



Organisational change: finding your way as you journey into the unknown

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Journeying into the unknown

Let's imagine that you're setting out to travel somewhere you've never been before. Actually, no one has ever been there before. So, what do you do?

Do you gather together all the information you have about your destination and plan a route to get there? Do you set off in the general direction, and try to work out the detail as you go along? Or perhaps you don't even worry too much about where you're going, you just set off and then take whatever turn looks most interesting.

Organisational change is much like travelling somewhere new. Every organisational change journey is unique. No one else will start from where you are, no one else will end up where you do, and no one else will take exactly the same route. So any maps or directions that you get from experienced travellers (best practice organisations) or guides (consultants) will never be exactly right for your organisational journey.

Nonetheless, let's imagine that you are embarking on a journey of *intentional change* in your organisation, setting off on a journey to greater organisational effectiveness. (This is rather different than simply being swept along, perhaps unwillingly, by the tides of change.)

You might choose to be either more planned, or more exploratory and opportunistic in your approach, as described above. Your choices may be guided by your assumptions about change outcomes and how they might be managed, from your past experience of 'what works', and from your personality preferences. No single approach is intrinsically 'better' than the others, although some might be a better fit. Yet, whichever approach you take, once you set off into the unknown, you need to be prepared to find your way in ever-changing terrain.

The changing terrain of multi-change environments

How many change projects are going on in your organisation right now?

Remember to include all the strategic initiatives. Don't forget the integration of that merger from last year; it's not quite there yet. And then there's that office move on the horizon. Now add in all the projects designed to reach new customers; to develop new products or services; to enhance branding; to improve processes; to leverage new technologies; to increase financial efficiencies and value; to build skills and capabilities; to reduce risk; to increase engagement and wellbeing; and to respond to competitors.

Still counting? Okay then, here's an easier question. How many change projects have you got going on, just in HR? I bet that, if you start counting them up, it comes to rather more than you might think.

Most of us work in multi-change environments these days. For many, it has become the norm, we don't even question it. We simply accept that 'business as usual' means change, on multiple fronts. The trouble is that, in a multi-change environment, there are many unknown (and unknowable) interdependencies. As change initiatives collide and people respond, any map you develop of the terrain for change in your organisation is constantly changing.

To make matters worse, the outside world is also in flux. The political, legal and economic landscape; the local and global competitive landscape; the social and demographic landscape; the technological landscape – wherever you look, they are all changing.

So the question becomes: how do you find your way to enhanced organisational effectiveness (however you define it), as you embark on a journey into the unknown, with a changing map of where you are?

Finding your way

Finding your way requires new knowledge, new skills and new tools.

New knowledge: the Dynamic Patterning of change

The first step to finding your way in change is to understand how organisational change really works.

The view taken in this article is that organisational change is a continuous process. It arises from everything that people are saying and doing as they respond to one another in the normal course of their work (this view is informed by Stacey, 2010). Surprising and unintended patterns of change can and *do* emerge as people interact in organisations.

We refer to this as the Dynamic Patterning of change. Imagine a large group of starlings flocking and you will start to get the picture of how unpredictable patterns can develop from repeated interactions (for example, watch *Amazing Starlings Murmuration*, 2010).

New skills: sensemaking and learning

Change leadership requires good *project skills* and excellent *people skills*. In a stable context, those might be enough, but on changing terrain, we need something more. What change leaders urgently need are great *processing skills* – skills of sensemaking and learning – so they can make informed responses to the dynamic patterning of live change to influence the patterns that they and others are co-creating.

If it sounds like a little bit like going round in circles, that’s not surprising. Taking responsive action in live change involves engaging in a process of ‘double-loop learning’. What that means is learning before responding, rather than reacting more automatically, in a single loop of learning, based on assumptions about yesterday’s world. Double-loop learning involves taking in more information, asking questions and challenging thinking to inform action. It helps us respond to, and to influence, changing conditions.

Figure 1: Single and Double loop learning

Single-loop learning	Double-loop learning
An example is a thermostat which receives temperature information and takes corrective action. If the room temperature drops below 20 degrees, then a thermostat set at 20 will turn on the heating. Above 20 degrees and it will turn off the heating.	A person might question whether to set the thermostat at 20 degrees. They might take heating costs and climate change into account and decide to reduce the setting to 19 degrees. Or they might notice that an elderly relative is feeling cold and choose to turn up the temperature setting.

In terms of organisational change, single-loop learning might mean taking corrective action to keep a change project on course in a relatively stable context. Whereas double-loop learning might involve trying to change the course, taking into account the issues and opportunities arising from a dynamic context. For example, if a project appears to be lacking staff engagement, a single-loop response might be to ramp up internal communications. Whereas a double-loop response might be to ask questions, and to look for data about why there might be a lack of staff engagement, before choosing a response. If change fatigue was an issue, then simply ramping up internal communications could be counterproductive.

To engage in double-loop learning, organisations need to be actively asking questions about what is changing; asking what is new, different, surprising or unexpected? Multiple perspectives are extremely valuable, as each person has part of the picture, and no one can see the whole thing. Despite being at the top of the organisational hierarchy, Chief Executives are rarely privy to the whole picture. People may soften

'bad' news and be more inclined to tell the CEO what they think he or she wants to hear.

If you are in charge, whether you head up a team, a department, business unit or organisation, it becomes vitally important to scan for early warning signs of emerging issues and opportunities in change. These might come in the form of an escalation of previous patterns, such as existing divisions becoming more entrenched. Or they may signify something completely new.

Small differences and disconfirmation may provide vital clues that something is changing. Leaders will want to listen carefully to these clues and to invite rival explanations about what they might mean.

Figure 2: Sensemaking and double-loop learning in change

Actively ask questions:	Seek out multiple perspectives:
What is changing?	Diversity - invite input from multiple people
What is new or different?	Differences - value different views and opinions
What is surprising or unexpected?	Disconfirmation - look out for 'black swans' (Taleb, 2010)
What issues and opportunities might be emerging?	Rival explanations - what might this mean? What else might it mean?

In changing terrain, organisations would be well advised to formally engage in double-loop learning on a regular basis. Yet this kind of internal horizon-scanning is still relatively rare. Since they tend to focus attention on a relatively narrow range of issues, employee surveys and pulse checks can miss early warning signs of change. Organisations would benefit from taking a broader focus from time to time; and should make sure that they embed a double-loop learning process in every change project, to help them take informed action in live change.

New tools: spotting the 'vital signs' of change

The process for finding your way as you journey into the unknown of organisational change is relatively straightforward:



Yet noticing and interpreting what is changing can be tricky, as the warning signs of change come in the form of valuable 'weak signals':

'As information thunders through the digital economy, it's easy to miss valuable "weak signals" often hidden amid the noise.'

Harrysson M, Métayer E, Sarrazin H (2014)

What we need first and foremost, therefore, are tools for **NOTICING**, so we know what kinds of signals to look out for when we are amid the press and clamour of everyday life in organisations. Leading edge data about what is changing is likely to be small, every-day, qualitative data. For example, you might notice a dip in energy in a team; a new story circulating; people becoming more 'occupied' in their own jobs; or fewer people meeting up for coffee.

However, this type of data is easy to overlook or ignore. The good news here is that the emergent domains of change revealed by my recent research¹ act like powerful lenses which help to focus people's attention on the 'vital signs' of change. For example, focusing on the emotional domain helps people to notice changes in organisational energy. Regular pulse checks – eg jotting down personal reflections, or doing it with your team – can then help you notice weak signals about emerging change in each domain.

We also need tools for **INTERPRETING** that data. Rather than relying on computing power, this type of unstructured data needs people to make sense of it. A Harvard Business Review blog suggests that we need to '*draw on the faculty of human judgement to focus on the smaller picture in order to comprehend the larger one*'. A great way to do that is to invite people to create pictures about what is changing. These techniques can help people draw out what is salient for them from a wealth of data – even when much of that data is indistinct and ambiguous, as it so often is in change. Sharing and discussing those pictures can help groups to consider emerging issues and opportunities.

Getting on the front foot in change

There are some practical steps that HR can take to help leaders and organisations to find their way in organisational change, as they journey into the unknown.

First, they can introduce people to the dynamic patterning view of change and help them explore the implications. For example, what are the implications for leaders, who lead in the midst of continuous change? How can making sense help them to give sense to their teams and signpost promising routes ahead? What about project leaders and project boards: how can it help them to better understand and manage systemic risks and opportunities? How can an understanding of dynamic patterning help HR and OD to anticipate emerging leadership and organisational development needs?

¹ See the blue box at the end of the article for further details.

A second way to get on the front foot in change is to scan for weak signals and make sense of emerging patterns of change in your organisation more formally. You could embed the process in leadership development activities, projects, or change programmes. Or, you could conduct a change health scan across multiple projects and use it to inform your OD programme.

The benefit for leaders and organisations that get on the front foot in change is that they will become more able to spot what is changing, when they need it most. They will be better equipped to seize opportunities and address issues sooner in an ever-changing landscape.

Conclusion

Organisational change is a journey into the unknown, along changing terrain. Finding your way in that changing terrain requires (i) new understanding about the dynamic patterning of change; (ii) new processing skills of sensemaking and learning; and (iii) new tools to help people in the midst of on-going change to notice and interpret what is changing in their organisation. Organisations wishing to get on the front foot in change can develop these new change capabilities in leaders at all levels to aid them in navigating into the unknown.

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Taleb N (2010), *The Black Swan: The Impact of the Highly Improbable Fragility*, Random House Publishing Group, edition 2 [The idea is that you only need to find one black swan to show that swans can be black]

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Further reading

Read more about single and double-loop learning at:
<http://infed.org/mobi/chris-argyris-theories-of-action-double-loop-learning-and-organizational-learning/> [accessed 20 November 2014]

Sharon Varney is one of our IES experts in Organisational Design and Development. This article is based on Sharon's doctoral research, which was chosen as a Highly Commended Award winner of the 2013 Emerald/EFMD Outstanding Doctoral Research Awards in the Leadership and Organisation Development category. To find out more about the ideas in this article or how IES can help you please contact:

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IES Annual Conference: Organisational Development 1 October 2015, London

Our conference this year focuses on the intricacies of organisational change. With markets only slowly recovering from the recession, and the public sector still firmly in austerity, conditions remain tough for many organisations. Adapting to such challenging times has led many organisations to seek major change - attempting to shift cultures, cut costs, and innovate. But we all know that change can go wrong and make things worse rather than better. Change can significantly dent employee morale, well-being and engagement and damage productivity and innovation.

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