

**MB 802: Managing Organizational Change
Carroll School of Management
Boston College**

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Text / Materials: Course materials and all course readings are on Web CT

1. COURSE OVERVIEW

Change is a fact of life in contemporary organizations. Whether you are involved in business, health care, education, government, or human services, the rules of operating within your industry have seen significant changes in recent years. The driving forces behind this change have come from many different sources. They might include dramatic advances in technology, globalization and the increasing competition which this has created, changing government regulations, the creation of new business models, mergers and acquisitions, changing workforce demographics and worker expectations, or radical changes in funding models (as is the case in the health care industry.)

My personal belief regarding organizational change is that you can change many things in a matter of minutes, but lasting change takes significant time and a great deal of organizational *and* personal investment. I would suggest that all organizational change requires personal change for each individual involved - and we know how difficult personal change can be. Organizational change programs that appear quick, easy, and painless are generally deceptive and may present the veneer of change without the occurrence of underlying, lasting change. This course will help you to understand the complexities of change by examining, from both a theoretical and practical perspective, a number of contemporary change strategies.

2. COURSE APPROACH AND TEACHING PHILOSOPHY

My teaching on leadership and change is grounded in both a theoretical and applied perspective. Prior to joining Boston College, I was a practitioner in the field of “change management” for more than 20 years. Mainly those changes were focused on the issues of leadership development, organization development, and quality management. During that time I was intimately involved in (and in some cases led) highly successful large-scale change programs and also, unfortunately, 1-2 failures. Since coming to Boston College in 2000 in my role as a Center Director, I have worked with many organizations

that are attempting to catalyze change in the area of workforce management and corporate social responsibility.

I see "management" as an applied discipline, but this does not discount the importance of understanding and utilizing theory. As psychologist Kurt Lewin famously stated, "There is nothing more practical than a good theory." In this class, we will try to combine theory with practice in ways that will increase your conceptual understanding of organizational change while also developing your skills as a *change agent*.

I believe that adults learn more from doing than from listening. With this in mind I will strive to make the class an *active* learning experience through the use of exercises, case studies, guest and student presentations, and other "action-oriented" strategies. This places the burden on you to come prepared, actively participate, take risks, assume leadership, and even "initiate corrective action" if you believe we are failing to meet our learning objectives in the class.

Finally, in spite of the way much of your education has been structured, I do not believe that learning is simply a cognitive process. Emotions and feelings play an important role in learning which too often, academic institutions discount. If Chris Argyris (the father of organizational learning) is to be believed, then it may be fear of embarrassment which is the most profound impediment to learning and growth for most adults. In spite of this, we sit in classes throughout graduate school which repeatedly reinforce that learning is simply a matter of intellect - if we understand something on an intellectual level, we have learned it. In this class, if we interact on a purely cognitive level, then we will miss much of the context within which organizational change takes place. Therefore, I hope that we will be able to share openly the issues we do not understand and challenge those concepts that we understand but do not support.

3. THE CLASS STRUCTURE

The class will be held over three weekends. Each weekend will have three modules (9 modules in all.) During the first weekend, as an introduction, we will review some general thoughts on change. We will also review in detail one structured change process – The 7-Step approach. Through this approach, you will learn the steps in a classic organizational change effort. During this part of the course, we will follow a fairly standard format: I will do some lecturing, you will make insightful comments, and we will review some examples.

Over the next two weekends, we will focus on analyzing organizational change cases and on building our understanding and skills on how to be an effective change agent. During these modules, we will examine three cases involving major change efforts at medium / large organizations (two high technology companies and a shipping company.) The cases are rich and I think they will provide you with a realistic picture of what can go "right" or "wrong" when facilitating or leading organizational change. We will also focus on understanding how to be an effective change agent. Your team

presentations provide you the “opportunity” to do some teaching relevant to some of the key elements associated with organizational change. Finally, I will discuss tools and techniques which can be used to manage or facilitate change. My hope is that these techniques will help the "hands-on" manager or consultant be more effective when leading a change effort.

3. MAJOR ASSIGNMENTS

1. Short paper on change: How do I respond to change? Before commencing with the readings, please write a brief, 3-4 page paper reflecting on a difficult change process that you have dealt with in your professional, academic, social, or personal life. Please reflect, to the degree possible, on not only what happened but also how you felt as it was happening. What struggles did you encounter during this time? What coping mechanisms did you employ? What worked and what didn't in helping you through this trying time? Finally, in hindsight, what are some of the lessons that came out of this change and how have these affected your views. In what ways have you grown from the experience? How, if at all, had the experience “scarred” you?

2. Team presentation of a critical change element: In addition to the process approach we will explore in the class, there are a number of other factors that need to be considered in order to understand and facilitate organizational change efforts. These include elements such as *organizational culture, leadership, resistance, communications, education, and reward systems*. Failure to consider these elements when orchestrating a change process could dramatically undermine the likelihood of success.

Based on your interest area, on the first weekend you will be assigned to work in a small team (3-4 students) that will focus on one of these change elements. Each team will be expected to lead a 20-30 minute session that provides a creative overview of the element they have selected. I will provide your team with 1-2 readings to use as resources but I would like to see you add some of your own perspectives here as well. In presenting the topic, you should be creative; incorporating an exercise, video vignette, etc. to help make your key points and stimulate class discussion.

3. Change Process Paper: The Change Process Paper is the major deliverable for the course. Select a change effort that you are involved in currently, or have recently experienced, and apply the 7-step process learned in class to analyze this endeavor. My preference is that this be a work related change, but in lieu of a solid work related case, a personal change effort may also provide a rich learning experience. (One reason to consider a personal change is because it allows you a better understanding of the psychological ups and downs involved in a change process - thereby providing a greater appreciation for how difficult real change is.)

If you have difficulty identifying a change to analyze that you have been involved in, you may go to the popular press to identify one. Certainly, there is no lack of examples for us

to look at in the media regarding effective or ineffective change in organizations (e.g. the War in Iraq, closings of parishes in the Catholic Churches, major mergers such as HP-Compaq, Bank of America-Fleet, Boston Scientific-Guidant, any of a number of mergers in healthcare, etc.) The size or scope of the change project is not what's important, displaying your mastery of the change process is.

The paper should follow this outline:

1. **Introduction:** What is the situation, organization, and context for the change. This section should give the reader a clear understanding of what the intended change was as well as the environment in which the change was being implemented. Also, it is important that you convey clearly from what perspective you will be writing the analysis. Did you lead the change? Were you a participant in the change? Are you reporting on information that you received second-hand or through secondary sources. If so, what are those sources?
2. **The Seven Steps:** There should be seven sections – one for each step. Each section should begin with a definition of what the step is and then should proceed to discuss what actions the change leader / team took with reference to that step in the process. Each section might also include a paragraph that outlines the strengths and weaknesses that were in evidence in this step of the process.
3. **Overall Evaluation:** You should make more general comments on the overall approach to the change initiative (do not reiterate each step). You should also evaluate outcomes from a process and outcome perspective (i.e. some change efforts follow good process but do not yield good outcomes, and vice versa.)
4. **Recommendations:** Include a list of recommendations suggesting what steps could have been taken to increase the success of the project.

Criteria for grading the paper will include:

- Use of the theory and readings from the course. I expect that your paper will make a number of references to appropriate theory and readings from the class. While you do not need to footnote, you should cite the reading by putting the author's name and the date of the publication in parenthesis following the reference. Where quotes are used directly, put the page number the quote appears on. A list of all readings you referenced in the paper should appear at the end of the paper.
- Use of supplemental material to support the paper: **Please include graphs, process flow diagrams, organizations charts, survey results that help tell the story more vividly.** Text alone is sometimes difficult to follow – not to mention boring. A picture can be worth a thousand words, so save yourself some writing and add illustrative materials (either in the text or in appendices.)

- The rigor of your analysis of the change process on a step-by-step basis
- The use of supporting data: One “hot button” for me is when students state “facts” that have little or no substantiation or where the source for substantiation is unstated. If you make an assertion such as “Morale was at an all-time low” on what do you base this? If you suggest, “This project has had an enormous impact on customer satisfaction,” how do you know this to be true? While it is acceptable – and sometimes desirable to insert your opinions into the analysis – be clear on what is subjective opinion and what is based on more objective data sources. Provide the metrics/ measures that substantiate your claim and identify the source.
- The quality of your conclusions and recommendations:

In addition to the paper, each student will be asked to bring to class a 3-slide Power Point presentation that summarizes the background of the change, how the organization did relative to the implementing the change using the lens of the 7-Step process, and some recommendations about how the change initiative could have been improved from their learnings.

4. Class participation: Due to the very short duration of the class, and the fact that this makes it difficult for me to overload you with written assignments (much to my chagrin), your course performance will also be judged on your active participation in class sessions. Let’s face it. If you don’t participate, eight hours on a Saturday could seem very long. I will not judge you on volume of comments but rather quality. Comments can come from your own personal experiences as well as the readings. A balance of the two would probably be optimal.

4. GRADING

A) Personal reflections on change due March 2	15%
B) Team Presentation, scheduled for March 17	15%.
C) Change Process paper, due on March 31	50%
D) Class Participation, based on class readings / preparation	20%

5. DETAILED CLASS OUTLINE AND WEEKLY ASIGNMENTS

Module, Date, Topic(s)	Module agenda	Assignments due
<p><u>Module 1: Afternoon of March 2: Introduction and Class Overview</u></p> <ul style="list-style-type: none"> • The Art of Dialogue and its importance to the change process 	<ul style="list-style-type: none"> • Instructor and class introductions • Course overview and syllabus • Complexity of organization change • Introduction to the 7-Step Process • Dialogue (method #1) as a means for understanding the dynamics change 	<ul style="list-style-type: none"> • Read: Kanter, Change, Where to Begin • Read: Kotter, Why Transformation Efforts Fail • Read: Schein, “On Dialogue, Culture and Organizational learning” • Due: Change Reflection paper
<p><u>Module 2: Morning of March 3: Overview of change as a process; 7-Step Change process (step 1-3)</u></p> <ul style="list-style-type: none"> • Step 1: Establishing the need for change • Step 2: Building a powerful coalition • Step 3: Developing a Shared Vision 	<ul style="list-style-type: none"> • Building the case for change, establishing a sense of urgency • Video: Catholic Priests and Sexual Abuse • Building your team and support structure • Implementing Diversity at IBM • Characteristics of an Effective Vision • Video: Kennedy and King 	<ul style="list-style-type: none"> • Read: Crisis and Response: Sexual Abuse Allegations in the Boston Archdiocese • Read: Thomas: Diversity as a Strategy • Read: Collins and Porras, Building Your Company’s Vision
<p><u>Module 3: Afternoon of March 3: 7-Step Change Process (steps 4-7)</u></p> <ul style="list-style-type: none"> • Step 4: Identifying Obstacles to Change • Step 5: Developing Shared Plans • Step 6: Implementing the change process • Step 7: Institutional change 	<ul style="list-style-type: none"> • Using the Language Processing Method to surface obstacles (Method # 2) • Hoshin Planning (Method # 3) • Implementation challenges • Institutionalizing the new approach 	<ul style="list-style-type: none"> • Read: “Driving Change at NBI” • Read: Mellum and Collett, “Definition of Hoshin Planning

<p><u>Module 6: Afternoon of March 17 Learning as a means to Organizational Change</u></p>	<ul style="list-style-type: none"> • Organizational Learning • TQM and continuous improvement • Video: Alex D'Arbeloff & TQM • TQM at Teradyne • Review of Change Process projects 	<ul style="list-style-type: none"> • Read: Argyris, Teaching Smart People How to Learn • Read: TQM's Challenge to Theory and Practice • Read: Harrington, The Teradyne Case • Due: One-page summary of case you will be analyzing for term paper
<p><u>Module 7: Afternoon of March 30: Strategic Product Change</u></p>	<ul style="list-style-type: none"> • Doing organizational analysis • The 7-S model (Method # 5) • The IIM case • Video: Imagine 	<ul style="list-style-type: none"> • Read: Peterman, Waters, and Philips, Structure is Not Organizations • Read: Harrington, The Case for Integrated Information Management
<p><u>Module 8: Morning of March 31, Improving your skills as a change agent</u></p>	<ul style="list-style-type: none"> • Class discussion: Key Learnings from the change papers • What is process consulting • Using a process consulting approach to change 	<ul style="list-style-type: none"> • Read: Schein, A General Philosophy of Helping: Process Consultation • Read: Harrington: A straightforward process for consulting • Assignment Due: Change Process Paper
<p><u>Module 9: Afternoon of March 31, Course Wrap-up and evaluations</u></p>	<ul style="list-style-type: none"> • Individual change • Course Evaluations • Class Wrap-up and celebration 	<ul style="list-style-type: none"> • Kegan and Lahey: "The Real Reason People Won't Change"

LAST UPDATED: February 15, 2007

5. Supplemental reading list:

Following is a list of books on the topic of change in contemporary organizations. While many of these books were written years ago, they contain much wisdom that is very relevant in dealing with these issues today.

- Argyris, Chris, and Schon, Donald A. (1978). Organizational Learning: A theory of action perspective. Reading, MA: Addison-Wesley. (Organizational Learning)
- Beckhard, Richard. (1969). Organization development: Strategies and models. Reading, MA: Addison-Wesley. (Organizational Change)
- Bennis, Warren and Nanus, Burt. (1985). Leaders: The Strategies for Taking Charge. New York, NY, Harper and Row. (Leadership)
- Bolman, L. G. and Deal, Terrence. (1997). Reframing organizations: Artistry, choice, and leadership. San Francisco: Jossey-Bass. (Organizational Analysis)
- Collins and Porras. (1994). Built to last: Successful habits of visionary companies. New York, HarperCollins (Corporate Vision and Values)
- Covey, Stephen. (1989). The seven habits of highly successful people. New York: Simon and Schuster. (Self Management)
- Dyer, William G. (1977). Team building: Issues and alternatives. Reading, MA, Addison-Wesley. (Teamwork)
- French, Wendell L. and Bell, Cecil H. (1973). Organization development: Behavioral science interventions for organization improvement, Englewood, New Jersey: Prentice-Hall. (Organizational Change)
- Galbraith, Jay R., and Lawler, Edward E. (1993). Organizing for the future: The new logic from managing complex organizations, San Francisco: Jossey-Bass. (Organizational Change)
- Katzenbach, J.R and Smith, D.K. (1993). The wisdom of teams: Creating the high-performance organization. Boston. Harvard Business School Press. (Teamwork)
- Kleiner, Art. (1996). The age of heretics: Heroes, outlaws, and the forerunners of corporate change. New York: Doubleday. (Change Agents)
- Nadler, David A. and Tushman, Michael L. (1997). Competing by design: The power of organizational architecture. New York, NY, Oxford University Press. (Organizational Design)

- Schein, Edgar H. (1988). Organizational culture and leadership, San Francisco: Jossey-Bass. (Organizational Culture)
- Schon, Donald. (1983). The reflective practitioner: How professionals think in action, Cambridge, MA: Basic Books. (Individual / Management Development)
- Senge, Peter M. (1990). The fifth discipline: The art and practice of the learning organization. New York: Doubleday. (Organizational Learning)
- Walton, Mary. (1986). The Deming management method. New York: Putnam Publishing. (Organizational Change / Total Quality Management)
- Weisbord, Marvin R. (1987). Productive workplaces: Organizing and managing for dignity, meaning, and community. San Francisco: Jossey-Bass. (Organizational Change)