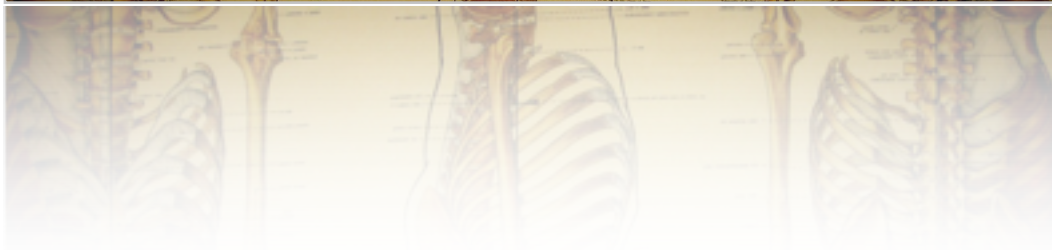
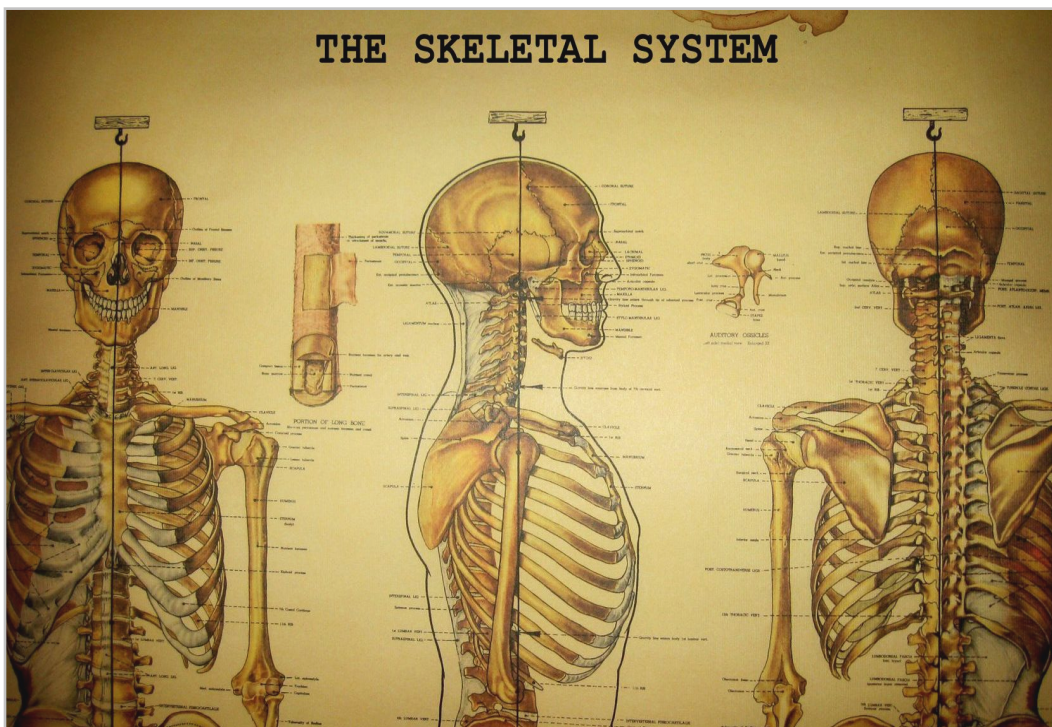


DIAGNOSING ORGANIZATION ILLS

Don Zillioux, Ph.D.



Diagnosing Organization Ills

*Don Zillioux, Ph.D.
Chief Scientist and CEO, SDW*

A deliberate diagnosis of organization ill as the prelude to a program of management or organization development is both possible and profitable. Advances in the social sciences have led to the development of diagnostic methods that can identify weak spots in the organization and evaluate the potential effectiveness of various change techniques. The latter have become widely known and used; change techniques are available today that can deal with virtually any organization's problem, although no single cure-all exists.

The three types of social unit most often encountered in management are the individual manager, the management team and the multi-team or organization. All three may be seen as having objectives, procedures and effective criteria. All resist change, all may be considered in isolation and all can experience discomfort or pain. What problems does each have?

The Individual Manager

The problems most often experienced by individual managers have to do with their relationships, i.e., how they work with others and their task, i.e., how concerned they are about their job.

Team Problems

The individual manager is sometimes less aware of team problems, which involve leadership pattern and power distribution but these are of central interest to those managers who have learned how to recognize and deal with them.

Organization Problems

Problems of the organization as a whole are often virtually invisible to managers who are a part of them, rather than on the outside looking in. The leadership pattern and power distribution problems of the management team are paralleled in the organization at large, which also has problems involving design, flexibility and conflict management.

Symptoms Only

A common error in organization diagnosis is to look only at symptoms, as when, for example, "poor communication" is given as a diagnosis. This may be an accurate enough description of a symptom but it is seldom useful as a diagnosis because it is too coarse and general to point directly to a cure.

To say that an organization suffers from poor communication is as useful as to say that a doctor's patient suffers from pain. Poor communication as a diagnosis suggests a whole

series of questions: communication up? Communication down? Horizontal communication? About what? Too soon or too late? Too much or too little?

On investigation, what is represented as communication usually turns out to be something quite different. Managers who say “bad communication” may really mean that they were not given an opportunity to influence a decision. This is a matter of power distribution not of communication.

Similarly, such “diagnoses” as personality clash, favoritism, conflict, apathy, decision-making and empire building are best interpreted as symptoms rather than basic problems.

Structure of Diagnosis

An organization diagnosis should be designed to discover four things about the organization:

1. its strengths and weaknesses,
2. the change and resistance forces within or outside it,
3. how it operates as a system, and
4. the appropriate criteria for organization health.

A diagnosis should set out first to identify the organization's strengths and weaknesses. These may involve aspects of the competitive situation, profitability, managerial competence or organization design. With this analysis made and agreed on, it is possible to proceed to a study of the change and resistance forces. At a particular moment an organization may be seen as being in a position of equilibrium. This happens when the resistance forces and change forces are in balance.

Diagram 1 Problems of the Individual Manager

1. **Relationships orientation**
(Do I care enough for people?)
2. **Task orientation**
(Do I care enough about the job and about output?)
3. **Management style**
(Is my management style appropriate to the situation?)
4. **Flexibility**
(Am I flexible enough?)
5. **Dominance-submission**
(How dominant or submissive should I be?)
6. **Ambition**
(Am I ambitious enough or too ambitious?)
7. **Trust-mistrust**
(How much should I trust others?)

Diagram 2
Problems of the Management Team

- 1. Leadership pattern**
(Is the leadership that is being exercised appropriate to this team?)
- 2. Power distribution**
(Is the distribution of power among team members appropriate?)
- 3. Objectives**
(Are team objectives realistically defined?)
- 4. Flexibility**
(Is the team flexible enough in its methods?)
- 5. Commitment**
(Is there a commitment to the team, its objectives and its work methods?)
- 6. Conflict management**
(Is conflict handled productively?)
- 7. Productivity**
(Is team productivity high enough?)
- 8. Work norms**
(Are teamwork norms functional and productive?)
- 9. Articulation**
(How well does the team fit in with other teams?)

Diagram 3
Problems of the Organization

- 1. Design**
(Is the organization properly designed for the job it has to do and the resources at its disposal?)
- 2. Power distribution**
(Is power distributed functionally throughout the organization? Is it too concentrated at the top or elsewhere? Is it too diffuse? Is it too much or too little exercised?)
- 3. Flexibility**
(Is the organization flexible or rigid? Is it capable of making rapid changes in its structure, products, procedures, personnel, philosophy or objectives to meet change in its environment?)
- 4. Leadership pattern**
(Is the corporate managerial philosophy appropriate to the organization? Does it mesh with the nature of the work, the type of workers employed, their expectations, the organization structure?)
- 5. Objectives**
(Are the corporate objectives appropriate to the environment? Do they take into consideration competitors, the legislative framework, the future and the existing design of the organization?)

6. Commitment

(Are management and the workforce committed to the attainment of corporate, divisional, team and personal objectives?)

7. Conflict management

(Is conflict handled adequately between production and sales, design and construction, HQ, the field, research and production, staff and line? Is there openness about disagreement, which is then worked out so that a creative solution emerges?)

8. Productivity

(Is the overall corporate, managerial and worker productivity high enough?)

9. Work norms

(What is the attitude to work in the organization? Is it characterized by enthusiasm, apathy or negative involvement?)

10. Articulation

(Do the various subparts of the organization fit together well?)

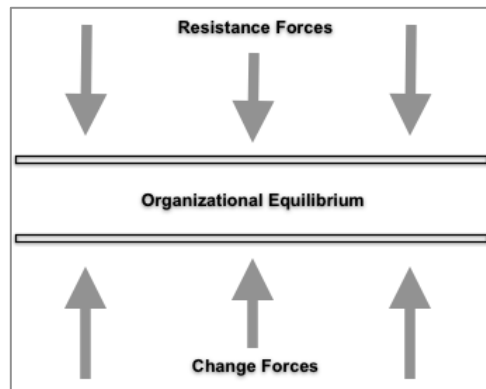


Diagram 4

Typical resistance forces might be past practice, difficulty in removing a key figure or a customer's expectations. Typical change forces might be a proposed expansion, lower profits, technological advances, new management or a new managerial philosophy. The arrows on the simple Diagram 4 above could be labeled with the name of the force. The thickness of the line could indicate its strength and its length could indicate the relative ease of modifying it.

This kind of analysis is particularly useful because it encourages in-depth thinking about key forces that are shaping the organization. Using this model as a guide, an organization can be changed in one of two ways: 1) either by strengthening the forces for change or 2) by weakening the resistance forces. The choice will depend on how accessible to modification one or the other force is and what leverage it has.

With the change and resistance forces identified, their dynamic interrelation is sometimes possible. This would be undertaken to discover how the organization operates as a system

of interacting forces and to reveal its characteristic ways of dealing with intrusive forces to maintain a general balance.

The final step in the diagnosis should be the formulation of criteria for organization health. What should the organization aim for: flexibility, a particular managerial philosophy or maximum short run profitability?

How to Make a Diagnosis

There are seven methods of making an organization diagnosis as shown below:

1. Consultant diagnostic survey
2. Chief executive philosophy analysis
3. Analysis of corporate strategy before a seminar
4. Organization design analysis
5. Diagnostic instruments survey
6. Consultant response analysis
7. Organization diagnostic self-survey

1. Consultant diagnostic survey

The most commonly used method is for consultants to ask members of the organization for their opinions. If the consultants are competent they will distinguish symptoms from causes and will identify the root difficulties. Their survey results are usually fed into the organization through a report, which may have a limited or wide distribution.

2. Chief executive philosophy analysis

Any organization is, to a large extent, a long shadow of the chief executive particularly if he has been at the top for several years. An excellent diagnosis of the organization may be made by asking him to write, for each of 25 key topics, a paragraph setting out his beliefs. These topics would include staff line relationships, union-management relations if they exist, executive compensation. An analysis of his written opinions usually will provide an excellent basis for an organization diagnosis.

3. Analysis of corporate strategy before a seminar

The diagnostic technique, which I personally use most often, utilizes the prework of a corporate strategy seminar. This is a three-day meeting of an actual top management team, which decides on the most appropriate objectives, design and managerial philosophy for the company. Prior to the seminar the members of the top team complete about 20 hours of prework, which requires them to make an analysis of existing operations and make proposals for the future. The prework, completed a few days before the seminar, is an ideal base on which to analyze organization ill and decide on how best to induce organization health.

Organization design analysis

An organization chart can be seen as a defense against anxiety. An analysis of the changes made in it over the years can often point to the key areas of concern in the company and its characteristic ways of dealing with them.

4. Diagnostic instruments survey

Recent developments make it possible now to survey an organization with what amounts to managerial and organization thermometers. Instruments are available to determine management styles, typical modes of team operation, the actual and ideal corporate philosophy, the extent to which the subparts of an organization mesh and the degree to which the objectives of various levels integrate with each other.

5. Consultant response analysis

Consultants can use THEMSELVES as instruments, much as psychiatrists can. What happens to consultants is often a good indication of the dynamics of the organization. Are they shuttled about by one or another group? Which group brought them there? Are they treated openly and with trust? Are managers fearful of being misinterpreted by them? Is top management intimately involved with their diagnostic procedure? Any of these, taken singly, is liable to be misinterpreted but together with other indicators they can give a fairly accurate picture of the organization.

6. Organization diagnostic self-survey

A powerful diagnostic and unfreezing device is the "organization diagnostic self-survey." This is usually employed only in a company that has a considerable degree of openness or a somewhat flat power structure. Members of the organization, sometimes a worker-management team, make the survey themselves, much as an external consultant might. The team prepares a summary of its main findings and presents them publicly to the organization in a spirit of "These are our problems, let's solve them together." In most organizations this approach might not work but where it is used appropriately the force for creative change is dramatic.

Typical limitations to diagnosing organization ill

While the diagnosis should be a relatively straightforward task, it often is not. The central problem is that its accuracy is limited by the diagnostician's horizons. A particular consultant may unwittingly focus on only part of the problem; with one, it may be structure, with another, human relations, so that a particular consultant's diagnosis of quite different types of problems may be surprisingly similar. It follows that their prescriptions for cure will also be similar.

One common limitation of diagnosis is that only "soft human data" are inspected. Managers and workers are asked how they feel about their job, their company and their boss. All this is functional as far as it goes but obviously it does not tap some of the deeper problems of corporate objectives, organization design and organization structure.

A Prescription For Cure

A sound diagnosis should lead directly to a prescription for cure.

1. What KEY VARIABLE needs modification?
2. The SIZE OF SOCIAL UNIT to be the focus of the program.
3. The ENTRY POINT where the program should start.
4. The STYLE MODEL to be used, if any.
5. The KEY TECHNIQUE to be used in change.

1. Key variable

The key variable is on what should the change program focus: interpersonal authenticity, managerial effectiveness, style flexibility, decision-making, objective setting or control procedures?

2. Size of social unit

Should the change program focus on the manager as an individual, co-workers, boss-subordinate pairs, managerial team, horizontal inter-team units or vertical inter-team units?

3. Entry point

Where should the program start? Should it start with the top team, the second layer, middle managers, supervisors or a single division?

4. Style model

Should the managerial style model, if used, suggest a single Utopian style or style flexibility? Should it have heavy relationships content or a rational cognitive content?

5. Key technique

Should the key technique be T-groups, decision-making laboratory, grid seminar, managerial style seminar, lectures, conferences or readings?

6. Other functions

The most obvious function of the organization diagnosis is to define the organization's strengths and weaknesses. The process of making the diagnosis has, however, other important functions. It can exercise a mild unfreezing effect on the organization and thus create a greater awareness of and readiness to change. The procedure is also useful as a test of the organization's seriousness about change and, to a large extent, its capacity for change.

If testing a few ideas meets with great resistance, then questions about the organization's readiness to embark on some kind of change or change program should be raised. If consultants are making the diagnosis, the procedure allows the organization to know them and to test their competence in analysis and in being helpful. Obviously, it is not essential that a consultant helps with the diagnosis but a good one can definitely help. The main point of this article is, however, that some attempt at a diagnosis is a good idea and making the diagnosis, alone, can have some useful outcome. If the diagnosis is seen to be a reasonably good one it can lead directly to a creation of an action plan to deal with the issues identified.

It would be a good idea to get your colleagues to read this article and propose that you might spend a day or preferably a weekend, away somewhere to diagnose your organization.

About the Author

*Don Zillioux,
Chief Scientist and CEO, SDW*

Don is an expert in large-systems change management and a guiding contributor to SDW's Advisory practice. For over twenty years, Don has advised a diverse variety of businesses, such as SKF-Germany, NCR, Mexicana Airlines, Advanced Tissue Sciences and many others, large and small, throughout the Americas, Europe and Russia. He has worked with various Native American organizations and played a founding role in the creation of HANU University working with the IPFDC to conceive and create the first Native American University for New Mexico.

Don's writings and consulting work focus on planned change, organizational development, managerial effectiveness, sustainable performance, leadership and managing change with measurable results. He is the author of *The Results-Focused Organization* and, with Darrell Luery, a soon to be published series of results-focused field guides, the first of which is *The Field Guide for Managers and Supervisors*.

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