

A Discussion Paper on Healthy Organizational Change

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INTRODUCTION

As a practice, health promotion is both reliant on, and a product of the public and non-profit human services sectors. Over the last two decades, the principles of health promotion have grown to become an important component of many human service organizations, overcoming many assumptions supporting the tradition of health care.

However, despite the growing need to focus on the broader determinants of health, ensuring the future of health promotion as a priority of government and a priority of the people has become an even greater challenge.

We are facing on a global scale, an unprecedented dismantling of the infrastructure for caring in our society. In the current reality of the human services sector, the future and sustainability of our work are highly unknowable. In this time of widespread uncertainty, cost-cutting, restructuring, and downsizing appear to be the norm. There is a need for the non-profit sector to significantly restructure itself, not simply to survive major ongoing funding cuts, but also to become more effective in serving its changing constituency.

This discussion paper explores the realities of, influences on, and approaches to healthy change within organizations. The discussion focuses on organizational change in the context of unpredictable futures in the non-profit human services sector. In this context, we explore the literature on emerging concepts such as the culture of "learning organizations" (Senge, 1990), the characteristics of "adaptive systems" (Zimmerman, 1994), and strategies for creating a capacity for "change-ability" (Zimmerman & Armstrong, 1994).

The purpose of this discussion paper is to present some concepts and strategies for creating a capacity for change in a very unstable environment and to encourage a deeper critique of the changing nature of our work. Throughout the discussion, the field of health promotion is referred to as an example in practice. We explore some of the changes that are occurring in the field and draw parallels between the principles and processes of healthy organizational change and the principles of health promotion. The practice of health promotion tends to be connected to public health, community health and voluntary health organizations, many of which are facing unknowable" futures. Since not all non-profits are in the 'business' of health promotion, the broader purpose of this discussion paper is to inform a diverse audience, whose common concern is finding new ways to support human service organizations and systems as they face unprecedented shifts in every corner of their sector.

REALITIES OF CHANGE

Change is the only real 'constant' around us.

Reality tells us that change is the only real 'constant' around us. However, it is the paradox between change as a constant and the unpredictable nature of change that is unnerving for many people and organizations. Not surprisingly, being forced into a process of change causes many of us to instinctively become defensive and resistant. The creation of healthy change is about living comfortably with conditions of constant change, and finding ways to create, within those conditions, pathways for accomplishing desired objectives through continuous adaptation (Zimmerman & Armstrong, 1994).

Creating healthy change is especially important in today's society, as the nature, scope and likely duration of the changes we have seen over the past few years are unlike anything we have faced before. To make

conditions of change work for us, we need to acknowledge the realities of change. The Ontario Prevention Clearinghouse summarizes the unique dilemma facing today's leaders in three simple phrases:

- there is no 'away' ... we must create something new without being able to leave behind the old
- there is no 'finally' ... the change process that is underway is not simply a matter of seeking a new equilibrium
- there is no 'returning to normal' ... the chaos we are coping with IS our new normal; the old structures, models, practices and roles are gone (or should be).

We are having trouble acknowledging that fact because of the painful individual and organizational identity crises brought about by such a realization.

UNDERSTANDING ORGANIZATIONAL CHANGE

APPROACHES TO CHANGE:

- managing ('redirecting the stream');
- adapting ('rowing up the stream');
- change-ability ('becoming the stream')

Organizational change is not simply a reactionary strategy for organizations to survive a temporary state of flux. Rather, organizational change goes beyond coping with, managing or adapting to change as it occurs. These assumptions suggest, rather narrowly, that change is only a temporary state, predictable, directly affectable, and attributed to external forces. Organizational change is about transformation, creating capacity and an infrastructure for continuous learning, and understanding that every member of the organization is the organization.

This conceptualization of organizational change comes from the new paradigm of work, which has been evolving over the past three decades. It has involved a shift from hierarchical, authoritarian corporate structures to team- building models and community corporate models ([Maynard & Merhten, 1993] cited in Mullen Heck, 1995). The result of this paradigm shift is that many organizations have moved toward innovative structures that emphasize flexibility, employee empowerment, customer focus, and widespread, continual learning at all levels of the organization.

Health Promotion and Organizational Change

Health promotion has always been about achieving change, because it has consistently challenged traditional concepts of health and it has given us a different way of looking at what determines health (Hayday, 1996). By definition, health promotion is "the process of enabling individuals and communities (including organizational communities) to increase control over, and improve their health" (World Health Organization [WHO], 1986). Since the term first gained its popularity two decades ago, health promotion has come to represent a "unifying concept for those who recognize the need for change in the ways and conditions of living, in order to promote health" (Working Group on Concept and Principles of Health Promotion, 1984). Strategies of health promotion address the broader determinants of health, supporting individuals, communities and populations, through an emphasis on holistic change at a personal, community, organizational and/or systems level.

Today, human service organizations are struggling to survive and sustain their vision, their work and their people. An understanding of the link between health promotion and healthy organizational change may help in planning for "unknowable" futures. To be able to learn their way toward the future that is best for them, organizations in the non-profit sector will need to undertake their own enabling processes, not unlike the definition of health promotion.

Reflecting on the guiding principles of our practice can play a significant role in fostering our own organizational change processes. These principles of health promotion encompass our work to ensure conditions for empowerment for individuals, communities, and organizations for whom we serve.

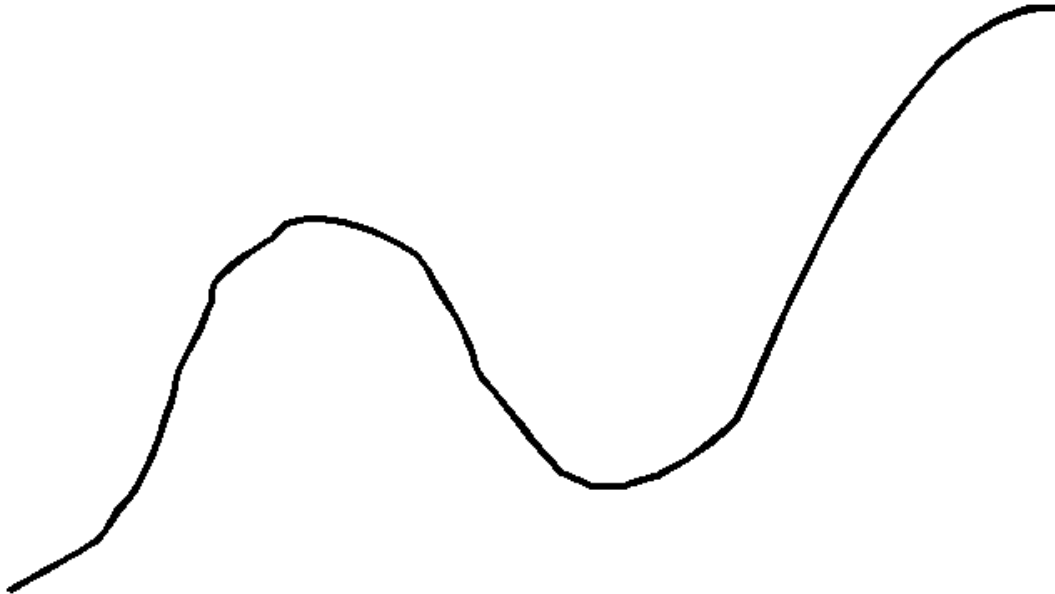
Therefore, it follows that we should practice what we preach, and learn to use these strategies for healthy change in our own organizations. As stated by Bryan Hayday, Executive Director of the Ontario Prevention Clearinghouse (1996), "health promotion has helped increase our understanding of internal organizational change, the need to create partnerships and the process by which sustainable change occurs".

FOSTERING HEALTHY ORGANIZATIONAL CHANGE

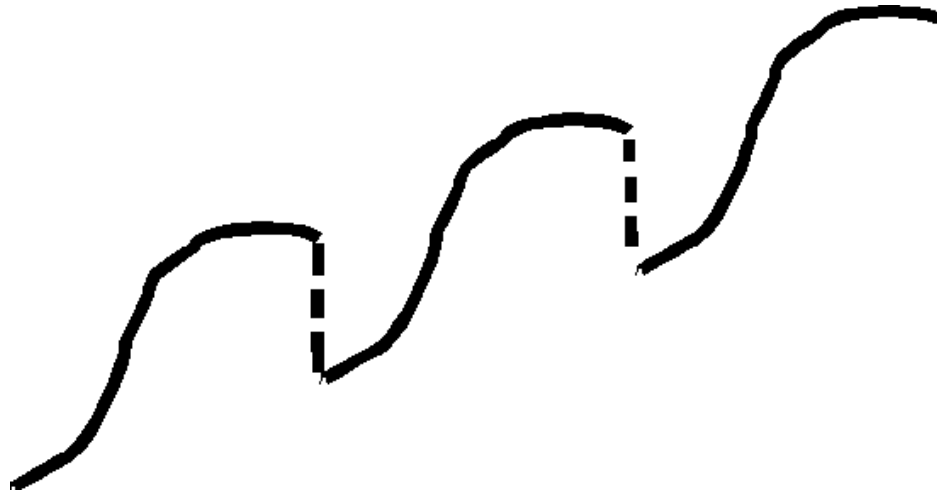
In organizational change theory, fostering healthy change implies moving past our old notions of simply managing, adapting or coping with change. Building a capacity for change in organizations means creating environments for learning, whereby people are encouraged and able to work toward building a better organization (Senge, 1994a). This process of capacity building and continuous learning can be described as creating organizational "change- ability" (Zimmerman & Armstrong, 1994). However, the challenge organizations often face is that it "is easier to begin initiatives than to bring enduring changes to fruition" ([A.T. Ariyaratne] cited in Senge, 1994b). Zimmerman and Armstrong (1994) describe the difference between managing change and creating change-ability:

Managing change addresses the issue of moving an organization or system from Point A to Point B in the most effective manner. It assumes that one knows where Point B will be in the future even if, at the outset, one does not know the route to get there. Creating change-ability implies creating the conditions or environment in the organization or system so that it has the innate capacity to change. [This] is based on an assumption that organizations need to become more adept at creating change-ability given the unpredictability of future outcomes in the economic, social and political arenas.

Understanding organizational change-ability can also be illustrated through a comparison of change as linear process and change as a process of "free-fall", otherwise known as "that place of confusion and not-knowing" that Margaret Wheatley describes as chaos (Margaret J. Wheatley quoted by Flower, 1993). Linear change suggests that change is predictable and even reversible, following a solid line that might fluctuate with highs and lows, but where the outcome is not entirely unknown. Meanwhile, a process of "free-fall" suggests that change is unpredictable, where the only way to move forward is by letting go of the familiar. In this respect, organizations in "free-fall" are much like living systems, which "when confronted with change, have the capacity to fall apart so that they can reorganize themselves to be better adapted to their current environment" (Margaret J. Wheatley quoted by Flower, 1993).



Linear Change: constant line, with hills and troughs



Free-fall: letting go of what you know and starting from a different point

Figure 1

Linear Change versus 'Free-Fall'

As Margaret Wheatley describes (Flower, 1993), 'open, abundant and free-flowing information is what living systems use to transform themselves'. However, she describes that 'in order to make sense of this information, an organization needs a strong core identity or vision, one that is clear to everyone in the organization'. With a shared vision, people are then free to 'organize their own behavior within that vision, instead of organizing by non-dynamic, linear policies and procedures'.

Senge (1990) suggests that the reason people and organizations may be adverse to change and uncertain about creating a capacity to change is that "many people and organizations find themselves motivated to change only when their problems are bad enough to cause them to change". Senge further adds that "this works for a while, but the change process runs out of steam as soon as the problems driving the change become less pressing". Thus, extrinsic motivations cannot be the only driving force for change. For an organization to effectively respond to, and shape changes which may be occurring in external realms, there first has to be an understanding of the organization's internal capacity and commitment to continuous learning for healthy change.

Kim (1993) states that "creating a learning organization requires a community of leaders". If every person in an organization believes in his or her own capacity to learn, then an organization can help by fostering a space in which learning thrives. Kiefer and Stroh ([1984] cited in Senge, 1990) suggested that "organizations capable of inspired performance appear to have several key elements: 1) a deep sense of purpose often expressed as a vision of what the organization stands for or strives to create; 2) alignment of individuals around this purpose; 3) an emphasis on both personal performances and an environment that empowers the individual; 4) effective structures that take the systemic aspects of organizations into account; and 5) a capacity to integrate reason and intuition". These characteristics highlight the vital link between individual learning and organizational learning in the process of creating a capacity for healthy organizational change.

As Daniel H. Kim (1993) states, "all organizations learn, whether they consciously choose to or not - it's a fundamental requirement for their sustained existence ...[moreover], organizations ultimately learn via their individual members". Peter O'Donnell, Senior Consultant for the Ontario Prevention Clearinghouse supports this view. In his consulting work with organizations, Peter states that "increasing organizational change-ability often involves a complex process, of balancing planning and implementation of new strategies in practice with the equally important need to address the impact of change on staff, who must become skilled and comfortable at 'learning their way into the future'". Organizations that are cognizant of this balance and committed to learning are willing to ask questions which challenge existing assumptions, make undiscussable issues more discussible, and believe that taking risks, both in learning and action, are essential to creating healthy change. Moreover, only by developing this capacity at the individual and organizational level can we hope to produce the wider changes we seek at the systems level. For example, it is not enough to put individuals or organizations together and encourage them to collaborate in the creation of something new. The partners must know how to create change in their separate roles before they can contribute to collective change.



Figure 2: Balancing Individual and Organizational Issues

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Learning Organizations as Living Systems

The fundamental principle of "learning organizations" is the transformation of experience into knowledge (Senge, 1990). In the second edition of his book about "learning organizations", called *The Fifth Discipline*, Peter Senge (1994) predicted that, "the organizations that will excel in years to come will be those that understand how to gain the commitment of employees at all levels and continually expand their capacity to learn".

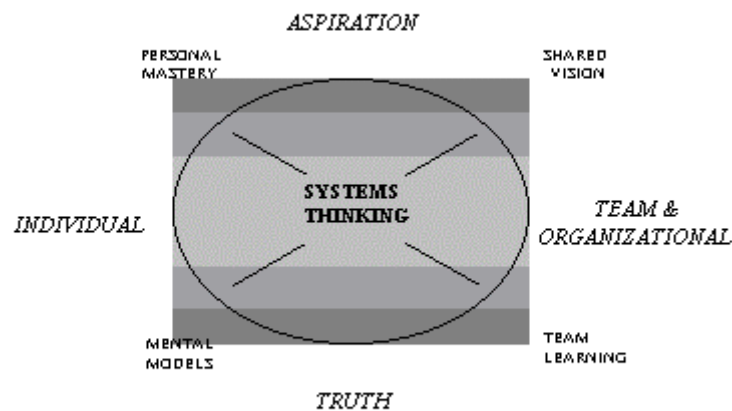


Figure 3: Learning Organization Disciplines (adapted from Senge, 1994)

The five disciplines by which Senge defines learning organizations, are understood to be disciplines that are practiced continually by the best organizations, but are never mastered (Senge, 1990). These five disciplines include: systems thinking; personal mastery; mental models; shared vision; and team learning. Understanding what makes a learning organization is no harder than understanding what makes a great team. That is, "a group of people who, over time, enhance their capacity to create what they truly desire to create" (Senge, 1994). There are a number of skills and capabilities that characterize learning organizations: aspiration to change because one wants to, not because one needs to; reflection on deep individual and collective assumptions and patterns of behavior; learningful conversation; and conceptualization of larger systems and forces at play. The fundamental balance of learning organizations is between organizational issues and people issues.

As Senge (1994) states, the actual 'fifth discipline' is systems thinking, because it is the cornerstone of the learning organization and of the other four disciplines. Traditional approaches usually focus on isolated parts of a system, which limits an organization's efforts to solve problems and be effective. However, systems thinking can be described as a conceptual framework which encourages an organization to see patterns of organizational behavior, and then learn to reinforce or change them effectively. Knowing that systems thinking is the anchor of the learning organization, the remaining four disciplines are discussed in no particular order. The next discipline of learning organizations is personal mastery, which means "deepening one's vision, focusing one's energy, developing patience, and seeing reality objectively" (Senge, 1994). Personal mastery is about working toward the results one decides, personally, professionally or otherwise (Senge, 1994). This discipline is not unlike the concept of empowerment, which is the foundation of many efforts in health promotion practice.

Next, mental models are defined as the way in which "we understand the world and take action in it based on notions and assumptions that may reside deeply in the psyche" (Senge, 1994). Understanding mental models is also something that is not new to health promotion practice, although it may not be described as such. In understanding the theory and practice of health promotion, emphasis is placed on exploring our own assumptions, values and biases and how they may influence our practice. As Senge describes, "[w]e may not be aware of the effect these models have on our perception and behavior, yet they have the power to move us forward or hold us back". However, he goes on to state the importance of "learning to unearth our internal pictures of the world, to bring them to the surface and to hold them rigorously to scrutiny...to carry on 'learningful' conversations that balance inquiry and advocacy, where people expose their own thinking effectively and make that thinking open to the influence of others". Egan (1994) explores the influence of mental models in terms of the culture of an organization.

As he indicates, before attempting to change an organizational culture, you need to know how it is defined. This definition requires an in-depth exploration of practice ethics, biases, assumptions, the shared or individual visions about one's practice. It also requires asking what is the 'preferred organizational culture' versus what is the covert culture' (i.e., often undiscussed, unnamed, undiscussable, and even unmentionable), neither of which are necessarily what is stated on the plaque on the wall. The fourth discipline is shared vision. Senge (1994) believes that "[n]o organization becomes great without goals, values and missions that become shared throughout the organization." However, many organizations do not understand the difference between a vision statement and a genuine vision. As Senge states "a genuine vision breeds excellence and learning because people in the organization want to pursue these goals". Meanwhile, a vision statement is often a one-shot effort to give "overarching direction and meaning" to an organization's strategy. Senge goes on to suggest that, "writing a vision statement can be a first step in building shared vision but, alone, it rarely makes a vision 'come alive' within an organization". As Kiefer and Stroh (1984) cite from Ackoff, "a vision has the capacity to motivate people far more effectively than a precisely defined solution, because it is not bound by preconceived limitations". Moreover, the process of creating visions enables people to clarify and realize what they really want, independent of what presently seems possible, by building a bridge between the current and desired states (Senge, 1990).

The final discipline of a learning organization is what Senge describes as team learning. This principle means an organizational commitment to working together synergistically, such that the learning of the whole team is greater than the learning of each individual member. In order to achieve true learning in a team, Senge (1994) suggests beginning with dialogue, in which members "suspend assumptions and think together to solve problems or chart the future of the organization". Following open dialogue, an important next step is discussion, whereby views are presented and defended and the team searches for the best view to support decisions.

Planning for "Unknowable" Futures

Senge emphasizes that increased adaptability and an orientation toward continuous learning are prevailing characteristics of learning organizations. As he describes, 'corporations that are leading the pack, are focused on two types of learning: "generative learning", which is about creating; and "adaptive learning", which is about coping'. Daniel H. Kim also uses these characteristics to describe the levels of understanding in organizations undergoing change. As Kim (1994) describes, "[t]here are multiple levels from which we can view and understand the world: events - the things we encounter every day; patterns of events - accumulated memories of events; systemic structure - "event generators" responsible for producing events; and shared vision - "systemic structure generators" guiding force behind the creation or change of all kinds of structures". These levels of understanding can help us recognize where we're at in our organizations so that we can go beyond typical reactive and 'event- oriented' responses and begin to look for 'higher leverage actions'.

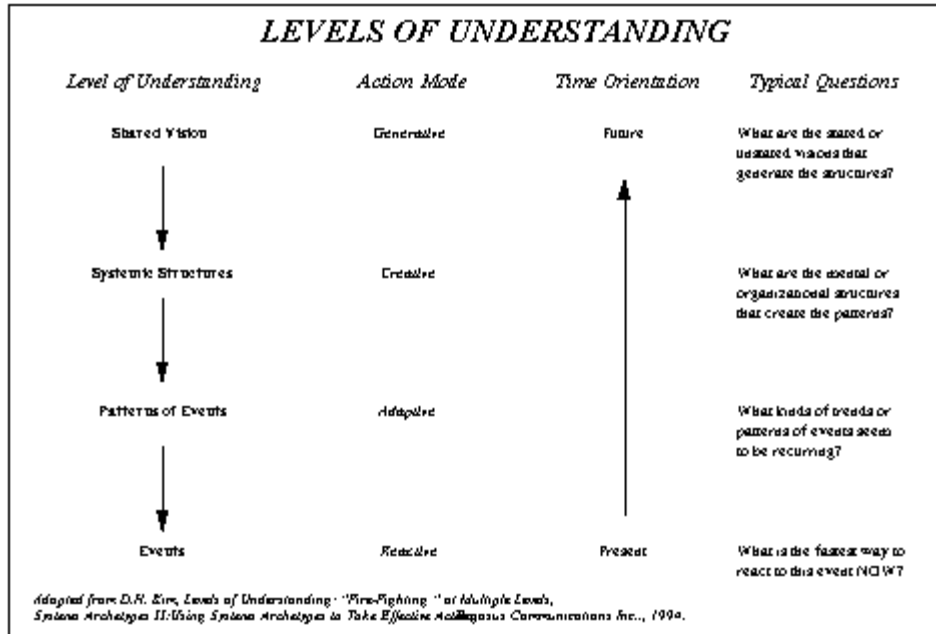


Figure 4: Levels of Understanding

Traditional approaches to long-term strategic planning suggest that the future might be highly predictable given the right information and tools. The current reality in Ontario's human service systems is that many aspects of the future are highly uncertain or "unknowable". Organizational change-ability will require learning and applying the principles and techniques of scenario planning to identify a range of possible futures which, in turn, create the context in which we can continually adapt our services. Scenario planning begins with an examination of the most important driving forces creating the changing conditions in which we will work. The next step is to identify the most significant impacts that these driving forces will have on the 'what' and 'how' of the work. Scenario planning helps us to look at the implications of driving forces. It leads to the next process of defining the kinds of specific activities to be planned and implemented, along with the means of monitoring their effectiveness and the need for further adaptation.

CONCLUSIONS AND REFLECTIONS ON CHANGE

In our organizations, we can pursue healthy change through a number of guiding principles which reflect the culture of learning organizations. Fundamental to creating capacity for individual and organizational learning are a shared vision of the organization, rich relationships and a feeling of interconnectedness, and an open flow of information and dialogue. These 'intangible' characteristics support the disciplines of learning organizations which, when practiced, support individual and collective opportunities for everyone in the organization to feel that they are the organization. Healthy organizations are like living systems, and require a dynamic exchange. To learn and build capacity to survive and thrive, an organization cannot be afraid to ask questions, expose and deal with undiscussable" issues, and critique existing processes relating to decision-making processes, information sharing, and learning.

Healthy organizations view change as both a continuing and evolving process. They work hard at learning how to make conditions of change work for them. They see themselves in a virtual state of continuous change, never static, and are committed to the ongoing development of their collective intelligence, history of learning and mechanisms for ensuring interconnectedness. To foster individual and collective change-ability, organizations should focus not on managing the outcomes of change, but rather on managing the patterns which create the change. The principle of change-ability assumes that organizations are complex systems in their own right, but also part of larger complex systems as well. At every level of change there are internal and external influences which must be considered, including individual responses to change. Organizational change-ability will require learning and applying the principles and techniques of scenario planning to identify a range of possible futures which, in turn, create the context in which we continually adapt our services.

We cannot ignore the changing context and system of health promotion and non-profit management in Ontario, and elsewhere. Planning for "unknowable" futures will require a willingness to think and do things differently, including building a capacity to understand the complexity of change from a macro-environment, agency and individual perspective. As well, we will need the individual and collective self-

awareness to recognize our 'learning disabilities' as well as our capabilities. Creating a capacity for change means that few things will be obvious and many things will be ambiguous. Learning to become comfortable with ambiguity and things 'unknowable' is not something only for the Executive Director or those in upper management to deal with, but it is a collective commitment to change and to the sustainability of our work.

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1. York University's Nonprofit Management & Leadership Program
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2. Innovation Associates, Inc. Implementers of The Fifth Discipline
<http://www.innovationassociates.com/index.htm>
3. Review of The Fifth Discipline <http://www.rtis.com/nat/user/jfullerton/review/learning.htm>
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