THE DESIGN PROCESS, TRANSITION AND TRANSFORMATION OF ORGANIZATIONS

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1. What is Development Change in Human Social Systems

The world of change is not stable. It is always on the move and in motion, never waiting for something or someone. Humanity and organizations essentially existing in the world must constantly change for survival.

The meaning of "development" is the following:

▪ To make a preferable situation and a preferable environment

▪ To make society grow

▪ It is important to "make a high quality growth and not growth for the worst."

Therefore "Development Change" means changing and developing someone and something else from "decrease" to "increase", from "not-developed" to "under-developed" and to "developed" in the future or make up from loss to gain.

For Example: Organization Development from lost profit to high profit, Employee development from unskilled labor to skilled labor, decision making form instinctive decision making to the use of data base for decision making' etc.

However, the important factor for development change is concerned with structure; Purpose, Process, People, Technology, Planning, Method, Reporting and Evaluation of the Organization that are divided into three areas – **Design Process, - Transition,** - **TRANSFORMATION.** In summary, Development Change is a Process of planning system change that attempts to make preferable organizations and the human social systems that are able to attain their short and long term objectives. This is achieved by teaching the organization members to manage their organizational processes, structures, and culture more effectively.

In my opinion, the words "development change" refer to something about humanity and society that convert from the old paradigm to the new paradigm by the transition model below:

Old Paradigm	→	Transition Models	→	New Paradigm
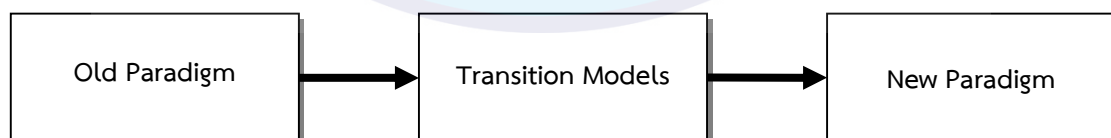
In human social systems; in reality, change is one ongoing principle in Buddhism, the Triluksana, talks about Anijung, Tukkung, and Anatata which means: Birth – Existence – and Death. In the same context, it can be found in Daz Kapital of Karl Marx who discusses about the Thesis – Anti Thesis and Synthesis. Both Theories matches the cyclic order of dynamics in the Book **"Breakpoint and Beyond – Mastering the Future Today"** by **George Land and Beth Jarman.**

We found that the cycle of change is encountered by three unique phases such as:

1. Forming
2. Norming
3. Fullfilling

Each phrase progresses from outside in, to inside out; and from the renewal that leaders or members of the organization put in the Process. The details are discussed on topic four.

THE PRINCIPLES OF DEVELOPMENT CHANGE

In this case; conceptual philosophies explain that:

Change: In development, it means a transforming from one point or condition to another point or condition. But change from good or loss should be evaluated.

Growth: growth to a new product, new system, new organization, new innovation etc.

Example: Organizations are always developing and changing. **Wendell and Cecil** have been concerned with the issue of identifying and specifying the nature of organization development for some time now. They see eight characteristics that they think that are organization differentiate development interventions from more traditional interventions. It emphasizes on:

1. An emphasis, although not exclusively so, on group and organizational Processes in contrast to substantive content.

2. An emphasis on the work team as the key point for learning more effective models of organization behavior.

3. An emphasis on the collaborative management of work – team culture.

4. An emphasis on the management of the cure of the total system.

5. Attention to the management of systems ramification.

6. The use of Action research model.

7. The use of behavioral scientist - change agent, sometime referred to as a "catalyst" or "facilitator".

8. A view of the change effort as the continuous process.

Another characteristic, number 9, a primary emphasis on human and social relationship, does not necessarily differentiate OD from other change efforts, but is nevertheless an important feature.

Alvin Toffler, the father of the third wave, implied that the thing we should be aware of is dynamic speed of technology because it cannot be easily predicted, because it is always dynamic. The effect of development has changed from the first wave, majority of societies were rural communities, extended family, each person highly responsible and business with high speed competency. When we go to the third wave, that is information and communication technology, techno-sociology and techno-innovation. So, society and businesses will be moved by the new technology and new innovations. The role of sub-business and sub-social are clear for development, which includes the government organization likewise. Development change improves through networking. Alvin Toffler emphasized that seeing development change is not focused on one point, but we must turn around, as well as the economy, finance, society, culture, science and the way of life, because executive decision making is based on and around information that everything is connected. Even in high speed change, it is high speed improvement with a clear purpose, goal, strategies, mission and activities.

The future social trend goes into bio-technology, nano-technology and GMO-technology, which provide the entry to the fourth wave of the digital world.

SUMMARY: I think that development change is the way of mapping change. So the way to change can help people and organizations to change for the better, better and better but not the best because the best is the top, from the top there is only going down. So, better should be the best of change.

2. What Aspects May Be Changed

Peter M. Senge wrote in the book "Re-thingking the Future" about the core driver in the world of change that "as we approach the twenty first century, I see three distinct driving forces any one of which would probably be sufficient to bring about significant change in management and organizations. But the operation of these forces together is what will bring about profound change.

1. **Technology**: Fast growth of tech-nology will carry true over the world, every time, scientists and or innovators, and or inventors are inventing new products with high speed efficiency. In the future, there may be no controls in communication-technology, bio-technology, material-technology and nano-technology.

2. **Globalization**: of business, which is related to technology and circulated in any places in the world. Organizations have to adapt one-self and change behavior along the movement of the world of change. I think that "**slow adaptation will be lost in the end.**"

3. **Productivity**: is the hardest to name and yet probably the unprecedented

growth of total material throughput due to all industrial activities on the global scale, the consequent stress on natural systems, and increasing complexity and inter-dependence. This third set of forces is one of those things we feel in our gut but it is very difficult to describe succinctly in words. The most obvious symptoms are breakdowns – societal and ecological crisis and massive institutional breakdown on an unpre-cedented scale. It is hard to find that any institution in modern society – business, government, public education, the family – that is not suffereing breakdown.

Currently; I added **Peter M. Senge's** four factors:

1. **Environment**: the natural resources are destroyed by humanity. Nature is lost and unbalanced because humans fight for profit, utility, influence for land, forestry and mining. The farmers use chemical substances in the farms that results to pollution to the way of life like noise, water, air and rubbish. I think that now, humanities fight to occupy the natural resources and use it until nature is destroyed and world conditions change.

2. **Economic Linkage**: the world of compete economically more and more. It is essential for nations in regions to participate and collaborate on economy. Sometimes it connects beyond continents, such as J7, EU, ASEAN, APEC, WTO, FTA etc.

3. **Consumer Structure**: Now, in the world population, older people are increasing while the children are decreasing, so development change in products must respond to the future consumers such as health, spa, food.

4. **Social and Cultural Change**: From globalization, the culture from one nation flows to another, the ancient cultures are

behind in social change and original complexity.

Therefore, 7 factors discussed above are the core important drivers pulling the world faster, turning over to change.

3. Why is it important to know "development change?"

Because of social change in the world of change, so humanity which is dependent on society and part of the social world must essentially change for their survival. The two core factors for change concerns inside and outside.

| Inside | Means inside the person, or mind that can be controlled. |

Humans is in nature, nature always change so humanity must change too. What is there to change? The change is about:

1. **Thinking**: seeing external of oneself and see everything around us, sense it by eyes, ears, nose tongue, body and mind which Buddhism call "SIX AYATANA". The picture that we see will stimulate mind and brain to think. So thinking should be controlled and knowledge developed for social benefit.

2. **Behavior**: Persons actions in the organization must be adapted to respond to culture and society. Organization culture will change along social change. Organization members should understand organizational culture. Such as coordination, collaboration, team work, communication in starting work, breaking up etc.

3. **Mind**: we should develop consciousness and the subconscious to agree with the world of change.

| Outside | Means external, which the person cannot control |

The world's society created change by two factors which are:

1. **Created by Nature**: such as natural calamities like Tsunamis, Lava, Earthquakes, Landslides, Forest Fires, Drought, Flooding.

2. **Created by Humans**: such as technology, bio-technolgy, nano-technology, pollution, culture, productivity, business, service, education, safety, security, trading, investment, industrial, environmental etc.

When we know about the causes of change, we are able to investigate the way to protect and to revise it. So think, this is the learning society developmental change approach.

SUMMARY: It is important to know because we will be ready to meet some situations that occur every time which will make us see through the trick, to know what another is aiming at, to have understood it before, and know how to improve. **If we can successfully improve, we will be "on the bus": and "off the bus if we can't".**

Michael E. Porter said that, "companies have to find ways of growing and building advantages rather than just eliminating disadvantages". I think that it is a challenge for human competency.

4. Some Models of Change

The original models of change by philosophers and theorists were learning by trial and error on models and theorize for solving problems and development change. A lot of models used on organization and development of society which each model will be suitable for some society or organization and used on different conditions. **For example**: some models of change

- **Triluksana**: one model from Buddhism is Triluksana which has three factors:

   - **Anijung**: is uncertainty, which means to occur-stay-die. Everything in the world is unsustainable.

   - **Tukkung**: is suffering, born on difficulty and suffering, everything is born on hardship

   - **Anatta**: is non egocentric and non self centered, not to hold or seize or grasp tightly on something.

- **Dialectic**: Karl Marx wrote dialectic models on the book "Das Kapital" about

   - **Thesis**: originality of things both materialism and idealism

   - **Anti-thesis**: is the conflict or difference between the new thing and the original.

   - **Synthesis**: include the thesis and the anti-thesis to create a new thing that moves to new thesis and go to the cycle again and again.

- **The Cycle of Change from the book Breakpoint and Beyond**: Mastering the Future Today, written by George Land and Beth Jarman, we find Change Models "cycle of change" that explains about the three phases:

   - **Phrase One:** Forming. The first phase of n organization is the entrepreneurial stage. Entrepreneurs believe, for any of a diverse number of reasons, that they have an idea for a produce or service that will solve someone's problem. This period is unpredictable, a time of trial and error, of success and failure, of frustration, and great triumphs. Its most elementary level, behind the process of imagination and exploration is the basic drive is to find a repeatable pattern of success.

   - **Phrase Two:** Norming. The wasted energy of trial and error in phase one must be replaced by policies, practices, and procedures that guarantee the repetition of the successful second phase pattern. Within it is based the ideas of traditional organizational management, plan, organize staff, and, measure. One primary purpose of management in the second phase is to limit and control the creative potential of the people in the organization.

   - **Phrase Three:** Fulfilling. In this phrase, if organizational growth is to be maintained, it must open up to permit what was never allowed in to become part of the system, not only by doing things differently, but by doing different things.

In phase three, two activities occur simultaneously. While the mainline core business grows around creative innovations, a simultaneous renewal phase is completely reinventing the enterprise. This is technically called a bifurcation that will result to a beginning of a new first phase. The renewal line is based on new inventions while the mainline or core business is based on innovations.

The heart of change management, **Jarman** (1992) explains that we must

understand the three cornerstones of reality that provide the foundation and support for applying the creative work view which are:

- Dynamics of the nature process of change – how does change happen?

- Relationship among things – How are the individual part of a growing system connected with one another?

- Force driving change – What impels change to occur?

▪ **Models of Planned Change by Jerry I. Porras and Robert C, Silvers** explain that Planned Change intervention can be divided into two types:

- Organizational Development (OD) which comprises the more traditional approach

- Organizational Transformation (OT) which is the cutting edge of planned change

Organizational change is typically triggered by a relevant environmental shift that, one sensed by the organization leads to an intentionally generated response. This intentional response is "Planned Organization Change" and consists of four identifiable, interrelated components.

- A change intervention that alters

- Key Organization target variables that then impact

- Individual organizational members and their On-the-Job behaviors resulting in changes in

- Organizational outcomes.
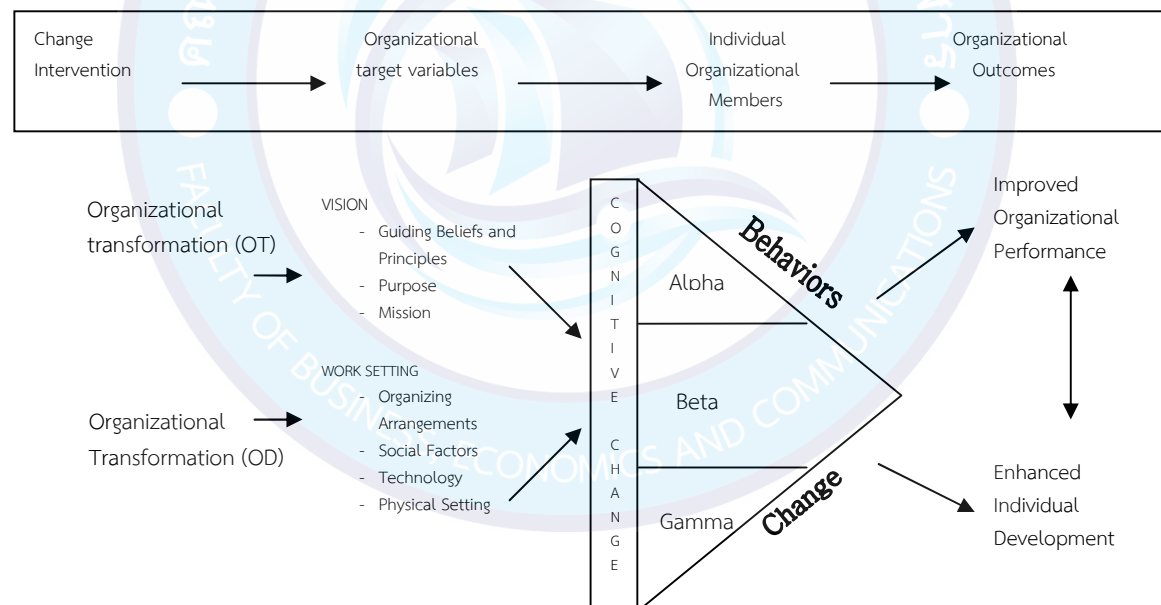
These are shown in figure 1

Figure 1 Planned Organization Change

- **Fourteen Principles. Hendi Fayol** summarized the fourteen principles on change management as:
    - **Authority and Responsibility**
    - **Unity of Command**
    - **Unity of Direction**
    - **Scalar Chain**
    - **Division of Work or Specialization**
    - **Discipline**
    - **Subordination of Individual to General Interest**
    - **Renumeration**
    - **Centralization**
    - **Order**
    - **Equity**
    - **Stability of Tenure of Personnel**
    - **Importance of Initiative**
    - **Importance of Esprit de Corps**

This principle used in general organization since its origins until the present time is the master core principle for social and organization development.

- **The Fifth Discipline** by **Peter M. Senge** described five disciplines that together constitute the key ingredients for a learning organization, they are:

    - **Systems Thinking** all comes down to finding the point in the cycle where efforts toe effectuate change are most effective.

    - **Personal Mastery** means that you should be true to yourself, Meditation for self-discovery and consciousness is the key to successful pursuit of personal mastery.

    - **Mental Models** are tools for uprooting paradigmatic, preconceived notions of the world and expose, mental mapping, honing listening skills and scenario planning

    - **Shared Vision** results from free choice and genuine enthusiasm for a vision. Individuals trying to buy-in for their vision should believe in themselves, understand the vision and refrain from overselling and ignoring genuine concerns, and let people choose for themselves.

    - **Team Learning** can be stimulated through sessions with a managed balance between dialogue and discussion. Explicit mapping of mental models and assumptions as well as methods to make people willing to speak out and suspend their assumption are key.

- **SWOT ANALYSIS.** Any organization undertaking strategic planning will at some point assess its strengths and weaknesses. When combined with an inventory of opportunities and threats in the organizations external environment, the organization is effectively making what is called a SWOT analysis.

    S = Strengths is what the organization is really good at

    W = Weaknesses seeks weak points in the organization to resolve

    O = Opportunities are any technological developments or demographic changes taking place, or could be demand for your products or services are increased as a result of successful partnerships.

    T = Threats are your competitor's opportunity that may well be a threat to you. Also, changes in regulations, substitute technologies and other forces in the competitive field may pose serious threat to your company. As shown in figure 2

	Strengths (S)	Weaknesses (W)
Opportunities (O)	(SO) Strategies use strengths to take advantage of opportunities	(WO) strategies take advantage of opportunities by overcoming weaknesses or making them relevant
Threats (T)	(ST) Strategies use strengths to avoid threats	(WT) Strategies minimize weaknesses and avoid threats

Figure 2 SWOT Analysis

▪ **Benchmarking** is the systematic comparison of organizational processes and performances in order to create new standards and or improve processes. There are four basic types:

- **Internal** – Benchmarking within an organization, e.g. between business units

- **Competitive** – Benchmarking operations and performance with direct competitors

- **Functional** – Benchmarking similar processes within the broader range of the industry.

- **Generic** – Comparing operations between Unrelated industries

▪ **Kaizen.** The Kaizen model consists of five founding elements.

- Teamwork
- Personal Discipline
- Improved Morale
- Quality Circles
- Suggestions for Improvement

The three key elements in Kaizen are elimination of muda (waste, inefficiency), Five Ss (Good Housekeeping) and Standardization. The Kaizen Philosophy resonates with speed by changes at the operational levels in the organization.

▪ **Competitive Analysis: Michael E. Porter's Five Forces** present the movement in a competitive society situation. Michael E. Porter identifies five fundamental competitive forces that determine the relative attractiveness of an industry.

- New Entrants
- Buyers Bargaining Power
- Supplier's command of industry
- Existing competitors
- Substitute Products of Services

This model make the leader know relationships and dynamics in an industry and allows a company or business unit to make strategic decisions regarding the best defendable and most economically attractive position.
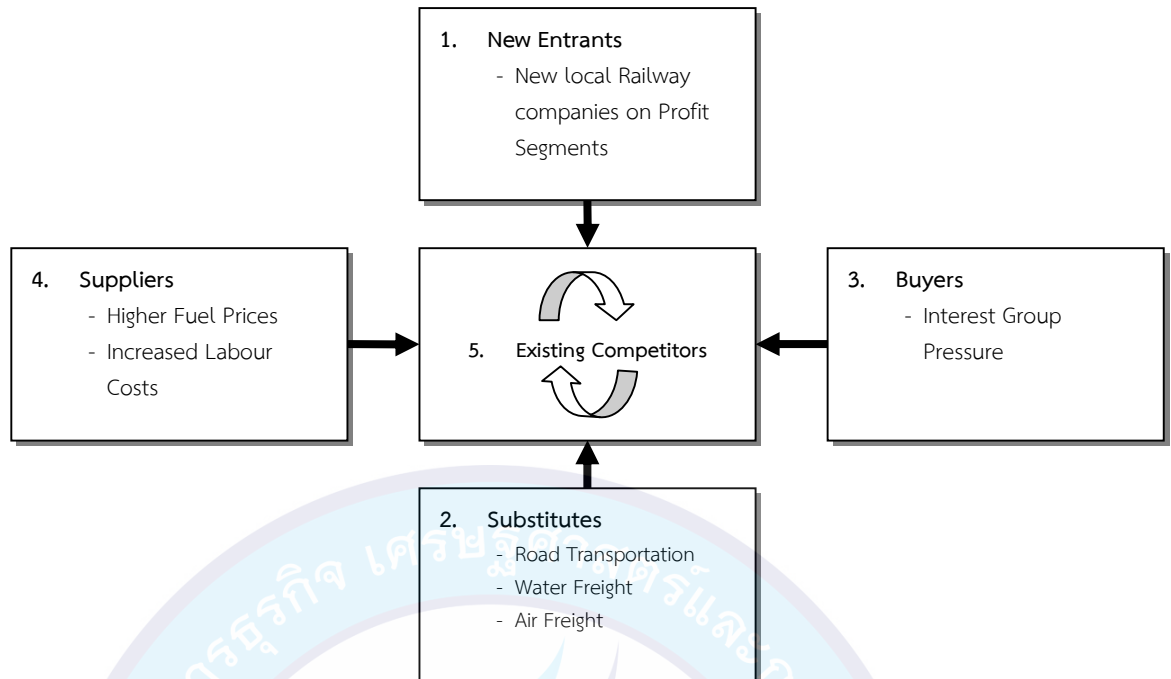
Figure 3 Porter's Five Forces

This model emphasizes external forces. It is used best when its in combination with an inside-out and internal approach.

However, there are many models for development change and evaluation such as: The Balanced Scorecard, The Deming Cycle, The EFQM model, EVA –economic value adding, the 7-s Framework. Each model can be put to use suitably on some organization and or some condition which depend on leadership's decision to choose it.

5. How is Change Managed

Change is the nature of everything in the world. Change must be done when it is on time, the organization, factory, company, and the enterprise too. But humans are social animals who develop intelligence by studying or searching for a method or procedure to control and manage change.

The Three factors for Change Management are:

1. Design Process. Executives in Organizations or companies must be able to determine the change person in the organization who can play the vital role in conceptualizing, facilitating, and managing the design process. Design is a planned change in mind with the key concepts that will focus on the change process.

2. Transition. Focus will be on the step by step stage between one state to the other of the change process. Emphasis will be how to let go of the part, concentrate on the present and welcome the new change, the trauma of transition must be treated carefully.

3. Transformation. It is essential to identify what is change? It includes change in the five organization factors which are; purpose, technology, structure, process and

people. Transformation is complete change from one state to the other.

James E. Collins and Jerry I. Porras explains in the book **"Built to Last"** that what they did in researching and writing in this book has never been done before. They studied a set of truly exceptional companies that have stood the test of time with the average founding date being 1897. They studied them from their very beginnings, through all phases of their development to the present day. They studied them in comparison to another set of good companies that had the same shot in life, but did not attain quite the stature.

Collins and Porras talked about change management as the building process from the beginning to the end. Visionary companies or visionary organization is the best of the best that visionary organizations are Premier Institutions - the crown jewels – in their institution. The word "Visionary organization" refers to ideal, directions, end of the dream for the organizational success.

In their research study comparing 18 visional companies versus 18 comparison companies, the study indicated how visionary companies must be, how to grow, how to change, how to be sustainable. How they are different from the comparison companies. But even if comparison companies grow, their growth is slow, inconsistent and unsustainable.

Design Process

Essential Factors for Visionary Organization

- **Vision** is the center in the mind the members or people that drives their potential to succeed in the task.

- **Mission** makes people committed to work on their duties and delegated tasks.

- **Strategy** is important for the member's determination to collaborate and use as a guide for activities.

- **Goal** is the clear focus for performing to the point

- **Key Performance Indicators (KPI)** are used to determine the measure of success in the tasks

- **Evaluation** is the follow up process and measurements

- **System.** Each stage must be controlled by systems. Thinking systems and practice systems. Therefore, the five factors of the organization are vital considerations. They are; purpose, structure, process, technology and people.

- **Models** are used when selecting theories as pattern or guides that are required in the tasks of change.

- **Change Process** is planning, using data-base information, communication, technology, doing, checking and action that depend on the **Deming Cycle (PDCA)**
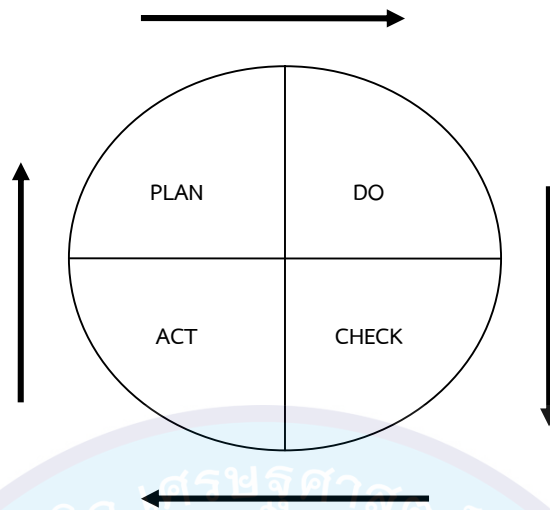
▪ **Model**

Figure 4 Deming's PDCA Cycle

The other method that is used in development change is **"Blueprint for Change"** or **"Template"** to insure appropriate action in undertaken from the beginning up to the end.

Transition

Visionary Organizations always be developing change and create people participation in a learning atmosphere.

▪ **Change Person** must be able to build a clock that could tell the time forever, even after he is dead and gone, this is a great idea. Being a charismatic leader is "time telling". Building a company that can prosper for beyond the presence of any single leader and through multiple product life cycles is "clock building". The change persons successes demonstrate how the builders of visionary organizations tend to be clock builders, not time tellers.

▪ **Preserve the Core / Stimulate Progress** by using the **Yin/Yang** symbol from the Chinese dualistic philosophy "not **or** but using the **and**" to add power to the

potential to change. In every step of development change, we must be preserved the core / ideology.

▪ **Seeing More than Profits.** For successful change, it is not only profits that are considered. It means satisfying society, participative work, collaborative activities and sincerity and interdependence to each other.

▪ **Cult Like Culture.** Organization culture is essential in the analyzing the change because if the new change is not a responsible organizational culture, it is a lost change.

▪ **Try a lot of stuff and keep what works.** May be trial and error is used for the change, try a lot of things a lot of times, keeping what is good and works for the development of the future.

▪ **Internal Organization** must create team learning, team work with people participation by thinking, active, consultations and so on. The cooperative power of the members is important for organization growth.

- **Good Enough Never Is**. Development change must go on along the cycle of change which is non-stop. Each period of change is never good enough, but must be forever, better and better.

Transformation

When we design processes for change, transition for change and practice following an action plan for change, in the end, there is a new thing happening, a new change, a new process or a new model etc. New things that occur are called "**Transformation**". However, transformation is just a moment before there is movement to the cycle of change to decide the transition process and transformation, again and again, ongoing.

SUMMARY: Change Management must have knowledge in how to design the process of change, how to do transitions and how to protect, develop and preserve the transformation before another change is needed again.

Example

Case Study: Organization Development and Transformation at the Governors Office at Petchabun Province, 2005 – 2006

The Governors office was established for the past 30 years, intended for the governors administrative support and a center for planning and projects coordination for all organizations in the province. The provincial Governor served local and regional development needs of the people in area or economics, society, security and the government administration.

Following the Thai government reform of the Bureaucratic Process in the region into the Integrated Provincial Management, the Governor is the chief executive officer (CEO)

in the province, But the Governors Office, which has relations with the staff, the direction with the secretary of the Governor was still managed using the old system. There was never an effort to transform and develop the organization. It brought on effects that the administration of the Governors office was inefficient and could not implement successful government policies.

Design Process

For the reasons above, action research was implemented for the continuous quality improvement of the organization.

After the interventions, the Executive and the people of the organization collaborated to approach the improvement of the organization. There was commitment to improve the design process such as:

- Surveys were conducted using the standard questionnaire by Roger Kaufman, Ryan Watkins and Douglas Leigh taken from chapter 33 of "The Consultants Big Book of Reproducible Surveys and Questionnaire" entitled "How Committed is the Organization to Quality Improvement"

- It was found that there were four problems that needed improvement
  - All on One Team
  - Passion for Data-Based Decision Making
  - Quality Continuous Improvement
  - Societal and External Client Focus

- Data were collected concerning information to identify the Research Methodology

- Theories from authorities were studied to provide the conceptual framework and some models that could be used as a basis for the improvement activities

- The research was designed considering the research subjects, the research environment, the instrument, procedure for gathering data and the statistical treatment of the assessment score.

- The results were evaluated, summary of the findings recorded and recommendation made based of the findings.

Transition

The Organization Development Intervention:

- The "Intervention Theory and Method" of Chris Argyris was used which ascertained the following:

    - Validity and Usefulness of the Information

    - Free choice

    - Internal Commitment

- Developmental tools used were taken form "The Consultants Big Book of Organizational Development Tools which concerned, developing of new team managers, encouraging feedback, forming learning teams, communicating what you mean, and Improving the quality of strategic planning.

- Priorities for the implementation of the interventions were arranged based on the pre test.

- Types of Interventions
    - Grid OD
    - Total Quality Management
    - Strategic Planning Activities
    - Team Building at All Levels
    - Confrontation Meetings
    - Inter-group Activities
    - Interviews or Questionnaire
    - Training to Increase Technical Skills
    - Coaching and Counseling
    - Workshop and Seminars
    - Conference
    - Survey Feedback
    - Consultation

Transformation

After six months, there were transformations observed in the Governors office at Petchabun Province. There was better teamwork, improved use of data for making decisions, improvement in servicing social and external clients, deep commit-ment to continuous quality improvement and a readiness for the next cycle of change.

We must always be conscious of our effort to be changed before somebody says "it's time for a change."

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