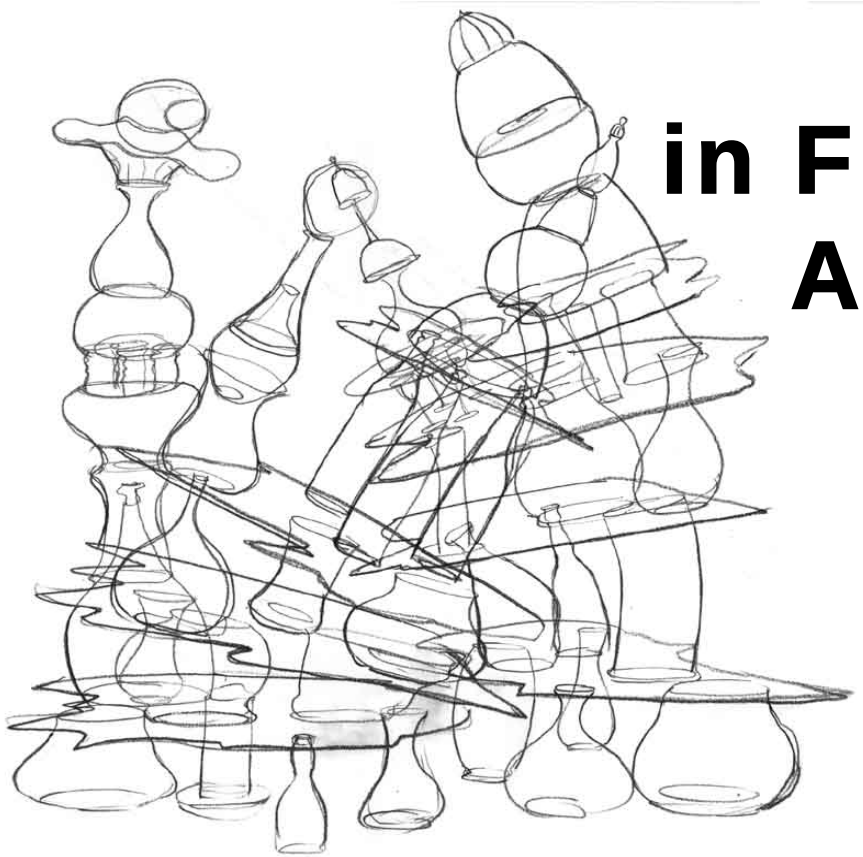
The Management of change in Firms and Public Administration



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LUIC Conference June 2006

Is there a problem? (1)

- **The awareness of the necessity of change management seems well shared in the training of executives**
  - **in organizational discourse**
  - **in executive training programs**
  - **talk about entrepreneurship and leadership**

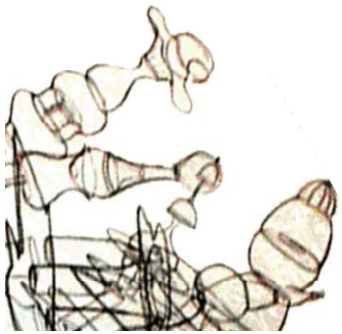
Is there a problem? (2)

- **The technologies of change are over-abundant.**
  - **Information and communication technology**
  - **Benchmarking**
  - **Certification and normalization**

Is there a problem? (3)

The professionals of change are everywhere:

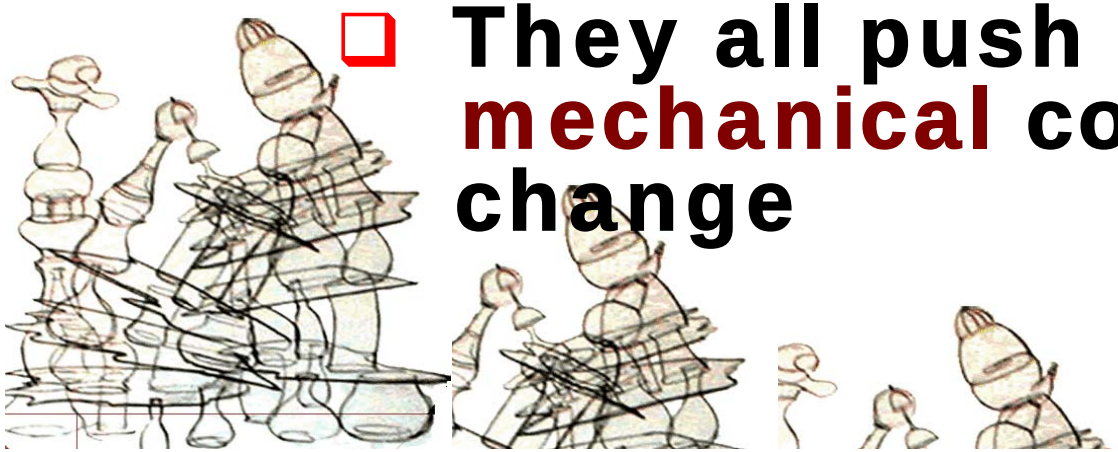
- **Professional communities (consultants)**
- **Producing management innovations (tools, concepts)**



There is a problem. Why?

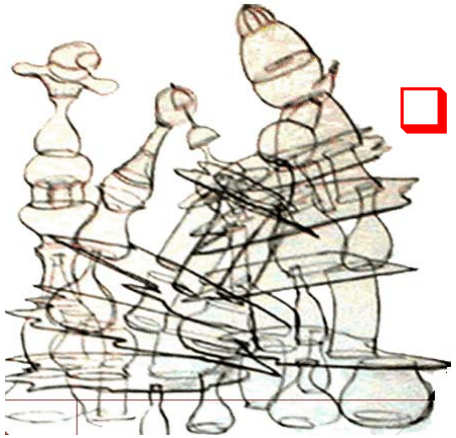
- **Because of**
  - Globalization and extreme competition
  - Time pressures
  - Shareholder-pressures
  - The temptation of available technologies
  - The myth of rationality and rational problem solving

- **They all push towards a mechanical conception of change**

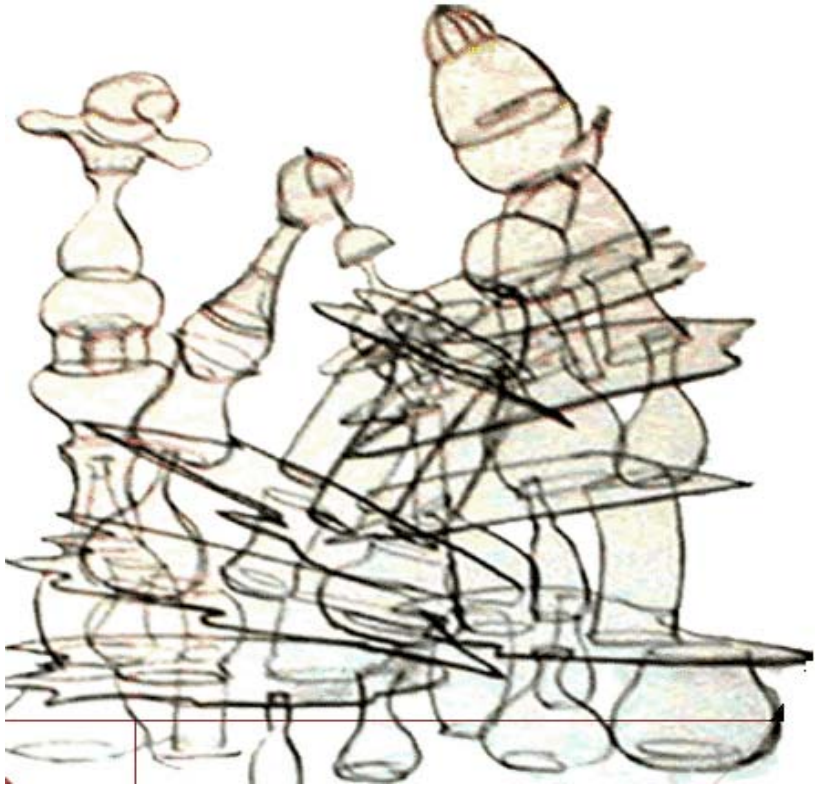


What's a mechanical view of change?

- "Change just happens as a consequence of changing external conditions"
- "Change is a matter of decision"
- "Change has to do with charisma"
- "Change is a matter of technology and specialists"
- "Change is a matter of applying a solution"



Change is much MORE than all that: it's the transformation of an « operative system » *(Selznick)*



➔**i.e. the always specific construct of games constituted by the encounter and enmeshing of managerial projects and prescriptions** (organizational or institutional design) **and the actual practice of organization members.**

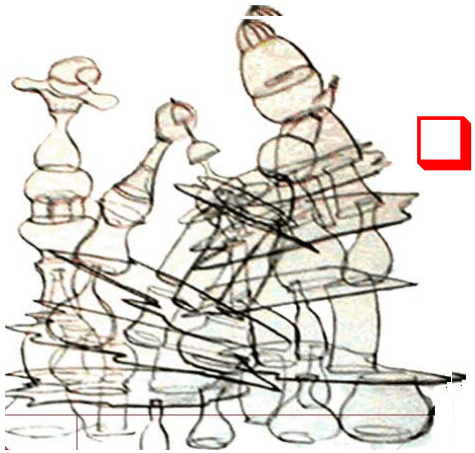
The « operative system » has always two sides (1)

- It expresses past managerial and institutional design and intent.
- It expresses what members of the organization have made with it and done to it in their day to day dealings with one another.

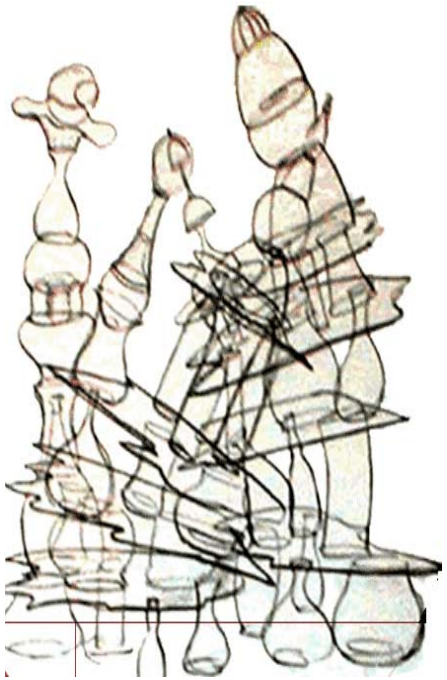
➔ A rule, a managerial tool, a software, etc., never does just what it was supposed to do. If and when it is used, it is always also "misused" and thereby transformed.

The « operative system » has always two sides (2)

- The “operative system” represents a series of organizational capacities, skills and competencies.
- As such it is simultaneously a resource and a constraint for the design and the implementation of change.
- It also has its own dynamic, creating its own path-dependencies.



Monitoring the reconfiguration of the « operative system » (1)



- **Change-projects never directly transform the "operative system"**

- **Between the "operative system" and the change-project** (new rules, new soft- ware, organizational restructuring, etc.), **there will always be interaction, mutual structuration and co-evolution.**

- **A change project only opens up possibilities of action.**
  These will be used differently, according to the logic that prevails in "operative system" and the game-structures on which it is based.

Monitoring the reconfiguration of the « operative system » (2)

- Any change project will **only** have real impact **if** it is capable of « enrolling » the actors of the relevant action context
  ➔ **because they can see how use it from their perspective as something that will further their "interests".**

- As far as they can, actors in any action-context will play along and adopt the content of whatever change is proposed to them, by trying to align it to their interests and bend it in the defense of their positions.

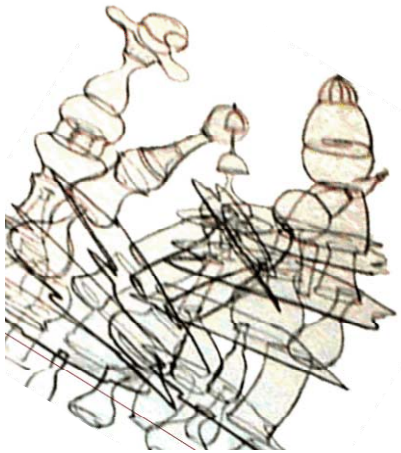
Monitoring the reconfiguration of the « operative system » (3)

- **Change never is just a decision.**
  Its contents and the preferences of the stakeholders are not fixed and given from the start.

- **It has to be seen as a long process**
  in which the stakeholders progressively discover how they can exploit to their own advantage the change project as they progressively come to see it, and in so doing also push forward the change process.

Monitoring the reconfiguration of the « operative system » (4)

- **The only test and the only justification of a change project are its appropriateness with regard to the "operative system"**
  ➔"Appropriateness:" its capacity to use the operative system as a resource in view of initiating its reconfiguration.



Change is never just a technical question. It calls for political skills in a process of "organizational politics".

Managing change: 3 possible contributions of organizational sociology

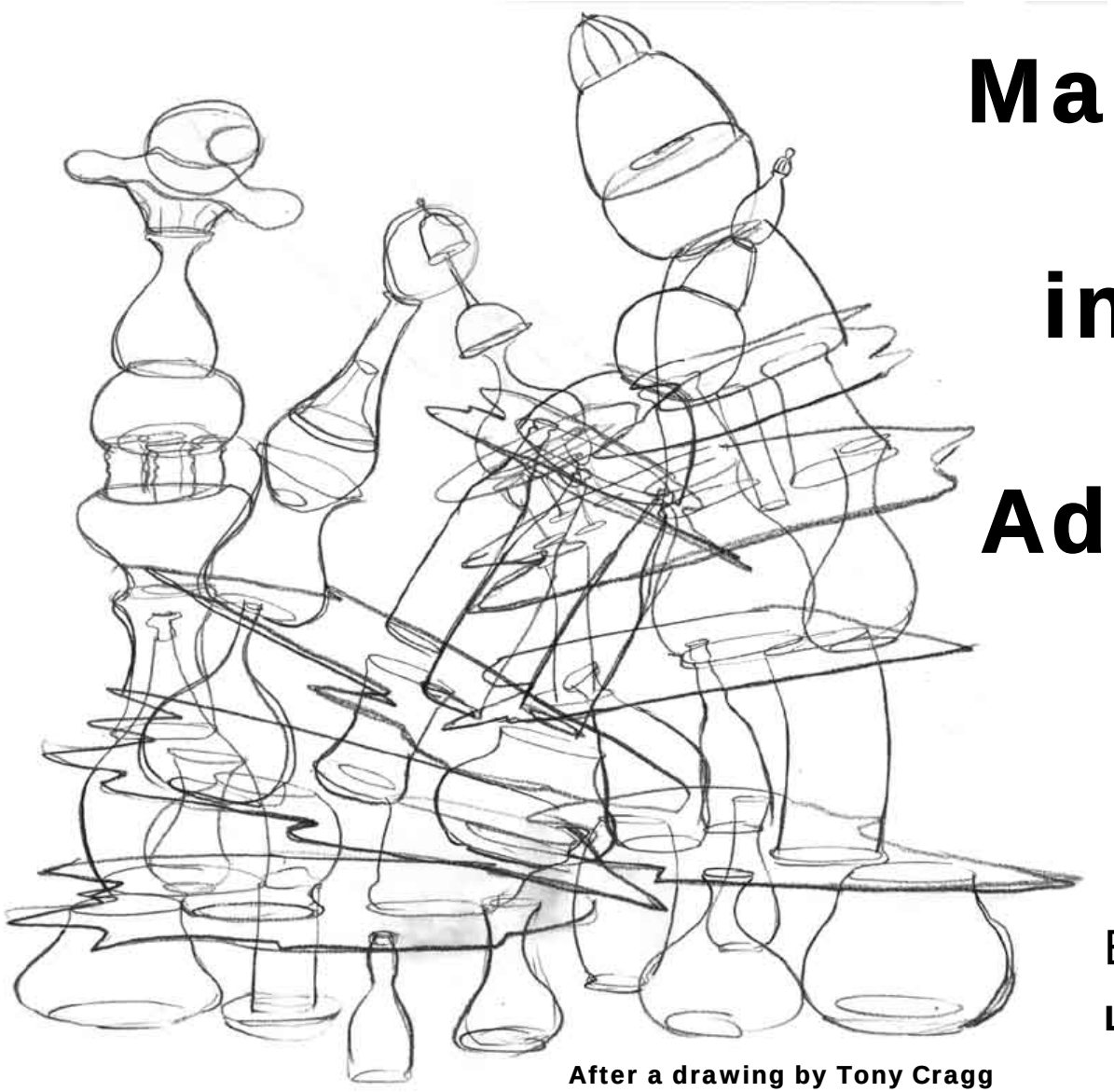
- **How to observe and "read" the operative system:**
  - ➔ **The role of organizational analysis**
- **How to go from analysis to action:**
  - ➔ **creating cognitive frames and common knowledge by sharing organizational diagnosis**
- **How to control and steer its dynamics:**
  - ➔ **the problem of channeling mobilization**

Change needs Managers

- **Change should never be left to specialists : it's the job of general management**

- **Strong managers are needed :**
  - ➔ **initiation of diagnosis and action**
  - ➔ **leadership, mobilization, empowerment**
  - ➔ **interpretation of feed-back**
  - ➔ **Most are ill-prepared**

- **The cognitive contribution of sociology : producing and disseminating knowledge.**



After a drawing by Tony Cragg

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