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### **Mapping the Journey of the Organization Brian Stanfield**

*One of the characteristics of the Journey to the East was that although the League aimed at quite definite, very lofty goals during this journey... every single participant could have his own private goals. Indeed, no one was included who did not have such private goals, and every single one of us, while appearing to share common ideals and goals and to fight under a common flag, carried his own fond childhood dream within his heart as a source of inner strength and comfort.”  
Hermann Hesse: Journey to the East*

Organizations, leaders and their workforces are on a journey. Some companies consider this development to be intrinsically bound up with the profit motive, and the satisfaction of shareholders. To this end we see many companies put themselves on the tortuous racks of downsizing, right-sizing, consolidating and re-engineering with a view to maximizing the profits and keeping the shareholders happy. In these measures both the expenses and the staff morale are generally axed. Meantime, workforces slide into a terrible “who’s next” anxiety and despair.

Other less dramatic approaches at changing organizations have been tried in the attempt to transform one aspect of the organization in the hope that this will generate a ripple effect through all the other systems. JoAnne Raynes, a trainer at one of Canada’s main banks, says: “These ‘silver bullet’ approaches have often put the entire burden of organization renewal on one such dimension. Familiar examples include total quality management (TQM), inventory control (JIT), continuous improvement, team building, process re-engineering, and customer service. Although each of these interventions has its own merit, most likely no single initiative can achieve broad organizational change.” CEOs often know this, but are persuaded to take on silver-bullet strategies against their better judgment by promises of higher salaries, stock options, and other “perks”.

Silver bullet strategies inevitably fail to fulfil their promise of all-round transformation. To change an organization means changing the whole network in its multitude of dimensions—a process that has been called “whole-system transformation.”

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A first step in this wholistic change is transforming the organization's current paradigm or world view. In this understanding, the first thing an organization must first clarify is the understanding out of which it operates. Then it must create the consensus to choose a new and desired paradigm. When the image shifts the priority values shift. It is not simply the focus, structure and leadership of the organization that change, but the core values, skills, and operating style.

To choose a new paradigm, an organization needs a vision. It needs an image not just of greater size or profitability, but of higher maturity and fulfillment. It also needs a way to see where it is stuck at present, and an overview of the whole journey of possible development.

Over the past two decades, many business leaders and teachers have contributed to an emerging vision of human potential in organizations. In *Reflections on Leadership* Richard Smith describes the shift between the mechanical model of the organization based on the pyramid and the emerging models based on circles. Some other mentors and models for new-paradigm organizations are Peter Senge's learning organization, Russell Ackhoff's systems, Robert Greenleaf's servant leadership. The foundations of some models lie in the sciences of quantum physics, self-organizing systems, and complexity theory.

Recently people who study and consult with organizations have been working hard to understand not only the value scales of different organizations, but also their life journeys as they evolve in structure, leadership, workers, values and skills. Four authors especially relevant to this article's map of developmental phases in organizations are:

1. Harrison Owen in his book, *Spirit: Transformation and Development in Organizations*, describes organizational development as a journey of the spirit where the organization transcends itself into successive new orbits. His five stages of development are based on management styles: reactive, responsive, proactive, interactive and inspired.
2. Willis Harman and John Hormann, in *Creative Work: The Constructive Role of Business in a Transforming Society*, work with a system based on four stages of evolution: the reactive, responsive, proactive and "New Paradigm."
3. ICA Taiwan consultant Dick West used a similar four stage image of development. He then maps out the implications of each phase in terms of values, contexts, skills, preoccupations, styles of leadership, structure, communication and worker relations. He uses the resulting chart to help clients plot their own next steps.

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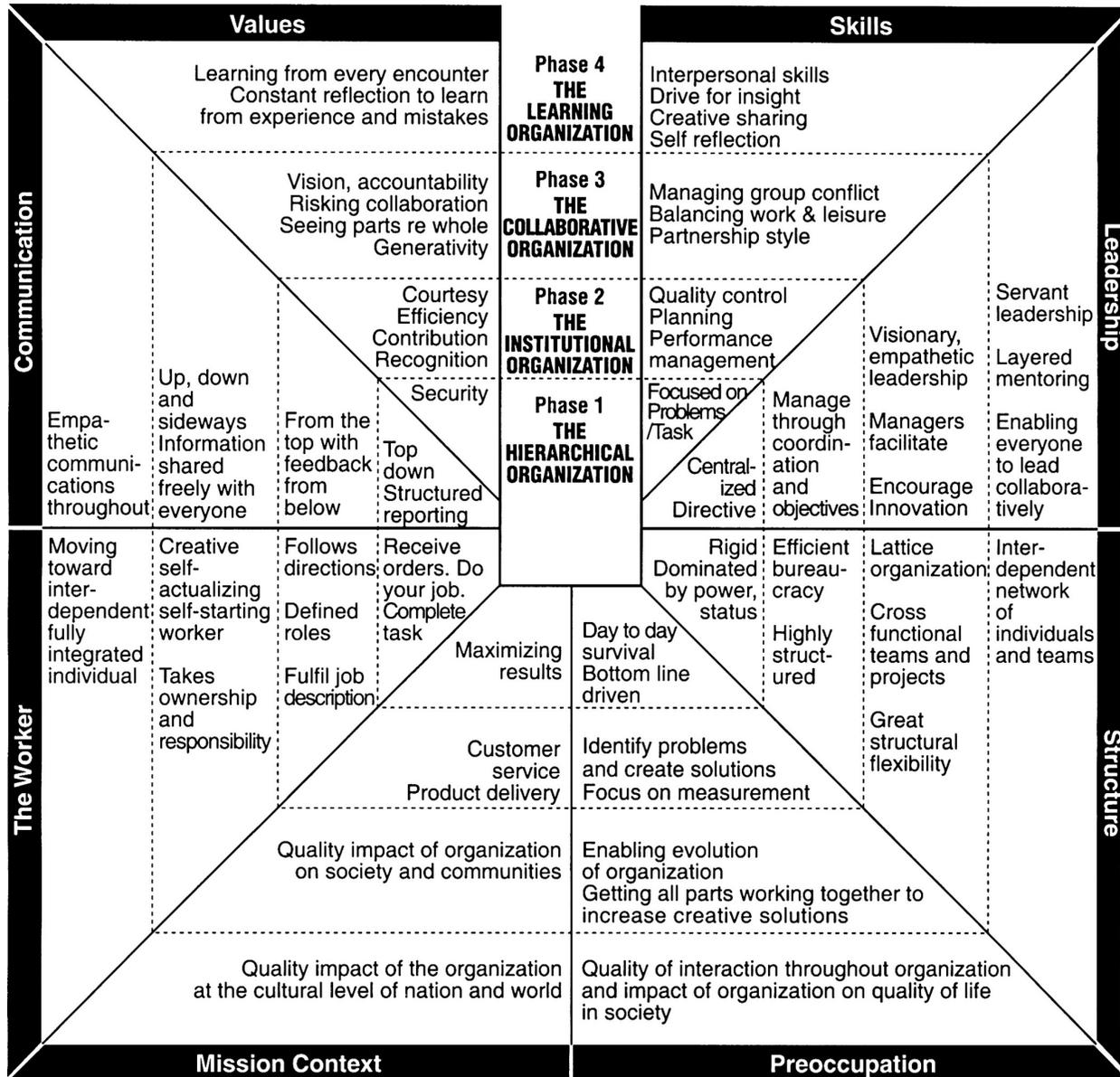
4. Brian P. Hall, throughout his 30 years of research into human values and organizational development, has explored the phases of the spirit journey as described by students of Eastern and Western mysticism such as Evelyn Underhill, Ken Wilber and Jean Houston. He has also studied the maps of human development created by psychologists such as Freud, Kohlberg, Piaget and Ericsson. Hall then sought to apply his understanding of developmental phases not just to individuals but also to whole organizations. Out of all this he sees seven “cycles” of organizational development.

This article draws from all four of these sources, while simplifying the description of the evolutionary phases. Each phase is described using West’s categories of major preoccupation, mission context, worker image, communication, values emphasis, skills, leadership and structure. The result is a rounded picture of how organizations operate at each stage of their evolution.

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### Map of the Journey of Organizational Development

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### **The Four Developmental Stages of the Organization**

#### **Phase 1 - The Hierarchical Organization**

Leadership in the hierarchical organization operates in the style of benevolent paternalism. Orders and incentives come from the top down. Management may believe in spending time listening to what subordinates say, but this feedback is commonly ignored in the real process of management. The worker is imaged as a child who is cared for by a fatherly leader, and who, by following the rules and working hard, can win favour in the organization. The top-rated skills involve problem-solving, administrative effectiveness and “keeping calm.” Basically, this style is reactive. The main agenda is responding to problems and crises as they occur. A major preoccupation of management is keeping labour submissive, which may involve discouraging unions. Harrison Owen in his book, *Spirit*, has a telling description of the reactive organization: “It doesn’t seem to make much difference what you do, just do something: react. Things get done but what things and to what purpose is not always clear.” Overly zealous accountability means the workforce sees keeping and looking busy as a prime value.

One gift of hierarchical organizations is their capacity to ride out storms and survive—witness the religious orders of the Roman Catholic Church. Another gift is their obvious structure of management and accountability. Such groups exhibit vulnerabilities such as the failure to use the intellectual capital and creativity of their staff, and setting priorities by crisis rather than vision.

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It is worth noting here that “hierarchical” refers to a style of top-down communication where staff/worker participation is minimized, while the status and power of top management are maximized. This style does not automatically flow from all hierarchical structure, and hierarchy in an organization is not, ipso facto, bad.

### **Phase 2 - The Institutional Organization**

While the hierarchical organization at its worst is characterized by the “big boss” style and the crisis mode, the institutional organization is a miracle of organization. There are the board of directors, the shareholders, the CEO, the vice presidents of this, that and the other, the managers, the supervisors, the workers.

This is the large, efficient bureaucracy. Its style is that of responsiveness. As Harrison Owen remarks, this kind of organization “is truly a pleasure to work with, for they seem to recognize what the business is, and are prepared to go all the way to ensure that you, the customer, are fully met, even if they do not understand all the details of the operation.”

This organization is preoccupied with customer service. Communication is from the top, but informed by feedback from below. The mode is task-oriented and output-focused. This is the kingdom of the team, quality control and management by objectives. The bureaucracy works well, as a carefully designed clock works well, but the work is clockwork, and the universe is Newtonian. Loyal subordinates know their functions, but often find themselves acting out the same scripts for every performance. Brian Hall remarks that, in spite of incredible loyalty to their workers, most Japanese corporations tend to be stuck on this level.

The gift of the institutional organization is the gift of the Newtonian universe: great order, great predictability, great loyalty to staff and to customers. The responsiveness to clients is rapid; responsiveness to social change is glacial. Attempts to change the organization bog down in a morass of business as usual.

The shift from an institutional style (phase 2) to a collaborative style (phase 3) really involves a whole-system transition which happens only over time.

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### **Phase 3 - The Collaborative Organization**

If the first two phases were primarily concerned with the patterns of power relations, profit, efficient production and customer service, the preoccupations of the last two phases are with maximizing vision, creativity, interaction, communication and collaboration. If the first two phases are all about structure, the last two are more about process, though structure remains important.

Interaction is the core characteristic of the collaborative phase. These organizations aim for real teamwork between all members and departments. Their missional goal is to make a quality impact on society. Structurally, this is a lattice organization. All the parts are integral to the whole, and no part may be replaced without altering the whole. They are concerned about reducing rigidity, and increasing the flow of creativity.

This type of organization has great structural flexibility. The leadership is enthusiastic, visionary, empathetic. Their management style is facilitation. Key skills at this level are delegating responsibility, managing group conflict, balancing work with leisure; growing from experience, and helping others do the same.

Management may even conduct humour workshops, to help the staff laugh at their mistakes rather than feel defensive. The main difference between collaborative and lower-phase organizations is the free flow of ideas. Management is more concerned about stimulating creativity than preventing unauthorized action. Communication is up, down, and sideways. People talk about how to make the institution more humane. The staff are self-actualizing, and seek to serve society through their work.

The gifts of this situation are obvious: synergy and alignment between the parts of the organization, and a mission related to social service. The danger occurs when the organization begins to image itself as one big happy family and staff trust and enjoy one another too much to really hold each other accountable. In that case, management must restore due balance between the needs of internal clients, and the objective requirements of external clients.

### **Phase 4 - The Learning Organization**

The learning organization is blessed with a high degree of interactive learning, an emphasis on human resource development and concern with “making a difference.” To some extent, the organization itself becomes a message to the world, offering its own vision of human relations for the future. This phase involves a new take on “quality” and “learning”. The learning organization is necessarily a network, made up of self-directed teams.

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Using the model of servant leadership, the leaders quietly enable others to maximize their performance through a system of layered mentoring. The quality of communication is empathetic throughout. The worker is a microcosm of the organization, and is encouraged to assume responsibility for the whole, beyond his or her job description. Outside involvement in the community and personal growth are encouraged as relevant to the organization's vision.

In such a team, every encounter is regarded as a learning situation. Interpersonal and reflective skills for gaining insight are crucial here. A core set of values is built or changed by consensus. A superb flexibility enables the organization to deal with rapid change.

Unlike the single-minded focus on a bottom line, or the single programme of a silver bullet, this vision of quality involves balance. The organization works to perfect a juggling act, honouring the needs of the person, the group, and the greater community.

The danger at this phase is a collapse of structure in favour of "networking." With limited structure consensus is more difficult to create. Accountability can slip, and with it, quality work.