

〈Research Report〉

Organizational Change: Exploring the contingency model and some alternative ways

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Introduction

“Change and change management are ubiquitous terms in organizational life” (The Open University B716 Module Book 1, 2015, p. 68).

Although most business people may be familiar with this topic, my position as a university lecturer has not given me much exposure to “change and change management” until recently. Perhaps this is because we are mostly engaged in teaching and students have very little connection with people outside the university. However, over the last 5 years, this situation has severely changed even in the academic field. This is due to the decline in the number of children in Japan. According to the “Ministry of Education, Culture, Sports, Science and Technology-Japan”¹⁾, the population of 18 year olds in Japan has dramatically dropped from 2.05 million in 1992 to 1.20 million people in 2015 and will gradually start to decrease again from the year of 2021. Despite the decline however, the number of universities has gone up from 523 in 1992 to 779 in 2015 according to data from “Statistics Japan”²⁾. In the face of this kind of turbulence, a number of Japanese universities have started to have serious problems recruiting students as well as keeping the quality of their education. Naturally, more attractive and unique educational features are needed to better appeal to the prospective students. Therefore, in organizations like mine, changes are necessary and “making change” has become a way of survival. As Sturdy and Grey (2003) have indicated: “Indeed, stability is configured as what happens when nothing happens” (p. 652).

To this end, I would like to explore “change and change management” in the field of management, primarily around Dunphy & Stace’s contingency model and secondarily Oakland & Tanner’s framework, both of which are in line with my own organization. In this essay, I would first like to state the reasons why I chose these particular models instead of others with similar strengths, and secondly find out their weaknesses referencing Sturdy and Grey’s critique of change management assumptions (Sturdy and Grey, 2003). Thirdly, I will share my own experiences of a “change” through application of the chosen models. Finally, I will conclude with the outcomes gained from this essay and provide suggestions for the future.

Dunphy and Stace's contingency model of leadership and change

Obviously there are strengths and weaknesses in any change management approach. Dunphy and Stace's contingency model is no exception. This model however, seems more applicable to my own organization than other models and approaches - particularly based on the planned approach. Among early change management theorists concentrating on the planned approach, Lewin (1951) is generally credited with creating the "three-phrase" approach: "Unfreeze-Change-Refreeze." Lewin claims that organizational change can be managed within these three stages. "Unfreeze" is the stage where there are still old systems and behaviours left behind, and in the "Change" process, new ways are adopted. Finally, in the "Refreeze" stage, the new processes can be frozen and internalized in an organization. Lewin's greatest contribution was his structuring of the planned approach so that it could be managed through controls and predictions. Despite his contributions however, his work has been criticized for its "controllability" (Sturdy and Grey, 2003, p. 653). It has been denounced for its "predictable" and "static view" (The Open University B716 Module Book 1, 2015, p. 73-74).

One other planned approach model that I would like share is the N*-step model. This model, as the name implies, means any model that advocates specific "Steps" to follow in order to make change successful. According to the Open University B716 module Book 1 (2015), while there are a number of step models suggested, they can be simplified the following 6 simple steps; "Step 1 – establish a sense of urgency, Step 2 – create a guiding coalition, Step 3 – develop a vision and strategy, Step 4 – address cultural issues, Step 5 – manage the transition, and Step 6 – sustain momentum. These steps are practical and they work like a well-organized checklist with key ingredients for successful change management. Some critics, however, point out that they are too simplified like a "recipe" and that they only pursue "one best way approach" (The Open University B716 Module Book 1, 2015). I tend to agree with B716 Module Book 1's (2015) rejection of the 'one best way' approach: "as it proposes that any approach depends on a number of contextual factors regarding environment e.g. scale of change, and leaders" (p. 86). I assume that flexibility is a constant in any organization. In the tourism industry, for example, employees are required to be as flexible as possible in accordance with customers' needs. The "one-best-way" approach would limit flexibility and prevent agents from doing their jobs effectively.

Figure 1 is Dunphy and Stace's contingency mode of leadership and change chart.

Figure 1: Dunphy and Stace's contingency model of leadership and change (1993)

	Incremental change strategies	Transformative change strategies
	<i>Participative evolution</i>	<i>Charismatic transformation</i>
Collaborative – consultative modes	Use when the organization needs minor adjustment to meet environmental conditions, where time is available and where key interest groups favour change	Use when the organization needs major adjustments to meet environmental conditions, where there is little time for participation and where there is support for radical change
	<i>Forced evolution</i>	<i>Dictatorial transformation</i>
Directive – coercive modes	Use when minor adjustments are required, where time is available but where key interest groups oppose change	Use when major adjustments are necessary, where there is no time for participation, where there is no internal support for strategic change but where this is necessary for survival.

※Adopted from (The Open University B716 Module Book 1, 2015, p. 87)

The two modes of “Collaborative-consultative modes” and “Directive-coercive modes” on the vertical axis above are useful tools for leading to successful change. The “Incremental change strategies” and “Transformative change strategies” on the horizontal axis show the scale of changes. Within the “Incremental change strategies”, there are two detailed situations added. According to the chart, “*Participative evolution*” is the moment where relatively favorable changes are observed and in this case the collaborative-consultative leadership style should be appropriate. “*Forced evolution*” occurs when there are some key opponents present. For this situation, the directive-coercive leadership style should be adopted. With “Transformative change strategies”, when “*Charismatic transformation*” occurs and there is little time but some support for radical change, the collaborative-consultative leadership style should be applied. In cases of “*Dictatorial transformation*” where there is no time AND no internal support, the directive-coercive modes need to be implemented. Through these processes, a leader can manipulate the leadership styles to suit the situation. The significance of this model is that it “conveys dynamic interdependence, an understanding of the importance of incorporating more than one change dimension” (p. 87).

Critics against the contingency model and exploring Oakland & Tanner' s framework

In the article, "Beneath and Beyond Organizational Change Management: Exploring Alternatives", Sturdy and Grey (2003) explore the field of organizational change management (OCM) to identify alternatives that go beyond "a core assumption that change can, should and must be managed" (p.653). They also point out the lack of discussions on the notions of "stability" and "no change" in their article. The "Pro-change Bias" is also criticized for its "new is always good, old is bad" type of perspective - carelessly adopted from the study of technological innovation into OCM (p.654-655). Furthermore, Sturdy and Grey argue that although Petigrew et al. remind us that work for change is not done every time but rather that it is a moving process "changing' rather than 'change,'" their processual model identifies "continuity" but "not stability" (p.653). With regards to the contingency model, Sturdy and Grey observe that "Even contingency models of change management (which include contexts of organization-environment fit) do not include a 'no change' option" (p. 655). In the article, they do not make much mention of the contingency model but when considering their point of view, which tries to identify alternative ways of approaching the necessity or existence of change, the contingency model might be insufficient in terms of its variations. One of the reasons for the "no change" option is possibly that the contingency model was designed for cases requiring necessary changes.

In B716 Module Book 1 (2015), three weaknesses regarding the contingency model are clearly identified. First, "...it may be unrealistically mechanical and linear, assuming all scenarios fit into a two-by-two matrix and that within these different scenarios there is still a 'best way' " (p. 87). Second, staff might question "the credibility of senior management" due to the suggested leadership styles where different change styles apply at different times. Third, the suggested leadership styles also raise "questions over whether leaders can actually adapt their style in this way" (p. 87). Since change management is a very complex matter, it is probable that there are some limitations in that model and that it cannot cover all situations. For the second and third weaknesses above, however, the situation could possibly be solved if organizations choose the right people. Of course determining "the right person" is highly subjective. It reminds us that there is always a question regarding "what constitutes resistance or success" (The Open University B716 Module Book 1, 2015, p. 94-95). The same could be said for what constitutes the "right person". It is most likely that those different concepts lie in individual's perspectives. I believe that the right person needs to be capable of balancing different group's objectives - as management and operation sides often tend to have different views. These decisions are crucial because they can decide an organization's fate.

Considering the strengths and weaknesses of the contingency mode, I think the best alternative approach to reinforce the successful change management is Oakland and Tanner's organizational change framework.



Figure 2: The Organizational Change Framework (Source: Oakland & Tanner, 2007, p. 584, Figure 9).

Figure 2 is the diagram showing how the successful change can be implemented. There are also detailed factors that should be included in the diagram and the followings are the key successful factors suggested by Oakland and Tanner: (Source: Oakland and Tanner, 2007, p. 580, 582-583)

- 1) *The agenda for change was driven by external events*
- 2) *Leaders set a clear direction and manage risks*
- 3) *The need for change should be aligned to the operational issues*
- 4) *A process approach is central*
- 5) *Performance measurement has a key role in supporting change*
- 6) *A project-based approach increases the chance of success*
- 7) *External support adds value in managing change and the transfer of knowledge*
- 8) *Aligning the culture to support changes in people's behaviour*
- 9) *Continuous review*

The most useful factor of this framework that could reinforce the contingency model is its strong role for implementation. Traditionally, it is said that Japanese work places tend to have a lot of meetings but very few things get decided. Similarly, although issues for change are often discussed, it is likely that change will not actually come. Therefore, Oakland and Tanner's framework may give us a clear guide to its implementation.

Of the suggested success factors above, I agree most strongly with the following points:

- 2) *Leaders set a clear direction and manage risks*

Setting clear values/beliefs, visions, missions, and strategies are effective ways to motivate staff. Without those goals, everybody would go in different directions.

3) *The need for change should be aligned to the operational issues*

This is also important because it often happens that the management side knows the significance of some particular changes but the operational staff do not, thus success becomes difficult. In this case, both parties are unhappy.

4) *A process approach is central*

As shown in Figure 2, Oakland and Tanner created a space called “Processes” where managers and those involved in the change understand it well and adjust it for successful change.

8) *Aligning the culture to support changes in people’s behaviour*

This is another crucial point for the change to be successful. Employee behavior creates a new environment that leads to making a new culture.

9) *Continuous review*

Continuous reviews must take place in order to judge whether the changes should go forward or be stopped.

Although I see a lot of usefulness in Oakland and Tanner’s framework, there are some weaknesses. According to B716 Module Book 1 (2015), there are mainly four weaknesses. Firstly, there is still “order” like with the “step” model. Secondly, it assumes that everybody aims at the same objectives. Thirdly, it still assumes that “much of the change process can be managed, controlled and even predicted... .” Fourthly, “there is also an assumption that ‘external’ events impinge on an organization, whereas organizations do not exist in a vacuum waiting to be impinged on” (p. 93). Despite these weaknesses, there are more pros than cons to using this framework. For the second weakness, I believe it is manager’s job to find a common balance that could work for both parties.

An example of change events through my own experience

It has been 10 years since I started teaching for the faculty of tourism at Josai International University. Over the last 5 years, Japanese universities have become much more competitive. This has had a direct effect on how we do our work. A number of changes, including a consulting agreement with the Japan Travel Bureau (JTB) have taken place. The JTB deal came at a time when the new student rate to our faculty was leveling off and we were struggling to come up with good PR strategies. Management made a decision to take prompt action to solve the problem. The JTB brand name was used to lure prospective students in the hopes that this would eventually increase their numbers. Since our faculty is “Tourism”, prospective students are those interested in studying tourism and working in the tourism or hospitality industry in the future. Thus collaborating with JTB made some sense. Despite management’s efforts, this project did not function as well as had been hoped. Looking back,

there may have been something that we could have done better with this project, but from the beginning there were problems with the collaboration. We were rather passive in our approach and we simply relied on JTB to bring in the students. The reality is that we did a poor job of working together and this became problematic. JTB was responsible for taking care of some travel related courses throughout a year as well as for sending out one of their travel agents to our “Open Campuses (promoting events)” for a brief presentation about the “Travel Industry”. They promoted our school name and educational products through their local agencies, but those actions, unfortunately, did not bring us any good returns.

Under Dunphy and Stace’s contingency model, this change could have been categorized as “Dictatorial Transformation” because there was no time and limited agreement here. As a result, most faculty members were not 100% sure about what was happening and they did not get involved much in what Oakland and Tanner call the “processes” where everyone shares important information and discusses its feasibility. Thus, only very few people were likely to understand the significance of our management’s decision. Having no one who could legitimately and persuasively lead / adjust the project as a bridge between the management side and the operation one was a part of its downfall.

Conclusion

In this essay, I have explored Dunphy and Stace’s contingency model of leadership and change as well as Oakland and Tanner’s organizational change framework as an alternative approach that reinforces the contingency model. I also examined Sturdy and Grey’s ideas of change management assumptions in OCM and found that “within OCM, a core assumption that change can, should and must be managed” (Sturdy and Grey, 2003, p. 653). They were also very keen to take “no change” or “stability” options. Moreover, Sturdy and Grey (2003) argued that “Even contingency models of change management...do not include a ‘no change’ option” (p. 655).

We have also seen the strengths and weaknesses for each model. In Dunphy and Stace’s contingency model of leadership and change, one of the strengths is that the success of proposed changes should be dependent upon how closely change could fit in with the environment. Furthermore, this model “...conveys dynamic interdependence, an understanding of the importance of incorporating more than one change dimension...”(The Open University B716 Module Book 1, 2015, p. 87). Whereas one weakness shows that it’s “unrealistically mechanical and linear, assuming all scenarios fit into a two-by-two matrix...” (p. 87). Another weakness lies with the way they see the leadership style. The model also assumes that in order to implement the changes successfully, a manager must have leadership skills that could mobilize all the resources to efficiently adjust and plan the changes. However, there is still some skepticism about whether leaders can actually do this successfully. The

value of Oakland and Tanner's framework is its implementation of change using their diagram including nine suggestions for success. Critics, however, cite four major weaknesses to this framework. First, it still suggests the need for following orders like the classical step models. Second, it assumes that everyone wants to move in the same direction. Third, it still shows controllability of change. Finally, it suggests that organizations are simply waiting for external events to take place.

I lastly described my own experience regarding a sudden change which occurred in my organization. The management side likely used the "Dictatorial transformation" from Dunphy & Stace's contingency model. This change did not function effectively because of a lack of personnel with the necessary leadership skills that Dunphy and Stace's contingency model calls for. Sharing information and discussions especially among operational staff, which is referred to as "processes" in Oakland & Tanner's framework was also not up to par.

In order to make changes successfully, leadership skills that can balance the needs of different parties and accurately convey important messages to everyone are crucial. Employee flexibility and innovation are the keys to successful change.

Notes

1) Ministry of Education, Culture, Sports, Science and Technology-Japan:

<https://www.kantei.go.jp/jp/singi/kyouikusaicei/dai11/sankou2.pdf>, pp.3, (Accessed 15 December 2015).

2) Statistics Japan: <http://www.e-stat.go.jp/SG1/estat/List.do?bid=000001015843>, (Accessed 15 December 2015).

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