

Will decision-making always happen around the coffee machine?

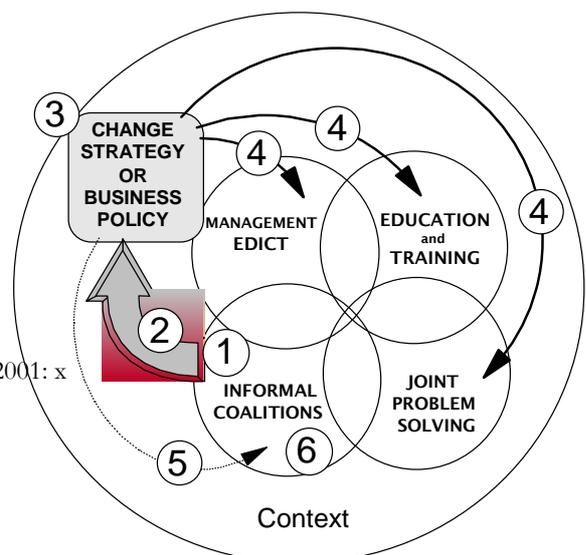
How does change happen in organisations?

One view of how change happens in organisations is that it is planned in a rational way and imposed from the top – “cascaded down” is the phrase frequently used. This is often likened (inappropriately, in my view) to a military operation. As we have seen in the recent Iraq war, all sorts of irrational factors and unforeseen circumstances and consequences influence military campaigns.

Another view acknowledges the role of these informal, less rational elements in organisations and tries to engage with them. In Weick’s¹ words, “there is more to life than decision making and rational models, and much of this ‘more than’ precedes decision making”. In this view, the informal coalitions (which abound in organisations around various interest groups) are where change often starts. So, someone will have an idea or a plan to do something. For example, the organisation needs to divest itself of certain areas in order to survive. This person may or may not be the most senior person in the organisation. In either case, he or she needs to gather enough support for the idea to become part of the official discourse. In the first instance, he or she is likely to explore the idea in informal conversations, typically around places like the coffee machine (in one organisation we worked with the car park was the place). Part of the gathering support is likely to involve rational arguments (e.g. this part of the business is no longer core to what we do); and part of it is also likely to be more emotional or intuitive (e.g. “this’ll take a load off our minds”). Once there is enough support, the idea is likely to become “official” or an “edict”. This may then require some education and training or task groups to implement some of the change. This is neatly illustrated in the model below by Chris Rodgers.

1. Conversations take place informally throughout the organisation, until sufficiently powerful, informal coalition forms around an emerging theme (or themes).

¹ K E Weick “Making Sense of the Organisation”, Blackwell, 2001: x



2. This is raised in 'legitimate' arenas (such as formal meetings and papers) as a formal proposition.
3. Following formal processes, the proposition is incorporated into the organisation's change strategy and/or business policy.
4. Proposed changes are then formally and openly implemented through a mix of *management edict*, *education and training* and *joint problem solving* approaches.
5. Powerful players use informal socio-political networks to influence outcomes during implementation.
6. Informal coalitions re-emerge spontaneously in the organisation, as a reaction to the perceived effects of the formal changes.
7. These conversations trigger a repeat of the cycle; and this pattern recur sthroughout the organisation's life.

To engage or not engage with informal coalitions?

These informal coalitions operate whether or not we choose to engage with them. And they continue to operate once a decision has become edict. Much of what we do in organisations involves making sense of what unfolds from our ongoing actions and interactions with each other and the outside world. There is a strong argument for saying those in senior positions ignore informal coalitions at their peril.

We've seen different ways of engaging with these. These include:

- Creating spaces where people can come together in small groups to talk to each other and to those in senior positions
- Encouraging a climate in which people feel able to raise different views
- Exploring the different views, rather than dismissing them
- Actively listening to stories people tell about the organisation
- Surfacing and exploring underlying assumptions that are channelling conversations in particular directions

A combination of these is probably what is needed in most instances.

A tale of one change initiative

This is the story of a change initiative in one large partnership. It began with the senior partner in a professional services firm having a "road to Damascus" experience when he witnessed first-hand an anti-globalisation demonstration. This led him to question the "command and control" model that much of the firm's strategy was predicated on. He returned and asked a small group of people to explore alternatives to this. They came up with some ideas broadly informed by seeing the world as more complex, interrelated and self-organising than had been acknowledged previously. These ideas then got translated into an "edict" or new strategy with a high profile launch. The ideas included:

- setting some clear measurements and devolving decisions down to a lower level on how to achieve these
- encouraging greater innovation and personal responsibility in developing services, client relationships and self

People were largely left to their own devices on how to work with the new ideas. One interesting forum was a small group who met regularly with the help of a facilitator to discuss issues they were dealing with as a result of the new strategy. This group was a rich source of stories about how people were engaging (or not) with the new strategy. The participants found it helpful and were frustrated by their inability to get senior management to listen to what they were saying. Meanwhile, the market got tougher and financial controls got more stringent. Partners had severe constraints put on their discretionary spending which seemed at odds with the emphasis on greater personal responsibility. The cynics became more vociferous. One of the “old guard” offered the following comment at an informal drinks gathering “I’m not taking much notice of it – I’ll just wait till the fad passes”. And it did. No mention was made of the initiative 18 months after it was launched.

There are several possible interpretations of this. One is that those leading the change failed to tell a compelling enough story about the need for it and to thus engage people in enacting it. They didn’t gather enough initial support for it before it became an edict. Had people believed in it more heartily, it is likely they would have made it come true, in the same way that self-fulfilling prophecies work. This supports Weick’s view that it is the justifications that are “plausible to, advocated by, sanctioned within and salient for important reference groups” that are likely to be taken up.

Another take on this story is had senior management engaged with what was being said in the informal gatherings after the change was launched, they might have been able to respond to what was unfolding in a way that would have enabled the initiative to continue.

Of course all of this is speculation and done with the benefit of hindsight. It does however point to the power of informal coalitions and the risk of ignoring them.

Rowena Davis