

Theory to Practice

Commentator

Article

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Fernandez and Rainey: Managing Successful Organizational Change in the Public Sector: An Agenda for Research and Practice

Sergio Fernandez and Hal Rainey's agenda for research on organizational change offers a compelling set of questions. Their review of theoretical bases in the organizational change literature can help readers orient themselves to an increasingly complex set of research findings and approaches. Emphasizing the literature that adopts a rational strategic lens, the authors compile a set of prescriptions for those leading large-scale change efforts. Pursuit of their research questions is likely to provide supplemental guidance for change efforts. Those scholars and practitioners seeking confirmation that change can be managed, even controlled, will find comfort in Fernandez and Rainey's examination of the organizational change literature.

This commentary reacts to Professors Fernandez and Rainey's celebration of leaders and managers' ability to shape organizations. The key areas addressed emerge from phrases in the title of their article: "Managing Successful Organizational Change in the Public Sector: An Agenda for Research and Practice." The first jumping-off point is the phrase "successful organizational change," the second is the phrase "public sector," and the third is the phrase "agenda for research and practice." I use the commentary to expand Fernandez and Rainey's vision of what we need to think about in considering successful change.

Successful Organizational Change

Professors Fernandez and Rainey outline eight factors that

they say condition the success of change efforts. Their first proposed determinant for successful implementation of organizational change in the public sector is to ensure the need, which involves the sub-proposition of convincing organizational members of the need and desirability for change. None of the other propositions and sub-propositions suggests that managers should justify the objectives driving an intended change. Given the difficulty of assessing organizational effectiveness and its predictors (Cameron 2005; Rainey 2003), how can we truly ensure the need for change and, after its implementation, deem the change a success, let alone link it to overall organizational effectiveness? By neglecting this complication as part of our research on and prescriptions for change management, we imply that any desired change by managerial leaders will, if successfully implemented, result in organizational success. We may be able to judge whether specific technical aspects of an intended change occurred, but it is another matter to judge whether we should have implemented the change.

Is an intended organizational change that is accomplished also a successful change? Many expositions on how to manage organizational change ignore the question of why an organizational change is desirable, and fail to offer guidance on how to judge whether the desired change produced what change proponents expected and promised to organizational members. Perhaps, given an assumption that some change is inevitable, we simply accept that internally driven change is better than more random, organic, or externally controlled change. Power-based explanations help us understand why organizational changes intended by those at higher levels in the organization often are assumed to be legitimate and not worthy of

systematic and continuous evaluation as part of a change-management process (Buchanan and Badham 1999). Scholars and practitioners writing about organizational change neglect an important part of the picture if they fail to address how to differentiate and conceptualize successful change, successful implementation of an intended change, and a successful organization.

So how do we know if we have a successful organizational change? While not the focus of their article, Fernandez and Rainey offer us little guidance on how to encourage a values and interest-based analysis of change goals, dynamics, and outcomes. The stakeholder (e.g., Freeman 2005), values (e.g., Amis, Slack, and Hinings 2002), and ethics (e.g., Durand and Colari 2006) literatures offer some tools for justifying prioritization of some objectives and strategies over others. A psychological contract orientation (Rousseau 1995) may help us relate change efforts to employees' sense of their own and their employers' obligations related to the change. Organizational justice approaches help us understand issues of fairness related to change (e.g., Hosmer and Kiewitz 2005; Wooten and White 1999). Theories and analyses of how different stakeholders judge the success of a change and its implementation may lead to better understanding of the potential winners and losers from a change effort, and encourage more thoughtful and ethical decision making about desirable changes and desirable change strategies. By surfacing patterns showing what tends to be *lost* as well as gained with specific types of changes and change techniques, we may gain insight on common tradeoffs that can then aid strategic decision making. This may reorient us to see Fernandez and Rainey's propositions less as "determinants" of successful change than as options that are

more or less likely to have specific outcomes whose value can be judged by a range of criteria.

If we accept that successful implementation of an intended organizational change is not the same as successful organizational change, then we need to look more carefully and critically at the literature on resistance to change. In addition to those works cited by Professors Fernandez and Rainey, consider Trader-Leigh (2002) and Vann (2004). We need to know more about how to uncover and understand the norms, attitudes, and beliefs that may be behind resistance. Change-agent prescriptions tend to focus on how to reduce resistance to change. Acceptance that some resistance may be appropriate and beneficial to organizational success (Piderit 2000) comes with the implication that scholars and managers should consider strategies and incentives for appreciating and fostering resistance (e.g., Mabin, Forgeson, and Green 2001) as well as overcoming it. In addition, it calls attention to the positive aspects of employee deviance from formal organizational practices as a potential asset for change initiation and acceptance, and encourages organizational leaders to be facilitators of change efforts rather than the originators (Pascale and Sternin 2005).

Change in the Public Sector

Professors Fernandez and Rainey's approach to the change literature reveals a set of practices commonly offered for managing change inside one organization. Readers interested in change in the public sector may find value in considering the applicability of the advice to groups of organizations, especially in the contemporary networked state. By focusing on the organization as the unit of analysis, we may fail to see the boundary blurring that may affect when and how members of different organizations interact

in the development of change goals, design of change processes, implementation of change efforts, and evaluation of change outcomes. It is not that Fernandez and Rainey ignore the external environment of organizations. They discuss external pressures that may influence change goals and implementation, and consequently, direct change managers to build external support. However, a network perspective encourages us to go beyond seeing other organizations simply as sources of support and tangible resources. It encourages research on network-level effects of changes and the network characteristics and interorganizational dynamics that may affect implementation outcomes. For recent network perspectives on change, readers may wish to see Bramson and Buss (2002), Vogel (2005), and Balogun, Gleadle, Hailey, and Willmott (2005). Guidelines that suggest that organizational leaders should consider large-scale organizational change irrespective of the operations of their collaboration partners and competitors may do little to help us resolve complex social problems. Fernandez and Rainey propose that subsystem congruence is a determinant of successful implementation of organizational change. For some change efforts, *supra-system* congruence also may be important to successful implementation and the achievement of desirable outcomes.

Some of the theoretical streams briefly noted by Fernandez and Rainey focus on changes in populations of organizations rather than change in individual organizations. For example, some population ecologists tell us about patterns in the proliferation and demise of certain types of organizations as niches become established and overpopulated. Institutional theorists have proposed explanations of why organizations in the same domain tend to become similar over time. In their adoption of a rational,

strategic lens and focus on the proactive management of change, Fernandez and Rainey acknowledge, then set aside, these theoretical perspectives in their discussion of prescriptions for successful change. By focusing at least part of our research agenda on non-managed change among sets of organizations, we can develop a better understanding of how managers and leaders incorporate their perceptions of the environment into their change goals and adaptation strategies. Perhaps we can then better understand how change managers can identify and ride a wave of change affecting more than their organization, and potentially more than one sector. As Duening states, "Recognizing timeless forces helps managers adapt more smoothly and confidently to inevitable change" (1997, 2).

An Agenda for Research and Practice

I agree with Fernandez and Rainey's claim that there has been little effort to synthesize the numerous theories on organizational change. Like them, I encourage researchers to consider that a variety of dynamics may be in play. I am less interested in learning which theories offer the most explanatory power than in how to integrate knowledge gained from multiple theoretical perspectives to inform practice and develop better models and tools for research and practice.

Not surprisingly, much of the prescriptive literature, as demonstrated by Fernandez and Rainey's distillation of it, focuses on practical implications from theories asserting the importance of human agency in change efforts. However, by expending more effort to understand what they cannot control, individuals may become better at influencing what they can manage and reducing the psychological strain that can come with organizational change (Bordia, Hunt, Paulsen, Tourish, and DiFonzo 2004). Increasing our comfort with the randomness of some events

and inadvertent change, as well as our limitations in predicting and controlling behaviors, may help us find better tools for obtaining and interpreting feedback and establishing cultures encouraging continuous learning. For example, we have learned that by turning away from fifteen and twenty-year strategic plans in favor of shorter, even one-year plans, managers tend to save resources and reduce frustration with the planning process. Change plans that involve short timeframes created with the mindset that they will need to be revisited may lead to more realistic appraisals of what is feasible and needed, and what strategies can take advantage of organically occurring trends.

Huy and Mintzberg (2003) argue that managers, to their detriment, are obsessed with what is new and changing. To balance the organizational change literature, we need to embrace efforts to understand what is stable and continuous. Managers need skills in creating and managing dynamic yet stable systems, and the typical advice scholars offer them is to institutionalize changes (Fernandez and Rainey's seventh determinant). As Fernandez and Rainey admit, this is not an easy task, and we know little about how best to accomplish it. Their discussion, consistent with their emphasis on human agency, focuses on proactive approaches. By expanding what we know about small-scale inadvertent change and stable systems with what we have learned about radical transformations, we may be able to offer new advice on how to take advantage of naturally occurring processes.

In addition, we need more attention to understanding change goals, implementation processes, and change outcomes within a larger systems perspective. We need more guidance, drawn from theory and empirical research, to help us understand the interorganizational dynamics that affect and are af-

ected by strategic efforts to produce intended changes. Research designed to help refine change-management techniques for single organizations is limited in telling us what is needed to create and improve networks of interacting organizations with compatible or conflicting objectives.

Though aggregating the prescriptions for single organizations to a network may provide some guidance for change efforts, we may gain additional insights from a larger systems perspective.

Professors Fernandez and Rainey have provided us with an excellent base for building upon our understanding of organizational change. Though daunting, expanding their agenda for research and practice to incorporate more fully non-managed change, larger systems than organizations, and potentially conflicting definitions of success may prove worthwhile.

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