Abstract and Keywords

We review the organizational psychology, community psychology, and organizational behavior literatures in order to provide an integrated perspective to change and the factors that impact the success or failure of organizational change initiatives. This chapter provides a historical context for the changing focus and key tensions in the field: describes key change theories that help us understand change processes; and reviews empirical work in the for-profit, nonprofit, and public sectors relevant to understanding core concepts of readiness for change, change capacity, and organizational learning. We identify recent conceptual and methodological approaches that bring a systems perspective to the study of change. The chapter concludes with thoughts on the sustainability of change and the identification of needed research that can inform practice.

Keywords: change theories, readiness for change, change capability, organizational learning, systems thinking, and sustainability

A manufacturing company of gears decides that there is a need to move from its long-standing traditional assembly line system to a team-based cellular, decentralized manufacturing process. A police chief sees the need to transform a police department from a reactive enforcement focus that has generated a large number of citizen complaints to a community policing perspective with an emphasis on proactively working with citizens to solve long-standing problems and issues in the community. A state governmental agency pushes to enhance the effectiveness of human resource services by moving from a transactional to a transformational, consultative approach to developing human resources. The plan calls for human resource personnel to become strategic business partners and agents for change within the various agencies in the state government. A nonprofit hospital system sees the need to develop a new vision for health. The vision involves collaboration with various health-related systems and schools to develop and implement a community-based health initiative to proactively address issues such as obesity, diabetes, and smoking within their community. Organizational change is inevitable and is all around us.

This review examines the literature on organizational development (OD) that has attempted to understand change processes and the factors that impact the success or failure of organizational change initiatives. This chapter reviews what we know, and what we should know more about, relevant to organizational change. Such a review of the field of OD is a bit daunting. Kahn (1974) noted that OD is only a “convenient label for a bunch of activities” (p. 486). Mirvis (1988), in his review of OD practices in the 1960s, 1970s, and 1980s, noted that “it is always a problem to precisely define OD” (p. 4). Similarly, Beer and Walton (1987) declared that the “field no longer has professional boundaries” (p. 340). Weick and Quinn (1999) concluded their review that “the sheer sprawl of the change literature is a continuing challenge to investigators who thrive on frameworks” (p. 364).

The “continual sprawl” of interesting theoretical and empirically driven research on change since Weick and Quinn's (1999) review provides a great opportunity to gain some understanding and appreciation of research efforts focused on planned change efforts. As noted by Macy, Farias, Rosa, and Moore (2007), the “search for innovative ways to improve organizational performance is central to the work of a large number of scholars and practitioners” (p. 338). In that sense, we feel relieved that our focus on a variety of change related concepts, the complexity of change processes, the diversity of methods used to study those processes, and the many frameworks or lens for looking at OD change can provide a window for understanding what we know and what we still have to learn about organizational change efforts.

The review integrates research in organizational psychology, community psychology, and organizational behavior around organizational development and change. These areas of research provide unique perspectives to understanding change that need to be considered to provide an integrated perspective to change. In particular, this review has four main purposes: (a) to provide a historical context of the changing focus of the OD field by examining major reviews that have already been completed; (b) to describe key change theories that have emerged in the field; (c) to review empirical research across a variety of settings (profit, not for profit, public) over the last 10 years around core concepts that are advancing the field; and (d) to emphasize taking a systems based approach to change based on this analysis and our own experiences in change efforts, which is then used to guide future research directions.

Historical Trends and Foundations of OD

The field of organizational development and change (OD) has often been described as having its beginnings in the theoretical work of Lewin (1947), the empirical work on participation and change by Coch and French (1948), and the development of the laboratory training methodology (see Hightower, 2002 for a review) in the late 1940s. As noted by French and Bell (1973), while it is unclear who coined the term organizational development, it seems to have emerged from the works of Blake, Mouton, Douglas McGregor, and other pioneers working to improve the welfare of employees through efforts such as treating workers as adults rather than as children (Argyris, 1957, 1973), moving an organization from a Theory X to a Theory Y perspective.
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(McGregor, 1960) and intervening to change an organization from a Level 1 (exploitative authoritative) to a Level 4 (participative) type organization (Likert, 1961, 1967). In a conversation with French and Bell (1995), Beckhard discussed working with McGregor on a project at General Mills in the late 1940s. He noted that “we clearly didn’t want to call it management development because it was total organization-wide . . . so we labeled the program organizational development meaning system-wide change effort” (p. 47).

Since these early works, the field has evolved into a major area of research and practice. One way to understand advances to a field of inquiry is to examine and analyze previous reviews in the area. We have used six major reviews in the Annual Review of Psychology from 1974 to 1999 to delineate how the focus and scope of the field has changed and expanded into the 1990s. We then talk about key foundations and continual tensions in the field that emerge from this historical review before discussing change theories and recent empirical research.

Reviews of OD

Friedlander and Brown (1974) provided one of the first systematic reviews of what they call the emerging interdisciplinary field of organizational development. They defined OD as a method for facilitating change and development in people (styles, values, and skills), in technology (greater simplicity or complexity), and within organizational processes and structures (relationships and roles), with the goal of human fulfillment and optimizing task accomplishment. They provided a framework of thinking about planned change that focused on techno-structural changes such as job enlargement, job enrichment, and socio-technical systems and human-process oriented changes such as t-groups, team building, and survey-feedback approaches. They noted that the field tended to focus on humanistic and democratic values and valued open communication and problem solving, locating decision making as close to the information sources as possible, building trust and collaboration and enhancing self-control and direction (Theory Y). They cited research on interventions that pointed to the importance of strong internal and external pressure for change, the gradual involvement of many levels in the diagnosis and change activities, and shared decision making around the change. They also highlighted that unambiguous evaluations of the success of various change interventions are few and are difficult to conduct.

Alderfer (1977) noted that OD seeks to understand planned change processes, to assess the effects of efforts to promote social change, and to evolve better theories of change processes. In contrast to Friedlander and Brown (1974), he highlighted the variety of value conflicts characteristic of the field, including the historically strong force in the field to “humanize” organizations to be more responsive to human concerns rather than just developing technologies to improve organizational effectiveness. He questioned whether OD practitioners actually advance humane values, as much effort seems to be on developing methods to solve organizational problems. His review focused on the interdependencies among applied problems, technological developments, values, and research. The review highlighted two major trends in the field: (a) expansion of the kinds of organizational settings in which traditional OD techniques were being used (e.g., multinational companies, public sector entities such as policing, and nonprofits such as community mental health); and (b) elaboration of the kinds of techniques that are being developed by practitioners that are a result of the challenges faced when attempting to solve enduring organizational problems. He notes in the review that there had been little empirical research that carefully evaluated these new methods or interventions. At the same time, there was some evidence for more sophistication in research design, measurement, and theory (e.g., examination of alpha, beta, gamma change).

Faucheux, Amado, and Laurent (1982) provided a multicultural perspective to the field by describing research being conducted in Europe and other parts of the world. They stressed that the field of OD must be seen as more than a management tool and must be viewed as a total organizational process that meets employee and organizational needs. The scope of their review went beyond OD as a field to include what they saw as the more general issues of organizational change—even questioning whether the term organizational development is adequate to describe the various developments taking place in the field. Their suggestion was to change labels to more encompassing terms such as quality of working life. They noted how different approaches to change had emerged in the United States and Europe—with Europe focusing on a more holistic approach to jobs and considering intergroup and worker participation issues and the joint influence of both technological and social requirements—a socio-technical approach. The United States was seen as focusing more on specific issues and problems within group as well as interpersonal issues relevant to change. The major contribution of the review was on examining the many different cultural contexts in which change can take place and questioning the assumptions in OD that ideas and methods can easily be applied to organizations in different cultures. They cautioned that cross-cultural transfer of change technology has proved to be difficult and slow. They concluded that the evaluation research to date indicated little evidence for the efficacy of OD, as it did not seem to make people more satisfied, and group-level process variables seemed to change less than half the time they were measured. There was also limited evidence for the overall impact on organizational processes, with better results for participative methods and socio-technical systems than for group-level interventions.

Beer and Walton (1987) contended in their review that the field of OD had continued to be consultant centered and that there had been no significant breakthroughs in intervention methodologies. In addition, they saw the greatest advance in understanding of key concepts for change as coming from the general management literature on culture and leadership, rather than from the OD field itself. In fact, Beer and Walton (1987) argued that the general management literature had by that time absorbed many of the concepts, values, and methods of OD (e.g., participative management, use of problem-solving task forces, collaborative approaches, and mission-building sessions). This absorption led to questioning what was the unique contribution of the OD field to understanding and improving organizational life for employees as well as organizational effectiveness. They also noted more emphasis on issues with system-wide implications, such as the need for revitalization and turnaround as well as innovation. These needs were seen to require more system dynamics thinking, which included understanding stakeholder issues and network concepts crucial for creating and maintaining change. They also saw an increased emphasis on understanding alternative structural arrangements such as parallel and matrix organizations and the decentralization and flattening of organizational hierarchies. In terms of the consultant role, Beer and Walton (1987) saw a need to be less value laden (e.g., focused on democracy) and advocacy oriented. They also contended that OD must broaden itself to move away from programs in which the consultant develops interventions to more systematic and collaborative approaches in which managers, staff members, and consultants work together to manage change to redirect efforts and performance.

In their review, Porras and Silvers (1991) distinguished between traditional organizational development activities that focused on improving organizations and organizational transformation efforts that emphasized creating a new vision for an organization and new work setting arrangements.
so as to help the organization better fit with the changing realities of the organization's environment. This movement toward organizational transformations (similar to the theme raised by Beer & Walton, 1987) required an examination of deeper level issues of organizational beliefs, purpose, mission, and vision, rather than the typical OD emphasis on changing work settings or dealing with group problems. They noted the need for more research and practice efforts aimed at understanding planned change activities that help make organizations more responsive to external environmental shifts and the need to take a contingency perspective to understanding change. They saw organizational transformation research as at the cutting edge of planned change, calling for the development of the capacity for continuous self-diagnosis and change—explicitly linking the emerging organizational learning perspective to the field of organizational development (Cyert & March, 1963; Fiol & Lyles, 1985; March & Simon, 1958). They highlighted the development of new methods such as appreciative inquiry (Cooperrider & Srivastva, 1987) and stream analysis (Porras, 1987), in which problems are mapped onto a change model. They also noted the shift in research from individual and group process issues to more structural arrangements and reward systems that take a more organizational level orientation. They described advances in the evaluation of alpha, beta, and gamma change. Nevertheless, they concluded their review that "although there are some innovative areas of OD research in the period reviewed, no fundamental new paradigms have been developed and embraced by the field and major new insights are rare" (p. 74).

The review by Weick and Quinn (1999) extends the perspective taken by Porras and Silvers (1991) that planned change is usually needed because of the failure of people to create continuously adaptive organizations. They noted that research had begun to rely more on systems theory and learning about the environment. Practice was seen as more participant centered rather than researcher centered. They cautioned that change is more often spiral or open-ended, rather than linear, and that the chains of causality are much longer and less determinate than is often anticipated by researchers and practitioners. They highlighted the importance of sense making during change efforts. Weick and Quinn (1999) saw more practice efforts of whole-scale change in which large numbers of employees and key stakeholders would help plan for change within a concentrated period of time. These methods include interventions such as real-time strategic change (Jacob, 1994), whole-scale systems change (Bünker & Alban, 1997), and fast-cycle full-participation organization design (Manning & Binzagr, 1996).

Tensions in the Field

The six reviews of the OD literature from 1974 to 1999 highlight at least three broad themes and tensions in the field. The first issue is the interplay of science/research and practice in OD. In 1974, Friedlander and Brown described a hope that theory and practice could become part of a broader, far-reaching, and relevant field of planned change. They also warned, though, that research would either come to play a far more crucial role in the advancement of the field or would become an increasingly irrelevant side to the advancement of the field. Alderfer (1977) noted in his review that OD at that point in history was dominated by the values of practice, and that developments in the field revolved more around new interventions arising out of the challenges to practitioners, induced by the real problems of clients within complex organizational systems struggling to be effective. This emphasis on methods and techniques led Beer and Walton (1987) to note that theory building in OD has always been weak. They noted the need for contingency perspectives to change, as well as the need to incorporate time more explicitly into planned change models. They concluded that research and theory have historically fallen behind the leads coming from practice. Porras and Silvers (1991) concluded that planned changes should be guided by generally accepted and unified theories of organizations and organizational change—neither of which currently exists. The goal of the scientist-practitioner model of research driving best practices, with practice leading to important research questions, has clearly not been met.

A second tension is how to accumulate knowledge about change processes and outcomes. Early reviews bemoaned the limited number of empirically based studies on the effectiveness of change interventions such as team building, survey feedback, and job redesign. Faucheux et al. (1982) lamented how few evaluation studies (35 of 160 studies) satisfied even the basic criteria of scientific rigor. Beer and Walton (1987) noted that Guzzo, Jette, and Katzell (1983) did find evidence that psychologically based productivity studies led to worker productivity increases of one-half a standard deviation. Macy and Tziuri (1993) did find some evidence for impacts on productivity but not on job attitudes, satisfaction, and work involvement. Nevertheless, Beer and Walton (1987) concluded that the research on interventions are limited by time horizons, are context poor in terms of describing and understanding change, and that there seems to be a focus on greater research precision at the expense of conducting research that creates knowledge that can lead to direct transfer to improving practice. They go so far as to say that OD research had reached a turning point: As long as OD researchers emulate traditional science methodology, they will confine themselves to isolated episodes of change. By evaluating a specified intervention, they neglect the interrelatedness of elements in a system so that exogenous variables will prevent any powerful conclusions” (p. 344). They stressed that, rather than attempt to find the perfect quantitative methodology to prove its worth, OD must build a different model for the accumulation of knowledge than the dominant positivist paradigm. Instead, they argued that there was a need for a return to action-research traditions with full participation of the client in the research, but with much longer time frame and inclusion of rich descriptions of content and system dynamics. Similarly, Porras and Silvers (1991) contended that there was a need for more systems-oriented research that indicates how change cascades throughout the organizational system.

A third tension is the focus or goal of organizational change initiatives. Mirvis (1988) provided a detailed analysis of the evolving nature of the field of organizational development (OD) relevant to the overall goals of change initiatives. He noted that in the early days (up to the 1960s), the field reflected a humanistic philosophy or set of beliefs about people and organizations. The field focused on human potential and how change can help people—similar to Maslow's self-actualization process of becoming more of who they could be. Friedlander and Brown (1974) cited the dual tracking goals of OD by stating that the goal of change is toward human fulfillment and optimizing task accomplishment. By the 1980s, the focus became more on the strategic management of change and optimizing task accomplishment to deal with more turbulent environments. The goal of change interventions has become more focused on organizational member achievement, aligned toward the new strategic focus rather than on human expression and fulfillment. Burns (2009) contends that the current focus on profit maximization and self-interest must return to the Lewinian values of ethical and participatory change and socially responsible behavior.

In many ways, these tensions continue today. As we will illustrate below, the OD field continues to need to promote better and more effective integration of scientist/practitioner fields, needs to heed more attention to conceptual fit between research methods used and the phenomenon studied, and needs to recognize the implications and the potential risks of the targeted goals and the underlying values of the change endeavors. The current context of...
Theories of Change

As noted by Beer and Walton (1987), OD had been historically weak on theory development. Nevertheless, an underlying foundation of organizational development has been systems theory. Systems theory involves consideration of the interdependency, interconnectedness, and interrelatedness of the parts within the organization that constitutes the whole. An organizational system can be characterized by a continuous cycle of input, transformation, output, and feedback, whereby one element of experience influences the next (Katz & Kahn, 1978). Thus, systems thinking is the process of seeing the whole, including the underlying structures in complex situations (Senge, 1990). There are four key consequences of viewing organizations from a systems perspective. First, issues, events, forces, and incidents are not viewed as isolated phenomena but are seen in relation to other issues, events, and forces. Second, there is an analysis of events in terms of multiple causation rather than a single cause. Third, one cannot change one part of a system without influencing other parts in some ways. Fourth, if one wants to change a system, one changes the system, not just its component parts. While systems thinking pervades organizational development and change frameworks, we agree with the contention by Kozlowski and Klein (2000) that the influence of systems thinking in the organizational sciences—and in our case, in this review of OD—has been primarily at the metaphorical level. Below, we discuss key change theories that provide different perspectives for understanding change while having a common root within the metaphor of systems.

Since the early conception of change as freezing, moving, and refreezing (Coch & French, 1946; Lewin, 1947), a number of frameworks for change have been developed to provide researchers and practitioners with a wider variety of perspectives that one could take to understand the process of change. These theories of change have direct implications for research as well as for practice. We have chosen what we see as some key change theories to illustrate the advances made to the theoretical development of the OD field. The theories emphasize different aspects relevant to change. Some theories speak more to understanding and describing the types of change possible (Argyris, 1985; Bartunek & Moch, 1987), while others describe more fully the process of change (e.g., Gersick, 1991). Still others focus more on the form of the interventions needed for change (e.g., Huy, 2001).

Argyris (1976, 1985, 1990) and Argyris and Schon (1974) describe organizational learning systems of change from a conceptual perspective and provide a practical model of what needs to change. They conceptualize change as consisting of single loop and double loop learning. Single loop learning is oriented to maintaining the current state around an equilibrium point and the detection and correction of an error. Similar to the idea of a thermostat, single loop learning focuses on moving toward and maintaining the achievement of a particular goal. Double loop learning is focused on questioning assumptions and moving beyond the status quo. For example, one could question why the goal is set at the point it is, or reflect on whether the existing strategy is effective in reaching a goal, or even whether there should be a goal at all. One attempts to scan and monitor and test ideas in order to continually learn and grow as a person. Argyris and Schon (1974) also highlight the practical barriers that inhibit learning. They describe a Model I theory in use, in which the governing variables and actions strategies are focused on controlling and winning, as well as the displaying of defensive routines that are designed to protect oneself or others. They argue that these actions of control and defensive routines are the typical way we in which go about our world, leading us to single loop learning as the “theory in use.” Nevertheless, individuals espouse a theory of action that does not acknowledge this reality, but instead state that they hold values (importance of collaboration, being honest); that is, their espoused theory is quite different from their theory in use. Model I theory in use leads to predictable observable consequences such as miscommunication, self-fulfilling prophecies, and escalating error. Yet, people are often not aware of this disconnect between theory in use and espoused theory, thus staying within a single loop learning paradigm. Argyris argues for the need to move to Model II theory in use, in which the governing variables of action are valid information and free and informed choice, which leads to combining learning and inquiry when advocating for a position. This type of Model II theory in use can lead to double loop learning, which can lead to effective problem solving and reduction of the self-fulfilling, error-escalating process.

Bartunek and Moch (1987) distinguished between incremental and transformational change. They took a cognitive-based perspective by focusing on schemata relevant to three types of change—first, second, and third order change. The change involves individual-level schemata (organizing frameworks for understanding events and giving meaning to behavior/actions) and organizational schemata (shared meaning across the organization as a whole that help members interpret the environment, select priorities, and allocate resources). With first order change, problems are identified and targeted for resolution. This type of incremental change does not require any change in schemata; in fact, because the changes enacted are consistent with present organizational schemata, they actually legitimize and reinforce current understandings. Second order change is transformative, as there is a conscious modification of the present schemata in a particular direction—usually as a function of a change agent leading the process. With third order change, organizational members have the capacity to recognize when the current framework is not working and they choose to alter the framework (i.e., choose another schemata for interpreting events and selecting priorities). A strength of this change theory is that it provides a cognitive approach to understanding individual and organizational functioning. In addition, the theory acknowledges the complexity of change, the potential shifting of schemata, and the important role of sense making by individuals in organizations. It provides a focus on how an organization can adapt to changing realities, as well as what to look for with change, by paying attention to linguistic symbols such as stories, myths, rites, and language as windows into individual and organizational schemata. Some limitations of this framework are that there is not a full discussion of how to identify and measure schemata within an organization, how a change agent can enact second order change, or how third order change can occur when there are different or competing interests across organizational levels and/or functions.

Gersick (1991) provided a more process-oriented perspective to transformative change through her discussion of the punctuated equilibrium model. She argues that organizations seek some equilibrium point at which the basic patterns within the organization stay the same. These basic patterns affect what is given attention and what choices are made. The need for equilibrium leads over time to inertia, where organizational forces resist changes to the underlying deep structure—the network of fundamental, interdependent choices about how units will be organized and what activity patterns are needed to maintain its survival. At some point, this equilibrium is not adaptable to changing realities, thus requiring a revolution in which the old deep structure is challenged and comes apart until the natural process of equilibrium forms around a new deep structure. During the revolutionary phase, there comes recognition that maintaining the status quo is not possible (a point of clarity called symmetry breaking). This episodic
The theory contends that there is a recurrent and discontinuous sequence of goal setting, implementation, and adaptation to reach desired end states.

Brown and Eisenhardt (1997) provide a theory that emphasizes the continuous nature of change in organizations. Continuous change is defined as change that is non-episodic, frequent, regular, and common within an organization—in other words, the opposite of a punctuated, episodic framework of change (Weick & Quinn, 1999). This model highlights a number of key concepts of change, including semi-structures, links in time, sequenced steps, and probing. Semi-structures highlight that organizations have some well-defined features, such as task responsibilities and functions that are fairly stable, and also have more flexible or less rigid components, such as teamwork and communication patterns. Links in time are practices in which the organization attends to the needed transitions of the present and the future by also considering the past. Sequenced steps are the actions taken to affect change in the organization. Probing involves actively identifying and then preparing for environmental changes and exploring multiple options for dealing with those changes. The incremental change model emphasizes that sense making and “controlled improvisation,” along with probing and links in time, lead to constant changes to daily contingencies. One strength of this theory is that change is thought of as evolving and cumulative, as work processes and interaction patterns are modified through emergent and self-organizing processes. Thus, continuous change is more than simply a reactive change in response to events as implied by episodic change frameworks. A limitation of the theory is that there is little attempt to understand how to facilitate this process and no compelling reconciliation with the episodic change theory. Nevertheless, there are compelling reasons to think of each theory as having some validity (Tushman & Româniu, 1985). For example, one could imagine that the self-organizing processes that occur in continuous change processes happen because of some threat to current equilibriums and a need to re-shift as a new “attractor” emerges to which a subsystem must respond. From this perspective, some subsystems could experience a punctuated equilibrium process, while other subsystems are going through the change process in a more steady or consistent way.

Some research has been done to examine issues of incremental and more episodic change. For example, Amis, Slack, and Hinings (2004) presented a study that examined the pace, sequence, and linearity of change. Pace focuses on the question of how fast change is to be implemented—rapidly or incrementally. The sequence of change concerns the question of which part of the organization should be changed and when; that is, is the change about the entire organization, or is it focused on high-impact parts? The linearity of change explores the question of whether change is thought of as linear or non-linear, with delays, reversals, and oscillations. With radical change, they note that there is a shift from “one archetypal configuration to another or a transition from a design that can be identified with no single archetype to one that has clear archetypal status” (p. 18). They define archetypes as a collection of values and beliefs that are made manifest through particular structural arrangements. In this large-scale study of various organizations, Amis et al. (2004) found that there were no significant differences between the amount of early change that took place in those organizations that successfully completed the radical change process and those that did not. Fast pace change across an organization early in the transition process is not sufficient to bring about lasting, long-term transformation. The results also indicated that radical change is more likely if early changes are made to an organization's high-impact elements. In addition, radical change is likely to lead to a non-linear process characterized by delays, reversals, and oscillations.

Thietart and Forgues (1995) and others have applied concepts from chaos theory to organizational life and change. They stress that embedded in organizations is a continuous process of convergence and divergence. From this perspective, organizations are seen as non-linear dynamic systems, subject to forces of stability (planning, structuring) and instability (innovation, experimentation) that push them toward chaos. They contend that the path from organizational stability to chaos follows a discrete process of change. With the move to the level of chaotic domain, small changes can have big consequences that cannot be predicted from the long term. From this chaos, new stabilities emerge from attractor patterns (organizations attracted to an identifiable configuration) and assimilated into this new organizational reality. A model of change from this perspective includes a process of stability, environmental disturbance, amplification, instability, reconfiguration, order, and stability (Wheatley, 1992). Chaos theories of change view organizations as open systems that shape themselves to account for environmental disturbances. An important implication of this theoretical perspective is that organizational crises may be more a function of the complex, tightly coupled relationships among elements in an organization, in a continual process of convergence and divergence, than the result of inadequate actions on the part of organizational members. In addition, it is unlikely that a chaotic system ever finds itself twice in the same situation—this implies that the similar actions that an organization takes in one situation and point in time may lead to failure at a different point in time. As they note, “to rely on successful practices as a basis to manage in a different context can only lead to deception” (p. 27).

An integrative approach to understanding change theories has been attempted by Van de Ven and Poole (1995). While acknowledging the theoretical advances that have been made, they also contend that it is the interplay among different perspectives of change that can help one gain a more comprehensive understanding of organizational change. They stress that an integrative perspective is possible if the different change theories are viewed as providing “alternative pictures of the same organizational processes without nullifying each other” (p. 511). Based on their analysis of change approaches, they describe four basic types of change process theories to explain how and why change unfolds.

The life cycle theory views change as organic growth that occurs in a prescribed sequence of stages, whereby each stage must occur prior to the next stage. The characteristics acquired in the earlier stages are retained in the later stages, and each stage is derived from a common underlying logic or process. The cyclical pattern of start-up, growth, harvest, terminate, and repeat is linear and irreversible.

Teleological theories of change focus on the repetitive sequence of goal formulation, implementation, evaluation, and modification of goals, based on what was learned or intended by the organization. This model provides a standard for judging change by comparing the current state to the end state. The theory contends that there is a recurrent and discontinuous sequence of goal setting, implementation, and adaptation to reach desired end states.
The dialectic theory views change as occurring when opposing values, forces, or events (antithesis) gain sufficient power to confront and engage the status quo (thesis), which can set the stage for producing a synthesis. The synthesis in time becomes the next thesis. The dialectical approach also acknowledges that there may be sufficient power to suppress any opposing entity and thus maintain the status quo. This theory of change, then, emphasizes the discontinuous sequence of confrontation, conflict, and synthesis of contradictory values and ideas.

The evolutionary theory views the environment as the main engine for change through the repetitive sequence of variation, selection, and retention among entities in a designated population (e.g., department, organization). Variation occurs through random chance, selection occurs through the competition for scarce resources, and the environment selects the best fit entities. Retention processes maintain the entities and counteract variation and selection. If the organization meets the requirements of the environment, it will survive.

Van de Ven and Poole (1995) examine the similarities and differences of these four change theories. They note that, with life cycle and teleology approaches, there is a single entity promoting change—the changes come from within, and environmental influences are seen as secondary influences. The evolution and dialectic change processes are seen as having multiple entities, as the push for change comes from competition and conflict between two or more entities. The mode of change can be prescribed through pre-specified direction (life cycle and evolution) or construction—often discontinuous and unpredictable (teleological and dialectic). Thus, the prescribed mode focuses on the incremental and continuous change processes, while the constructive model focuses on radical and episodic change. They then go on to describe “hybrid” change theories that are various combinations of these four ideal types of change.

Huy (2001) provides a theory of change that directly incorporates time and temporal capability into an understanding of planned change. He notes four types of change interventions—commanding, engineering, teaching, and socializing—and connects these interventions to quantitative time (time as a scarce commodity) and inner or qualitative time (time experienced at the individual level of consciousness). Each type of intervention is characterized by different processes and time considerations, with different implications for the role of change agents. With the commanding intervention, the focus is on quantitative time and strict compliance to the change agent in order to make change happen quickly. The engineering intervention also involves quantitative time and the analysis of work processes and reengineering. The change agent acts in this case as an analyst of the needed change. The teaching intervention focuses on inner or qualitative time, as leaders act as teachers of vision and facilitate the change process. The socializing intervention involves qualitative time, with a democratic community of semi-autonomous work groups, where the change agent acts as a role model.

Perhaps the greatest challenge for change researchers and practitioners is that, while effective organizational change requires simultaneous attention to context, process, content, and the temporal nature of change (Pettigrew, Woodman, & Cameron 2001), no theories to date have successfully integrated these four dimensions. In addition, though most of the above theories provide useful heuristic value, in that they promote insights into understanding the change process, few offer explanatory value.

Key Concepts and Advances in the Field

Planned organizational change must face the double hurdle of scholarly quality and practical relevance (Austin & Bartunek, 2003). While concerns over the future of OD continue (e.g., see Worley & Feyerherm, 2003), Pettigrew et al. (2001) note that progress is being made in terms of understanding contextual factors, time, and process issues revolving around change. While Pettigrew et al. (2001) contend that more frameworks are needed that simultaneously attend to all these dimensions, more efforts are being conducted to view change as a process rather than an event. Change theories have enhanced our understanding of different ways of thinking about change. In addition, empirical work has advanced our understanding of factors impacting change efforts. Research has also examined the effectiveness of various strategies for change, including structural and technological change (Drazin, Glynn & Kazanjian, 2004; Pugh, Hickson, & Hinings, 1969; Thompson, 1967), socio-technical change (Shani & Elliott, 1989; Trist & Bamforth, 1951), and cultural change (Cameron & Quinn, 1999; Schein, 2009).

We focus on three key advances that have occurred in the last 10 years that we believe have provide significant insights into the assessment, design, and delivery of planned change efforts, regardless of the particular organizational strategy: the readiness for change; change capacity; and organizational learning. We review the literature in each area and provide our analysis of key advances as well as future research needs.

Readiness for Change

Readiness for change is recognized as one of the most important factors influencing employees’ support for a change endeavor (Armenakis, Harris, & Feld, 1999; Armenakis, Harris, & Mossholder, 1993). Readiness for change refers to the “cognitive precursors to the behaviors of either resistance to, or support for, a change effort” (Armenakis et al., 1993, pp. 681–682). In general, it refers to the extent to which employees believe that change is necessary, feasible, and desirable, in that the change is needed to improve current conditions, is possible to happen within the current context, and is likely to lead to positive outcomes for themselves and the larger organization (Armenakis et al., 1993; Eby, Adams, Russell, & Gaby, 2000; Holt, Armenakis, Feld, & Harris, 2007; Miller, Johnson, & Grau, 1994). In many ways, readiness for change captures Lewin’s (1947) concept of “unfreezing” in that it recognizes that before significant change can occur, individuals must first accept that the status quo is untenable and that a new reality must be created. As a psychological phenomenon, readiness for change primes employees to either support or resist a change pursuit (Armenakis et al., 1993). In fact, when organizations fail to create within their employees the necessary levels of readiness for change, they are more likely to encounter significant resistance when launching a change effort and the endeavor is more likely to fail (Schein, 1987, 1999). Overall, this suggests that change agents and organizational leaders interested in pursuing change should assess current levels of readiness and pursue strategies that promote readiness for change before implementing a change effort (Holt et al., 2007).

A growing body of research has provided strong evidence for the importance of readiness for change. Researchers have demonstrated that higher levels of readiness for change are predictive of engagement in redesign efforts (Cunningham et al., 2002), use of new technologies (Jones, Jimmieson,
While the concept of readiness has been around for over 50 years (e.g., Jacobson, 1957), researchers in the past decade have just begun to unpack this construct. In particular, the past decade has shown significant advancements in two areas within the field of readiness for change: (a) conceptualization and measurement; and (b) the identification of antecedent and intervening conditions. These empirical advancements are important steps toward helping leaders, researchers, and change agents understand how to identify and create readiness for change (Cummings & Worley, 2005).

Conceptualization and Measurement Advancements

While there appears to be strong agreement that readiness is a critical component within the overall change process, there is less agreement around its conceptualization and measurement. This lack of agreement highlights the different conceptual approaches that have been taken in the past. Below, we review and compare three divergent approaches to readiness to change that appear within the literature: a manifest approach, a developmental approach, and a conceptual domain approach.

Organizational researchers who ascribe to the manifest approach to readiness frame this construct as a general belief in the possibility of and intention to change. The aim in this approach is to directly measure the extent of this belief within an employee or organizational system. For example, Eby et al. (2000) defined readiness as the extent to which individuals viewed their organization as ready to take on a large-scale change effort. They assumed that employees would vary in this perception, since employees’ perceptions of organizational life are developed through their unique personal history with and position/role within the organization (Wheatley, 1992). Thus, some employees may perceive their organization as having a high readiness for change; others may perceive a lower level of readiness. To assess this range of readiness, Eby and her colleagues (2000) used items that measured individuals’ perceptions of their colleagues’ general attitudes about change (e.g., employees here are resistant to change; employees here act as agents of change).

Jones et al. (2005) adopted a similar approach to assessing readiness to change. They defined readiness for change as the extent to which change is possible and the targeted change is viewed as desirable. Their measurement scale assessed the extent to which employees within a government agency viewed themselves as open or resistant to change and if they were positive about the specific changes. Overall, they found that levels of readiness influenced employees’ perceptions of and satisfaction with the change effort and their use of the new technology.

While the manifest approach provides a direct and relatively simple approach to measuring the belief in the possibility of change, there is some concern that this approach minimizes the conceptual complexity present within the readiness construct (Holt et al., 2005). The other two approaches to readiness—the development and concept-domain approach—address this concern.

Some organizational researchers have adopted a developmental model to readiness for change, building upon Prochaska’s work. Prochaska and colleagues found that individuals proceed through a series of readiness stages when pursuing significant change, such as quitting smoking (Prochaska, Norcross, & DiClemente, 1994; Prochaska, Redding, & Evers, 1997). By assessing an individual’s stage of readiness before and throughout a change effort, practitioners are better positioned to tailor intervention efforts and to promote an individual’s progression through the readiness phases. Overall, Prochaska’s model proposes five readiness stages: pre-contemplative (the need for change is not acknowledged); contemplative (individuals consider but do not initiate change); preparatory (individuals are planning to change); action (behavioral change is happening); and maintenance (individuals are trying to sustain change).

Cunningham et al. (2002) applied Prochaska’s model to their longitudinal assessment of readiness for change within a large health care setting. Readiness for change was assessed in a scale designed to measure the five readiness stages. Overall, Cunningham et al. (2002) found that employees who were more ready to change (and thus further along in Prochaska’s readiness stages) prior to the introduction of the change effort participated in more reengineering activities during the year-long change effort.

Researchers who ascribe to the content domain approach to readiness view it as a multidimensional latent construct (e.g., Holt, Armenakis, Harris, & Feild, 2006). For example, Holt and colleagues (2007), based upon their extensive review of the literature, developed a conceptual framework and a corresponding measurement instrument that defined readiness as a “comprehensive attitude that is influenced simultaneously by the content (i.e., what is being changed), the process (i.e., how the change is being implemented), the context (i.e., circumstances under which the change is occurring), and the individuals (i.e., characteristics of those being asked to change) involved. Furthermore, readiness collectively reflects the extent to which an individual or individuals are cognitively and emotionally inclined to accept, embrace, and adopt a particular plan to purposefully alter the status quo” (p. 235). What is important to note about this framework is its recognition that readiness for change is both content and context specific; in other words, an organizational setting may be ready for one change effort and yet highly resistant to another. This approach can be contrasted with that adopted by some of the process researchers identified above, who viewed readiness as more of a general attitude about change, rather than as a specific belief related to a particular change effort.

Another important distinction between these approaches to readiness for change concerns the boundaries around the readiness construct. Researchers who use a content-domain approach to readiness tend to adopt a more comprehensive approach and include within the readiness construct elements that process/developmental researchers are more apt to define as antecedents to readiness to change. For example, several process researchers have defined leadership support for change and self-efficacy to implement change as important antecedents to readiness for change (e.g., Eby et al., 2000; Jones et al., 2005) and have demonstrated that these factors are related to employees’ beliefs about their organization’s ability to implement change.

Meanwhile, content-domain researchers have incorporated these elements within their definitions and measurements of readiness for change (Holt et al., 2006; Armenakis et al., 1999). For example, Holt et al. (2002) developed an integrated conceptual framework and corresponding measurement instrument for readiness that included five factors:
• Organizational valence: change would benefit the organization
• Personal valence: change would be personally beneficial
• Management support: organizational leaders are committed to the change
• Discrepancy: change is necessary
• Self-efficacy: change is feasible and employees can implement the new behaviors required by the change effort.

Armenakis and colleagues (1999) also developed a framework and corresponding measurement instrument designed to assess what they labeled "organization change recipients belief scale." While this scale was designed to assess employees' beliefs about the change process throughout all phases of a change effort, including readiness, adoption, and institutionalization, it targets all of the components highlighted in Holt and colleagues' (2002) framework, with the addition of a scale that targets the appropriateness of the change, or the extent to which the proposed change will address the need. Tested on different organizational sectors, including private and public organizations, both Holt's and Armenakis's measurement instruments demonstrated strong psychometric properties and produced support for their proposed multidimensional view of readiness.

Together, these conceptual frameworks and their corresponding measurement instruments provide strong support for the view that readiness for change is a multifaceted construct that requires attention to employees' beliefs about discrepancy, appropriateness, efficacy, leader support, and valence, and that these beliefs play an important role in promoting employee buy-in and support of a change effort. While future research in other organizational settings is needed to more fully examine the generalizability of the proposed conceptual frameworks, the instruments provided significant advancements in the measurement of readiness for change. Prior to the work of Holt and Armenakis, several other readiness assessment instruments had been developed (e.g., Cunningham et al., 2002; Jones et al., 2005; Weeks, Roberts, Chonko, & Jones, 2004), though most lacked the conceptual robustness and/or the psychometric properties needed for a valid, comprehensive assessment of readiness (see Holt et al., 2006, for a more detailed discussion and assessment of 32 readiness instruments).

Conceptual Contributions from the Community Change Field

Another conceptual approach to readiness for change, which has important implications for the organizational sciences, has emerged in the community change literature. Edwards, Jumper-Thurman, Plestel, Oetting, and Swanson (2000) have created a Community Readiness to Change framework that integrates the developmental and conceptual-domain approaches described above. Drawing on Prochaska's model of individual readiness for change, their model recognizes that communities, and even different stakeholder groups and organizations within a community, are at different stages of readiness and that these readiness stages (and the variability across a community) have significant implications for the success of a community change effort, such as a health promotion or prevention initiative. Thus, in their readiness assessment efforts, they categorize communities—and even groups of stakeholders and community organizations—into different stages of readiness and use this information to identify the interventions needed to build the necessary levels of readiness before a change effort is launched. This readiness assessment includes consideration of several dimensions found in Holt and Armenakis's frameworks including: (a) discrepancy, particularly the recognition that a problem exists; (b) efficacy to address the problem, including current capacities such as knowledge and skills, and historical approaches to and success with change; and (c) formal and informal leader support for the change. Interestingly, this framework also includes what organizational researchers refer to as "reshaping capabilities" (e.g., Turner & Crawford, 1998), or characteristics that help entities manage change effectively: (a) development capabilities—the availability of resources to support the change; and (b) engagement capabilities—the involvement of residents in decision making. Numerous researchers across a variety of disciplines have applied the Community Readiness for Change framework to their prevention and social change work within communities, and have found that a community's level of readiness is predictive of a community's effectiveness at implementing a variety of social programs (Engstrom, Jason, Townsend, Pokorny, & Curie, 2002; Jason, Pokorny, Kunz, & Adams, 2004) and creating comprehensive community change (Foster-Fishman et al., 2006).

While community readiness research varies from organizational readiness research in its level of analysis and scale and scope of the targeted change, the conceptual model adopted by community providers provides an integrative approach that we feel could be fruitful for organizational change researchers. For example, community readiness researchers pay particular attention to the community's capacity to implement the targeted change, highlighting the extent to which the targeted community has the knowledge, skills sets, and relational structures needed to pursue and support the new behaviors required by the change effort. While most readiness models within the organizational sciences highlight the "feasibility of change," which is often measured by the perceived self-efficacy of employees to implement the change, community researchers move beyond the subjective assessment of individual or team efficacy ("I could do this" or "we can do this") to the presence of the actual skills, knowledge, and relational sets needed to successfully implement a new change. While attention to efficacy is important, since individuals are more inclined to pursue a change if they feel they are likely to succeed at it (Bandura, 1986), this assessment can miss the identification of the specific capacities needed to ensure a successful change endeavor. Thus, one potential area for future readiness research within the organizational sciences includes the consideration of the full array of capacities needed to support the targeted change endeavor.

Another potential contribution from the community change area involves the conceptualization of readiness for change as a dynamic construct that should be continually assessed and promoted throughout the duration of a change endeavor. Within the organizational change field, readiness for change is typically viewed as an initial step in the overall change process. However, some research within the community change field suggests that readiness for change can promote the sustainability of change efforts because it helps to create a context capable of change, and thus should be a continued target of intervention efforts throughout a change effort. For example, Jason and his colleagues (Jason et al., 2004) found that communities that had made the largest changes in community readiness to enforce youth access to tobacco laws during the three-year intervention were the ones most likely to continue enforcement activities into the follow-up period.

Identifying Antecedents to Readiness for Change

Significant research has emerged around the identification of the antecedents to readiness to change, promoting better understanding of the individual...
and organizational conditions that prime one to be more or less ready to pursue change.

There is a growing body of evidence to suggest that employees are more open and ready for change when they have the capacities to support a change endeavor, including a problem-solving orientation (Cunningham et al., 2002), job knowledge and skills, effective job performance (Hanpachern, Morgan, & Griego, 1998), and higher levels of organizational commitment (Madsen, Miller, & John, 2005). High job satisfaction has also been linked to readiness for change (McNabb & Sepic, 1995). More mixed results have emerged around the linkage of demographic variables and readiness for change. Some researchers have found that job position and length of employment are related to readiness levels (e.g., Hanpachern, 1997) while age, gender, and marital status have been unassociated with this construct (Cunningham et al., 2002; Hanpachern, 1997; Weber & Weber, 2001).

Active jobs that provide employees with more decision-making latitude and control over complex tasks appear to promote readiness for change. For example, Cunningham et al. (2002) found that active jobs were one of the strongest predictors of readiness for organizational change within a sample of health care employees. In addition, positive relationships with coworkers appear to foster beliefs in the possibility for change. For example, employees who have stronger and more positive interpersonal relationships with their coworkers (Hanpachern, 1997; Madsen, et al., 2005; McNabb & Sepic, 1995) or who trust their peers (Eby et al., 2000) have higher levels of readiness for change.

Several researchers have demonstrated that employees are more ready for change (and thus less resistant) when they work within a setting that has a supportive, flexible work culture. Eby et al. (2000) found that employees reported more readiness to change when they worked within units that had flexible policies and procedures. Jones et al. (2005) found higher levels of readiness within employees who described their units as having strong human relations values; readiness levels, in turn, were related to the use of the new technology on the job. Similarly, employees have reported lower levels of resistance to change when their organization has a supportive and participative culture (Burnes & James, 1995).

The extent to which organizations openly share information with their employees about change efforts also influences readiness for change. For example, Miller et al. (1994) and colleagues found employees within a national insurance company were more ready for change when they had received high levels of information about the impending change.

Finally, organizations that have the capacity to promote change, or what Turner and Crawford (1998) refer to as reshaping capabilities, are better positioned to promote readiness for change because employees perceive that their organization has the resources, the support, and the operations in place to make change happen. For example, Jones and his colleagues (2005) found that employees who rated their government agency unit as high in reshaping capabilities were also more likely to report more readiness for change.

Future Directions in Readiness for Change

Readiness for change has grown increasingly important as a construct for research and intervention. With the widespread recognition that organizational change can happen only with the active support of employees, and that a critical precursor to this support is readiness to change, researchers and change agents have worked to better understand how to define, assess, and promote employee readiness for change. Recent contributions made by Holt, Armenakis, and their colleagues have provided conceptually robust definitions and frameworks for this construct, as well as validated assessment tools. Future research needs to examine the utility of these measures in other organizational contexts and to more fully link readiness to a range of change outcomes. In addition, more research is needed around the antecedents of readiness for change, linking the more complex definitions with the findings that individual, job, social, and organizational conditions influence readiness for change.

Another issue that future researchers could explore concerns the potential multileveled character of readiness for change. To date, researchers have confined this construct to the individual level of analysis. However, readiness for change is likely to have important characteristics and implications at the unit and organizational level as well. For example, many change endeavors are multileveled, directly or indirectly targeting shifts in employee behaviors, unit activities, and overall organizational performance indices. The extent to which these different levels are ready to accept, support, and pursue these new behaviors has important implications for the overall success of this effort. However, to date, the readiness for change construct has limited its conceptualization and measurement to the individual level of analysis. Future researchers could develop conceptual and measurement models that consider readiness for change as a multileveled construct.

Finally, while important developments have been made around the conceptualization and measurement of readiness to change, there is still much to be learned about how to promote readiness within employees. With more precise measurement instruments now available, researchers and practitioners may be better positioned to identify the specific components of readiness that need to be fostered and to assess their development over time. Longitudinal research is also needed to test the effectiveness of readiness interventions on the different readiness components of discrepancy, efficacy, appropriateness, valence, and support.

Change Capability

Beer and Nohria (2000) discussed how OD has struggled around whether the focus should be on meeting humane values of freedom and collaboration or on the economic-oriented, bottom-line focus. They note that a third “way” is to view OD as an inherently capacity-building process (or intervention). Traditionally, research in OD has stressed that increased involvement and participation of people can energize performance, produce better solutions to problems, and greatly enhance acceptance of decisions. In a transformation process, a number of positive outcomes can arise from involving employees in resolving organizational issues and problems. These include increased trust and confidence between supervisors and employees, increased communication and information flow, more effective decision making, increased self-control, enhanced problem solving, and higher performance and quality goals (see Lawler, 1992). This capacity-building function of empowerment has a relatively long history now in OD (Belasco, 1990).

More recent efforts have focused on expanding this idea of building capacity through collaborative efforts and aligning systems. For example, Trickett (2009) notes in his review of community psychology that capacity building is a critical component in the success of change efforts. Capacity building in
community settings has typically been defined as efforts to increase resources available for problem solving and community improvement. He cites research on building capacity within organizational groups and building capacity at the community level. For example, Foster-Fishman, Cantillon, Pierce, and Van Egeren (2007) focused on building community capacity for change by focusing on the structures and processes in place to help mobilize community residents for change in their neighborhoods. They considered capacity as the knowledge, skills, relationships, leadership, and resources present to support a specific change initiative. In a study of 460 residents in seven neighborhoods, resident perceptions of neighborhood readiness (collective efficacy) and capacity for change (social ties, leadership) were strongly related to resident involvement in individual and collective action in the neighborhood. More broadly, Foster-Fishman, Berkowitz, Lounsbury, Jacobsson, and Allen (2001) reviewed 80 articles, chapters, and practice guides to develop an integrative framework on the core processes and competencies needed to build collaborative capacity within an interorganizational alliance. The framework described four levels of collaborative capacity—member capacity, relational capacity, organizational capacity, and programmatic capacity (the capacity to design and implement impactful programs).

Another lens for examining capacity building is the utilization of evidence-based knowledge to improve organizational functioning and impact. This orientation focuses on the capacity of an organization to recognize the value of new knowledge/best practices, assimilate it, and use new knowledge to enhance innovation and improvement (Cohen and Levinthal, 1990). This capability to value, assimilate, and use new knowledge has been called the absorptive capacity of an organization or organizational subunit. Lane, Koka, and Pathak (2006) note that absorptive capacity has become one of the most popular constructs within the field of organizational sciences, including strategic management, organizational economics, and technology management. We see much value in applying this concept of absorptive capacity to link the focus on evidence-based management and organizational change.

Cohen and Levinthal (1990) argue that absorptive capacity is critical to an organization's innovative capabilities. Absorptive capacity emerges in settings that include the operational, relational, and learning systems to promote the exploration and application of new knowledge (Koza & Lewin, 1998; Lane et al., 2006). Research within the organizational sciences provides evidence that the strength of absorptive capacity affects an organization's ability to adopt and implement new ideas and practices (Szulanski, 1996; Zahra & George, 2002). This construct has potential for great utility within the OD field, as theorists have long highlighted the importance of learning within organizational settings as well as the need for mechanisms and processes that promote the integration of new evidence-based ideas and knowledge (e.g., Lasker & Weiss, 2003).

The value dimension focuses on the capacity (skills and motivation) to identify and acquire externally generated knowledge that may be critical to an organization's effectiveness. Settings vary considerably in their desire and ability to access external research information (or diffuse internal best practices; Honig & Coburn, 2008), with factors such as resources (time, dedicated personnel), information availability (access to journals, professional associations, and perceived importance of external information) influencing the likelihood of a search.

Assimilation refers to the organization's process that allows it to analyze, process, interpret, and ultimately understand, the research evidence. Spillane, Reiser, & Reimer (2002) noted that this "sense making" is a critical step in the process of deciding to use new knowledge and is necessarily a highly social endeavor, often involving numerous meetings and informal conversations (Hannaway, 1989; Spillane, 2002). In fact, when organizational settings create participatory processes in which members can openly explore and assess external or internal best practice evidence, organization members are more likely to develop shared understandings about the evidence, promoting broader support for the new knowledge and implementation decisions (e.g., Hannaway, 1989). Overall, the assimilation process can require a transformation in the way that the organization sees itself and its efforts, particularly when the research evidence significantly challenges existing understandings and perspectives (Zahra & George, 2002).

Use or exploitation emphasizes the capacity to apply new knowledge or research evidence within the organization setting. In this way, the organization leverages existing competencies or creates new ones to transform new knowledge into day-to-day operations. Researchers have found that organizations are more likely to adopt and implement new knowledge when it only requires the use of existing capacities or it represents something that organizational members believe they could implement well (e.g., Hannaway, 1989; Honig, 2003; Spillane, 2000).

Szulanski (1996) examined absorptive capacity as a predictor of effective transfer of best practices within an organization. The results across multiple organizations showed that low levels of absorptive capacity in some parts or across most of the organization led to difficulties in imitating best practices throughout the organization. In addition, while they did not explicitly use the construct of absorptive capacity to explain their findings, several educational researchers have found that school districts are more likely to use best practice evidence to guide their decisions when they have the capacity to acquire and make sense of the evidence (e.g., Honig, 2003; Honig & Coburn, 2008; Spillane, 1998; Spillane et al., 2002).

The Antecedents of Absorptive Capacity

Absorptive capacity is recognized as a dynamic capability that can be affected by a number of factors that promote the building of capabilities (Lane et al., 2006; Zahra & George, 2002). As noted by Lane et al. (2006), the key is examining how these different factors affect knowledge transfer, sharing, and integration. These antecedent factors are described below.

In many ways, an organization's capacity to identify, assimilate, and apply external knowledge is a function of the "sociological" interactions and collaborative processes that the organizational members develop over time (Dyer & Singh, 1998). In fact, research has shown that when knowledge flows across network members, individuals and organizations are more likely to decide to adopt the new idea (Frank, Krause, & Penuel, 2009; Frank, Zhao, & Borman, 2004; Penuel, Riel, Krause, & Frank, 2009). Of particular importance is the extent to which the social network within an organization fosters the development of shared meaning and understanding. Such knowledge integration helps organizations to adopt external information more successfully (Henderson, 1994). In addition, such knowledge integration is particularly critical where stakeholders often have access to unique sets of information given their specific role or position within the organization or community. When individual knowledge sets are relatively unshared across setting members, decision-making effectiveness is greatly affected by the ability of the setting to foster knowledge sharing and integration (e.g., Feighery & Rogers, 1990; Wischnowski & McCollum, 1995; Wittenbaum & Bowman, 2005).
Drawing from social network theory, it is clear that the level of absorptive capacity is impacted by the extent and character of social ties within the coalition. Social ties, particularly the degree of trust, can promote or hinder the sharing of information, and thus impact the amount of research evidence that flows into the system (Spillane & Thompson, 1997). Deeper, trusting social ties can also promote or hinder the adoption and use of new ideas and practices through their normative social influence (Bryk & Schneider, 2002; Frank et al., 2004); when individuals trust each other, they are more inclined to support a viewpoint held by their peers (Rogers, 2003), facilitating the development of shared understanding and meaning across coalition members. When social ties are weak and mostly distrustful, coalition members will be less inclined to act on collective information, and thus the link between absorptive capacity and research use will be weakened (Macy, 1991).

Another key factor involved in the development of absorptive capacity is the creation of internal information and decision-making routines that guide how information should be discussed and decisions made (e.g., see Winder, 2000). As noted by Strong, Davenport and Prusak (2008), many organizations make substantial investments in knowledge and learning functions only to not realize an optimal level of return due to poor governance structures around learning and knowledge creation and dissemination. Along a similar line, several studies have found that one of the most reported barriers to implementing research evidence within the field is the lack of sufficient time to think and talk about the idea (e.g., Humphris, Littlejohns, Victor, O’Halloran, & Peacock, 2000; Retsas, 2000).

Researchers have documented that organizations require routines that are designed to organize discussion and decision-making processes in a productive manner (e.g., Goodman, Wandersman, Chinman, Imm, & Morrissey, 1996; Roussos & Fawcett, 2000; Wandersman, Goodman, & Butterfoss, 1997). Effective internal knowledge management routines include having formalized processes and procedures in place that allocate agenda time for the consideration of research information (Foster-Fishman et al., 2001) and that provide guidance on the material that should be considered when assessing research information when making decisions. For example, Davenport, Eccles, and Prusak (1992) found that learning benefits are more likely to accrue when there are clear boundaries for how decisions are made and how to utilize resources to take advantage of new knowledge. Strong et al. (2008) highlight the need to specify decision points around identifying the desired outcomes and budgeting for the new approach. In addition, reporting guidelines must be established and standards must be defined for determining the value of the new approach and the processes for getting to the desired outcomes and evaluating success. Overall, the extent to which organizations create opportunities for and routines around the discussion and assessment of research evidence and best practices will significantly influence the level of absorptive capacity (Hong & Coburn, 2008).

**The Moderating Role of Innovation Characteristics**

The research on absorptive capacity has also focused on how the characteristics of the new knowledge may help or hinder the actual use of information (e.g., Todorova & Durisin, 2007). Research within the diffusion of innovation field strongly supports this premise; how individuals perceive a new innovation has been found to be significantly related to adoption and implementation rates across a wide variety of innovations and technologies, including public health campaigns (Goldman, 1994), information systems (Agarwal & Prasad, 1997; Moore & Benbasat, 1991), e-learning systems (Liao, Lu, & Yi, 2007), software applications (Van Slyke, Lou, & Day, 2002) and use of the world-wide web (Agarwal & Prasad, 1997). In fact, how settings evaluate the idea can significantly determine if their understanding of the idea (absorptive capacity) actually leads to adoption and use (Rogers, 2003).

Diffusion of innovation scholars have typically emphasized three characteristics of innovations and have found that these characteristics predict both the intention and the actual use of innovations (Moore & Benbasat, 1991; Rogers, 2003). First, the compatibility of the innovation with the existing knowledge and practices within an organization—the degree of fit—can significantly impact adoption and use (Lane & Lubatkin, 1998). For example, Todorova and Durisin (2007) highlighted that the degree of fit between new knowledge and member cognitive structures can have important implications for the success or failure of adopting a best practice. They stressed that there are two types of change that can occur in a setting with new research knowledge. When a new idea fits the existing cognitive schemas well—either because it naturally fits or can be easily modified to fit—it can be easily incorporated into the existing cognitive structure, representing a fairly straightforward adoption and use process. A more transformative (and hence more difficult) process will need to occur when the new idea does not easily fit into existing schemata and the idea cannot be easily shifted to make this fit. In this case, the cognitive structures of organizational members must be transformed in order for adoption and use of the new idea to occur. A logical conclusion from this conceptual framework is that resistance to a new idea might be stronger in the face of a need for transformative change. Research, though, is needed to explore this process in cases where adoption is not so straightforward.

Second, the ease of use of the new knowledge/best practice (e.g., the number of interdependent technologies, routines, and resources linked to the new knowledge/best practice) can also be an important moderating factor. As knowledge becomes more complex, organizations need to absorb more areas of knowledge content as well as understand the linkages between different content areas (Garud & Nayyar, 1994). This complexity may tax the system beyond its comfort zone and thus lead to non-adoption (Rogers, 2003).

Third, the relative advantage of the new knowledge/best practice must also be considered. Systems are more likely to decide to use a new idea when it appears to be better than existing practices and programs (Moore & Benbasat, 1991; Rogers, 2003). In fact, innovation researchers have found relative advantage to be one of the best predictors of the rate of adoption within a targeted system (Rogers, 2003). This construct fits well within the context of settings where resources are often tight and funders expect outcomes; thus any new idea or program needs to have the promise for improving organizational conditions.

**Organizational Learning**

Various private- and public-sector organizations have acknowledged the importance of learning and knowledge creation as a key method for improving productivity and for delivering effective services (Senge, 1990). In order to thrive, organizations need to learn and adapt at an increasingly rapid rate (Rousseau, 1997). In this section, we provide a historical perspective as to the growth in our understanding of organizational learning and change, highlighting key conceptual and methodological advances. The section concludes with a discussion of advances in our understanding of how to build a...
learning culture within an organization.

**Historical Perspective**

The pioneering efforts regarding the concept of organizational learning as an adaptive process toward greater organizational effectiveness have been discussed since at least the 1960s (e.g., Argyris & Schon, 1978; Cangelosi & Dill, 1965; Hedberg, 1981; March & Olsen, 1975; Michael, 1973; Starbuck & Hedberg, 1977). This literature grew out of contingency perspectives to organizational theory, which specified that organizational structures (e.g., mechanistic and organic) and processes must match environmental conditions (stable, unstable). A major premise of this contingency perspective is that the environment surrounding organizations is becoming more complex, where the rate of change is increasing, and where the scarcity of information about the changes could lead to organizational failure if organizations retain their mechanistic structures and rigid organizational processes. Not surprisingly, early efforts to understand learning focused on the reactive and proactive processes by which knowledge is used to improve the fit between an organization and its changing external environment (e.g., Starbuck, 1976).

By the 1980s, there was expanded conceptual work on understanding the individual learner within an organizational system, the transmission of knowledge across people and systems within an organization, and the sensing and adoption of new policies, practices, and technologies to better match an organization and its changing environment. The "state of the art" at this time was captured by a conference at Carnegie Mellon in 1989, with papers published in a special 1991 issue of *Organization Science* and a compilation of published articles and chapters in a book by Cohen & Sproull (1996).

This emerging literature focused on learning from an open systems perspective (Katz & Kahn, 1978). From this open systems perspective, learning within an organization was viewed not as a mechanism for self-stabilization but as a critical mechanism for questioning, reorienting, and changing an organization to meet changing realities (Hedberg, 1981; March, 1991). This led to bringing systems thinking into the core of the organizational learning discussion, including issues of knowledge acquisition, information distribution, information interpretation, organizational memory issues, and feedback loops (Huber, 1991; Weick, 1991). This cognitive-based perspective (attention processes, mental maps, sense making, informational overload) was in contrast to the focus of learning at that time on behaviorism-based stimulus-response models (Hedberg, 1981; Huber, 1991).

Learning was also conceptualized as a social rather than a solitary phenomenon (Simon, 1991). Thus, organizational learning was seen as not simply the sum of individual-level learning (Hedberg, 1981). Rather, organizations were seen as having customs, worldviews, and cognitive systems, as well as norms and values, that impact learning processes within an organization and the transmission of these systems to newcomers. Learning was also seen as part of an ongoing organizational system of norms, strategies, and assumptions that governs activities and that impacts the sensing and transmitting of information (Argyris & Schon, 1978). Thus, existing systems within organizations can lead to where the "whole" (in terms of learning) is less than the sum of its parts (March & Olsen, 1975).

The literature also highlighted the multiple modes or type of learning that can occur in organizations. For example, Huber (1991) talked about subprocesses of collegial learning (the impact of founders on subsequent learning processes), experiential learning, vicarious learning, and grafting (acquiring new members with different knowledge bases from those currently in the organization). Hedberg (1981) noted three modes: adjustment learning, turnover learning, and turnaround learning. Adjustment learning—similar to Argyris's (1985) single loop learning as well as Bartunek and Moch's (1987) first order change—is the adjustments of rules or procedures that do not require major changes in the organization. These changes are relatively easy and are often routinized over time by organizations. Turnover learning—similar to Argyris's (1985) double loop learning and Bartunek and Moch's (1987) second order change—consists of substantial changes that are made by revising the current "theory of action" in the organization. This calls for more transformative changes in underlying values and assumptions. The third mode, or turnaround learning, occurs when significant changes are needed that require the unlearning or discarding of obsolete or misleading knowledge, leading to replacement of behaviors of the past with new behavior patterns that deal more effectively with the performance needs of the organization, given changing realities and new opportunities. Finally, March (1991) noted that organizational learning processes can be focused on exploration (searching for opportunities, taking risks, discovering) and exploitation (refining what is already being done well, making choices from current practices, becoming more efficient). March (1991) posited that a key to adaptability is the ability of an organization to balance these two processes so that short-term gains are not made to the detriment of long-term survival and growth.

The concept of a learning organization captured much attention with practitioners due to Senge's book *The Fifth Discipline* (1990). His work focused on the factors that can lead to the building of a learning organization where "people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together" (p. 3). Senge (1990) presented the five disciplines of a learning organization: systems thinking; personal mastery; mental models (implicit assumptions and worldviews); building a shared vision; and team learning. He saw systems thinking as the key discipline that fused the other disciplines into a coherent body of theory and practice. While not focused on measurement as much as the mind shift needed in organizations, Senge (1990) does discuss system archetypes and modeling the non-linear relationships among organizational processes, rather than conducting what he calls "piecemeal" research that fragments our understanding of the complex phenomenon that we are hoping to better understand.

The emphasis in the practice literature on organizational learning has been on ways to create learning cultures. With learning cultures, teamwork, collaboration, creativity, and knowledge processes have a collective meaning and value (Confessore & Kops, 1998). Underlying these ideas is the fundamental notion that a learning culture strives to continuously change the organization's capacity for doing something new (Goldstein & Ford, 2002; Tannenbaum, 1997). Zollo and Winter (2002) described the modification of existing routines as an organization's dynamic capability to integrate, build, and reconfigure internal competencies and operations to address changing environments. They provided a cyclical evolutionary view of organizational knowledge that includes scanning for new information, evaluating the legitimacy of the information, sharing the information across the organization, and enacting and routinizing a new set of policies, procedures, and actions.

From this perspective, although data are crucial to becoming a learning organization, they remain useless until turned into knowledge. In order for data to be turned into shared knowledge, organizational members need to interpret and then agree on the meaning of the data. Researchers have noted that...
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tacit individual information or data are more likely to be transformed into shared organizational knowledge when organizational members engage in discovery processes in which they, together, challenge existing assumptions, explore patterns and inconsistencies within the data, and co-generate new meaning (e.g., Argyris & Schon, 1996; Swan & Scarbrough, 2001). Some argue that the best forum for creating such discovery is through the intentional development of learning communities, or communities of practice, where peers, such as coworkers, spend time together examining their current realities and relevant data to improve their practice (Wenger, 1999; Wenger, McDermott, & Snyder, 2002). Recent advances suggest that settings are more likely to acquire and assimilate information/research evidence to guide their behavior when they have developed a strong learning culture in which individuals are working together across organizational boundaries to solve problems and to create innovative solutions (Senge, 2006). Overall, a learning culture supports the gathering of data, the sharing of knowledge, and the taking of collective action to improve system functioning (Cuther-Gershenfeld & Ford, 2005).

Conceptual Advances

Given momentum from these pioneering efforts, the 1990s and beyond have focused on conceptual advances, as well as some empirical studies of the antecedents and outcomes of organizational learning. One conceptual advance focuses on the process of organizational learning and understanding how learning crosses organizational levels. A second conceptual advance focuses on the facets of organizational learning in order to develop an integrative framework of factors needed to facilitate learning. Both approaches attempt to understand how learning, which is an individual-level phenomenon, becomes something more than individual insight and innovation. There have also been attempts to better understand types of learning (vicarious learning and grafting), barriers to learning, and organizational unlearning processes.

Crossan, Lane, and White (1999) defined organizational learning as the principal means of achieving the strategic renewal of an organization. They acknowledge as a foundational premise the work by March (1991) that organizational learning involves the tension between exploration or the assimilation and utilization of existing knowledge and the exploration or the creation of new knowledge to develop strategic initiatives. They acknowledge that organizational learning is a multilevel phenomenon across individuals, groups, and the organization. The framework also describes the underlying processes that cut across these multiple levels—intuiting, interpreting, integrating, and institutionalizing. Intuiting (recognizing) and interpreting (sense making) are viewed as mainly individual-level phenomena, while integrating (shared knowledge) mainly occurs at the group level. Institutionalization, or the process of embedding learning at the individual and group levels, involves systems, structures, policies, and procedures that change as a function of this learning. Koźlowski, Chiao, and Jensen (2010) have expanded our understanding of the levels issues inherent in the framework by Crossan et al. (1999). They developed an explicit multilevel framework that is described as an “infrastructure” for organizational learning, which integrates multiple levels, formal processes, informal processes, and outcomes.

Crossan et al. (1999) also provide a dynamic, time-oriented perspective to the framework by incorporating the tensions of exploration and exploitation. They use the concept of feedback from the organizational level down to the group and then individual level to visualize how an organization exploits existing “learnings” that are embedded in systems, processes, and procedures by conveying these down levels (from institutionalizing to integrating to intuiting and attempting to create consensus around thinking and acting across people to exploit the organization’s advantages around current knowledge. “Feed forward” is the process of exploration in which individuals recognize new knowledge and potential innovation and these insights are then conveyed up the learning levels (from intuiting to interpreting to integrating to institutionalizing). Subsequent conceptual work has linked strategic leadership theory (transformational and transactional leadership) with this organizational learning framework (Vera & Crossan, 2004) as well as power and politics (Lawrence, Mauws, Dyck, & Kleysen, 2005). For example, Vera and Crossan (2004) propose that transformational leaders can have a positive impact on “feed forward” learning that challenges institutional learning, while transactional leadership will have a positive impact on the feedback learning that reinforces institutional learning. Lawrence et al. (2005) add issues of influence and force to the “feed forward” process and issues of discipline and domination to the feedback processes to help understand the realities underlying organizational learning processes within organizations.

Schilling and Kluge (2009) used the framework of Crossan et al., (1999) and reviewed the literature on organizational learning in order to create a list of barriers that either prevent learning or impede its practicality in organizations at the intuiting, interpreting, integrating, and institutionalizing processes. They categorized barriers for each process across levels that they call actional-personal, structural-organizational, and societal-environmental, which are similar to the three levels presented by Crossan et al. (1999). For example, lack of motivation would be an actional-personal barrier to intuition, while lack of clear measurable goals would be a structural-organizational barrier to intuition. Based on the categorization of barriers across processes, they developed 15 research propositions. As an illustration, one proposition is that a restrictive management style and “blame” culture would have a positive impact on “feed forward” learning that challenges institutional learning, while transactional leadership will have a positive impact on the feedback learning that reinforces institutional learning. Lawrence et al. (2005) add issues of influence and force to the “feed forward” process and issues of discipline and domination to the feedback processes to help understand the realities underlying organizational learning processes within organizations.

Popper and Lipshitz (1998) proposed that there are two forms of organizational learning: learning in organizations, and learning by organizations. Learning in organizations is learning by individuals within the organizational context. Learning by organizations involves learning processes outside the individual in which organizations codify behaviors and values and then transmit these preferred behaviors and values through policies, procedures, routines, and strategies. They develop the concept of organizational learning mechanisms as a way of delineating the institutionalized arrangements that “allow organizations to systematically collect, analyze, store, disseminate, and use information relevant to the performance of the organization” (p. 170). The two facets discussed are the structural facet and the cultural facet. The structural facet includes the roles, functions, and procedures that allow members to collect, analyze, store, disseminate, and use information relevant to performance and innovation. The cultural facet involves the norms and shared values that can lead to productive (or unproductive) learning, such as transparency, integrity, inquiry, and accountability system within an organization. Lipshitz, Popper, and Friedman (2002) expanded this notion of facets and added the psychological facet of learning (psychological safety and organizational commitment), the policy facet (commitment to learning, tolerance for error), and the contextual facet of learning (environmental uncertainty, error criticality). They note that each facet contributes toward increasing (or decreasing) the likelihood of organizational learning. Thus, the model provides practitioners with some ideas as to where the focus energies to build a learning organization.

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Empirical Studies

Much of the excitement around organizational learning has been due to prescriptive writings on the value of learning to adapt to rapidly changing conditions. There have also been attempts to measure the impact of human resource practices (that overlap with organizational learning characteristics) on effectiveness. For example, Birdi et al. (2008) examine the impact of psychologically based practices of empowerment, extensive training, and teamwork on organizational productivity. In a study of productivity of 308 companies over a 22-year period, the researchers found evidence that performance enhancements from empowerment, extensive training, and teamwork were higher than for the incorporation of operational practices such as quality management and “just-in-time” systems.

There have also been some studies of the specific practice of employee suggestion systems and organizational performance. For example, Arthur and Aiman-Smith (2001) analyzed employee suggestions submitted over the first four years of a gain-sharing plan and found that changes in the content of the suggestions changed over time in a way consistent with organizational learning processes. In particular, they found that initial suggestions indicated “first order learning” (i.e., single loop—routine and incremental change suggestions such as work orders that maintains existing systems), while later suggestions (while lower in total volume) were more congruent with “second order learning” (i.e., double loop or exploration of alternative routines, goals, assumptions). In a follow-up study, Arthur and Huntley (2005) found that the cumulated number of implemented employee suggestions significantly contributed to lower production costs. They viewed this result as attributable to the cumulative effects of increasing knowledge at the employee level, with the gain-sharing program over time supporting an organizational learning perspective.

While these studies point to the importance of learning within organizations and learning by organizations, there have been few studies that have directly examined the effectiveness of large-scale systems change efforts to become a learning organization (see knowledge management literature reviewed by Argote in chapter 28 of this handbook for examples of studies on this topic). In addition, there are few empirical studies that directly test propositions and hypotheses drawn from the conceptual frameworks developed for understanding organizational learning. We do have some case studies that attempt to examine conceptual issues, such as the exploitation and exploration of learning (Dixon, Meyer, & Day, 2007), the structural and cultural facets of organizational learning (Popper & Lipschitz, 2000), and the development of organizational learning (Tan & Heracleous, 2001) and the development of interorganizational network learning (Knights, 2002; Knight & Pye, 2005). For example, Dixon et al. (2007) used a case study analysis of four oil companies to explain the relationship of exploration and exploitation learning on organizational absorptive capacity and operational efficiency and strategic flexibility. They described changes over a 10-year period and interpreted the changes in terms of these concepts. Similarly, Popper and Lipschitz (2000) presented a case study of an internal medicine ward and through semistructured interviews and observations, concluded that organizational learning mechanisms (structural and cultural changes) were critical to the success of the change effort.

Research Needs

Empirical research that directly tests propositions from conceptual frameworks on organizational learning is fairly sparse, given the attention that the concept has received. One key conceptual limitation is the levels of analysis framework. While there is an acknowledgment of levels issues and the need to study cross-level phenomena in the work cited here, there has been limited attempt to develop a truly multilevel model (Kozlowski et al., 2010). Rather, the current work on organizational learning takes a similar perspective to that of Weick (1991), who concluded that individual learning and organizational learning are fundamentally different, non-interchangeable conceptualizations. As noted by Kozlowski and Klein (2000), though, organizational systems are in essence multilevel systems. They note that “individual level processes can be manifest as a group, unit, and organizational phenomenon and need to be explicitly incorporated into meaningful models of organizational behavior” (p. 11). We will return to the levels issue in the next section.

As a whole, the conceptual and empirical work on organizational learning is weak when it comes to explicitly developing and testing hypotheses and in defining a testable future research agenda. In addition, the literature has fallen short of specifying innovative methodologies to study the complex and dynamic phenomenon of organizational learning. Rather than a detailed discussion of specific methodologies and practices that can lead to studying the concepts and interrelationships in the conceptual models, what we typically get are a laundry list of general research questions (e.g., Crossan et al., 1999, provide nine questions, such as “Do individuals have the motivation, capability, and opportunity to interpret their environment?”). Researchers are encouraged to pursue questions of organizational learning from a dynamic perspective without any discussion of how to incorporate time and causality issues into organizational learning research. Research propositions such as “transformational leadership will have a positive impact on feed forward learning” is suggested (Vera & Crossan, 2004) without any suggestions on how to study these types of hypotheses. Lawrence et al. (2005) note the need for more finely grained conceptualizations of organizational learning without any discussion of what this means for improving the measurement of organizational learning concepts. Operational issues for producing reliable and valid measures, such as psychological safety, are avoided, or the complexities underlying operational issues are minimized. Lipschitz et al. (2002) bemoan the lack of progress in the field to integrate diverse literatures and the lack of development of knowledge that is helpful to the practitioner. Our perspective is that attempts to develop conceptual frameworks without any similar sustained effort to detail methodological and measurement issues to test the conceptual frameworks are bound to fail. Broad statements such as the need for the accumulation of research across multiple, thick description case studies (Popper & Lipschitz, 1998) provide little direction of how such methods can help us to better understand organizational learning or help to validate the frameworks that have been proposed.

A step in the right direction is a recent chapter that takes a multilevel approach to understanding organizational learning (Kozlowski et al., 2010). The authors build a model that explicitly identifies structural and enabling processes across and within micro-, meso- and macro-levels. They also discuss composition and compilation emergence issues relevant to organizational learning.

Insights and Research Needs

OD is a broad and expanding domain of research and practice. The field has “matured” into a host of strategies, concepts, theories, and consulting models relevant to change and organizational effectiveness. While any review cannot hope to be comprehensive, we have attempted to provide a...
focus on what changes have occurred within the field in terms of research, what theories have been developed to help us understand change, and what concepts have emerged to drive research and practice.

In this section, we have provided a review of three key concepts that have emerged to provide different lenses for understanding the factors impacting the effectiveness of planned change efforts. Table 29.1 describes the insights gained from these three research domains as well as summarizing future research needs in each area. The research needs in all three areas focus on the importance of building multilevel models of readiness, change capacity, and learning, as well as developing more dynamic, time-dependent models of change. The issues of multilevel modeling and time require taking a more comprehensive, systems perspective to understanding organizational change. In addition, there is a need to better integrate the concepts of readiness, change capacity, and learning into frameworks for change. The next section describes the progress that is being made in incorporating a more comprehensive systems perspective to understanding organizational change. In addition, there is a need to better integrate the concepts of readiness, change capacity, and learning into frameworks for change.

### Table 29.1 Key Change Concepts: Insights and Future Research Needs

<table>
<thead>
<tr>
<th>Key Concept/Theme</th>
<th>Insight</th>
<th>Future Research Needs</th>
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| **Readiness for Change** | • While there is much agreement that readiness is a critical component of the change process, the three main approaches to studying readiness (manifest, developmental, and conceptual) conceptualize and measure readiness in different ways.  
  • Readiness for change has primarily been conceptualized as an individual-level phenomenon that includes beliefs about the discrepancy, appropriateness, and valence of the proposed changes and their or their organization’s efficacy to pursue these changes.  
  • Readiness for change has an important time component. Readiness beliefs can change and dynamically influence employee behavior throughout the duration of a change project. | • Under what organizational and change conditions are a manifest, developmental, and conceptual approaches to readiness most effective?  
  • What is a multilevel conceptual model for readiness that includes antecedents and components at the individual, team/unit, and organizational level?  
  • What is a dynamic, time dependent model of readiness for change? What are the critical components of readiness at different stages of a change endeavor?  
  • What are the most effective interventions for fostering readiness components at each levels of analysis? |
| **Change Capability** | • Research is emerging that examines the absorptive capability of organizational units to value, assimilate, and use new knowledge including best practices.  
  • An organization’s capacity to identify, assimilate and apply knowledge is a function of the collaborative processes that members develop over time.  
  • Social network theory provides a conceptual framework for understanding factors impacting change capability.  
  • Change capacity research has tended to focus on understanding unit-level factors and not to address levels issues. | • What are the mechanisms and processes that promote the integration of new evidence-based ideas and knowledge?  
  • How are collaborative processes developed over time, and what factors facilitate or hinder the implementation of innovative strategies?  
  • What does a multilevel model of change capability look like, and how do we understand how this collective phenomenon emerges under different constraints and patterns of interaction? |
| **Organizational Learning** | • There are multiple frameworks and models of organizational learning that differ in their emphasis on understanding how learning is embedded within and across systems, processes, and procedures within an organization.  
  • Evidence for the value of taking a learning perspective has typically been in the form of case analyses.  
  • There are limited validated measures of organizational learning processes and learning outcomes | • What does a comprehensive multilevel model of organizational learning look like that is tied to testable research propositions?  
  • How can we better incorporate time and causality issues into organizational learning research?  
  • How can we better link our conceptual variables of interest at each level of analysis with reliable and valid measures of learning processes and outcomes? |

more dynamic, time-dependent models of change. The issues of multilevel modeling and time require taking a more comprehensive, systems perspective to understanding organizational change. In addition, there is a need to better integrate the concepts of readiness, change capacity, and learning into frameworks for change. The next section describes the progress that is being made in incorporating a more comprehensive systems perspective to change from both a conceptual and methodological perspective. The systems perspective has the potential to facilitate the integration of these key concepts and frameworks of change.

### Organizational Change as Systems Change

The field of OD has moved from its initial issues of “who are we” to a mature profession (Mirvis, 1988). A set of techniques, methods, frameworks, and theories has been developed to build on our understanding of change. There is a body of research studies that have examined “what works.” For example, Porras and Robertson (1991) summarized 63 methodologically sound studies (strong research designs) from 1975 to 1987 to examine the impact of structural (e.g., task forces, quality circles), social (e.g., team building), and technology (e.g., job redesign) interventions on a variety of...
individual and organizational outcomes. They reported that many interventions had a least some positive impact on organizational and individual outcomes. We have had critiques of the traditional approaches to the science of prediction and testing, leading some researchers to contend that the search for single intervention cause-effect relationships overlooked the systemic nature of organizations (Beer & Walton, 1987). Others have noted how the focus on precision and quantification was leading to results not rooted in the context experienced by the change participants and called for the combination of qualitative and quantitative approaches to studying change (e.g., Argyris, 1985; Woodman, 1989). These calls ushered in a constructivist perspective to looking at the whole, which cautioned against taking a reductionist (positivist) perspective to research. Since this movement, there has been much research in OD on understanding change from a sense-making perspective and studying change concepts such as organizational learning based on thick, case-oriented qualitative studies.

Regardless of the changes in the field of OD, or whether one approaches understanding change from a positivist or constructivist perspective, one constant has been the embrace of taking a systems approach to change (Katz & Kehn, 1978). As noted by Lewin (1951), you cannot understand a system until you try to change it! Yet, historically, systems thinking has been discussed more as a metaphor, rather than as a distinct research area of study. We think that the future of OD has great potential by reaffirming its focus on putting the "system" back into systems change (Foster-Fishman, Nowell, & Yang, 2007). Fortunately, there are various attempts from multiple disciplines that are attempting to put systems at the forefront in understanding change processes. This section provides a historical perspective to systems thinking, identifies recent conceptual approaches to taking seriously a systems perspective to understanding change, and describes some recent methodological advances. The chapter concludes with thoughts on the sustainability of change and better linking OD research and practice from a systems perspective.

**Systems Thinking**

Significant advances in understanding systems processes have been made in how to both conceptualize and model these system processes. Within the systems thinking arena, there are numerous theories upon which to draw (e.g., Checkland, 1991; Olson & Eoyang, 2001; Senge, 1990; Stacey, 2003), and these theories make very different assumptions about how systems operate. They also provide diverse perspectives on how to define, understand, assess, and change a system like an organization. In addition, the methods used by these different approaches illuminate very different dynamics and elements within the targeted system. For these reasons, it is important for organizational change scholars to understand the different orientations to systems work, in order to ensure that the frameworks selected fit the targeted organization and the selected research methods and intervention strategies.

To inform this selection process, we review several of the key theories that have emerged as valuable tools within the organizational change field. This summary is not meant to be exhaustive; others have done considerable work in describing these approaches (e.g., Midgley, 2000; Olson & Eoyang, 2001; Senge, 1990). Instead, the review below is designed to highlight the assumptions and primary approaches guiding each of these theories.

**System Dynamics Thinking**

System dynamics was started by Jay Forrester (Forrester, 1969) and has grown into perhaps one of the most popular approaches to systems thinking. Overall, this approach seeks to explain system behavior by understanding the patterns of cause-and-effect relationships within a system (Forrester, 1969; Jackson, 2003; Senge, 1990). Importantly, system dynamics theorists emphasize that the typical linear cause-effect models used to explain organizational behavior are inadequate. Instead, they note the need to create more complex modeling tools for capturing the complexities and patterns within systems. Particular attention is given to understanding the root causes of problems, system interactions, the role of feedback, the implications of delays between actions and consequences, and how unexpected consequences from actions can create new conditions or problems. Often, system behavior is displayed through multiple, interconnected causal-feedback loops. One powerful tool that has emerged from this field is the use of simulation models to explain the complex interactions across organizational processes and how change emerges over time. Simulation modeling is particularly powerful in that it allows the researcher to alter organizational conditions or the strength of specific variables or relationships and to understand the implications of these different states on organizational performance and change. For example, to understand how organizations implement innovations, Repenning (2002) modeled the process of organizational members collectively deciding to adopt new innovations. Sastry (1997) examined the process of punctuated organizational change by modeling how organizational change is a function of organization-environment fit and the trial-reorientation processes. Lant and Maizels (1992) demonstrated in their simulation model that an organizational learning model of change can create patterns of punctuated equilibrium in organizations. Hirsch, Levine, and Miller (2007) used system dynamics modeling to explain the factors facilitating and constraining educational reform.

It is also important to note that system dynamics theorists pay close attention to variables or constructs when attempting to model organizational behavior (e.g., Anderson, 1999); this is in contrast to the foci of other systems approaches that are described below. In addition, system dynamics assumes that organizational behavior, while complex, can be explained—hence the emphasis on the creation of dynamic models that can predict outcomes and organizational behavior.

Overall, since Senge introduced these principles to a broader audience in 1990 and applied them to organizational change, system dynamics has become an increasingly popular tool within the field of organizational change. Of particular note are the system archetype types that Senge highlighted in his book and reiterated in his second edition (Senge, 2006). He used causal-loop diagrams and feedback processes to illustrate and explain several dilemmas and dynamics commonly found in organizations, which have significant implications for organizational performance; the tragedy of the commons is one such archetype. The tragedy of the commons describes a situation in which what may be right for each part of a system is not appropriate for the sustainability of the whole. The causal model specifies how individual activity for each individual can lead to net gains for each person, which is reinforcing, but the total activity levels meet resource limits that decrease the effectiveness of these individual actions over time for the organization as a whole. In addition, while Senge promoted the use of system dynamics modeling to understand organizational behavior, he also paid considerable attention to the role of mental models in shaping behavior and facilitating/hindering change, the importance of building a shared vision to transform systems, and the role of personal mastery in effective change implementation (Senge, 1990).

Overall, system dynamics helps change researchers to understand the "why" of organizational behavior and to identify levers for promoting the...
change that is needed. While many theorists and researchers in this area rely on complex mathematical models and simulations, it is also possible to use system dynamics ideas without the computer expertise that these methods require. For example, some change researchers have described how they combine soft systems discourse processes with system dynamics concepts to illustrate organizational and/or community system dynamics (e.g., Foster-Fishman et al., 2007). Such an approach is particularly valuable when one hopes to create an understanding within members of the setting regarding the interactions and feedback processes that maintain the status quo and provide resistance to change.

System dynamics theory is most useful for change agents who aim to explain organizational behavior by understanding the complex interactions and patterns that emerge, over time, across system characteristics (variables). Through this process, change agents are able to identify: the forces facilitating and constraining change, potential levers for change, feedback processes that could be added or modified, and causal delays that could be avoided to promote the desired behavior.

Complex Adaptive Systems

While system dynamics theorists assume that organizational behavior can be explained through complex cause-effect modeling of variables and constructs, complex adaptive systems theorists assume that system behavior is more unpredictable (Hodge & Coronado, 2007; Price, 2004). Therefore, the key to understanding organizational behavior and change is an assessment of the interactions across organizational agents, including individuals, groups, units, or divisions within an organizations (Anderson, 1999). In fact, complexity theory suggests that the most powerful levers for change within an organization occur in the relationships and simple rules that emerge through the interactions across individuals and other agents (Olson & Eoyang, 2001). It is through these interactions that self-organization and new structures and patterns emerge.

Complexity theorists seek to understand these patterns by assessing three key factors that define interactions across agents: boundaries, differences, and exchanges. Boundaries or containers define which agents interact with each other, and for what reason, providing the space for patterns to emerge. Containers can include departments or units within an organization, geographic locations of offices, organizational functions, and even policies or procedures. Understanding which containers exist—and which ones emerge over time—provides insight into how organizations organize their work, who is included and excluded in these processes, and where opportunities for self-organization may emerge. The degree to which similarities and differences across agents exist within an organization or container is perhaps one of the most powerful forces shaping behavior and patterns within organizations. Similarities and differences emerge along numerous dimensions, including demographic characteristics (e.g., gender, race, educational background), power differentials, resource diversity, and role and expertise disparities (Ng, 2003; Stacey, 2003). By understanding the content, alignment, and extent of these differences, change agents can gain tremendous insight in how and why certain behaviors and patterns have emerged and the extent of organizational coherence and rigidity. Of particular importance are those differences that are hidden within a system, extreme differences that hinder progression, and extreme similarities that stifle creativity. Finally, exchanges concern the resources (e.g., ideas, information, money) that are shared across agents and how that process affects the sender and recipients in this resource exchange. Complexity theorists are particularly interested in the manner in which resources are exchanged, who is included/excluded in these exchanges, the transformations that happen through these exchanges, and how those transformations, in turn, affect other agents. Together, containers, differences/similarities, and exchanges determine how interactions proceed across agents within an organization and, thus, define the patterns that drive organizational performance and behavior.

Complex adaptive theory is particularly useful for understanding how adaptive an organization can become when faced with changing contextual conditions. This approach is also an effective framework when conditions are ripe for self-organization. For example, when organizations are facing particularly chaotic or dynamic institutional or environmental conditions, self-organization may be a highly adaptive response to this ambiguity. Change agents and scholars should attend to if and how self-organization occurs, the containers created during this self-organization, the differences highlighted and diminished during this process, and if and how exchanges alter to accommodate this self-organization.

Soft Systems Methodologies

Soft systems methodologies (SSM) emphasize yet another set of dynamics within organizational life: the diverse perspectives within the system and the parameters of the system's boundaries. Overall, SSM challenges the notion that organizational and other human activity systems operate and thus should be assessed from the same functional objectivity approach used in understanding systems in the natural/physical world. Instead, Checkland and Scholes (1990) argued that human activity systems and their functions (e.g., purpose, problem definitions, system boundaries) are actually subjective phenomena, subject to the eye of the beholder. Thus, according to soft systems methodologists, the system and its functions may be experienced and understood differently by different stakeholders (Flaspohler et al., 2003).

SSM focuses on understanding these different worldviews by engaging multiple stakeholders in developing “rich pictures” (Checkland & Scholes, 1990) of a problem situation and desired state. The purpose of this process is to find ways for system members to accommodate these different perspectives, not form a consensus. For these reasons, soft system methodologist pay significant attention to where the boundaries of the system are drawn, since these boundaries determine whose perspective is included or excluded in problem-identification and solution-generation processes. Embedded in these decisions are explicit and implicit value judgments that, if ignored, can promote the marginalization of ideas and critical stakeholders (Churchman, 1970). Overall, change agents—in partnership with setting members—should strive to draw the boundary broadly enough to incorporate critical perspectives and dimensions of the targeted problem, yet narrowly enough to allow for a feasible process and scale for intervention (Midgley, 2006).

For change agents, SSM emphasizes the importance of avoiding purely structural or mechanistic frameworks and highlights the value of attending to the social construction of organizational realities, including the consideration of social, cultural, and political elements. Overall, SSM puts emphasis on the subjective nature of systems analysis and requires change agents and scholars to gain insight into the different stakeholder interpretations of the problem situation. Thus, it highlights that problem understanding and problem resolution are dependent upon the diversity of perspectives selected (Checkland & Scholes, 1990). In addition, SSM recognizes that the process of changing an organization is iterative, with the process as important as reaching the end state (e.g., Midgley, 2000). In fact, for some soft system methodologists, the most important component of a change effort is the
organizational boundary, to reveal different system understandings, and to develop a shared vision of the ideal system state. They then apply system dynamics approaches to assess system functioning, identify system components that are compatible and incompatible with the ideal system state, and identify patterns, systemic levers, and feedback loops for leveraging desired change. In addition, critical systems thinking (Flood & Jackson, 1991) and systemic intervention (Midgley, 2006) are both organizational and systems change approaches that integrate the hard (systems thinking) and soft (soft systems methodologies) systems approaches in a manner similar to that used by Foster-Fishman and her colleagues. Most of these integrative approaches emphasize similar elements found within the above theories, including boundary critique, root-cause analysis, and attention to feedback processes. In addition, these integrative frameworks emphasize the importance of methodological pluralism and the engagement of multiple stakeholders in understanding, assessing, and changing complex organizational systems.

Studying Systems and Organizational Change

Action research is perhaps one of the most popular methodologies used by organizational researchers to engage employees in the research and change process. It involves a cycle of inquiry in which researchers and members of the setting join together to address an underlying issue or problem within a setting by pursuing an ongoing process of problem identification, action, and analysis (Heron & Reason, 1997; Stringer, 2007). To date, action research has been used to address a variety of organizational and interorganizational concerns, including improving intergroup relationships (McDonagh & Coghlan, 2001), interorganizational operations (Adler, Shani, & Stryhe, 2004; Coghlan & Brannick, 2001), expanding health care services (Bellman, 2003; Bellman, Bywood, & Dale, 2003; Stringer & Genat, 2004), guiding education and curriculum changes (Meyers & Rust, 2003; Mills, 2003; Sagar, 2000), and enhancing local government (Bell, 2008). Recent efforts have sought to expand the action research paradigm of inclusion and engagement of people in the change effort in order to understand change processes more fully and to drive the sustainability of change efforts.

Systemic Action Research

While action research has primarily targeted issues at the group or organizational level, some researchers have started to link action research methodologies to systems thinking ideas, particularly soft system theory, in order to target systems-level change within organizations, service delivery systems, and even communities (Burns, 2007). For example, Foth (2006) recommended that multiple, simultaneous action research processes within an organization can be linked together to create a “networked community of practice” that would promote broader systemic change within an organizational setting. Burns (2007), expanding on Foth’s (2006) approach, developed systemic action research, a methodology that involves two processes. First, multiple, “parallel and interacting” action research processes at different locations and levels within a system are pursued to understand the diverse perspectives and multiple problems that exist within a setting. This phase of the systemic action research endeavor serves to promote widespread support of organizational change, while illuminating the organizational system’s patterns, networks, and potential leverage points for change. Second, as these projects unfold and insights about the organizational system emerge, the researcher works to promote a broader understanding of organizational life and eventually merges these diverse efforts into a unified, broader effort that aims to promote change to the larger organizational system.

While systemic action research is a recent development and thus few examples exist in the literature, there is some evidence to suggest that it can be a powerful tool for engaging multiple stakeholders within an organization, interorganization, and community setting in a systems change effort. For example, systemic action research has successfully facilitated transformative agriculture and rural community development (Lueckett, Ngubane, & Memela, 2001; Packham & Sriskandarajah, 2005) and systemic change within a psychiatric care facility (Burns, 2007). Given the increased interest in systemic approaches to organizational change and the role of learning in promoting innovation and change, systemic action research appears to be a promising method for inquiry and action within organizational change scholarship and practice.

Multilevel Modeling

Many frameworks that have been developed to understand change have implicitly taken a multilevels perspective. For example, Burke-Litwin’s (1994) model of change specifies macro-level constructs, such as mission, strategy, leadership, culture, structure, and policies, and links them through work
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unit climate to individual-level factors of motivation, individual skillabilities, and individual needs and values to impact individual and organizational level performance. Porras and Robertson (1991) provide a model in which work setting issues, such as the vision, organizing arrangements, social factors, technology, and physical setting, impact individual cognition and on-the-job behaviors, which in turn impact individual development and organizational performance.

Multilevel modeling provides a powerful tool for examining change processes that have not been fully realized. To build multilevel research models of change processes, several steps need to be taken. First, the systems being studied must be decomposed into subsystems or levels (e.g., individual, group, organization). Second, the conceptual variables of interest (e.g., readiness for change) must be identified at each level of analysis. Third, operational measures (readiness for change as an individual-level variable, a group-level variable, and an organization-level variable) must be specified. Research can then be conducted to examine within-level and cross-level relationships. A key level of analysis idea is that of isomorphism and composition models (Kozlowski & Klein, 2000). In developing a conceptual model from a levels perspective, one must consider the functional similarities that exist across levels and particularly across adjacent levels (e.g., see Von Bertalanffy, 1968). The development of a composition model focuses on the concept of isomorphism and the shared and convergent processes within and the generalizability of a construct (e.g., readiness) across levels. This means that to build a levels model, the constructs of interest (say, the four processes noted by Crossan et al., 1999, of intuiting, interpreting, integrating, and institutionalizing) must be conceptualized as having similar meanings across levels (i.e., a construct at one level is, therefore, related to another form of the construct at a different level; e.g., see James, 1982; Klein & Kozlowski, 2000). A complete multilevel perspective to a concept such as readiness must also identify a compilation model (Kozlowski et al., 2010). A compilation model attempts to identify how higher level constructs (team readiness) emerge through divergent processes at the individual level (different expectations for change), which come together to form meaningful patterns that can be studied at the higher level. A levels perspective also acknowledges that there is vertical differentiation of levels, as time processes at any given level differ from those at other levels. Higher levels are said to have slower time scales than lower levels do. For example, absorption rates for best practices may take less time to be adopted on the ground level within a particular group within an organization and may take longer to be adopted at the higher levels to diffuse across an organization.

Kozlowski and Klein (2000) emphasize that taking a levels approach presents both conceptual and statistical challenges. It also necessitates a research design that samples multiple teams/units as well as multiple organizations to study higher level effects. Then, the interpretation of the results must be at the appropriate level of analysis. In particular, one must distinguish between levels of analysis and levels of measurement. Level of analysis refers to the level at which data are assigned for hypothesis testing and statistical analysis. Level of measurement refers to the level at which data are assigned meaning (e.g., are we measuring readiness at the individual level and then aggregating to a team-level construct?). Failure to acknowledge this distinction can lead to misspecification errors, aggregation bias, and cross-level facilities (Kozlowski & Klein, 2000). Composition and compilation models of key change constructs, such as readiness, capability, and learning, are needed to better understand how change emerges from a bottom-up process as well as a top-down process.

There have been some notable recent efforts to incorporate multilevel research in the study of organizational change in the field of organizational psychology. Caldwell, Herold, and Fedor (2004) conceptualized a number of change process variables as group-level phenomena (consequence of change, extent of change, change fairness, and management support), as well as a variables at the individual level (demands-ability fit, value-congruence fit, individual job impact, and mastery orientation), to examine individual reactions to a change effort. They examined whether various scales were valid as group-level measures (computed agreement among group members reporting on the same change, as well as intraclass coefficients to examine the extent to which group membership accounted for member's ratings). They examined 344 groups across 21 change initiatives. Because the data were multilevel, they used hierarchical linear modeling to assess the relationship between the predictor–group level constructs and the individual-level dependent variables. Results indicated that organizational changes were associated with changes in person-job fit indices as well as person-organization fit indices. Herold, Fedor, and Caldwell (2007) used a similar multilevel design and analysis strategy to investigate the relationship of organizational context, individual differences, and attitudes toward the change efforts. They found that the turbulence of the change setting interacted with individual differences in change efficacy to affect individual-level change outcomes such as commitment to the organization.

The efforts to understand organizational change from a multilevel perspective can be enhanced by future research that takes a more ecological approach to change. A multilevel framework has the potential to emphasize the important of context in change. For example, in the community psychology field, Shinn and Toohey (2003) and others have adopted an ecological perspective that makes context a central organizational concept for both community-oriented research and intervention. They suggest that psychologists have traditionally committed "context minimization error" by ignoring the enduring influences of contexts on human behavior. Trickett (2009) recently reviewed the research on high-impact social contexts and their effects on individual well-being and organizational effectiveness. For example, Dupere and Perkins (2007) used multilevel models for nested data (residents within blocks) to study the impact of environmental stressors and resident participation on mental health outcomes. The nesting of individuals within different contexts of change is a fruitful line for future research.

Another direction for multilevel change research would be to go beyond additive models of group composition (in which group constructs are the summation of lower level variables) or referent shift models (in which lower level variables are conceptually distinct from the group level) to what has been termed dispersion models (Chan, 1988). With dispersion models, the meaning of a group level construct is determined by the variance of the lower level variables. For example, climate strength has been operationalized as a within-group variability in climate perceptions, with the assumption that the less within-group variability, the stronger the climate (Schneider, Salvaggio, & Subirats, 2002). Organizational change concepts such as readiness for change could be examined from this dispersion perspective. In this way, we could examine the strength of the readiness for change across different groups and across different time periods in the change process. One could then ask why some groups seem more ready for change than others early in a change process, as well as asking why there are within-group changes in readiness as a change process unfolds. Similarly, one could also examine issues such as capacity building and organizational learning in a similar way.

Table 29.2 presents some insights that have emerged from this recent emphasis on systems thinking and organizational change. The insights focus on making systems thinking more than a metaphor for change and instead making it a framework that drives theory, research, and change methodology.
While we are encouraged by this transformation to taking systems seriously, Table 29.2 also highlights research needs to expand our understanding of systems thinking. These research directions include better understanding of the different systems thinking frameworks that are most effective for understanding and changing organizations, and the need to expand upon systemic action research methodologies. These efforts will help us be in a better position to enhance organizational effectiveness and sustainability.

**Sustainability**

While the process of change is never-ending and is clearly not linear (e.g., see Crossan, Cunha, Vera, & Cunha, 2005; Gersick, 1991; Wheatley, 1992), one lens for examining change is in terms of distinct phases or stages (Berger, Sikora, & Berger, 1993; French & Bell, 1999; Rothwell, McLean, & Sullivan, 1995; Serverance & Passino, 2002). From this perspective, by dividing up “time” by stages, one distributes the flow of the change process into meaningful segments to study. The typical model of change consists of stages such as exploration of change strategies, commitment to a vision for change, planning to meet the vision, implementation of the plan to achieve the change and monitoring/revising change goals in order to adapt to the change effort (Ford, 2007). The ultimate criterion of success of the change effort has typically been defined as sustainability.

Sustainability is focused on meeting the goals of a change effort through adaptation and continuous change. Sustainability focuses on change as more of a continual process than as having a specific endpoint. From this perspective, organizations are in a state of constant flux and never reach a state of equilibrium. Change is viewed not as a single event but as inherent in the process of sense making and organizing (Clegg, Kornberger, & Rhodes, 2005; Sackmann, Eggenhofer-Rehart, & Friesl, 2009). Thus, continual change models such as Brown and Eisenhardt (1997) are more consistent with this criterion. The focus on sustainability is also consistent with Bartunek and Moch’s (1987) models of second and third order change—where schemata are changed to meet ongoing realities.

As noted by Buchanan et al. (2005), sustainability is multidimensional and contingent. Rather, as stated by Senge et al. (1999), we need to appreciate the “dance of change”—the interplay of growth processes and limiting processes—by examining links and changes over time in relationships among key constructs. Sustainability also relates to the notion of “built to change” in which organizational members’ perceptions change as to the importance, frequency, ease, and desirability of change (Lawler & Worley, 2006). Non-permanent structures, systems, and processes are continually changing while maintaining high levels of efficiency and effectiveness. Thus, sustainability can be thought of as an outcome of a change effort or as a process that leads to the institutionalization of new practices, patterns, and beliefs.
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As organizational researchers and consultants, we rely on our existing knowledge bank of organizational perspectives and change theories and seek frameworks to help us better understand organizational change processes. We work to understand the local "theories in use" (Schon, 1983)—insiders’ explanation for why problems exist or why change is needed. However, we have found that it is the combination of emic (the knowledge of insiders such as employees) and etic (the knowledge of outsiders such as consultants) knowledge (e.g., Morris, Leung, Ames, & Lickel, 1999) that creates the most powerful tool for understanding an organizational system, understanding change processes, and identifying appropriate change activities. This perspective is consistent with an early review on organizational development by Friedlander and Brown (1974). They stressed that a theory of planned change must be a theory of practice that emerges from data within context.

The knowledge of insiders revolves around what the vision for the change process is and how best to achieve the goals of the change effort. For example, police personnel interested in a change to community policing are in the best position to articulate the vision for the change around issues of building a stronger linkage with community members to improve the delivery of police services. They are also in the best position to identify the key drivers and barriers to success and to develop plans to meet the vision and monitor its progress (Ford, 2002). The knowledge of outsiders can help an organization like a police department consider less tangible or visible change issues such as readiness, capacity building, learning, and systems thinking. During the planning phase, for example, readiness can be enhanced so as to increase the likelihood that change will be sustainable. It is this linkage of the tangible (what to change) and the less tangible (how to change) that has the greatest potential for facilitating change efforts.

Concluding Comments

In this chapter, we have examined advances in our understanding of organizational change and development. We then focused on emerging key concepts and frameworks that can further advance our understanding of change and development. In examining these advances, we have integrated research in organizational psychology, community psychology, organizational behavior, and related other disciplines that have direct relevance to understanding the dynamics of change. This integration of fields shows that, as change researchers, we are engaged in similar challenges, examining similar concepts such as readiness, change capacity, learning, and systems thinking, and employing complementary methodologies across private, nonprofit, and public sectors. We are encouraged by the strength seen in the field based on advances in understanding that have come from fields relevant to theory development, rigorous empirical studies, and sound methodologies. While not providing a straightforward road map for enacting change in organizations, this review hopefully provides a window for looking into the issues critical to the success of change efforts. It is the process of making the less tangible and less straightforward aspects of change more visible and open to discussion for organizational researchers, leaders, and members that will ultimately impact organizational effectiveness and sustainability.

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