

PAPER
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Joyful productivity

Bob Dick (2002) *Joyful productivity: creating joyful and productive cultures*, version 1.06. Chapel Hill, Qld: Interchange.

Earlier versions of this paper¹ were distributed under the title “*What can culture do to improve morale and the bottom line?*” as a support paper written for the AIS “Corporate Culture” conference, 8-9 November 1990 in Sydney and 12-13 November 1990 in Melbourne, and under the title “*Creating joyful and productive cultures*” at the South Australian Government Management Board Seminar on Service Culture on 25 February 1991.

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1. Although I wrote this by myself, Tim Dalmau is a very important silent partner in this venture. He was originally intended to present a paper of his own at the conference which began it all. Further, many of the ideas presented here were developed in the course of conversation, co-consulting or co-authoring with him. In preparing this paper I have drawn heavily on books and papers we have written together.

Some important but often ignored issues in corporate culture and organisational structure

The forms of culture and structure which seem the most likely to continue to be effective into the future

A process by which effective cultures and structures can be introduced in existing organisations

You have just walked in the front door, or equivalent, of a small organisation or work team. It is a rare organisation — a joyous, performance-oriented system. How long will it take you to find out? Not long, I think. Organisations and teams have their personalities, and some organisational personalities are commonly associated with high esprit-de-corps.

So most of you, I suspect, can recognise a very effective team or organisation when you encounter it. Knowing how to achieve effectiveness, however, may be a little more difficult. In this paper I set out to provide some useful concepts, identify more closely the nature of effective corporate cultures, and provide a process for improving the effectiveness of an existing culture. The intention is that you will not only be able to recognise such cultures, but begin to understand how to create them.

There is a growing acceptance, I think, of the important contribution that organisational culture can make to organisational effectiveness, and for that matter to

the survival of the organisation and the satisfaction of its members. Although the understanding of culture is growing apace, however, there still seems to be some confusion about how that contribution can be tapped. It is my intention to aid that understanding by offering some useful concepts and techniques.

The key idea I present in this paper is to do with the nature of individuals and teams. I argue that we are a small tribe species. In view of the enormous social systems we create, this may not at first be apparent. However, I think each of us can discover in our experience some evidence that it is so. Our experience informs us that it takes time, and usually frequent contact, to establish and maintain close relationships. And this happens most in small groups and families. There is a limit to how many *close* friends we can have.

This small idea has enormous implications.

A second idea has more to do with the nature of the wider culture in which our organisations are immersed. We are often a dour culture, earnest and humourless, as we strive to keep separate our work and our play. This too, unless confronted, places limits on what cultural change can accomplish.

Later, I move beyond ideas to consider their application. The paper briefly documents processes which can be used to bring about cultural change while taking account of the nature of the people and the context. In the course of discussing these concepts and techniques there may well be a challenge to a few corporate sacred cows. This, I think, will do no harm.

I take as my starting point an important feature of our genetic inheritance: that we are a small-tribe species.

Small tribes

There is evidence that we are equipped by our genetic inheritance to live, work and play in the same small tribe. The social primates (of which our species is one) typically live in tribes of a certain size. The size varies from species to species; but for each species there is a size at which fission occurs. If it reaches a certain limit, the tribe splits in two. My guess would be that the size for our species is about 50 people. I presume it is the largest size for which everyone can have a reasonably close relationship with everyone else.

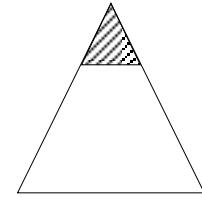
The actual size may be in some doubt. But it is immediately apparent that we create social systems well beyond the size of any small tribe. Large organisations consisting of tens of thousands of people are not unusual. Nor are nation states consisting of millions or even billions.

The difficulty of maintaining a sense of collective identity for such large numbers is also apparent; but it can be done. Without wanting to be particularly patriotic about it, I think of myself as an “Australian”. That label has some meaning to me, and contributes to my sense of identity. I dare say most of you have an equivalent national identity.

It is instructive to examine how our species contrived to escape the limitations of our small-tribe inheritance. We did it through using two social inventions: perhaps the most important social inventions in our existence. I will identify them in a moment. These social inventions allow us to create structures which coordinate the effort and expertise of large numbers of people. Culture and structure, it appears, are closely intertwined concepts. For reasons which will be addressed later, they are vehicles of a form of social evolution.

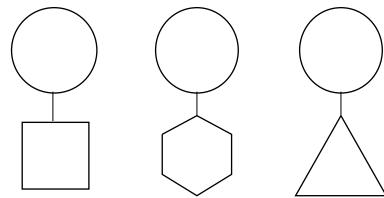
Structure

The first invention is regimentation. By controlling the behaviour of people, and reducing the variability of that behaviour, it becomes possible for one person to control many. Collective effort requires that people work together towards collective goals. Control of many by few has been the most common way of achieving this. We are so used to this system of control that we don't recognise some of its difficulties.



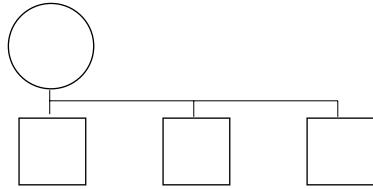
Part of the problem, as Stafford Beer² explains it, is the difficulty of controlling a whole system from part of a system. The controlling system must have as many responses in its repertoire as the controlled system has. But part of a system cannot have a larger repertoire than the system as a whole.

Beer also provides an illustration. If you want to control a community of, say, a thousand citizens, what are you to do? You can, of course appoint a thousand police, one per citizen. But that's an expensive solution. And of course it still leaves you with the problem of who is to control the police.



In a small tribe the problem doesn't have to arise. Everyone knows everyone else. People so identify with one another that, for the most part, they experience each other's pleasure and pain. Much of the time, collective action can arise naturally and easily because of the well-developed sense of collective identity and collective well-being.

2. Beer, S. (1972), *Platform for change*, New York: Wiley. Beer's notions are based on the "Law of requisite variety", which states that a controlling system must equal a controlled system in variety. See Ashby, W.R. (1960), *Design for a brain*, revised edition, New York: Wiley.

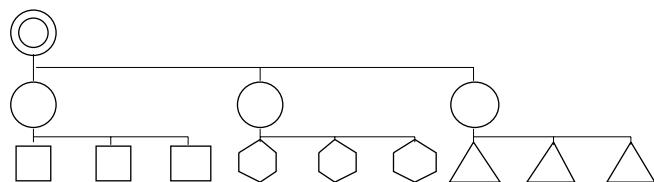


In a larger system, however, those controlled outnumber those controlling. As Beer points out, if everyone does the same thing at the same time, you don't need a thousand police to monitor the behaviour of a thousand citizens. Regimentation reduces the variability of behaviour: if everyone is doing the same thing at the same time, it is easy to know when someone is out of step. This allows one person to control the regimented many.

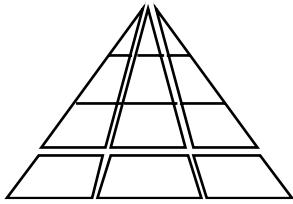
Under some circumstances a very high degree of control can be achieved. When I did national service training in 1954, a regimental sergeant major at regimental parades controlled the behaviour of over 1200 people. This was able to happen, though, only because everyone did exactly the same thing at the same time. As soon as different companies or platoons or sections had to do different things, control devolved to other people.

Usually such a high level of regimentation is not practicable. Some alternative is needed.

A second invention provides the escape. Hierarchy allows the controllers to be controlled. Each level in the hierarchy amplifies the ability of one person ultimately to control many.



Combine regimentation and hierarchy, and traditional organisational structures result. The structures are characterised by two forms of specialisation — vertical and horizontal. The structure first separates those who *do* from those who *decide* what is done. It then subdivides the organisation into different functions.



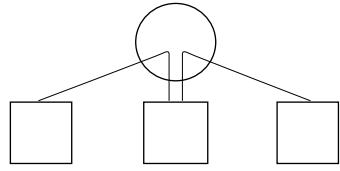
These structures have been with us for a very long time. They were common in the days of Jesus. And there are reasons to think that by then they were already well-developed and sophisticated in some instances: witness the Roman army.

My guess is that they originated with agriculture. I do not see how an agricultural society could otherwise survive against marauding hunter-gatherers. For nomadic warriors, the most sensible strategy would be to allow the agriculturalists to sow, and grow and reap the crops... and then take them. If two tribes were of equal size, I would not expect agriculturalists to be a match for nomadic warriors. A discovery of regimentation and hierarchy, however, would allow agricultural communities to overcome the limitations of size, and to exploit the benefits of specialisation.

If this belief is correct, these structures have been with us for a very long time, perhaps 12 000 years. They pre-date recorded history.

Here is the crunch. These structures have begun to collapse. Take a moment to think about this. Here are structures so successful that they have survived for many thousands of years. More than that, their past success has allowed them to displace most other structures — to become the almost universal pattern for forming social systems, large or small. Now, for some reason, their time is passing. As they crumble we have been obliged to experiment with other structures.

It is helpful if we bear in mind the purpose of these experiments with structure. Organisations, and social systems generally, have a number of functions. But their prime function, their central *raison d'être*, is to enable people to achieve as organised individuals what they could not achieve alone or unorganised. Organisations do this by coordinating effort and expertise.



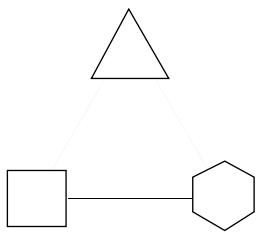
But notice how the coordination is achieved in most of our organisations. Superiors achieve coordination amongst their subordinates by controlling what they do. The result, ultimately, is that people in many of our organisations do not have much sense of ownership in their task. If we were to go about achieving coordination more directly, we would encourage each pair or team of people to coordinate their own activities.

In a sense, this coordination by superiors comes about because of the regimentation. People are grouped with those doing similar tasks. The greatest need for coordination, however, may be with other people elsewhere in the system.

For example, I did electrical design work for many years. I was an electrical draftsperson, and I worked in a large room with the other people of the electrical design section. My work had to be coordinated with draftspeople and engineers and other professions from other sections: mechanical engineering, civil engineering, quantity surveying, architecture, administration. Yet I spent most of my time talking to other electrical draftspeople and engineers. There was a presumption that only another expert in electrical design could supervise electrical designers.

As a matter of interest, if you were to visit the same organisation now, you would find a very different structure. There are project teams consisting of a variety of engineers, architects, quantity surveyors, and so on. Each team is formed when a project begins, and disbands at the completion of the project. Each team is responsible for its own coordination.

It is also of interest that the changes, though needed, were implemented very clumsily. As a consequence, the organisation still battles with low morale, almost two decades later. I anticipate similar costs for many current structural changes.



In a small team, then, each pair or team of individuals can handle its own coordination. A structure can be developed which places the people who are most interdependent in face-to-face contact with one another, thus capturing some of the features of a small tribe.

What I am suggesting is that this is more natural. We have, in our genetic makeup a capacity to form close and understanding relationships. Such relationships, when formed, allow us to experience each other's pleasure and pain. And when we do so, it is natural for us to do the best we can for each other. The simple and natural way to coordinate activities, you would imagine, is to locate within the same team those people who have the greatest needs for coordination. They are then capable of managing it for themselves.

Until recently, most organisations adopted a most *unnatural* way of coordinating activities. This unnatural way was so dramatically successful that it has been able to displace the other ways. The reason, I would suggest, is because it has enabled us to escape the limitations of our genetic inheritance. Large organisations offer more opportunity for specialisation, and for collective effort towards enormous tasks. Without the invention of hierarchical structures, we would be denied the use of large organisations and social systems. This, I would argue, is why hierarchy and regimentation have become so nearly universal.

It is helpful in all of this to acknowledge that culture is a system of evolution.

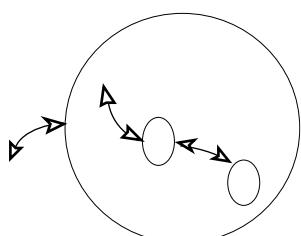
Culture as social evolution

Culture is a pervasive and deep-seated quality of a system which informs much of what the system does. It operates in the same way as other forms of evolution. When a successful experiment survives, it is passed on to the next generation.

Culture operates at organisational or system level, however, not at individual level. When an organisation survives, so too do the beliefs which enabled it to

survive. Beliefs about what is right form the genetic code of an organisation (or, as Richard Dawkins³ has termed it, the “memetic code”). As I shall later argue, members of organisations or other social systems have beliefs about those systems, and feelings towards them. These beliefs and feelings determine how the people, and thus the systems, behave.

Without taking the time to argue it here, I am going to assume that culture is most concerned with relationships.⁴ The relationship between a system and its environment is clearly crucial to survival. Because organisations are mechanisms for coordination, the relationships within the system are also important: between individual and individual, and between individual and system. I presume that our present structures are the consequence of many thousands of years of social evolution, developed and preserved because they enabled organisations to survive. Above all, I assume, survival is a function of how well the system handles its relationships, internal and external.



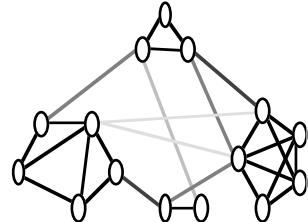
I have mentioned already that hierarchical and regimented systems have been with us for a long time. On the face of it, it is curious that such a long run of success has come to an end. But then, dinosaurs were successful for a long time, too. It is presumed that their demise occurred when their genetic inheritance no longer fitted them to the changing environment. Conventional structures, highly successful at times of stability, no longer suit today's less-stable environment. A need for responsiveness requires a more direct coordination between people.

3. Dawkins, R. (1976), *The selfish gene*, New York: Oxford University Press.

4. See Dalmau, T. and Dick, B. (1987), *Politics, conflict and culture: a journey into complexity*, Chapel Hill: Interchange.

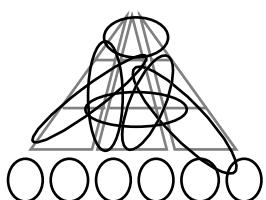
New structures, new cultures

It would seem, then, that the way to structure an organisation is to group together those people who have the greatest need for coordination. Most coordination can then occur easily and informally in face-to-face relationships. Formal means of coordination may be needed for the weaker interdependencies between different teams, but most issues can be sorted out between people who know and understand each other, and who derive pleasure from the success of each other.



If only it were as simple as this.

The difficulty is that we don't yet understand very well how to coordinate effort and expertise for large numbers of people. What we mostly do is to graft onto traditional structures, at the workface, project teams and task groups. That is, we replace the teams of clones which used to exist at the workface with teams organised around projects or activities. Teams consist of those who have the most need to coordinate their activities.

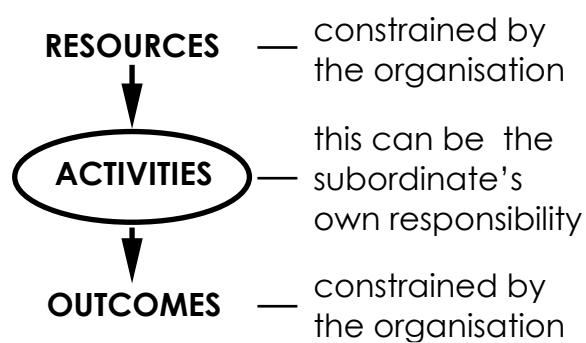


To achieve coordination across functions elsewhere, we rely upon committees, meetings, working parties, think tanks, and a variety of other similar devices. In some respects the resulting hybrid achieves the worst of both worlds, as the following discussion explains.

Within traditional structures, coordination is achieved through control of behaviour, as Stafford Beer⁵ explains. An underlying presumption is that superiors best know what their subordinates should be doing. Superiors are responsible for coordinating their subordinates. In extreme forms of this structure, there is communication only upwards and downwards. The system works best if

5. *Platform for change*, cited above.

subordinates do what they are told, without question. The “good” employee is one with fragile self-esteem, so that she depends more heavily on superiors for recognition and acceptance.



In the newer structures, all that subordinates are required to do is produce certain outcomes within certain resource limitations. How they do it is no-one's concern except their own. The coordination within the team is achieved by the team.

The superior is responsible only for

coordination of the team with other teams. The system works best if subordinates take responsibility for their own behaviour, provided they subscribe to overall system goals. An effective employee draws her satisfaction from the work, and the teamwork; this is more likely to be so if she has robust self-esteem.

There is little wonder that a shotgun marriage between such systems doesn't always work all that well.

Morale

Notice, too, that individuals in the newer structures depend more on personal and team initiative, and less on organisational control. The social inventions of regimentation and hierarchy allowed us to escape our genetic inheritance. Now that they are being superseded, it is becoming important that we once again acknowledge our inheritance.

It will be as obvious from your experience as it is from mine that very many people are alienated from the organisations they work in. When you think about it, this too is a consequence of a structure which separates planning and doing,

and isolates individual from individual. It also often compounds the felony by splitting tasks into pieces which are too small to be meaningful.

As if this weren't enough, organisations are embedded in a culture where work and play are different things. You might say that we are not an esprit-oriented culture.

Esprit

I coordinate a number of classes at the University of Queensland. On several occasions colleagues have said to me something like: "There's always a lot of noise and laughter in that class. When do they do any work?"

In reality, the noise and laughter are a by-product of the energy that class members invest in the work they do. But in a culture which assumes that work wasn't meant to be fun, people assume otherwise. It isn't hard to find organisations where enjoyment is just about the last thing you would expect to find — instances of the work ethic gone badly wrong.

Yet, imagine an organisation or team filled with people who derive actual *joy* from their work, and from their working relationships with their colleagues. I imagine some of you experienced a mild shock at the use of the word "joy" in this context; I remember the same surprise at hearing Roger Harrison use the word "love" in a similar context at Network '87 in Brisbane.⁶

Imagine, if you can, a team of managers singing together with gusto as they do their work together. It doesn't accord with our mental images of what work is like. Yet I expect most of you have seen films of supposedly primitive tribes—people singing joyfully as they worked together. We have paid substantial costs to escape our genetic inheritance.

6. Network '87 was a conference organised by the AITD (Australian Institute of Training and Development).

All else being equal, wouldn't a joyful organisation be one with a great potential for excellence? Quality relationships provide for easier coordination. Enjoyment generated by the work itself provides for greater motivation.

It is fortunate, then, that the newer structures make it easier to achieve this state of affairs. Some organisations have already discovered this.

Excellence

We know, from some of the literature which is accumulating, what excellent organisations are like. Tom Peters and Robert Waterman had an important influence with the publication of their "In search of excellence";⁷ and since then a number of other works have reinforced the picture. Excellent organisations have a shared vision, and a concern for people inside and outside the organisation.

This isn't just in North America. We know from the work of David Limerick and his colleagues⁸ at Griffith University in Brisbane that similar patterns hold for excellent Australian organisations. (We also know from their work what structures chief executives of excellent organisations expect to develop in the future. More of this below.)

From a different perspective, excellent organisations become excellent by pursuing continuous improvement. This is most likely to happen, according to the literature on Japanese-style quality management,⁹ when people (and teams) are responsible for individual (and team) performance.

There have also been some suggestions that the best US companies have about them something of a Japanese flavour.¹⁰ Such organisations are said to display

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7. Peters, T.J. and Waterman, R.H. (1982), *In search of excellence: lessons from America's best-run companies*, New York: Harper and Row.
 8. Limerick, D., Cunningham, B. and Trevor-Roberts, B. (1984), *Frontiers of excellence*, Brisbane: Australian Institute of Management, Queensland Division.
 9. See, for example, Ishikawa, K. (1985), *What is Total Quality Control?: the Japanese way*, Englewood Cliffs, NJ.: Prentice-Hall.

the greater commitment to teamwork which many Japanese companies reputedly exhibit.

Note, by the way, that I am not recommending the importation of Japanese management techniques. They need translation to fit our own cultures. For example, I have heard of several local attempts to install quality circles which failed badly, I suspect because the cultural differences were not taken into account. The experience of other cultures can guide us, however, as we decide some of the characteristics we wish our organisations to have.

Against this background, with increasingly-faster rates of change, we are being hastened into less-traditional structures. It seems to me that these may be the very structures which enable us to recombine work and play. There is an opportunity here waiting to be seized.

Structures of the future

There are three strands of argument which can be used to identify the structures of the future. One of them derives directly from the issues canvassed above: our genetic inheritance, and the undesirable divorce of enjoyment from work. A second, based on theoretical considerations, considers the types of structures required to manage greater rates of change. We have touched on this already. A third, empirical in its origins, is based on the expectations chief executives hold about the future. This third source is drawn from the work by the Griffith University team.¹¹

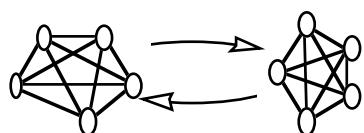
Let me try to summarise the first two of these, before reporting the results of the Griffith research.

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10. See Ouchi, W.G. (1981), *Theory Z: how American business can meet the Japanese challenge*, Reading, Mass.: Addison-Wesley.
 11. Cunningham, B. and Limerick, D. (1986), The fourth blueprint: an emergent managerial frame of reference, *Journal of Managerial Psychology*, 26-31.
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First, joyful structures. I have argued that we are a small tribe species, fitted by our genetic inheritance to coordinate our efforts within face-to-face teams. Structures which place most interdependencies within teams, and which offer the teams substantial autonomy, offer the best chance for this. Most coordination can then be achieved informally and enjoyably, without a need for elaborate formal systems. For coordination between teams, formal systems are more likely to be needed.

There is fulfilment to be found in close and trusting relationships. It can also be achieved through performing a worthwhile task well. Team structures and high team autonomy offer enjoyment to team members. When each first line supervisor is chief executive officer of her own small-tribe team, we will be well on the way to achieving this.

Second, responsive structures. Ultimately, organisations are there to meet some environmental demand. If the demand is of a team, and the team has the resources to meet it, we have already achieved responsiveness.



Often, however, coordination between teams is also a requirement. Under some circumstances this too can be achieved by informal means, for example by overlapping membership between the

teams. More often, it becomes the task of the team leader. In short, an entire team task, including coordination of individual work, is given to a team. The team leader becomes what Fred Emery¹² calls a “boundary rider”: she looks after team-to-team coordination.

It is evident from the description above that team and interteam structures are cultural phenomena. They are influenced by, and influence, person-to-person and person-to-system relationships. As will be apparent from David Limerick’s

12. Personal communication.

work,¹³ culture is also important in holding organisations together as more autonomy is devolved to the workface.

Holding the organisation together

In the trends which chief executives identified in the Griffith University research,¹⁴ some themes are evident. Most of the trends are about the simultaneous management of freedom which threatens to dismantle organisations, and the collective goals which provide the cement to hold it together. The four themes, as identified by the Griffith University team, are...

- loosely-coupled systems: systems with structures loose enough to provide the autonomy I have already discussed;
- collaborative individualism: this phrase¹⁵ describes a situation where people work together cooperatively yet with a high tolerance for (and in fact often enjoyment of) specialisation, variability and idiosyncrasy;
- metastrategic vision: a recognition by chief executives that strategy and structure and culture are part of the same package; they can no longer be treated in isolation from one another;
- assertion of paradox, an acceptance of the need to balance freedom with coordination, autonomy with empowerment, and action with imagination.

More recently,¹⁶ David Limerick has talked about the increasing fluidity of many structures.

In the light of the discussion above, this makes sense. Organisations are mechanisms for the coordination of effort and expertise.

13. In addition to the works already cited, I draw also on a talk given at Focus 2000, Brisbane, 1990.

14. *The fourth blueprint*, cited above.

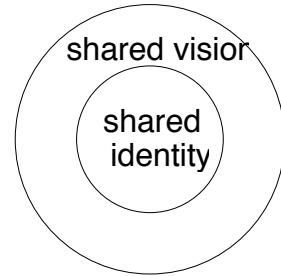
15. And see *Politics conflict and culture*, cited above, where Tim Dalmau and I independently used the term *cooperative individualism* when we argued for a similar trend on theoretical grounds.

16. For example in his keynote address at Focus 2000, a conference in Brisbane organised by the Australian Institute of Training and Development, Queensland Division.

In most organisations, some interdependencies are more permanent than others. Permanent interdependencies warrant permanent structures. Temporary interdependencies require temporary structures. Some organisations now face rapidly changing interdependencies. These require the shifting of temporary alliances; these in turn require an atmosphere of trust if they are to work.

Think of this within a framework of culture, and it becomes immediately apparent that culture can provide the cement to bond together the parts of an organisation.

As Tim Dalmau and I have argued often enough, a sense of collective identity is the most fundamental aspect of culture. Beyond this, a shared vision is also necessary. Between them, these are what can hold the organisation together despite increasing autonomy of individuals and teams.



However, this still leaves unanswered the question of how to bring it to fruition. Increasingly, as Dexter Dunphy and Doug Stace have found,¹⁷ change is being driven from the top, often coercively. But what sort of a culture, I wonder, does this engender. The following section offers an alternative to coercive change.

Cultures and subcultures

Before I continue, there are two issues which need to be addressed. One issue is that, in organisations that are larger than a small tribe, a unitary culture cannot

17. Dunphy, D.C and Stace, D.A. (1988), Transformational and coercive strategies for planned organisational change: beyond the OD model, *Organisation Studies*, 9(3), 317-334. Also see their *Under new management*, Sydney: McGraw-Hill, 1990. They argue for more use of coercive transformational strategies, as they call them, in some situations. Tim Dalmau and I have suggested in *From the profane to the sacred: small groups as vehicles for cultural change* (Chapel Hill: Interchange, 1990) that the qualities of evolutionary and revolutionary change can be combined, as can the qualities of imposed and participative change.

be expected. For anyone planning cultural change, this may be a problem; but taken into account, it offers potential benefits. In fact, it offers a way of circumventing the conservatism of cultural phenomena. A second issue is the difficulty of cultural change. Organisational culture is inherently stable and conservative, with the avoidance of change as part of its function.

Subcultures

As Tim Dalmau and I have said elsewhere, organisational culture is not unitary.¹⁸ There are subcultures.

You will know already that different parts of an organisation can display very different characteristics. Those of you in the private sector, for example, may have experience of organisations where production or operations bear little resemblance in their style to marketing. In the public sector, professional and technical staff often exhibit an approach to job and organisation that stands in marked contrast to the approach of administrators in the same organisation. Even within many families there is likely to be an adult subculture and a child subculture.

This creates difficulties for cultural change — which subculture are you going to change? But the existence of subcultures turns out to offer some benefits too.

The difficulty of cultural change

One of the difficulties of bringing about cultural change is that individual people are the carriers of culture. People carry with them a set of beliefs and feelings about the organisation, or whatever it is, often without being aware that they do so.

18. In many places. For example see Dick, B. and Dalmau, T. (1989), *To tame a unicorn...: recipes for cultural change*, abridged edition revised, Chapel Hill: Interchange.

This is easily enough demonstrated. I sometimes ask my third year class at Queensland University what they would do if they suddenly lost their belief that there is such a class as this. After some thought they tell me that they would look around uncertainly, and then leave. The very existence of the class is determined by their belief that it *does* exist. As with cultural beliefs, this isn't something within their conscious awareness until it is brought to their attention.

This hidden knowledge of culture reveals itself in the way people behave. As they move from one system to another, their behaviour changes. They do different things, and treat different actions and events as "right", in these different organisations and social systems. Again, they are often unaware that they do so — so much behaviour is automated that it happens without requiring much in the way of conscious involvement.

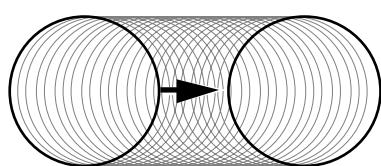
As you can see, to change an organisation's culture is to change the beliefs and feelings of the people who are the members of that organisation. In a small organisation like a family, where everyone can be brought into real contact with everyone else, it is difficult enough. Where there are too many people to interact, and where they are separated by profession, by branch, by location, by rank ... then it becomes almost impossible. It is against this background that cultural change has to be planned.

For many people, then, culture is much like religious faith. For the most part they soak it up gradually and outside awareness. It becomes so embedded in their unconscious that it becomes tangible mainly in habitual behaviour, and habitual attitudes towards events and things. As I recall, the early American psychologist and philosopher William James¹⁹ concluded that religious conversion doesn't occur. For the most part, people don't convert from one faith to another: they adopt a faith when a previous faith has disappeared and left a vacuum.

19. W. James (1902) *The varieties of religious experience: a study in human nature*. Harvard: Harvard University Press.

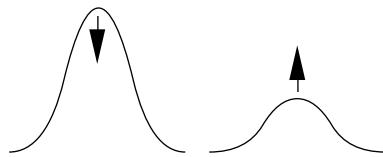
At the organisational or system level, faith is something like a scientific paradigm. Superficial changes are possible. After all, the job of science is to make superficial changes. But, as Thomas Kuhn²⁰ and others have pointed out, there are basic assumptions informing the way scientists do science. These change only when the whole paradigm shifts.

Scientists don't abandon these assumptions just because there is evidence that they aren't entirely satisfactory. First, a better alternative has to be available.



In fact, in my experience, “paradigm shift” is a misleading term. It isn’t that the practice of science slowly moves from one position to another. Many scientists continue to practise within the paradigm which they learned during their education. The few exceptions are those who begin a new paradigm.

What happens, rather, is that a new paradigm begins to grow. As it does the old paradigm begins to decline, particularly if it is inconsistent with the evidence or the wider culture. That, I think, is how culture changes too.



As organisations consist of a number of subcultures, the potential for cultural change is always present.

Preconditions for change

I can now begin to assemble the material above into a set of preconditions for cultural change. In addition, I have a few other ideas to add to those so far

20. Kuhn, T.S. (1970), *The structure of scientific revolutions*, 2nd edition, Chicago: University of Chicago Press.

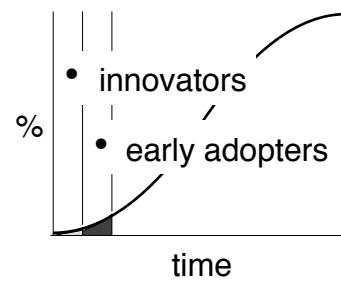
offered. This section therefore addresses the spread of innovations, the chief executive's role in defining culture, and the conditions under which it is desirable to involve those affected.

The spread of innovation

From research on the spread of innovation, particularly by Everett Rogers,²¹ we know that different people adopt innovations at different stages of the innovation process. In particular, two early phases of the adoption process have relevance for us here. The innovators, who first adopt a new practice, are often unusual people within an organisation. They are sometimes "misfits", viewed with some suspicion by their colleagues. Consequently, change does not easily spread from them. When it does spread, it is because the organisation's opinion leaders have taken up the innovation.

This model of change is based on research in rural sociology: it is often called the "agricultural extension" model. In organisational settings too, however, it appears that "deviants" may be more open to recognising a need for change than are their more conservative colleagues. Similar notions appear in the organisational literature, for example in the work by Rosabeth Moss Kanter.²²

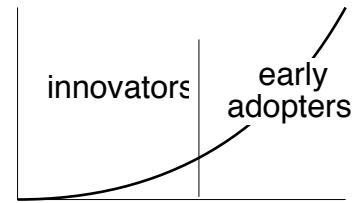
It is not difficult, then, to persuade the innovators to adopt some useful practice. The hard part, the part which requires energy and attention, is spreading the change from there to the opinion leaders. Once enough of the opinion leaders pick up an idea, it spreads rapidly from them until only the "rear guard" continue to resist the change.



21. Rogers, E.M. (1983), *Diffusion of innovations*, third edition, New York: Collier-Macmillan.
 22. Kanter, R.M. (1983), *The change masters: corporate entrepreneurs at work*, London: Unwin.

You might wonder if a rural community model fits organisations. The answer appears to be yes, though I think that there are two exceptions.

Firstly, it may require a higher proportion of adopters before an innovation “takes off” and continues without further effort on the part of the change agent. This proportion required for the process to be self-maintaining is sometimes called the “critical mass”.²³



Secondly, in rural settings it is not unusual for innovations to spread outwards on the communication networks from farmer to farmer. In organisations an innovation is often surrounded by a zone of resistance. It is almost as if the adoption of an innovation in one section or branch discourages nearby parts of the organisation from adopting it. (Some years ago Fred Emery drew my attention to the similarity to the zone of inhibition which surrounds any point of excitation in the brain. Its purpose there is presumably to limit the uncontrolled spread of excitation. Perhaps this is part of the natural tendencies of organisations to preserve the cultures which have served them well in the past.)

However, there is also some good news. It is relatively easy in organisational settings to create good relationships between the innovators and the opinion leaders who are potential early adopters. If you can involve them both in the change effort, you can help them develop close relationships. They may then operate as a team to plan the change, reducing resistance to the innovation from the outset.

Leadership

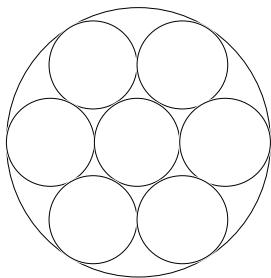
I have already spoken of the need for cultural identity as a cement to hold the organisation together. There is often little enough motivation for people to

23. Hollis Peter, a former colleague, was the first person I heard use this term in this context.

pursue overall goals at the best of times. If they don't believe in their hearts that they are in the same organisation, there is even less.

If there is to be sufficient unity of culture, this almost unavoidably begins at the top. It is the chief executive who sets the climate for change: everything she says and does is taken as significant. (Many of Warren Bennis' ideas find natural application here.²⁴)

A theme evident in many cultures is that the leader is treated as a living embodiment of the system as a whole. The leader's behaviour is therefore treated as invested with corporate meaning, and so culturally significant.



It is useful to bear in mind the forces which cultural change faces. As already mentioned, culture is not unitary. A culture contains within it many sub-cultures, each somewhat different. In addition, the sub-cultures and the culture as a whole are essentially conservative. Their purpose, as it were, is to maintain the organisation as it is.

Some sub-cultures are more willing than others to embrace change. Bearing in mind my earlier comments about change beginning with innovators, the more innovative sub-cultures may provide the most promising starting point.

This goes against common practice in some quarters, so it may deserve more attention. Many change programs begin with diagnosis to identify the trouble spots. An attempt is then made to raise the performance standards in the lower-performing parts of the organisation. It is precisely here, amongst the rear guard, that resistance may be greatest.

24. For example Bennis, W. (1989), Managing the dream: leadership in the 21st century, *Journal of Organisational Change Management*, 2(1), 6-10.

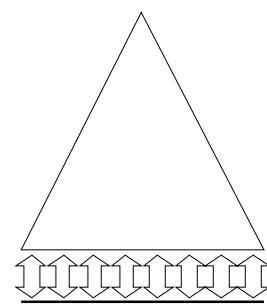
In any organisation, however, there are teams of people who want to do better. They will increase their performance if they can discover how to do so. Working with these enthusiasts, or so it seems to me, will yield better returns for time and effort invested. It is such teams who may also provide the best chance of creating real change, as evidence that the change program is real and not just lip service.

Without clear evidence that change *must* occur, pressures towards conservatism are likely to prevail. There must first be what Victor Turner²⁵ calls a “liminal period” within which people accept the possibility of change — Kurt Lewin called it “unfreezing”. In other words, people have to relinquish the past corporate meanings, and the rules which supported them, before new meanings can be developed. Unless people recognise that the organisation is within an unavoidable transition, old meanings will seldom be relinquished.

Current fashions to the contrary, however, I know of relative few top-down changes which worked. On the other hand, I have heard of many organisations where each imposed change drives morale still further down the slope towards organisational death. The executives are outnumbered by those who do the actual work. Without cooperation from the workface, a change may remain wishful thinking on the part of the top management team.

Workface culture

And when you think about it, it is at the workface that the real image of the organisation is developed and maintained. The image that counts in the marketplace is that held by customers, potential customers, and other external stakeholders. For the most part, that is formed at the enquiry counter and over the telephone. Unless the



25. Turner, V. (1967), *The forest of symbols: aspects of Ndembu ritual*, London: Cornell University Press.

organisation is isolated from its customers, using marketing to create an image is likely to be only a short-term strategy.

As an example, I have a choice of supermarkets which are convenient for shopping. At one of them the person on the checkout produces her learned customer-oriented “have a nice day”. She doesn’t look at me as she says it. At the other I receive a greeting that is not to formula, but genuine. I leave you to decide which I prefer.

I recall some months ago, too, a memorable domestic flight. The purser broke down and began to giggle during one of the prepared messages which airlines use. At this unexpected sign that there were real people amongst the crew, camaraderie between crew and passengers blossomed.

The breakdown in formality influenced relationships between crew and passenger, and passenger and passenger, for the remainder of the flight. When the passengers eventually disembarked, most of them thanked the embarrassed but delighted purser for the most enjoyable flight in many years.

I’m not suggesting that you can afford to ignore the rest of the organisation. But it’s the culture at the workforce which makes the most difference in the end. If it is characterised by a high level of esprit-de-corps, then the people there will find high performance rewarding and enjoyable.

Teamwork and structure

Bear in mind that it is the quality of relationships which often determines the quality of coordination. In addition, a high level of teamwork can provide the moral support which helps people cope with the anxiety of change. Structures which create...

- interdependence within a team
 - team ownership for a meaningful team task and
-

- enough autonomy for the team supervisor to be a “chief executive” may be most effective.

In this regard, I have found the following “recipe” a useful guide for management, and for the management of change. Stanley Coopersmith actually developed it as a recommendation for child-rearing,²⁶ but it translates remarkably well into a corporate or consultancy setting. I use it often myself in a variety of settings ...

- 1 Freedom...
- 2 ...within limits...
- 3 ...that are clear...
- 4 ...and jointly negotiable.
- 5 Encouragement to set challenging goals, but...
- 6 ...unconditional support whether people succeed or fail.

Some people have trouble with the last of these. There is support for it, however, in both the excellence literature and the literature on total quality management. Tom Peters and Robert Waterman²⁷ relate that in excellent organisations, when people subscribe to the vision but are not performing, it is treated as an organisational problem. In the quality management literature this is sometimes known as Deming’s Rule: that 85 per cent of problems are system problems, even though they are mostly blamed on the people.²⁸

26. Coopersmith, S. (1967), *The antecedents of self-esteem*, San Francisco: Freeman. I also use it in course design for teaching and training.

27. In search of excellence, cited previously.

28. For example, see Scholtes, P. and other contributors (1988), *The team handbook: how to use teams to improve quality*, Madison, Wis.: Joiner Associates.

Middle management

Ultimately, too, the support of middle management is required. It may be possible in the early stages of a cultural change program to set up alternative channels of information between top management team and workforce. In fact, it is often beneficial to do so. It helps to keep the top management team better informed. In addition, it removes some of the temptation for middle managers to smother the upward information. Eventually, however, the cultural change has to become part of everyday operation. For this, middle management support is necessary.

I have now touched on the most important pieces for planning cultural change. The time has come to assemble them into a plan — one which, although it will not precisely fit any one situation, can serve as one example of how it can actually be done.

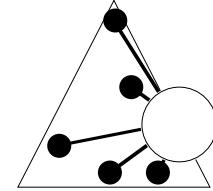
A plan for cultural change

The initial phase is preparation. The first step, in most instances, is to make sure that enough people give enough time and effort to introducing the change. This can often be done most easily by setting up a “steering committee”. Under the direction of the chief executive, it then assumes overall responsibility for the change.

With strong top management support, it becomes the catalyst for much of what follows.

Steering committee

Carefully set up, the steering committee acts as one of the counter-cultures which demonstrate the new style and processes of the organisation. It also provides an alternative channel for information to pass between the top management team and the rest of the organisation, particularly the workforce. Consistent with the “agricultural extension” model, it is useful if the steering committee consists of a mixture of energetic and innovative deviants, and successful opinion leaders. Team building then develops good relationships between all of these people.

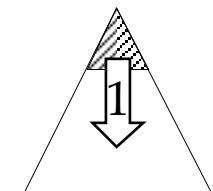


This has the added advantage that it enables experimentation. I have found that organisations are more likely to follow suggestions for the structure of a change committee than for an existing part of the organisation. New structures and processes, and therefore new cultures, can be nurtured in this way.

If the steering committee is to act as a counter-culture and catalyst, its operating processes must be consistent with the change which is to be introduced. A steering committee comprises a valuable counter-culture, as people will experiment willingly with new structures and processes within the change process itself. Then, when the changes have had a chance to prove themselves, those in closest contact with the committee may well decide to use similar processes within their own area of responsibility.

Leadership from the top

It is an advantage for the chief executive to be a member of the steering committee. This can have some traps, particularly if other committee members feel overawed or threatened. But provided the chief executive can encourage people to speak out, and especially to challenge her when she doesn't practise



what she preaches, she can be a valuable asset to it. She gives the steering committee real influence, and speeds up decision-making. At the very least, it is important for the steering committee to have commitment from the top.²⁹

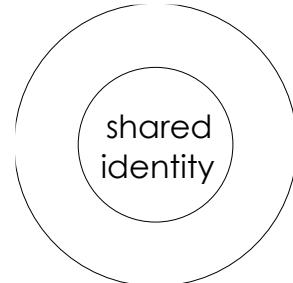
The chief executive (or someone from the top management team) can play a useful and visible role in the change. If it is clear that the management team is committed to new ways of doing things, and if this is *apparent in their behaviour* as they go about their tasks, the intended culture is more likely to become the real culture.

In the absence of support from the top, it may still be possible for cultural change to occur with subcultures. Provided the manager of the division, or branch or team, is on side, change can occur there. After all, a first line supervisor is “chief executive officer” of her own team.

Shared identity

The first task of the chief executive and the steering committee is to reinforce the sense of shared identity in the organisation.

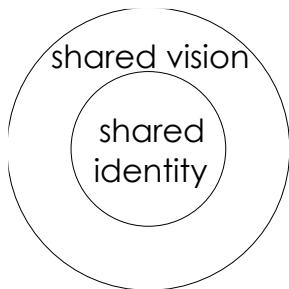
There are many ways in which this can be done; a recollection and celebration of history is one effective way of doing so. Sometimes resistance has emerged because people are being asked to deny their past. If the past is celebrated, on the other hand, people are then often willing to allow some of it to be buried with full honours. It is possible to put the past behind without denying it.



29. It is possible to introduce changes within the “freedom within limits” of part of an organisation, and to do it without the support of top management. In effect, though, this is treating part of the organisation as the unit whose culture is being changed.

Shared vision

You probably know that a shared vision is one of the leading characteristics of organisations in the “excellence” literature. Creating a shared vision, or reinforcing it if already present, is a useful next step.



It is apparent that any collection of people will find collective effort easier if they are agreed about what they are trying to achieve. In addition, a shared vision is an important part of the cultural cement which can bind people together. The newer structures, which may otherwise trigger organisational dissolution, increase the value of a shared vision. Strategic planning can therefore be used as a tool for cultural change.

If there is to be wide involvement in the change, and acceptance of it, then the start deserves celebration. Some procedures which clearly mark the beginning are useful. They can celebrate the past, and then set out the challenge of the vision. They can make clear the strong commitment of the chief executive and top management team.

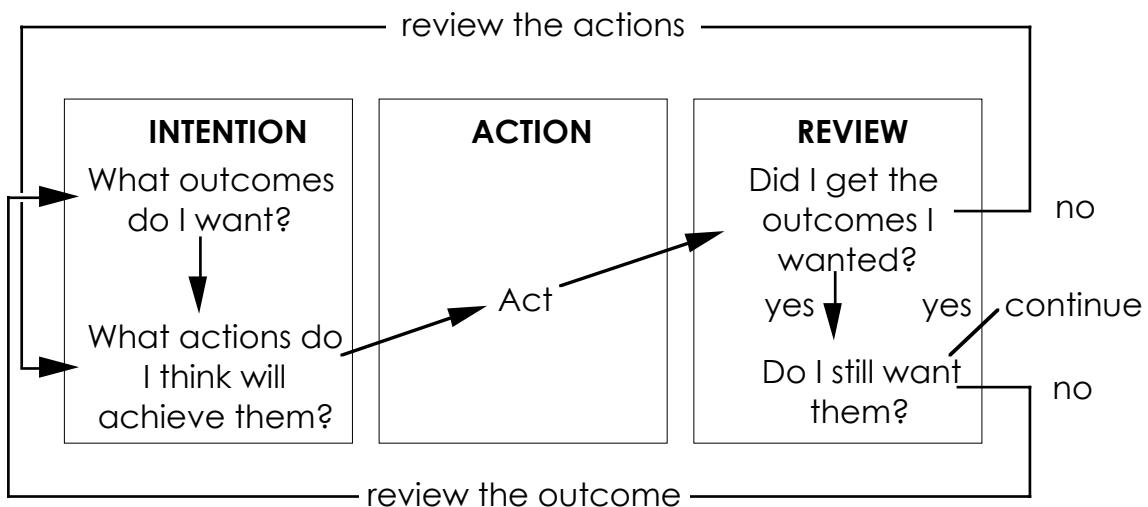
It is here that the “freedom within limits” philosophy can be valuable. The attitude of the chief executive can be “This is going to happen. If I can involve you in determining your own destiny within the guidelines, then so much the better.” It is important that people realise that the commitment is strong, and that resources will be adequate. Otherwise you may merely feed the cynicism which probably already exists amongst those who will later provide the rear guard.

The 1974 Brisbane floods provide an example of the capacity of people to rise to a challenge. It was not uncommon for senior managers to make their way in to their office or factory when the floods subsided, wondering how they were going to be able to get employees to help in the massive and unpleasant clean-up. Many of them found that the employees were already there, cleaning up without

supervision. In the two or three years following, many managers asked me why their day-to-day operations seemed unable to motivate employees when the flood did so with little or no effort on the part of senior management. They didn't seem to realise that their normal structures and management style discouraged initiative. The flood created a transition or liminal period (see earlier) within which people could ignore their earlier expectations about proper behaviour.

Acceptance of experiment and risk is an important part of the exercise. Organisational members who don't think they can afford to make mistakes don't involve themselves willingly in change.

To this end, the whole program can be labelled as an experiment. All those involved can be encouraged to develop plans, treat them as a trial, and amend them in the light of the results. When people fear that any changes will be immediately set in concrete, they can hardly be blamed for preferring the "devil they know". Labelling the program as a trial informs people that the changes are negotiable.



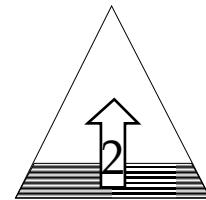
The process illustrated is one which people can use at each step of the program...

If people are able to be self-critical, and the organisation encourages it, then a climate of discovery and shared responsibility can be engendered. This begins with the top management team and the steering committee, but spreads as quickly as possible to the workface.

Empowering the workface

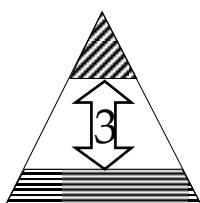
This is arguably the most important part of the process, for it determines how much of the collective effort is devoted to the program. If rank-and-file employees understand what is required, and are then empowered to introduce it in their own working teams, real and substantial change is possible. It may require a substantial program of information and skill-building to initiate this; but if real change is required this is a way to achieve it.

I am not suggesting that you interpret “workface” too literally here. The strategy is to work with the enthusiasts, for reasons already canvassed. For maximum impact, it is also desirable that the changes occur where it makes a difference. *Key* enthusiasts, including substantial numbers at the workface, are usually the appropriate people.



The people in the middle

On the other hand, it is hazardous to ignore middle management. I know of change programs where there was support from the executive team, and genuine change at the workface. Unfortunately there was also successful sabotage in the middle ranks which eventually drove a wedge between executive and worker.



Some infrastructure within middle management is probably helpful. At all levels of management, encourage managers to respond enthusiastically and quickly to suggestions. Visibly reward managers whose subordinates are most successful in

introducing change. Following the principle that errors are system errors, be careful not to punish the failures: reward the attempt, and help to find a better alternative.

There is one exception to this general rule. If someone attempts deliberately to undermine the change program, act quickly and publicly to censure that person. If you can do it with support and understanding, you also signal your loyalty downwards. Too many organisations expect loyalty upwards without realising that it has to be earned.

Reinforcing success

When the program is under way, use mass media to spread the news of successes. If there isn't a corporate newsletter, start one. However, be cautious of raising expectations unduly. Disseminate news of successes, not news of plans which may be implemented. Intentions need be communicated only to those who will be affected by it.

During this phase the chief executive can maintain a high profile. She can write a column for each edition of the newsletter, open as many workshops and training programs within the organisation as she can, and be seen often.

Give as much attention to those who adopt an innovation from elsewhere as to those who pioneer it. There is some evidence that it is harder to be the second person to try something than the first. If the first try is successful, the innovator gets a lot of kudos; if not, it may have been the consultant or the system or management which prevented it from working. There are inherent rewards in being first. To be second, however, is risky. If it works, it may be regarded as nothing special; after all, someone else already did it. If it doesn't, the person risks condemnation.

If you don't make change rewarding for the second and third and fourth adopters, you may not spread the change from innovators to opinion leaders. You

may institute a successful pilot program... And then you may be left wondering why it didn't work anywhere else.

Difficult issues

Most employees, from the workforce upwards, are capable of improving the way the organisation functions. In interviews I have had, rank-and-file employees offer suggestions for substantial and obvious improvements. It is therefore relatively easy to get a change program started. Maintaining the program is more difficult. When issues arise which require extensive research, or which affect more than the immediate workteam, set up some mechanism to research and implement the changes. A small temporary workteam, with power to co-opt others, is often the neatest approach.

The next revolution

Remember the next revolution. Celebrate this one from time to time, loudly and visibly. Thank and congratulate people for what they have done. Public relations within the organisation may well give you more long-term payoff than the more typical external public relations. And I'm not talking about the form of public relations which builds a false image or tells plausible lies.

Often you can combine internal and external public relations. Remember the Australian Airlines campaign "You should see us now"? It featured Australian Airlines appearing joyful and productive as they went about their work. It was aimed as much at employees as customers,³⁰ and is an example of the effective use of media for this purpose.

30. See Strong, J. (1989), Logbook: Companies should convey their marketing message to their own staff, *The Australian Way*, July, 1.

Pause between revolutions. People need a respite from time to time if they are not to burn out. If you can, let them enjoy the previous change for at least a little while before embarking on the next one.

A final caution ... Beware: today's revolutionaries may be tomorrow's reactionaries. Encourage people throughout the organisation to nurture the energetic deviants. Otherwise those people who implement change today may defend it against a later change.

Reprise

I have offered a number of propositions here with implications for the effective use of cultural change as a means of creating an organisation where joy and achievement are normal. At the centre of my suggestions are three ideas. The first of them is that we are a small-tribe species. The second is that organisations are mechanisms for coordinating effort and expertise. The third is that culture determines the style in which an organisation relates to its environment, and individuals relate to the organisation and each other.

From these three ideas, a number of useful strategies flow. Structural interventions are cultural interventions. If structures can be devised which both create cohesive small tribes, and at the same time allow the organisational interdependences to be managed well, joy can return to the corporate world.