Managing Change Mosaic Transformation™ & "Bubble Strategy"

Organisational Change
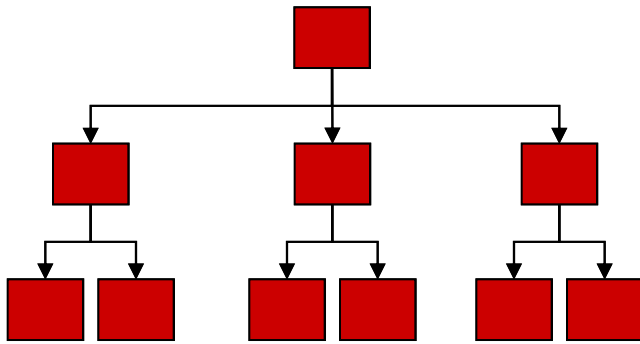
"there is nothing

more difficult to plan or

more uncertain of success or

more dangerous to carry out"

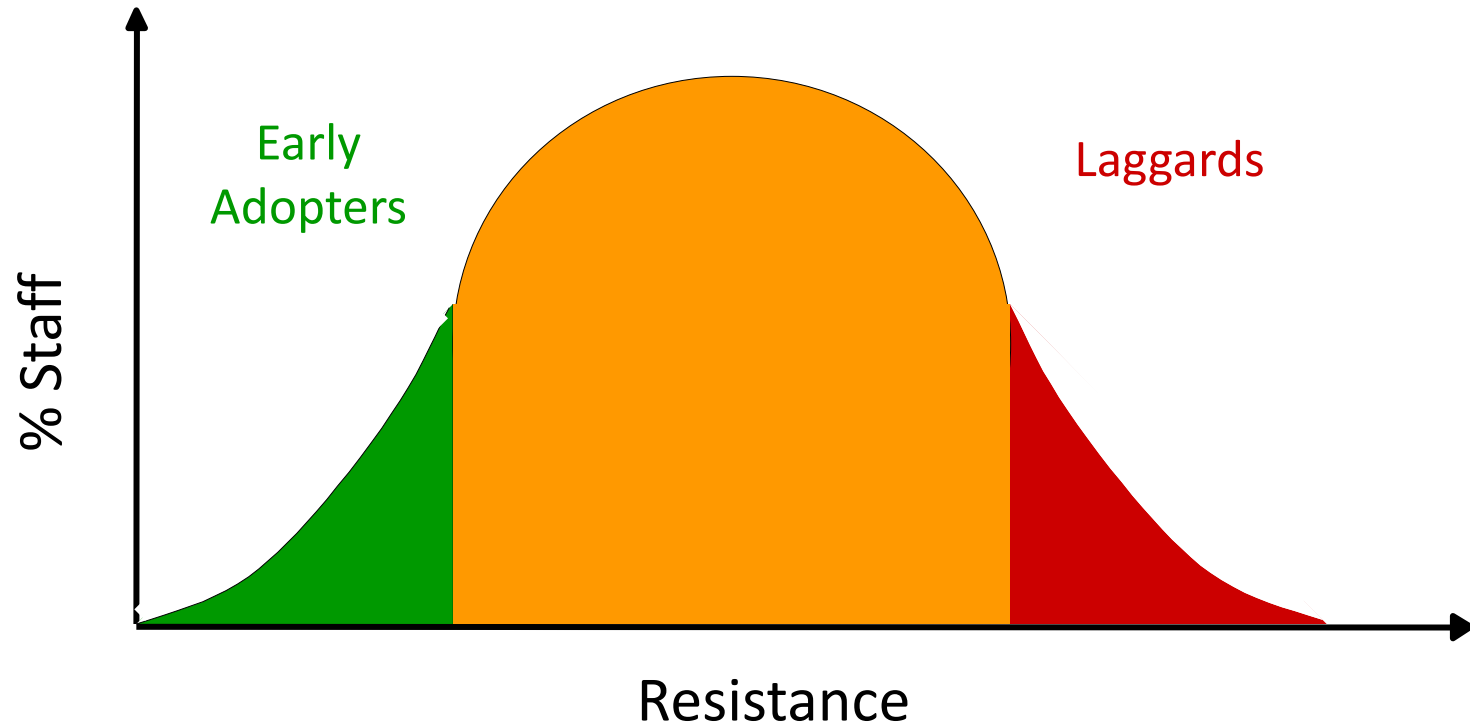Niccolo Machiavelli   1513

Traditional Change Structure

- Hierarchical model
- Homogeneous - "whole organisation"
- Resistance to change is cause of failure
- Leadership overcomes resistance
- Failure of Leadership is usual cause
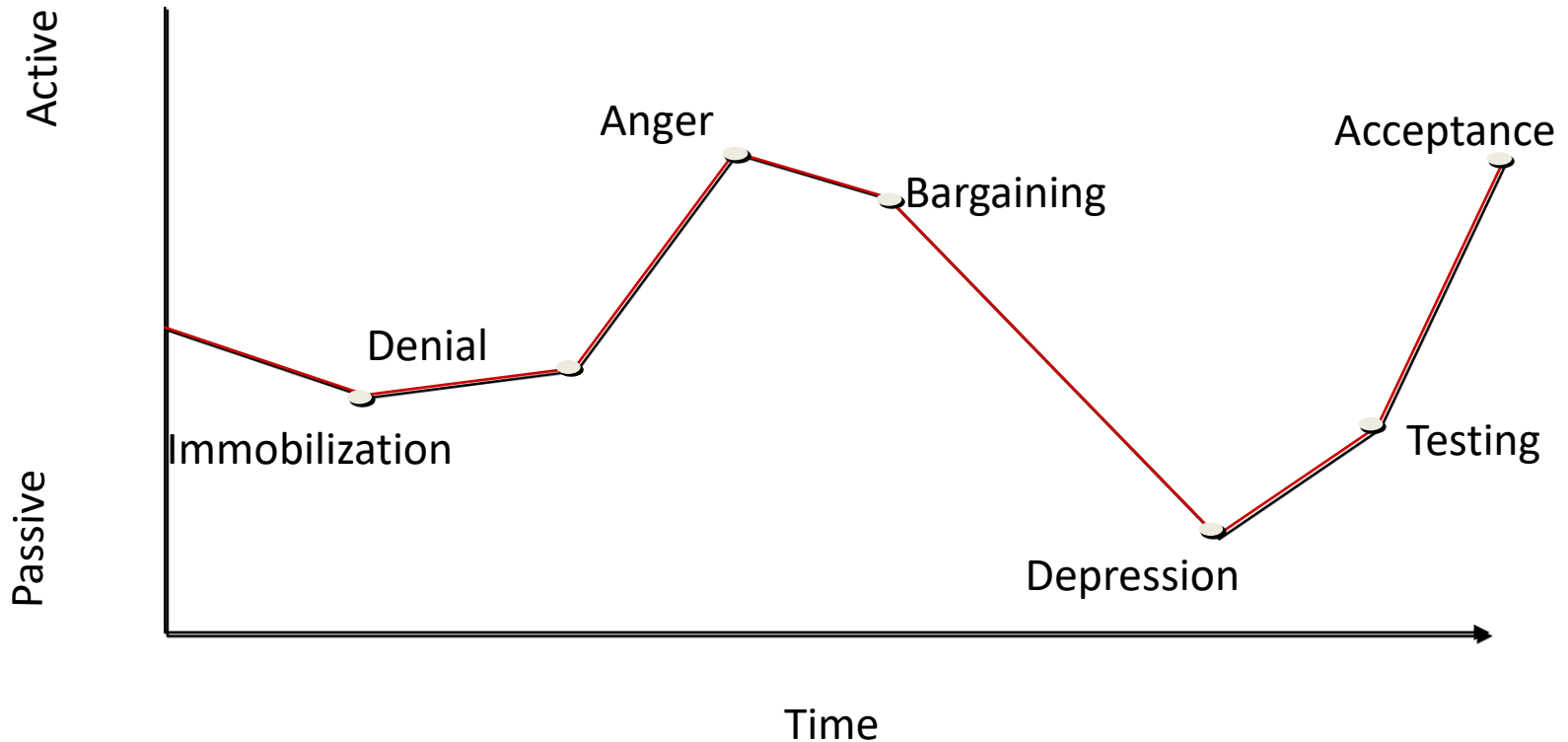- 80% + of change programmes fail

"Resistance" Distribution

Kuebler-Ross Bereavement Reaction

Active

Passive

Anger

Acceptance

Bargaining
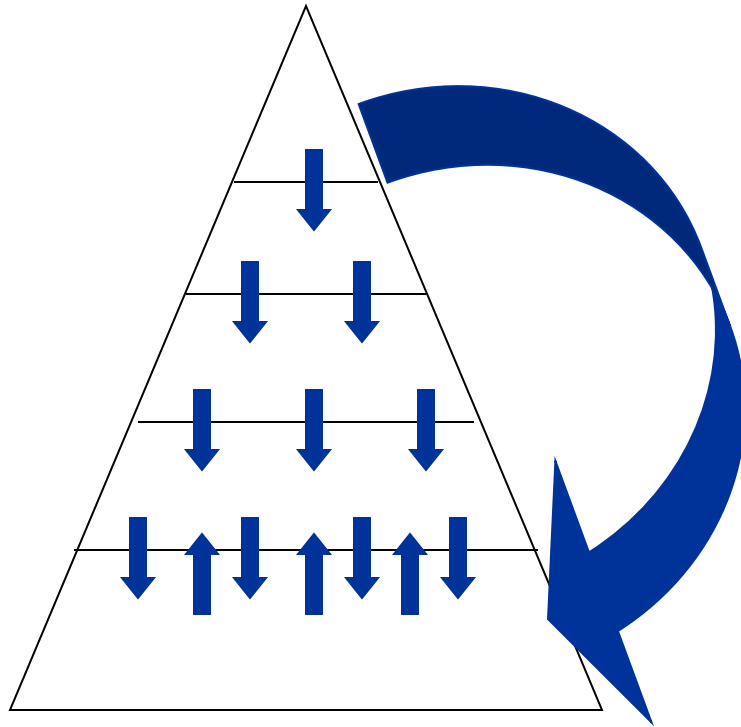
Denial

Immobilization

Testing

Depression

Time

Field Research

- 6 Engineering Companies
- 50 – 200 Staff
- 10 Month Observation
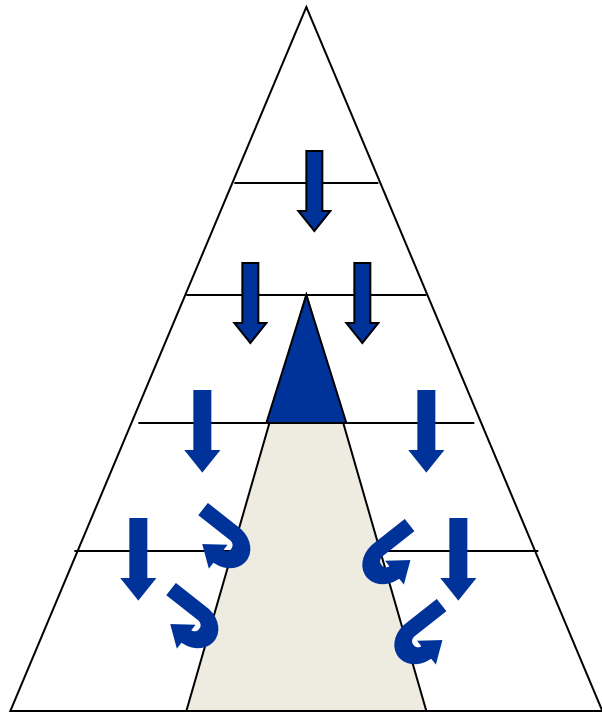- "Life or Death" transformations

3 Approaches

- "Attitude Change"

- "Top Down" Change

- "Top Down & Bottom Up" Change

Research Findings

- Leadership available
- All programmes "failed"
- Fragmentation at boundaries prevented change
- Change programmes stopped
- Managers had no answers
- Adequate resource & Cohesion

Restart

- Restarted as small, discrete, fragmented, "manageable" change programmes
- Ad Hoc, unplanned
- Politically expedient
- Reinforced success
- Concentrated management resource on possible changes & interfaces

Challenging the Paradigm

- Hierarchical model "whole organisation"

- Resistance to change is *cause* of failure

- Leadership overcomes resistance

- 80% + of change programmes fail

- Systemic model "discrete change"

- Resistance is a *consequence* of failure

- Leadership is important, but generally available

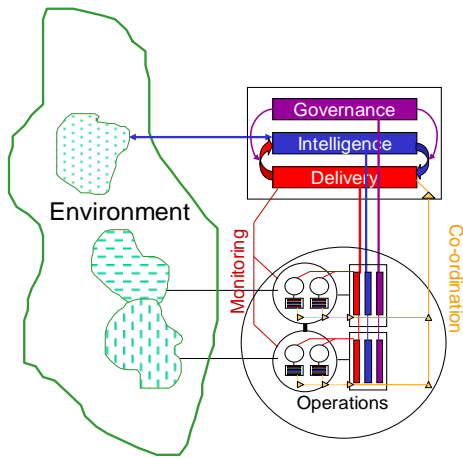- Failure was because we planned for failure not success
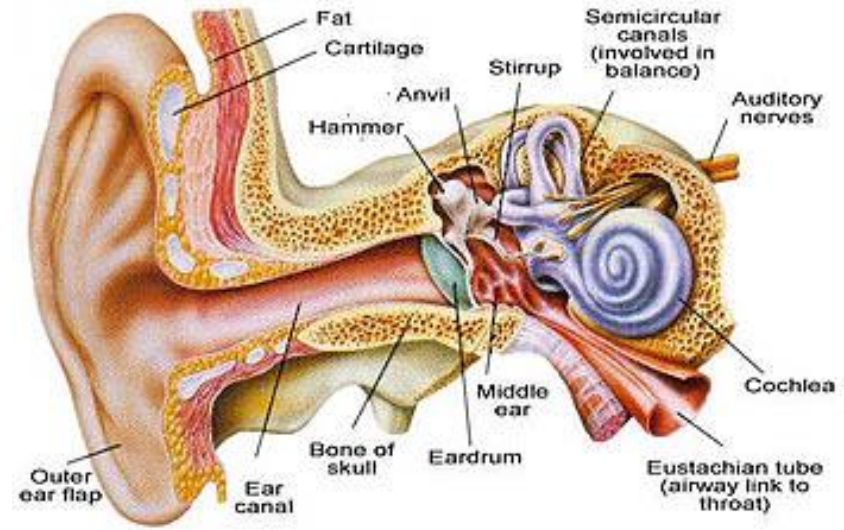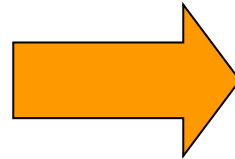
Challenging the Paradigm

- Thomas' Theorum *'if men define situations as real, they are real in their consequences'*

  - e.g. Theory X & Theory Y

- Ashby's Law of Requisite Variety
  - Change depends on structural redundancy

Mosaic Transformation – a biological change model

- "Natural" Approach, discrete change packets – planned not accidental

- Managers focus on boundaries

Mosaic steps

1. Model old structure
2. Model 'new' organisation blueprint
3. Design change packets
4. Select change sequence
5. Implement change sequence:
   - Release "trapped" management resource
   - Remove constraints on next steps

Selecting the Sequence
The "Critical Path"

Do-able

- Group cohesion
- Experience & attitude to change
- Skill at Change
- Quality of leadership
- No. & severity of boundary problems
- Management resource available

Worth Doing

- How far it takes you towards final goal
- Building / releasing structural redundancy
- Removal of constraints on next stage
- Von Foerster's 1st rule: *"If in doubt, act always so as to increase the number of choices"*

Selecting the Sequence
The "Critical Path"

Constraint

Resource Required

Change Packet

Resource Released

Constraint Removed
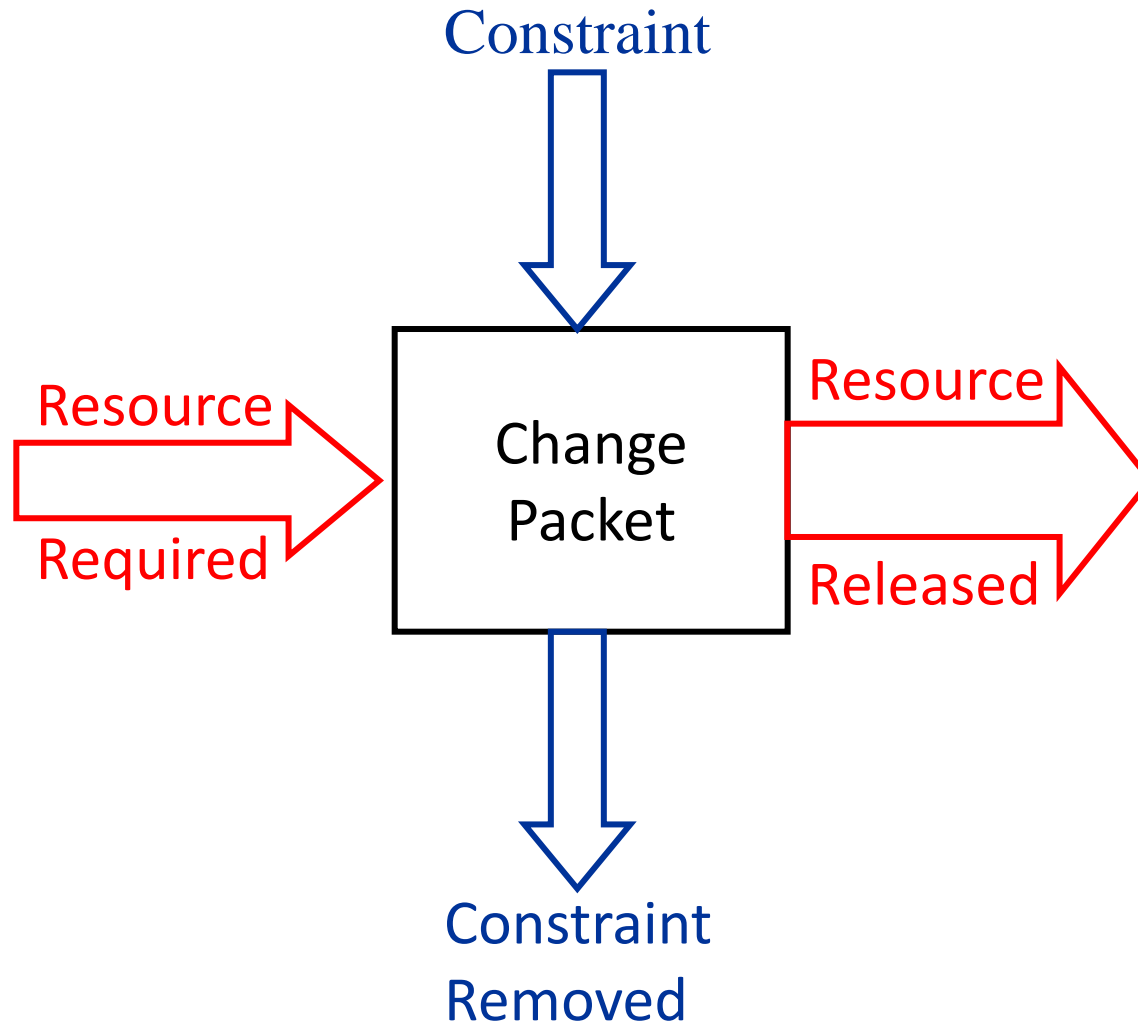
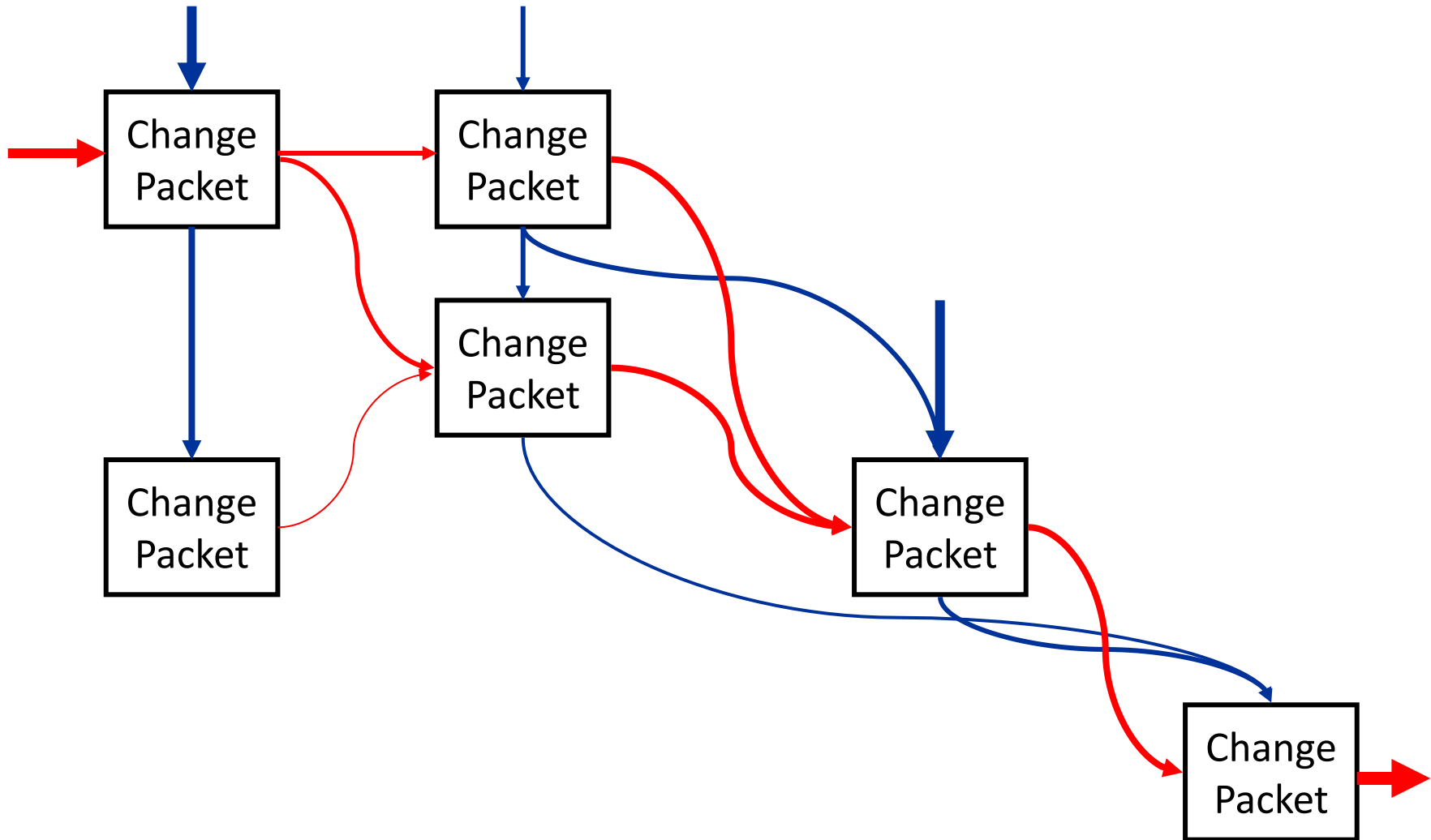# Selecting the Sequence
The "Critical Path"

Resources & Constraints

Resources

- Money
- People
- Skills: esp. key / rare skills
- Plant
- Technologies
- Channels
- Information
- Etc.

These are not all buyable

Constraints

- BaU commitments
- Hard structures
- Rules & protocols (internal & external)
- Interdependencies (internal & external)
- Big IT (ERP)
- Identity & Values
- Culture & Symbolism
- Timing against critical events (e.g. year end)

Resource required for:

- Starting things

- Stopping things

- Changing things

- Designing

- Documenting things

- Maintaining / cauterising bleeding edges

Selecting the Sequence
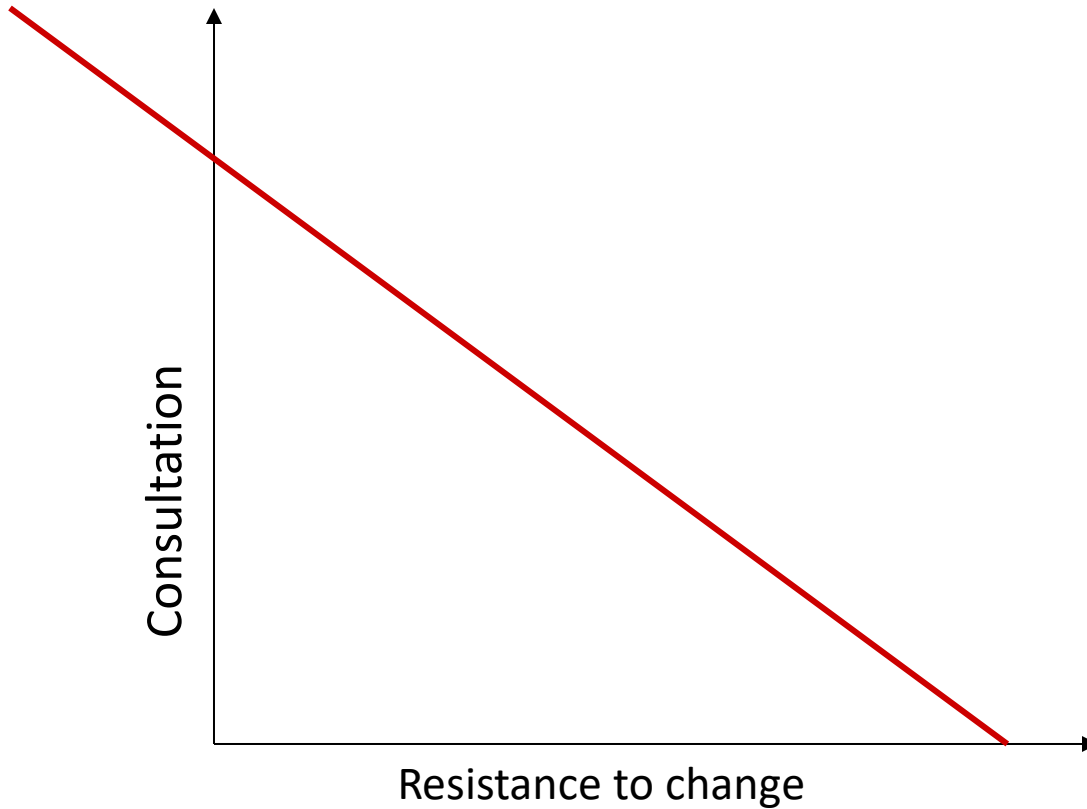# The "Critical Path"

- "Low hanging fruit"
  - Easy wins
  - Build confidence (yours, theirs, management's)
  - Usually low contribution to releasing resource
- Elephants
  - Big wins
  - Build reputations & careers
  - Big release of trapped management resource
  - Can be easy or hard

Involvement in Designing the Change Process

Consultation (y-axis) vs. Resistance to change (x-axis)

Leadership

"of the best leader, once his plan is in place, the people will say – of course we did it by ourselves"

Lao Tzu

Conclusions

- Prevailing paradigm is fundamentally flawed
- Some assumptions are false
- Leadership *is* important but generally available – from heroic to enabling?
- Understanding the pattern of possible change is key
- Degree of change possible is proportional to structural redundancy
- Releasing trapped resource (structural redundancy) is key

Bubble Strategy
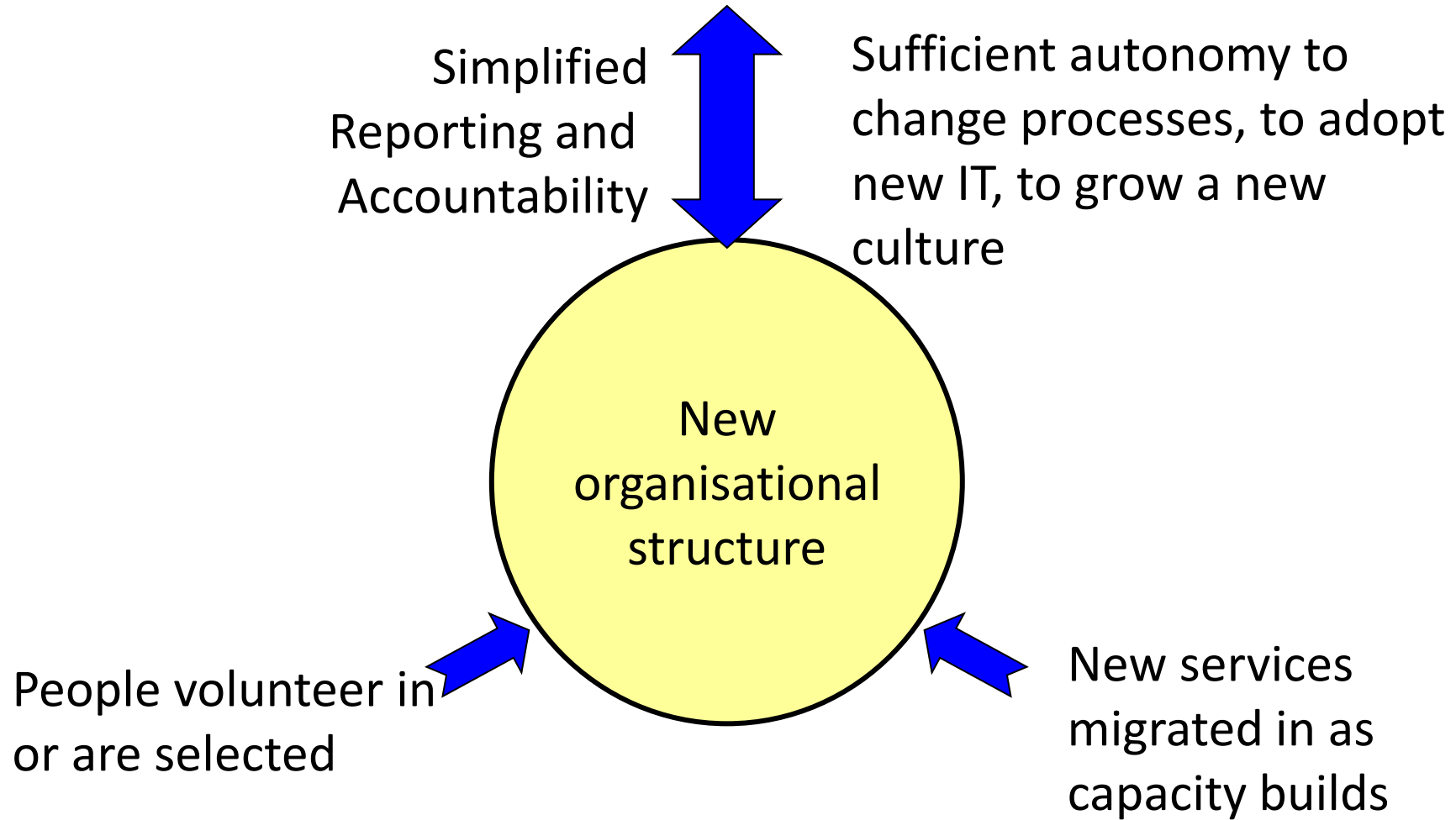# Background in Salford

- Failing authority
- Benefits Administration assessed in 2002/3 CPA programme as 0 ⭐ = <u>lowest possible score</u>
- BPR project to re-engineer benefits service
- Challenge was organisational change

SO….

- Service redesign ≠ organisational change
- Don't change the old – create a new organisation
- Innovation model
- Skunk works & VSM

Bubble Strategy

Simplified Reporting and Accountability

Sufficient autonomy to change processes, to adopt new IT, to grow a new culture

New organisational structure

People volunteer in or are selected

New services migrated in as capacity builds

Elements of the 'Bubble' Strategy:

1. Simplified and controlled management structure
2. Recognised, patrolled and defended boundary
3. Broad, agreed mandate
4. Accountability
5. Sufficient Resources
6. Brand/Set of Symbols
7. Joining Ritual

Outcomes

- Benefits Administration assessed in 2002/3 CPA programme as 0⭐ = <u>lowest possible score</u>

- Benefits Administration assessed in 2003/4 CPA Programme as 4⭐ = <u>highest possible score</u>

- 2004 Beacon Status

- 2005 "Best of the Best" – voted by peers

Ewen Locke and Barrie McKinnon
Salford City Council

Features common to Mosaic & Bubble

- Discrete change
- Size of change determined by change resource available
- Progressive transformation
- Boundary management / defence