

From Bogged Down to Fired Up: Inspiring Organizational Change

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KNOWING AN ORGANIZATION NEEDS to change and *getting* it to change are two very different things. This article focuses on the need to convince employees that the status quo is not satisfactory—and on tactics to achieve that end. The author studied six organizations whose leaders tried to introduce radical change. Some interventions were successful (when a steel plant manager opened the books to union leaders, he convinced them the plant would be closed if changes were not made), while others were not (the CEO who bad-mouthed his new company in the business press just angered employees). The author's framework for intervention, and his colorful case examples, together form a picture of the checks and balances needed for effective team building. *Ed.*

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My point is simply this—managing organizational change is a topic American business needs to examine and understand because fundamental change will be the order of the day for the foreseeable future.¹

THE STATEMENT ABOVE, made by the president of Southwestern Bell, reflects a growing consensus among U.S. business leaders concerning the demands that will be placed upon them and their organizations in the coming decades. That consensus has two distinct dimensions:

- Massive organizational change is inevitable given the volatile nature of our competitive environment.
- Adaptable, flexible organizations will enjoy a distinct competitive advantage over rigid, static ones.

Scholars, too, have been paying attention to the dynamics of large-scale organizational change. How do organizations change? More specifically, how can our understanding of organizational change inform the actions of managers who want to transform their own organizations?

A key question for scholars concerns the initial stage of the change effort; that is, how do managers create a state of organizational *readiness* for change? Organizations are bureaucracies, and as such, Renato Mazzolini says, they tend almost naturally to resist change.² Barry Shaw explains at least some components of that resistance less in terms of bureaucratic organizational structure than in terms of individual behavior. Organizational members be-

come committed to a course of action and then escalate that commitment out of a sense of self-justification.³ In order to overcome such resistance to change, extraordinary pressures must be brought to bear on organizations and individuals.

The need for this pressure has long been recognized by students of organizational change. Michael Beer, for instance, notes that organizational arrangements experience pressure to change only when they no longer allow the organization to respond to new competitive or environmental conditions.⁴ Dissatisfaction with the status quo, in other words, fuels organizational change.

But the literature on change tends to focus exclusively on how such pressures are experienced and acted upon by top managers or unit leaders. "*Top management* [emphasis added] seems to be groping for a solution to its problems," writes Larry Greiner of the opening stages of organizational change.⁵ Wendell French and Cecil Bell agree: "Initially, in successful organization development efforts, there is strong pressure for improvement, at least on *top management* [emphasis added] of an organization or one of its subunits, from both inside and outside the organization."⁶ Noel Tichy and Dave Ulrich elaborate on this view: "The *dominant group* [emphasis added] in the organization must experience a dissatisfaction with the status quo."⁷ Those dissatisfied leaders, in turn, mobilize commitment to a new vision and translate that vision