many.
- It is important to develop mentoring and coaching relationships.
- If environment doesn’t trust leadership it hurt the credibility or cripples the process. People won’t believe what they are told.

#9 Interview Responses - Nonexempt Female

Mission

+ It didn’t change my way of doing things. It helped me to see where we are going. It showed me how we would accomplish this.
+ I saw a plan and was able to grasp a vision.
- Initially I was suspicious because we have seen so many changes. There is always something new. This has been very disconcerting for others.
- I tried to adapt to what the officers thought was important.
+ I saw things from the ground floor.
- There’s got to be buy-in at the highest levels.

Recommend

- I would recommend that we do not bring in an outside group like McKinsey. They are not able to feel and taste the company like Allstaters can. I believe that we have the talent to do the same thing internally.
- We need to be able to show people where we are and where we are going in the beginning.

Design Team

- This was a painful process because there were so many changes and it was a bit scary because as things evolved it was hard.
+ Communications from the team were superb. It made me think about how I fit into the new picture.
The team process made a statement to me that we were serious about changes.
  - People see changes coming and worry.
  + Committee did a wonderful job in trying to anticipate change.

**Coaching System**

- The coaching system had very little impact on me. I seek out whatever it is I need.
  + This system provided an opportunity for partnerships and helped people to address personal issues.
  - I had some questions about the selection of coaches.

**Capability Blocks**

- I thought the blocks were dumb and the process was too restricted.
  - Skill blocks were too basic for nonexempts.
  - Blocks overlooked areas of expertise and sometimes overlooked areas that hard to put a value on like trust and confidentiality.

**Team Structure**

+ I loved being on a team. Being a support person I wasn’t always involved with teams.
  + This process will take time to evolve.
  - The old system always had someone to protect you. Manager was there to motivate and encourage those who fell behind.
  - There can be a down side to teams, because some people are not acknowledged.
  - If you empower a team to police itself there are teams that have different levels and it can get very nasty for certain team members.

**PDS**

- Wondered how it would work. Team leaders and team members are supposed to give input to the evaluation process. It scares me because a lot of personal stuff can enter into the conversations and the evaluation process.
  - If I have a bone to pick with someone on the team what prevents me from hurting them.
  - I have questions about how PDS can be administered under the team process. A person’s PDS was always a personal item.
#10 Interview Responses - Exempt Female

Mission

+ The mission forced the department to focus on skills.
+ The mission helped to make everyone focused.
- There are some questions and some people are wondering if it will last. There are skeptics.

Recommend

- Important to celebrate success and see what it is and recognize people who do that.
- Make sure that recognition is aligned with everything else.

Design Team

+ The team was great, it provided a lot of incentive.
+ It is great to be compensated for my skills versus seniority.
- This was discouraging because it took so long.
+ It has to be done.

Coaching System

+ The coaching system is great for someone like me.
+ Great to have someone to ask questions and receive guidance on my career.
+ It depends on what each person makes of the relationship.
+ I am very happy with the system.

Capability Blocks

+ I was already building on to a lot of the blocks.
- I was discouraged with my results to see how I fared in the assessments. This could be very frightening for longterm employees.

Team Structure

- Somebody needs to know how many teams people are on.
- It is hard for me to say no because I am so new.
+ The team idea is great, but it needs to managed overall.
- Control mechanism is needed to monitor the process.
+ Teams are fine, we are getting better.
+ Everyone has a role.
PDS

- Only had one PDS since I have been here.

Other Significant Events

• This is all new for me. I am learning and it is very challenging. I am very happy with all of the changes.

#11 Interview Responses - Exempt Female

Mission

+ The mission helped me a great deal. I came to the company with certain skills, and only a few of these skills have been used. The mission allowed me to broaden my skills.
+ My coach has been very instrumental in helping me.
- Leadership has a very mixed style.
+ Having a good coach is very important. It is always hard to communicate while you are going through something like this.

Recommend

• Leadership should have to go through the validation process.

Design Team

- It became clear that the people on the design team became coaches and team leaders.
+ I think that I will come out higher in this assessment.
+ Leadership team recognized that I had skills that no one knew about before.
- The evaluation process was objective, but became subjective.
+ Benefit to those outside will be tremendous, we will add a lot of value to the company.

Coaching System

+ People don’t realize the real benefits.
- Who you get is very important to how you grow. A and B teams evolved.
- Two days with Bill Joy was a negative and not even neutral.
- Selection of coaches is important.
Capability Blocks

- Some of the blocks were created with knowledge that was available.
  Some areas that we knew nothing about but still put the blocks together.
  Shareholder relations and public relations were not accurate.
- There is an area of distrust.
- There is confusion between perceptions and reality of what and how we can apply the blocks.

Team Structure

+ Some great things have happened and we are moving ahead.
+ We have some very talented people.
- By having teams, it doesn’t mean that the culture recognizes them.
- The hierarchy still requires that an officer be sent in.
- Standing teams are being hurt by the new process, they are not receiving the same opportunities as the deliverable teams.

PDS

- Someone has to be very clear if a skill block needs to move someone who is on the fence.
- Tell people what it takes to accomplish a skill block, be very specific in what I need to do to get validated.

Other Significant Events

- Some are standing still waiting for change. We need to understand that this takes a whole lot of time.
- I like where the whole thing is going.
- Morale dropped and it is moving back up.
- It is sometimes demoralizing because of how you show up with certain groups all of the time "B Team"

#12 Interview Responses - Nonexempt Female

Mission

+ These are exciting times and I am ready for the change.
+ The mission was pretty clear and spelled everything out.
- The deliverables make it a mish mash.
+ I feel just fine about the mission.
+ Leadership put a lot of thought into this.
I don’t think I would do anything differently.

Design Team

- The design team had a sizeable impact.
- When I saw the team I got excited because it had a good mix.
- I am encouraged about the opportunities.
- I feel discouraged about moving through the blocks. I am seen as a support person and I fear that I don’t measure.
- The team kept us informed and sent out memos.
- Everyone on the team was accessible.
- There were no secrets.

Coaching System

- The coaching system had no impact on me.
- The system is very encouraging because it provides people with direction and options.
- The coach is always in my corner.
- I am very pleased with my coach.
- Sometimes there is a lot to swallow and too much information at times.
- Splitting into small focus groups and talking about the changes was helpful.

Capability Blocks

- The blocks has had a huge impact on me.
- I believe that this is where the company is heading.
- The blocks tell me where I fit.
- I wasn’t scared by the blocks at all.
- I am on more teams to help me validate. This afforded me with new opportunities.
- I was impressed with the amount of information and detail.

Team Structure

- We have struggled with teams. It has been four years and there has been no continuity with anything. It is very hard being a support person.
- People need to get over their fear of the capability blocks.
- People need to be more open.
- There is still a lot of competition within the department.
- I don’t see a whole lot of cohesiveness. A lot of people are still operating out of the old system.
PDS

+ The PDS process was good. I see a lot more openness and a chance to talk with someone.

Other Significant Events

• When officers are let go, everyone is curious. The way that it is handled should be different. Trust is impaired when we don’t treat people right.
• I don’t know if people really like each other.
• The senior leader tries. People are looking out for their neck.
• We need to have some fun.
• We need to do a better job of communication.
• It is hard to keep track of what people are doing.

#13 Interview Responses - Exempt Male

Mission

+ Gave us a focus. It doesn’t mean as much to me now with the pay structure.
+ I am seeing the connection to what we are trying to do.
- There was no training for what is was like to work in this environment.
- We went through coaching and partners training, team training, and Interact.
- The rules get changed and things get changed, it could have been thought out better in order to get there.

Design Team

+ Groups of folks from different parts was great.
+ Getting input was great. We got so much stuff.
+ Initial work by the team was great.
- The longer you don’t provide the compensation piece, the greater the anxiety.

Recommend

• Shorten the time span.
• Tie in the compensation piece on the front end

Coaching System

+ The coaching system was positive for me.
+ As long as there are coaches who know their role, this is a comfortable fit.
- I was discouraged because it seemed like here are the winners and the losers get to pick the coaches who were winners who also get extra compensation.

**Recommend**
- Need coaching system earlier. This provides a great sense of security to be able to get responses.

**Capability Blocks**

+ The blocks were good because I was able to assess where I am at.
- Not knowing is frustrating. It took leadership a lot of time to evaluate us.
- I am not sure where this will leave me. A lot of the skills that have been identified might not fit.
- It is not a very comfortable process to go through.
+ Someone with a shorter tenure might come out better than someone with ten years.
- A lot of the definitions could be left to interpretation and it doesn’t value some past experiences.

**Recommend**
- Be up front with time required to complete the assessments.
- Let people know that this is not meant to be a demeaning experience. My skill may show up as a one when I thought it was a two. Prepare people mentally for what could happen. Have people work in small groups.

**Team Structure**

- I am still mixed up as to what is happening. It has created a very gray area for me.
- I don’t know where to go for information or who has the ultimate authority.
- I was very concerned about calling external people to find out how I am doing. It could create an impression that
- I am not doing a good job.
- If I am on seven teams am I effective?

**Recommend**
- I would start put with role definitions. It all needs to tie together and create a logical flow.

**PDS**

- Jury is still out.
Other Significant Events

• Coaching system is slow.
• More of the system needs to be in place. People need to know about the compensation piece. Don’t play with my livelihood. Everything has been identified except pay.

#14 Interview Responses - Exempt Male

Mission

- The initial receipt of information was negative by me. McKinsey divided us into two camps, one was specialists and the other consultants. Today it is positive because division of labor is an attempt to serve up work. We are all consultants.
+ The mission was positive and challenging.

Recommend

• Determine how communication will be received first. Proof the message with the intended audience to see if it is being heard properly. If not fix it.

Design Team

- While they did the work it did not have an impact. It helped to craft the language.
+ I read the summaries.
+ Work in progress that would change the work we did things.
+ Thought the team did an excellent job.
- Question mark about what Fred Crandall added to the process. Saw questionable interaction.

Coaching System

+ The coaching system had a personal effect. I was asked to work on the early documents. It helped me to shape it.
+ I was philosophically aligned with the system.
+ Being a coach is challenging to do good job.
+ I enjoy providing counsel.
+ As a partner it has not been as active, my coach is stretched.
+ As comfort grows, my feedback becomes more candid.
+ Relationships are building.
+ System give people a place to go to listen. There is value in someone being there.
+ People are getting feedback to help change behavior.
- In assessing who was a coach we used certain qualitative information that left people out.

**Capability Blocks**

+ It gave me a sense of what is expected. What change vision equates to this drives it home.
- Some of the blocks showed up in a negative way.

**Recommend**

- If starting all over again design criteria that acknowledges on company experience. Allow more flexibility in the actual language.

**Team Structure**

+ The teams had a positive effect on me. The farther we get away from control and command the better it will get.
- The early stages was messy. The assessment of team leaders was not in place.
- If team members asked to join, had to say "yes". Team was stuck.
- How are teams assessed, rewarded, and recognized for leaders?

**PDS**

- Raised a question about how I increase my skills.
- Jury is still out. Will I be able to improve my pay.

**Other Significant Events**

- Change vision happened a couple of years ago, we started out with a 100 people and now there is less than 70.
- We needed to have something on change. Something that talks about change and the implications of people who thrive on change and in the new culture. We lost some people.
- Where is loyalty in the department? Am I next? This is somewhat unsettling.
- We lost some good people. The Change vision ultimately comes down to people

**#15 Interview Responses - Nonexempt Female**

**Mission**

+ We have to be more customer focused and customer driven.
+ I keep wondering if I need to go back to school.
- My initial reaction to the mission was negative. Some moved into exempt
+ The vision and mission are focused. I have no real response as to how things will impact us.
- We are now taking a step backwards and asking how it will work.
- Some people may be scared for their jobs.
+ The more information I know that better my position.
- There is big time competition and I will do whatever I have to do to get ahead.
- I am more receptive because I am younger. The older employees are struggling and asking why we are doing this.
- There is not a team spirit in the department.
+ I feel good about our direction because the department helped us to be more focused to work with business units.
- Partners should have selected the coaches instead of having us list the coaches. This was the key to resentment.
- We had consultants come in and it died. This was not planned and was very disconnected.

Recommend

- Get more input from those in the department and find out what people feel and ask for their reactions.

Design Team

+ It was interesting to see how people were selected.
+ I thought they did a fantastic job of informing the department of their work.
- I believe that there was a lack of interest in the department. Some believed that nothing would change.
+ I started to go to the meetings and I got involved. I don’t think people talked about it positively. Some people became surprised because they were not interested.
- People were discouraged because they were overloaded with information. Now we are beginning to see how the pieces fit together.

Recommend

- Keep employees involved in the process. The Design Team was operating out of a higher level. They were involved. I came in later on and it was difficult.

Coaching Systems

+ This should have been done a long time ago. I did not know what was expected.
Coaching is essential.

Employees are now left to determine their career, however some individuals need to be managed.

I was able to build up trust with my coach.

Recommend

- Employees need input. Explain system first and then solicit input from the department and use this to identify coaches. This would have saved a lot of resentment.

Capability Blocks

+ They made me take a hard look at myself and how the skills help the department.
- They made me scared and doubtful about my skills and the process became very time consuming.
+ The benefits of the process were very valuable.
- Nonexempts are left out in terms of the capability blocks.
  - We only have nine blocks and the exempts have twenty-three.
- The blocks place stress on the coaching system.

Recommend

- Suggest we have someone from the outside of the company come in who has worked on something similar and have them help us.

Team Structure

+ We are more focused on projects and what people are doing. Seems like some people are involved and others are not. Same old people.
+ There is a potential for getting involved in other things.
- There is more competition in the department.
- Information is not shared across teams.
- Get input from people and ask them to volunteer versus being selected.

PDS

- I think that we are still caught in the old culture.
- Where do I go if leader is gone? I don’t have a boss, so who will hold us accountable?
- There is nothing in the system to reprimand people or to authorize people.
- The assessment will help, but it places more responsibility on the team leader.
Other Significant Events

- The impact of this has been the flattening of the organization and who do I go to if I have a problem.
- If there are personality conflicts how do people work its out.
- I have questions about how I fit in. Will I still be needed. What skills do I need.
- Overall impact is that people had to start earning their salaries.
- People are having to learn to work together. Some still have separate agendas and there is still resistance, but we have made progress.
- Leadership has to take a stand.
- Leadership plays more of a key role.
- We need walls to break down.
- People need to see change in order to understand change. It must show up on a day-to-day basis.

#16 Interview Responses - Exempt Male

Mission

+ The mission is more closely aligned with what we are doing in corporate.
- The link to business strategies is harder from this function.
- Change vision seems to be conflicting does not do a good job of explaining specialists and generalists.
- We need to stress the importance of the mission, I don’t know is it was clear. It wasn’t as articulated clearly.

Design Team

- Don’t know if the team had an impact.
+ The work of the team impacted the department.

Coaching System

- Too soon to tell if the coaching system had an impact.
- We are getting mixed reviews. Some think that this is a revisitation of the mentor program. Some embraced it from the beginning.
- Leadership has not been able to deal with personal development issues.
+ I was encouraged with coaching by peers.
+ Conceptually it gets at criticism and gets rid of middle levels of management.
- How can coaches manage around work and devote one morning a week to coaching.
- Leadership does not know enough about our work.
+ I think we are going about this as well as can be expected.
- The validation process has started and we need to prepare to validate.
+ The people aspect of this process is the most intriguing.
+ From a coaches standpoint this has been a great developmental process.

Recommend

- Prepare to make work adjustments before introducing the system. Don’t expect work to accommodate change, these are not just add ons.
- A process needs to be developed spending time with people.

Capability Blocks

+ The blocks gave a snapshot of the skills that we have to offer.
- The blocks are seen as a grade rather than as an assessment.
- Definitions don’t take into account the experience from my previous seven years outside of the company.
- The blocks are inflexible.
- I still believe that I have good skills inspite of how I was assessed.
- People need to be better prepared.

Recommend

- This is so counter-cultural, assessment versus grades. I would suggest straight talk and figure out what skills are here and how we design a developmental system.

Team Structure

- I don’t know if the deliverable teams have had impact.
- Define teams and integrate quality with the team process.
- This is a chance to do some independent thinking.
+ Teams and skill blocks have helped to define what it is we do.
- I am concerned because people are scrambling to move through the skill blocks. People will do what they have to do to get moving.
- There are some teams in name only.
- Leadership needs to foster a greater team environment.

PDS

- I need to see what happens with this year. We have said goodbye to the old tradition and the transition to the new was invisible.
Other Significant Events

- Skill block process is huge.

#17 Interview Responses - Exempt Male

Mission

- The people who are left behind are asking if they are valuable.
+ The mission gave us a clear picture that we are going to change and the reasons for the change.
- We were given dates for so long and it didn’t happen as we expected.

Recommend

- Let people know what they see will be different from before.
- Help people to get ready for changes. Prepare them.

Design Team

- I was so involved in keeping my unit alive that I missed out on this whole process.

Coaching System

+ The coaching system was a fantastic idea.
- Coaches should have been asked and not assigned to participate. The culture does not allow me to say no.
- There is tremendous responsibilities on us coaches.
+ A lot of the partners were not sure what to expect. The coaches meeting helped to clarify the questions and confusion.
- The coaches without management experience had a tough time.
- Coaches are put at a disadvantage for a partner who selected them as their third choice.
- The busiest people are the coaches.
+ The coaching system is the best thing that ever happened. However, communications is missing.

Capability Blocks

- The impact depends on where my capability blocks fall.
+ I was okay where I landed.
+ This was a reality check that was very laborious.
- We should have started out with a narrower focus.
- Some are feeling that they do not have a job here because their skills don’t fit anymore.
- Roll out coaching first.
- There were a lot of questions about the selection of the subject matter experts.
- There inequities in the skill blocks and this has started to raise questions about the subject matter experts and their credibility.
- There were too many distractions for the design team.

Team Structure

- The term team is a misnomer for the most part, we are still workgroups.
- There needs to be more learning.
- There has been a lot to do in a short period of time. Some people chose are chosen to do work and this is unfair.

PDS

- Unfortunately, some people expected promotions.

Other Significant Events

• The way people are leaving the department is sad. I see the slow dismantling of the department.
• The deliverables are so broad they area joke. They have not eliminated the old ways.

Recommend

• Identify the pluses and minuses over the past two years.

#18 Interview Responses - Exempt Female

Mission

+ We need to keep moving forward and we need people to provide feedback.
+ The mission gave us a better focus and gave connecting points that set foundation.
+ This put a stake in the ground. This was the first time that we defined ourself.
- I am not sure if we got everybody’s input in the beginning.

Design Team
The impact was positive and brought people together from different areas. This as a great learning experience. It was painful and out of the box.

- It was hard to focus on the big picture.
+ This was very encouraging. Minutes were public and we got people to help compile data.

- Buy-in was tough. This was a such a big change.
- Senior people were threatened and seniority was not considered.

**Recommend**

- We needed some type of pilot test or scenario planning. We stumbled too much. There was some pain that could have been avoided. We needed to step back at times, although we tried to get input on the front end.

**Coaching System**

+ The coaching system filled a need that was there.
- We downloaded people in our last communications meeting.
+ We need to document our processes.
+ Being a coach has made me listen more and not give advice.
+ This is a different type of relationship. I have to give people good news and bad news. It is not always comfortable being a coach.
+ Bill Joy's session was good for learning about coaching and I thought it was effective.
- Partners need to ask for help in seeking out negative feedback. This is a major behavior change. We need to know that this is an accountability.
+ I want to get good and bad feedback so I can grow as a coach.

**Capability Blocks**

+ There was a tremendous amount of information to disseminate at one time. In the beginning it hurt, but at the end it was very valuable.
+ People took the time and made an effort to complete the blocks. Everyone participated and invested the time.
- People were not prepared for the time investment.
+ This was a challenge
+ It made me stretch and I think it was a great process.

**Recommend**

- Be as specific as possible.

**Team Structure**

+ We were already working in teams and people were ready.
This was nothing new. It gives me a chance to display my skills, and learn new skills.

Recommend

- Go back to the beginning. We did not know how to go forward and identify roles. We just went to teams. This was a different direction.
- Must have strong leadership.

PDS

+ Gave us a consistent starting date and introduced a new system which was very positive for me.

Other Significant Events

- The deliverables were pretty significant and helped to show how things fit.
- I just need to remind myself that I need to be flexible, because I am no longer linked to a division.

#19 Interview Responses - Nonexempt Female

Mission

+ The mission gave us a structure or umbrella to work from and a direction to operate off of.
- People had a feeling that McKinsey was going to take jobs away.
+ The mission gave me something to work for.
+ Nothing was discouraging.
+ I don't know if you could do this differently. It was a map to let us know where we were going. I believe that it is unrealistic to have everything mapped out. I don't know if we could have done this differently.

Design Team

- It was discouraging to see the people who were selected for the team. It was clearly those who were striving towards the vision. No one ever said what the requirements were for being a team member.
- I was disgusted over the selection of people.
+ The team demonstrated the effectiveness of a team.
+ The team was carried by a few.
+ The team did a tremendous job, but they were not prepared. They needed a reference point to start.
+ The minutes were great. We needed to have more one-on-one time.
+ This was an eye opening experience and it was in the right direction. We should
have benchmarked another organization to hear from others and communicate with department to talk to us. Everyone was not sold on this.

**Coaching System**

+ People were looking for somebody that were interested in them. This was an opportunity for people to vent.
+ People have someone that is interested in their development and someone who provides feedback.
+ I selected this person in order to get good feedback.

**Recommend**

- Be careful who you select. Look at who is being placed in coaching.

**Capability Blocks**

- Horrendous exercise without clear expectations.
- Everyone was expecting to be a three. Let people know that to expect to be a three is not realistic. That it is okay to be a one.
- If you establish a criteria use it. Don’t change and say we will waive certain things if you have 30 years of experience for business. Be consistent for everyone.
- Everyone is not prepared to do an assessment and people need help. We needed more time with our coaches to find out what they had.
- I don’t know if the coaches were real clear.
- Officers kept shifting.

**Team Structure**

- Some of the teams are not placed where they fit.
- There needs to be less emphasis on individuals.
- There is an uncertainty of enjoying what you do.
- There must be clarity especially on standing teams.
- Don’t place people into teams until blocks are completed. This allows you to assess their skills and use this information to develop them.
- Team selection was haphazard.

**PDS**

- The PDS was just an exercise to me.
- The money and the PDS should have been unveiled at the same time.
- We are at a point where we are starting. Going from here to there. Where is there?
- We need the mission and key activities. Make sure that the compensation system
and skills are identified upfront.

Other Significant Events
- There is so much change. The changes fit with company direction.
- Is the department making change just to make change.
- I think that our senior manager is invisible. People don’t trust the other officers and they don’t have confidence with them as a whole. I don’t see them acting as a team.
- Support is inconsistent and one of the officers is not focused.

#20 Interview Responses - Exempt Female

Mission
- We are all aware of the mission now. We spend too much time putting stuff on flipcharts.
- The mission sounds wonderful, but I don’t see transfer to everyday work.
- Everything is too haphazard.
+ It is good in theory to be aligned.
+ I see changes with the Casualty team. They are a good example, and they established trust within the team.
+ I need someone to help me see how all of this is going to impact our customer.
- We can’t force programs. We need to let people see at every step.
- Leadership should spell it out more clearly.
- Let people see progress along the way and encourage them to keep the faith.
- McKinsey developed the mission and I don’t know if its that good. I don’t mind that I didn’t have input
- We never figured out how to make it happen. I am not sure how it will all fit together.

Design Team
- We should have done a cost benefit analysis starting with McKinsey to see how much we have invested in this process.
- The discouraging thing about this entire process is that too many people are involved and it may not be that worthwhile.

Recommend
- Keep it simple. Some are more interested in program than they are with outcomes.

Coaching System
- The coaching system was not optional.
- I would not want to be coach. I like things more informal. I never felt that I needed a mediator.
- Some people need a coach. I don’t think that I will benefit as much as others.

Recommend
- Should be optional. Make messages more candid. We send mixed messages. We are not really empowered.

Capability Blocks
- It is not a self-assessment. It depends on what the officers say.
+ I know that I must broaden my skills.
- There was a horrendous amount of time involved.
- For some this was a demoralizing experience.
- I hate having to have people vouch for my work. Either accept what I say and don’t make me vouch for my previous accomplishments.
- Some jobs allow itself to this type of analysis. We as a department are not. We are more free form and less structured.

Recommend
- Officers should go through a pilot first. They should also be required to go through the same process. They don’t understand what is all involved.

Team Structure
- Teams were superimposed without any logic in some cases.
- A lot depends on the team leader.
- Sometimes people are given the role of team leader because they need development. This can be inefficient.
- There should be reasons why each member is selected.
- The team leader needs to be respected. They must galvanize the team.
- All of the team leaders believe that their team is the most important team. What happens if I am on more than six teams?
- We should not jump into something without knowing how they work. Teams are generating bad feelings.
- We are working for unqualified leaders who need training.
- We also need a way to share information.

PDS
- No impact from moving from old to new.

Other Significant Events
• We need less meetings and more that are business focused. Provide the information that people need. I don’t like the small meetings that we are now having. There is no follow-up.

#21 Interview Responses - Exempt Female

Mission

+ The mission gave me confidence that we are going the right direction.
+ I believe the impact on the company has been tremendous. We are at the table with our customers.
+ I am pleased that we are taking the existing people and bolstering their skills. As a result, we are becoming more experienced.
- The workload uncertainty and not knowing can be damaging.
- I wasn’t sure how my specialty would be impacted.
- We need more help. We have downsized to the detriment of people. If we can’t manage workload, we will fall apart.

Design Team

- It had no impact on me.
- I hope that I make the grade.
- There is always a sense of fear.

Coaching System

+ My coach got me through the skill assessments.
+ We need to keep building people’s skills.
+ Training is important.
+ My coach is good.

Recommend

• Train partner and coach separately and together. Be sure to make it an ongoing process.

Capability Blocks

- The blocks are a lot of extra work.
- This is a very upsetting process.
+ It does remind me that I have good skills.
- A lot of my skills have been lost.
- The blocks are based on a small group of internal professionals. What does the external view have to say? I believe that some of the blocks are not objective.
- Jury is still out. I believe that this will be difficult to implement.

Team Structure

+ I think that the teams have been good.
- The workloads have created great difficulty.
+ I like the team environment and being responsible for my own work.

Recommend

- There needs to be contingency training for team leaders to reinforce their skills.

Other Significant Events

- There is so much turmoil. So many people have left. Morale is very low. and our pride is gone.
- I hope the design team has received professional help.
- I don’t have the greatest confidence in the skill blocks. They are too narrowly focused
- Leadership needs to be more visible and in the trenches working in the process.
- Leadership needs to let people know that they will be better off on the other side. And let people know if their career has taken a step backward.
- There needs to be better communication and a way of providing an overview to prepare people for change.
- I don’t know if you can avoid turmoil.

#22 Interview Responses - Exempt Male

Pre-Mission Overview

- I don’t think we were ready to make the change. The traditional structure never had real leadership.
- There was an infrastructure that said I was here 25 years and I deserve certain treatment. The old philosophy was either your on the team or your not.
- The old traditional system stalled the vision and the mission.
- There was too much confusion between the old system and the new. Leadership felt that their stripes were taken away and the non-leadership group didn’t have anyone to go to.
- People had too much to lose under the new system. We needed to facilitation on how to deal with change and enabling change.
- We weren’t clear on the role that McKinsey was supposed to play. People didn’t buy-in that McKinsey was here to help.
Mission

- The department must deal with readiness.
+ We articulated a clear vision and goal for the department.
- There was no game plan for moving into the future.
- There were only two or three people involved with the whole vision process.
+ I liked what I saw in the mission, but we needed to include more people.
- People needed to have a cleared picture up front.
- I don’t think we should have invented the compensation piece. Should have imported a system.
- Get more involvement up front to get the buy-in.

Recommend

- Get very clear on the roles and requirements for the department. Make sure all of the components, teams, coaching, skills, and work processes are all identified. Then it is easier to run a parallel process. Allow people to react to the plan and strategize around this process.

Design Team

+ This process engaged a lot of people and included some "nay-sayers" which was good.
- I am not sure if the team was empowered or the conclusion was already decided.
- Patti’s role was too strong. She had everything in her head.

Coaching System

+ I felt that I had already been doing this prior to its official announcement.
+ It defined what leadership is all about.
+ It was a good fix, but not enough.
+ System allowed people to have someone to talk to.
- Don’t make the system mandatory. If I need it, then I can take advantage of it.
  I did not agree with assigning coach. It should have been voluntary.

Recommend

- Combine the role of the coach and the team leader.

Capability Blocks

+ This process let me take a good look at where I was at.
+ It almost helped me to put together a good resume.
+ This was a good way to reflect.
It also helped to have conversations that we should have had long time ago.
- We almost went to the extreme in order to justify, verify or validate the blocks, we became anal.
- The department should have known where people were at.
- People were not sure about the criteria, give the coach access to make the close calls.
- The offices group isn't close enough to make the calls. Too much is based on perceptions you have of others.

Team Structure
- Still don't know what a team is.
- Still question if we work in teams.
- The team leader must create the environment for teams. We need to ask what do we need to do to get the work done?
- This department is very competitive and there is backstabbing.
+ There are about fifteen people in the department who work well together. But we are now starting to see the potential in others.
- The word evaluation can get in the way. Assessment should be seen as input.

PDS
+ The PDS drew a line in the sand.

Other Significant Events
- Marshall's leaving will help us move forward.
- If we fired everyone and had to hire people back, who would we want to bring back? This is the question that we must use to move forward.
- Does the company value communication?
- Do we have the horses to run?

#23 Interview Responses - Exempt Female

Mission

+ People felt like we were changing and the mission gave us a track to run on.
+ This gave us a focus of where we were moving. Some people were upset because we moved away from public relations.
+ I think that we did it the right way.
- We only had two people involved with the McKinsey people. We needed to include more people.
- Leadership needs to be on board. We needed stronger leadership.
- Needed stronger leadership. Marshall didn't have a clue.
  Road show was done with input from this department.
  Senior officer has been a tremendous help.
We also were instrumental in shaping the quarterly communications meetings.

Recommend
- It is important that people understand the need for change. There has to be hard decisions up front as to who will be able to work in this environment. Evaluate in six months and make the tough decisions. If people have to go then don’t string them out.
- Involve more people in the process of devising the mission.
- Have small meetings to get people’s input.

Design Team
+ Got more people involved in understanding how we changed. The design team forced us to communicate the changes.
+ Fred added value but not for what he got paid. Pat D. added value.
- We still get complaints about devoting time to ourselves, and ignoring customers.
- Some people struggled.
+ Hundreds of hours were devoted to this process.
- Team members had too much additional responsibilities.
+ The members of the team became advocates of the process.
- It took way too long. We needed more people.

Recommend
- There should have been at least three people who were dedicated to this project full-time, instead of one.

Coaching System
+ This has been a very positive process.
+ The coaches were picked by the partners.
- Coaches don’t have access to all of the necessary information.
+ I like the system.

Recommend
- People should be able to pick their own coaches from an open pool. coaches must be well informed and must understand the reasons for change. There needs to be regular meetings to help keep the coaches informed of changes.

Capability Blocks
+ This process spelled out what the work of the department would be.
+ This is one of the most clear cut things that company has ever had.
- It frightened a lot of people.
- The assessments have been very emotional.
+ It shows everybody where they are at.
+ The blocks help to identify the behaviors of the new mission.

Recommend

- Roll out the blocks and the mission at the same time.

Team Structure

+ Teams work well.
- We might be overplaying the team process.
+ The department has always worked in teams, and many people are wondering why we made such a big deal.
- We have teams that come and go.
+ People need team skills.

Recommend

- There has been so much change going on at the same time. Don’t introduce a mission and vision at the same time that you introduce the structure. We needed to slow the change down. There needs to have been more information up front. Bill Joy came in and I don’t think that there was ever any connected pieces.

PDS

+ People feel that the system is in place.
- Some people feel like leadership is lying. People have two years to move up in their capability blocks, but they are not trusting us.
- The coaches should have been used more in this transitioning period.

Recommend

- Make sure the compensation piece is ready in earlier. People don’t realize that they got an increase with the PDS, and can still validate and make more money this year. This point has been lost.

Other Significant Events

- There needs to be a strong leadership team that has consensus. They must understand change and lead that change.
- People must be open to changing.
- Some people are still living in the past.
- Have people more involved in putting this together.
• Include capability blocks earlier on in the process.

#24 Interview Responses - Officer Female

Mission

+ This was the right thing to do for the department.
+ This was pivotal. The department suffered from insecurity and not feeling that it added value. This was well placed.
- Change vision could have been more powerful.
- We needed to spend more time setting goals around the change vision.
- People were too distant from the process.
+ The level of anxiety increased as the vision became more personal. It was now more real.
- People needed to see it sooner.
- Leadership had differing viewpoints that were not shared.
- Downsizing created anxiety. We no longer knew what to do. There was too much too soon.
- Leadership needed to force conversations and plan for what needed to happen to make mid-course changes.
- Needed to talk things out.

Recommend

• Talk to people about what they like and don’t like. Give people the opportunity to talk about things. We find it difficult to talk about things.

Capability Blocks

+ The design team started to make the changes more real for people.
+ This helped to get us focus.
+ The team was a cross cut of the department.
- Compensation and blocks are too complicated.
- It worked better after Fred left. I don’t know what value he added.

Coaching System

- I am not sure what impact the coaching system has had.
- When we blew up the management system we needed to have something in place.
- It is difficult moving from management system to coaching system. Managers are paid to have answers and coaches are paid to ask questions.
Coaches should have been volunteers.
The amount of paperwork being generated at this time is discouraging.
There are some coaching relationships that are uneven.
+ Coaching is a very good thing.
+ Training was excellent, but can’t be a one shot deal.

Recommend

- The coaching system needs to stay pure. Coaches must not becomes managers.
  We needed to start it sooner and allow coaches time to get some experience.

Capability Blocks

- This took a huge amount of time.
+ Skill based pay is critical because it clearly defines capabilities.
- This system is too complicated, twenty-four skill blocks and three levels.
- Linkage between skills are difficult and the pay jumps are not equivalent.
+ Change is inevitable, growth is optional.
- We needed to understand what change is.
- Some coaches were not equipped to deal with cognitive dissonance.
+ I believe that this is the right way to go.

Team Structure

+ We are not done with teams.
- We need to look at resource allocation.
- Having sponsorship does not mean having to work for the officer.
+ The old culture was that you get ahead anyway possible. It didn’t matter if you hurt others.
+ The way that people move from band to band depends on how they move through the blocks.
+ People believe in the senior officer.

PDS

- Level of maturity has not been very high.
- This change would have been accelerated if people were accountable for their work.
- People needed a process to discuss their feelings.
- People are not prepared to investigate how others feel and openly discussing these types of things.

Other Significant Events
We needed to apply some organizational tools early on to determine where the department and people were at.

Survey Instrument

- The survey tool was too macro for some of the leadership. It was felt by some that the instrument was a message that we were giving people the option not to change. The instrument was interpreted as providing alternatives.
- I felt that the survey was right and did not do enough to push it through. The leadership team could not agree on how to best utilize it.
- The survey has not been abandoned, but is being revised to be administered sometime in the future.

#25 Interview Responses - Officer Female

Mission

- The mission had very spotty impact. It just dropped off for a year. People didn’t believe and it did not register for some.
+ I was moved by the mission.
+ The mission became the pride of the department. It was something that I could be proud of.
+ We have come farther than we thought.
+ Part of the old was looking good, the difference in the blocks and the skill levels is exciting.
+ We are not having to prove our worth.
- Leadership team was not prepared. We needed to be reading and getting educated in the change process.
+ Leadership is important.
- Senior officer needed to be present and apparent in it from day one.
- Leadership at the top must take ownership.

Design Team

+ The team surfaced major issues and added credibility.
- This was very painful and stressful. I was put in the positions of having to be at odds with people that I cared for.
+ The was a very open process and there were not hidden agendas on the team.
- There were some people who were left behind and it was painful.
+ This was a good process.

Recommend

- Lay groundwork that change is inevitable.
• Align leadership behind the mission.

Coaching System

+ We are still learning.
- Most of the pain will be on the coaches who have the potential to have the most impact.
+ The relationships are intense.
+ Coaches will need access to information.
- I am concerned that we have put in too much paperwork.
+ I am an advocate for coaching.
- We need a clear picture of how we move people.
- There is an immaturity on the part of our people. Many still don’t know how to take responsibility.
+ We need to have some type of analysis.

Recommend

• Prepare people that change is inevitable.

Capability Blocks

+ The blocks are powerful and they give people a reality.
+ The blocks represent the change vision and mission.
- There needed to be a clearer vision in the beginning.

Team Structure

- This is still the messiest process of all.
- We slipped on being in teams.
+ This gives people a chance to work in other areas.
+ People have grown tremendously and understand the process.
- People need more help and clarity on the different types of teams.
- There must be a better approach in the beginning.
- There needed to be different type of team training in the beginning.

PDS

+ This was a closing off and was a clear end. It was a hard process, but one of the better things that we have done.
- Compensation system is still missing.

Other Significant Events
• There have been so many changes and people leaving, that it has been overwhelming.
• Senior officer made these changes happen.
• Senior officer needs to be heard.
• Leadership needs to speak.

Survey Instrument

• It has not been abandoned and is still under consideration. The timing has to be right.

#26 Interview Responses - Officer Female

Mission

- There is an upside and downside. There has been a major shift in the work and how the people see the work.
- McKinsey work was good, but the process was flawed.

Design Team

- The bottom line is the compensation system.
+ There is less opportunity for people to get lost.

Coaching System

+ This is just to have someone to talk to.
- There is a lack of clarity on the coaches role.
- We have taken away one management system and not replaced it.
- We have created a missing.
- Coach is there for the best interest of the partner. Coach may not have the best interest of the department at hand.
- Coaching was a response to people’s needs.
+ If current management relationships are dysfunctional, addressing the relationships should help.

Capability Blocks

- The blocks have been devastating for some.
- Many are designed for the future.
- Adults are uncomfortable when they don’t feel they can do something.
- Impossible for people not to feel evaluated. This can’t be avoided.
+ It is important of what happens afterward. Clear development working plans can
help people to see the future.
- Compensation is still an issue.

Team Structure

- It looks like chaos. It is almost impossible to get a view of what is happening or who is involved.
+ I am able to focus on the teams that I sponsor.
- Teams came without requirements.
- People have no sense of who to be accountable to.
- What is the role of team leaders and team members?
- There are no clear levels of accountability. It varies by client and team leader.
- People need to be clear on what it looks like as the capability blocks progress.
  What does it mean and what are the capabilities? We need to transition from hierarchical. Blend and help people to know and understand the process in the beginning.

PDS

- It looked like the end of the old, but the new didn’t kick in and some are still waiting.
- Make sure the pieces are ready.
- Skills assessment process should have run parallel with the new.

Other Significant Events

- Make declarations early on. This is nonnegotiable. Here is where we are going.
- Taking people out of the old and into the new has been the greatest challenge.
- We are still learning.
- Fix the current before you move to the new.

Survey Instrument

- The survey had no place where I was concerned. I am less interested in the broad issues. There was little room for individual accountability and development. Only measuring if I was taught a certain thing. I am more interested in the individual development and not the broader perspective.
REFERENCES


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VITA

The author, James B. Morris is the son of Dorothy M. Morris, and the late James B. Morris, Sr. He was born in Allentown, Pennsylvania, where he graduated from William Allen High School. He received a Bachelor of Arts Degree in Sociology from North Carolina Central University in 1975. He attended Woodrow Wilson College of Law in Atlanta, Georgia and received a Juris Doctor Degree in 1983. He received a Master of Arts Degree from Loyola University in Community and Organizational Development in 1988.

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The dissertation is therefore accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

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