Making a Leadership Change

How Organizations and Leaders Can Handle Leadership Transitions Successfully

Thomas North Gilmore

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Chapter 12

Handling the Inevitable Reorganization Effectively

The word reorganization is misleading in that it suggests a specific event occurring on a precise date. While such an event may take place in the legal sense, it rarely does in a social and psychological sense. The director of a recently merged organization tells of discovering a retirement party from a division that had not existed for several years since the reorganization. In the hearts and minds of those at the banquet and in the engraving on the gold retirement watch, the division lived on. Boxes and lines can be easily redrawn, but habits, patterns of communication, and informal friendships change more slowly.

Chandler (1962) theorizes that organizations that are structured to fit with the business strategy will outperform those that are not. The new organizational structure is a means to the attainment of a new thrust. Therefore, one would expect reorganizations to take place only in those situations in which a new leader develops a substantially different strategy that calls into question the current structure. Yet many reorganizations seem to flow from a new leader’s desire to put his or her stamp on the organization rather than from any clear new goal or strategy. As a result, organizational structures and reporting processes are often closely linked to particular managers and risk being changed or abandoned when a new leader arrives. When Jack Welch took the reins of General Electric, many of the structures and processes that were closely associated with his predecessor, Reginald Jones, were dismantled. As turnover of leaders and the ensuing reorganizing increase (every
two to three years for many cabinet officials), staff often adapt by complying only minimally because they do not think the changes will last.

A new leader should proceed cautiously in reorganizing. Lawrence Lynn (1981) has written insightfully on public-sector reorganization and management, drawing on many careful studies as well as on his own experience inside government. He says, “No evidence has yet been produced . . . to suggest that reorganizing government leads to greater competence in the performance of its functions or to specific gains in efficiency or effectiveness. The contrary is probably the case. The instability associated with reorganization efforts often leads to reduced morale and productivity, confusion of assignments, caution in proceeding with important tasks, and defensive behavior in general. Reorganization may aid political executives . . . but it is not a substitute for taking the time to manage” (p. 90). Lynn (1980) notes that reorganization cannot be regarded solely within a technical or managerial frame but must be seen as a fundamentally political act, a reshaping of the coalitions interested in the agency. Reorganizations consume considerable amounts of a leader’s scarcest resource—time—yet they often fail because the new roles are not filled with the right people.

**Why Reorganize?**

A new leader may have one or more reasons to reorganize: to adapt the resources of the organization to a new strategy; to match people and responsibilities, working around an ineffective but protected key employee, for example, or capitalizing on the special competencies of some individual; to symbolize the importance of a new initiative, perhaps by elevating a unit to report directly to the new leader; to get control of an organization, by shortening lines of communications, for example, or altering reporting relationships; to revitalize an organization by shaking people up and giving them new assignments that may remotivate or challenge them; to give groups or divisions more control over the necessary related functions so that they can better control their own work, for example, by decentralizing purchasing; or to integrate and achieve
efficiencies by grouping like functions, such as consolidating separate administrative units.

A well-thought-out reorganization must be carefully linked to the specific situation and context. It must take into consideration the organization's recent history, the amount of flexibility the leader has in assigning personnel, the pattern of existing relationships, the leader’s style and skills, the constraints in the wider environment—for example, whether approval is necessary and if so whether it is obtainable—and finally the likelihood of finding people to fill the critical roles. Gabarro noted in his study of transition (n.d.) that the most prevalent reason for failed reshapings was “the unavailability of a person or persons needed to fill a key position” (p. 10).

Specific advice on reorganization is therefore impossible to give in the abstract. There are patterns and general considerations, however, that a new leader should take into account. Gabarro (1985) studied in depth four leadership transitions and ten retrospective histories of organizations that had experienced a new leader. He found reorganizations occurring at two distinct time periods: in the first six months, a period that he terms “taking hold,” and then, after a period of low reorganizing activity that he labels “immersion,” a second wave during what he calls a “reshaping” stage. The first wave of reorganizing is more reactive, fixing immediate problems and assembling a team and working structure good enough to run the organization. The second set of changes appears to be more genuinely strategy driven. Their greater scope and depth are suggested by the increase in the number of associated personnel changes (42 percent of the personnel moves occur during this phase, in contrast to 24 percent in the first six-month phase).

This suggests the potential for using the “taking hold” and “immersion” periods as the time to experiment with different patterns of organizing, mostly via informal processes. Armed with this experience, a new leader is then prepared to make the deeper structural changes during the “reshaping” phase. Table 8 illustrates Gabarro’s framework, with the key issues at each stage.

Whether the leader is initially tinkering with the structure or making major changes, the following general points are worth thinking through:
<table>
<thead>
<tr>
<th>I</th>
<th>Taking hold: orientation and evaluation, corrective actions</th>
<th>Tasks</th>
<th>Dilemma</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Develop an understanding of the new situation</td>
<td>How quickly to act on apparent problems?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Take corrective actions</td>
<td>Act too quickly—risks:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop initial set of priorities and “map” of the situation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop initial set of expectations with key subordinates</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Establish the basis for effective working relationships</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Act too slowly—risks:</td>
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</tr>
<tr>
<td>II</td>
<td>Immersion: fine-grained, exploratory learning and managing the business</td>
<td>Tasks</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop a deeper, finer grained understanding of the new situation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>and the people</td>
<td></td>
</tr>
</tbody>
</table>
### Reshaping: acting on the revised concept

<table>
<thead>
<tr>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconfigure organization based on finer grained understanding</td>
</tr>
<tr>
<td>Deal with underlying causes of residual problems</td>
</tr>
<tr>
<td>Be open to unanticipated problems that emerge as a result of second-wave changes</td>
</tr>
</tbody>
</table>

### Consolidation: evaluative learning, follow-through, and corrective action

<table>
<thead>
<tr>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Follow through on reshaping actions</td>
</tr>
<tr>
<td>Deal with unanticipated problems of reshaping stage</td>
</tr>
<tr>
<td>Remain open to new developments</td>
</tr>
</tbody>
</table>

Source: Garbarro, 1985, p. 121. (Reprinted by permission of *Harvard Business Review*, “When a New Manager Takes Charge” by J. Gabarro, May-June 1985.)
1. Work to clarify and get agreement on the reasons for the reorganization. The better they understand the purposes, the easier it is for people to accept a reorganization. Reorganization is often received with initial skepticism, because people have experienced prior changes as more symbolic than real. One should think carefully about the links between the reorganization and the problems that it will supposedly solve. Be prepared for arguments that there are other, less costly ways of resolving those problems—ad hoc task forces, new liaison roles, new promises of cooperation, and so on.

   In a major urban probation department, for example, a new leader sponsored a comprehensive reorganization to break down the rigid bureaucratic separations among the different divisions and get more cross-unit cooperation. The reorganization foundered because key division heads were not convinced that such an extensive redesign was necessary. They were able to point to several special cross-division projects that were working well. Here there was agreement over the presenting problem but disagreement over the appropriate response. Rather than simply blaming resistance to change, an effective leader must examine carefully the nature of the resistance and consider what aspects may be adaptive.

2. Keep a balanced view of the benefits and costs. In proposing a new structure, a new director often sees only the problems in the present that will be improved under the new design, while existing staff may focus exclusively on what is good about the present and may suffer in the new design. Organizations work only when they appropriately balance change and stability. During the discussion of a reorganization, new leaders should help all parties see all sides. Any organizational structure involves tradeoffs. The biased comparisons of a new organization’s strengths with a current structure’s weaknesses should be replaced by a careful review of the strengths and weaknesses of both the existing and the proposed alternatives.

3. Remember that organizations rarely function as they are set forth on paper. This statement applies to both the current and the proposed structures. A leader should make organizational decisions based on how the organization is actually functioning rather than on paper diagrams and should be sure that the
predictable ways the proposed structure will function will indeed be superior to the current ones. It may be possible to improve the current structure substantially simply by enforcing compliance with its design. For example, in the formal structure of one organization, the president focused predominantly on the external issues and the vice-president integrated the major internal divisions. In practice, the vice-president was frequently bypassed. The organization had the options of changing the person in the role or enforcing the way the structure was supposed to function; substantial improvements would result from either course without reorganizing.

4. Consider altering aspects of the organizational design other than the structure. Galbraith (1977) has proposed a model for thinking about organizational design choices that is illustrated in Figure 8. This model is useful in scanning the many options that are open for altering organizational behavior. For example, altering planning processes, such as budget development, by involving different units earlier is a way of increasing their influence without any structural change. Reward systems can be powerful means of creating change without structural alterations by creating incentives for the desired behavior. Replacing or retraining people in existing roles can alter an organization significantly. Galbraith stresses that there is no one best way to organize but that not all ways are equally effective. The key is a design in which the components fit with one another.

Leaders should resist the temptation to undertake a major reorganization early on unless they have a clear sense of the guiding strategy or unless a major crisis demands it. Outsiders in particular should proceed with caution, for the effectiveness of an organization depends on a deep understanding of the strategy, the people, and the existing culture. There are many ways to alter an organization’s performance short of redrawning reporting relationships, and they are more easily implemented than a major reorganization. They may offer opportunities to learn about the organization and high-leverage ways to improve it. Successful organization changes often come about after the new behaviors have already become established in ad hoc ways, the formal reorganization simply ratifying changes that are already well under way. Another advantage of waiting is
Figure 8. Organizational Elements.

Product
Market
Strategy

Task
• Uncertainty
• Diversity
• Interdependence

People
• Recruiting, selection
• Transfer, promotion
• Training and development
• Leader style

Structure
• Division of labor
• Departmentalization
• Shape
• Distribution of power

Reward Systems
• Compensation
• Promotion
• Job design
• Special awards
• Performance measures

Information and Decision Processes
• Planning and control
• Resource allocation systems
• Integrating roles and departments
• Information systems

Performance

that staff cannot use the confusion of a new structure to excuse unacceptable performance.

Managing the Process of Reorganization

Once a new leader has determined that a reorganization will increase effectiveness, the next task is to implement the new structure. Beckhard and Harris (1977) have called attention to the need to manage carefully the process of transition. They suggest that one needs to think not just of the current and the desired states but also of a transition stage that might even require its own temporary structure, a scaffolding that will provide support until the finished structure can stand on its own. For example, if several new roles will be created, someone might be assigned the responsibility for executive search during the transition phase. Political elections provide for a discrete time between being elected and taking office that often give rise to temporary transition teams, complete with their own organization. Other organizations might learn from the model, perhaps allowing more than the three months elected executives have to bring into being a complicated organizational transformation.

The overall transition might have a project manager and an advisory board made up of representatives of different levels and functions who would both detect and resolve some of the expected misunderstandings or problems in the reorganization. Extensive training may be necessary. For example, if the new structure puts people into dual reporting relationships, people may need to improve their skills in communication, conflict resolving, and negotiating in order to function effectively. These skills do not appear magically on the date of implementation of a new organization but must be systematically developed.

One way of thinking about the process of creating a new organizational structure is to look at the degree of disruption that will be experienced overall and within specific units. Disruption will vary along two dimensions: internal, the change within a given unit, and external, the change in the relationships among units that creates boundary uncertainties. Some units in a reorganization will face high amounts of external change with little internal disrup-
tion. For example, a training unit might be shifted intact from the personnel department to a vice-president for human resources. Its members will have to build new working alliances in the new location and alter their relations to the area from which they were shifted, and if the unit's level has been changed as well, there may be shifts in others' perceptions of its influence. Internally, however, there may be little change.

On the other hand, a unit may face little external change but considerable internal reorganization. For example, it may have the same leader and location but a different division of labor among the team. The most trauma is experienced by units that face both high internal and high external change, such as being split apart or merged. Members must cope with reassigning tasks and responsibilities, shifting loyalties, sorting out hierarchical issues, clearly informing outside stakeholders of the new alignments, and so on. Furthermore, they often face these challenges with new unit leadership.

Given the challenges in managing the process of reorganization, new leaders are offered the following advice:

1. Carefully allocate your time to the units that are most traumatized. Scanning a proposed reorganization will make clear the units that are most affected and may therefore require the most assistance. Units whose leadership and boundaries remain the same at least have an internal stability that will serve as a base for negotiation of new boundary relationships. Units that face both internal confusion and new boundary relationships are most at risk of becoming dysfunctional. The leader will need to be involved to resolve conflicts in relationships among units. Responsibility charting, which is discussed in the next section of this chapter, can be a powerful way of exploring these issues. If a unit facing considerable internal reorganization also lacks a leader, its ability to become effective in its new role can be damaged.

2. Coordinate the implementing of new structure with the filling of new positions. If a reorganization creates new positions, the timing of implementing it is important. In one case, a new secretary created a thoughtful new structure that consolidated administration under a single deputy but did not readily find an acceptable candidate. Without having anyone in that job, he found
himself in a vicious cycle of being too busy to give adequate time to the search for a candidate. The failure to fill a key role in a new structure for a prolonged period of time also leads to distorted patterns of relationships that may impair the effectiveness of the role when it is eventually filled. People become used to talking directly with the leader or working through lateral disagreements without a supervisor. An effective strategy to prevent this from happening is to place a staffer in charge of executive recruiting on an almost full-time basis until the position is filled.

Sometimes structural issues can be held open until a particular role is filled, so that the structure can take into account the specific characteristics and strengths of the person hired. In one organization, the organizational location of the training unit was at issue. The leader did not wait until it was clear who would be in what roles, and an opportunity was lost to put training under a newly hired deputy who would have been able to give it particularly skillful oversight.

3. Favor “confusion” and “error” over “resistance” and “conspiracy” as theories of why things are not going well. People do often resist change in subtle, political ways, but experience suggests that these explanations are overused. One can make two kinds of mistakes in this area: treating someone who is really only confused as a resister, and treating someone who is really resisting politically as simply confused. Table 9 examines these two types of errors. This analysis suggests that the easier error to recover from is labeling behavior as confusion. One can easily move from educative to power strategies with the added authority that comes from having given a person the benefit of the doubt, but it is more difficult to switch from power strategies to reeducation, because you have poisoned the relationship that is necessary for reeducative strategies to be effective. Power approaches also run the risk of creating the very opposition that one imagined was there in the first place; people who feel unfairly blamed often respond by going underground with resistance.

4. Label the various phases and time periods of the overall organization transition. When change is introduced people may attribute initial problems in the transition to the structure or idea itself. Phrases like “shakedown cruise” and “pilot program” help
Table 9. Consequences of Error.

<table>
<thead>
<tr>
<th>You Take It As:</th>
<th>Trouble Really Is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resistance</td>
<td>Error: You react with power strategies, and person feels unfairly blamed, still in the dark on what is expected and less likely to ask. Person may go underground and create resistance (self-fulfilling). Hard to switch to educative strategies.</td>
</tr>
<tr>
<td>Confusion</td>
<td>No error: You correctly use reeducative strategies.</td>
</tr>
</tbody>
</table>

people to see a time-limited period in which errors are expected and are appropriately charged off to the break-in process and not to the idea itself.

5. Create outlets for assessment and reflection on the transition. If people know that the leader wants feedback and that special meetings have been scheduled, grievances will be appropriately channeled instead of going underground. The new leader should acknowledge the problems that will be experienced.

A very effective kickoff to a reorganization is to get a knowledgeable group of people together and ask them to respond to the following questions: “Given your experience in past reorganizations, what are three to five predictable ways in which this one might fail? For each way, what are some of the ways we might prevent or respond to these problems as they emerge?” This approach allows people to discharge their cynicism and plan constructively, perhaps setting up a monitoring and problem-
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solving group that can deal with ongoing problems as they are
detected. Tunstall (1985), discussing the lessons learned from
managing the breakup of AT&T, noted the critical importance of
having a "mechanism for rapid escalation of stalemated issues,"
which will enable lower-ranking participants—often the first to
encounter a novel situation that was not fully anticipated by the
planners of the reorganization—to get a hearing quickly so that
troubles do not build up.

6. Prior to initiating any major discussion of reorganizing,
check closely into the constraints that might exist. Subunits
sometimes have different standings, one created by an executive
order, another with a legislative base. Before getting into a
reorganization, know what approvals are required to put a new
structure in place. The power of internal groups to resist some
changes is often more closely related to their external allies than
their internal clout. Even when there are no formal requirements,
there may be powerful alliances that are important to know about
before undertaking a restructuring. Often knowing the sponsor or
reason for an earlier reorganization can be useful.

7. Balance appropriate direction setting with effective
participation. Often a small group of insiders develops a reorgani-
za tion proposal and fails to test it against the vast operational
knowledge of the career employees. On the other hand, too much
consultation can result in a stalem ate, with no support for a new
structure. An effective compromise is for the leader to work out the
major outlines or criteria for a reorganization and then invite
widespread participation within some established givens. For
example, a utility director created five new major divisions (Ahern,
1983). He invited his senior managers to say which division they
wanted to be considered for and to help specify the tasks and
responsibilities within each division that would make them
function effectively. Through an informal collegial bargaining
process, each was able to get one of his or her top two preferences
and feel some ownership of the specification of responsibilities. The
leader was able to communicate his strategic priorities by resolving
conflicts in favor of the more important functions, yet give his
managers considerable latitude in structuring their divisions.

In sum, how a leader manages a reorganization has consid-
erable impact on the ultimate effectiveness of the new structure. If the process is well managed, people will actively solve the normal problems that occur, elaborating policies to make the new patterns work and developing the new understandings and behaviors that will make the reorganization operational. If it is poorly managed, the chaos will create low morale and productivity and may cripple the new structure permanently.

**Responsibility Charting**

Responsibility charting (Gilmore, 1977; McCann and Gilmore, 1983) is a process for analyzing and establishing how multiple actors participate in specific decisions or strategic initiatives. The process has many valuable uses at several different stages of a reorganization process, especially for diagnosing organizational confusion and testing whether reorganization is necessary, as well as for the design, implementation, and debugging of a new organization structure.

The process involves creating a decision matrix, showing actors across the top and decisions or initiatives down the side, and using a code to describe how each actor participates in each decision. The following four modes can be used to describe how different people collaborate on any given decision:

A = Approves, signs off, vetoes. Accountable for the quality of the decision.

R = Responsible. Expected to detect relevant trends in the area of the decision, to shape the definition of the problem, to assemble the necessary analytical information, and to make a recommendation or suggest options. This role is accountable for errors of omission, as well as for the quality of a decision when the approving role accepts the recommendation.

C = Must be consulted. This is not a veto role, nor actively responsible, but it has some information relevant to the decision or a critical role in implementation that makes its input valuable.

I = Must be informed before public announcement of the decision. This role needs to know the results of a decision
in order to do its work but does not need to participate in
the decision.

Responsibility charting with a group of the top managers
early in a leader’s transition can be a most efficient way for the
leader to learn about the patterns of responsibility, how centralized
or decentralized different people see the organization at present.
Because one can do it with relatively infrequent decisions or with
some annual process such as budget development, it is a way to
explore issues long before they come up in actuality, when egos and
difficult issues obscure the principles of how the organization is
supposed to function.

Developing and Using the Matrix

Responsibility charting consists of the following steps:

1. Creation of a decision matrix (see Figure 9). The decisions that
   one wishes to examine are identified. These may be a sample
   of the key decisions in major areas, such as marketing,
   production, personnel, budget, planning, and so on, or those
   relevant to a particular organizational option one is examin-
   ing, such as a new role. The actors relevant to the decisions are
   also identified.
2. Development of a set of definitions describing types of partic-
   ipation.
3. Individual balloting on the decisions. In the early stages of a
   leadership transition, individual balloting prevents staff from
   following the leader’s indicated preference. People must work
   through their own opinions of how the structure would work
   best and then use the differences that result to challenge each
   other and learn more about the issues that surround these
   decisions.
4. Tabulation and analysis. Participants can work through each
decision, sharing their perceptions, or a staffer or outside
consultant can do the analysis and prepare the data on
overheads for a separate discussion and negotiation session.
When there are many decisions and many participants, the
### Figure 9. Sample Ballot.

<table>
<thead>
<tr>
<th>Decision</th>
<th>Director</th>
<th>Director Adult Services</th>
<th>Director Juvenile Services</th>
<th>Director Program Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Develop new programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Hire staff for a division</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Develop unit budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Respond to news media about a new program in juvenile sentences</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Instructions:** For each decision and each role, fill in the letter that best represents your view of the participation of that role in that decision.

- **A** = Approves
- **C** = Consulted
- **R** = Responsible
- **I** = Informed

An amount of data can be considerable. It is best to begin with a modest number of decisions (eight to twelve) and as few key actors or roles as possible. Later, finer distinctions such as who within an office actually does the work can be examined as a second stage, once the role of the overall unit is clear.

5. Discussion and negotiation of the new patterns of involvement. This session often takes several hours, especially if there are substantial differences of opinion, either in how the structure is currently working or how it should be working. The first decisions often take considerable time, but as the group moves along it begins to develop precedents that make the later decisions move more rapidly. A useful ground rule is to
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separate the discussion from the final decision making. The senior executive takes under advisement the recommended patterns of responsibility and, after studying the outcomes, issues a memorandum that summarizes the major results.

A brief example will illustrate this process. A probation department had recently reorganized by creating a new role, director of program planning, in addition to the existing directors for adult and juvenile services, so that now three executives reported to the director. There had been some confusion about the new role. Using the ballot excerpted in Figure 9, the group charted some decisions and in doing so surfaced a significantly different understanding of the planning role. When the data were tabulated, it was clear that while all four participants saw the leader’s role as one of approval (four A’s), there was a three-to-one split in their view of the other three roles.

<table>
<thead>
<tr>
<th>Decision</th>
<th>Director</th>
<th>Adult</th>
<th>Juvenile</th>
<th>Planner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop new</td>
<td>4 A</td>
<td>3 C</td>
<td>3 C</td>
<td>3 R</td>
</tr>
<tr>
<td>programs</td>
<td>1 R</td>
<td>1 R</td>
<td>1 C</td>
<td></td>
</tr>
</tbody>
</table>

The discussion revealed that the director and the heads of the adult and juvenile divisions saw the situation in the same way and that the new program planner had a very different view of the situation; he saw his role as a resource and support to the line divisions when it came to developing new programs. The division directors (and the agency director), on the contrary, expected him to develop new programs and to use the division directors for necessary input. This difference in perception of the role was critical, because the planner would be evaluated on the basis of responsibilities that he was not clear he had been given. When the group members turned to specific examples to support their perceptions, the planner was able to cite instances in which he had clearly been in a consulting capacity. When they then discussed how they wanted things to be, they were unanimous in wanting the
planner to take an active, initiating (R) role. Responsibility charting thus enabled the group to correct a basic misunderstanding before it ended in an unfair negative appraisal of the planner.

*Ongoing Value*

The group process in responsibility charting does not end with the initial chart of decisions but becomes infused in the team’s continuing work. As people face new, undiscussed decisions, they relate back to the workshop discussions and think through analogies with issues decided there.

Furthermore, the experience leaves the new top group with a shared language for rapidly communicating how they want to relate to a particular issue. For example, at the end of a meeting, the group can quickly review who will take the lead (R) role, who will be consulted (C), and who approves (A). They will quickly achieve clarity about who is responsible for follow-through because of their common language.

One powerful feature of responsibility charting is that it makes the difficult issues of power and authority discussable in a group. The all-pervasive complaints about poor communication, especially during the early months of a new team, are usually best interpreted as masked complaints about the distribution of influence. Complaining about communication is considered legitimate, but complaining about power is viewed as self-serving. Yet all the literature on job satisfaction (Trist, 1981) suggests that people want to feel some elbow room in their jobs, a well-defined area in which they are responsible and have the requisite authority to meet the challenges of the task. Responsibility charting harnesses the discussions about participation and influence to specific tasks and allows people to evaluate both the benefits and the costs of their involvement, which are summarized in Table 10.

Furthermore, responsibility charting opens up discussions of power and authority because it allows a rich range of potential solutions beyond the win/lose dynamics of discussing boxes and lines of a structure. For example, a role with a stake can be given approval power (A), even though the responsible (R) role is not directly in that chain of command. People’s involvement can be
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Table 10. Costs and Benefits of Participation in a Decision.

<table>
<thead>
<tr>
<th>Costs</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Information overload.</td>
<td>• New information about the issue.</td>
</tr>
<tr>
<td>• Lost time from delivering service or working on more important decisions.</td>
<td>• New perspectives on the issue.</td>
</tr>
<tr>
<td>• Interruption and diffusion of focus from other tasks one is working on.</td>
<td>• More ownership of the eventual decision, understanding the reasons behind it, leading to more effective implementation.</td>
</tr>
<tr>
<td>• Potential cynicism from being consulted but not seeing the impact of one’s ideas.</td>
<td>• Accountability, giving those responsible for an area some say in the decisions.</td>
</tr>
<tr>
<td>• Delay from waiting for different people to get the issue.</td>
<td></td>
</tr>
<tr>
<td>• Diffusion of accountability.</td>
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</table>

negotiated and changed; someone may be given more influence in some decisions because he or she will have more time as a result of being cut out of some other decisions. Most managers would willingly trade pseudoparticipation in a broad range of decisions for authentic involvement in the few that they regard as essential to their goals. For example, a clear guarantee that one will be promptly informed of a decision enables one to opt out of more active participation, which often may have been the only way to stay abreast of the area.

I should clarify that this process, especially when used early in a new leader’s tenure, in no way implies democratic decision making about the allocation of authority. The leader sets the ground rules. Some treat the diagnostic discussions as inputs to their decisions; others establish a preference for consensus, acting as tie breakers when stalemates have been reached. In either case, the patterns of authority are the prerogative of the leader. Sometimes
leaders deliberately choose to leave certain decisions vague, with effective results.

Another desirable feature of using this process early is that it is easy to communicate the outcomes of the discussions to those not present. Often in a new administration there are in-groups and out-groups, and key meetings take place before the new team is fully in place. Responsibility charting leaves a clear record of the results that can be rapidly reviewed with subordinates who did not attend the session or with a newly hired executive who joins the team some weeks later. Moreover, the public nature of the discussions can add some pressure for people to live up to agreements. It is much easier for lower-status people to hold higher-status people accountable. Rather than confronting a vague promise to delegate, a subordinate can call a superior on a particular decision for task-related reasons, not interpersonal jockeying for power. The confrontation may lead both sides to learn that the earlier agreement may not be feasible or may not apply in the special circumstances surrounding this issue, but it keeps the dialogue about patterns of participation aboveboard rather than driving it into a subterranean political level where it is harder to harness for work.

Three Phases of Planning

Let us now look at how this process of responsibility charting is used at three different stages of thinking about organizational patterns.

1. Diagnosis. Responsibility charting can help a new leader who wishes to tone up an organization and highlight possible misunderstandings that are leading to reduced performance. Using the existing roles and a list of typical decisions, or perhaps a set of strategic initiatives, the leader can ask top staff to ballot on how they see those initiatives being allocated across the existing structure. If there are major confusions or disagreements, the data will reveal them and the leader can then clarify or reallocate assignments.

It is far easier to clarify within an existing structure than to reorganize. If a few new initiatives do not fit comfortably in the existing structure, often an ad hoc solution can be developed.
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Perhaps a task group can be given major responsibility, or one role can be given lead responsibility despite the structure. These adjustments can constitute experiments. If they work, then a major reorganization might not be necessary. If they do not, then others may see the need for some restructuring. In either case, the organization is learning about how best to allocate responsibilities.

On the other hand, the analysis may reveal that reorganization is necessary. For example, the charting might suggest that a unit under one side of the organization might be more appropriately placed on the other side. What is powerful about responsibility charting is that it works at the level of specific decisions.

In a workshop for a newly elected governor only two weeks into his administration, the group was focusing on the roles of the different staff members. The governor had three major aides and wanted each to take liaison responsibilities for several cabinet departments. In a few selected areas he had a more junior staff specialist as a substantive expert. As the group worked through some hypothetical decisions in the area of education, it became clear that the governor, the senior aide, and the educational specialist had very different conceptions of how the specialist would function, both upward in relation to the governor's staff and outward with the secretary of education and the educational stakeholders.

Because participants filled out their charts individually, the extreme differences in power among the respondents could not unduly influence the balloting. When the issues were discussed, the governor's support for a more active role for the educational specialist (in many decisions he wanted her to be in an active, initiating role) surfaced, in marked contrast to the senior staff's more limited conception of the role (mostly consultative and informed). After a discussion of several issues that would involve the specialist in major policy issues with significant fiscal impacts, a consensus was reached. The group agreed that the function was to be a noninstitutional voice, with a bigger perspective. The assistant could second guess a secretary, coming up with more options, and could use independent judgment. It was clearly understood that in some situations there would be conflicts between the relevant secretary and the special assistant.

This process enabled the group to work through just how the
role was intended to function, rather than setting up the junior aide in a triangle, with the governor and her immediate boss disagreeing over her role. Imagine how difficult it would have been for the specialist to work this issue out if the confusion had led to performance problems early in the administration. She would have faced the difficult choice of going around her immediate superior to the governor, who also would have been in a difficult bind to address the issue without hurting his relationship with a key adviser. Because all these issues had surfaced around hypothetical issues, during a planning and organizing meeting, before key participants' egos were involved, it was much easier to address.

2. Developing a New Design. When careful diagnosis indicates a new organization, responsibility charting can be a powerful aid to design. In this case, the leader does not have the managers ballot but instead examines a selection of major decisions against the proposed new roles. When a new level or division is created, it must draw its clout either down from levels above it or up from levels below. By charting one can easily see what types of issues will be decided in the new role, readjusting them if necessary either to build the role up to be more influential or to keep the role from being overloaded. These modifications are much easier to make in the planning stage than when the reorganization is being implemented. Furthermore, the level of specificity that responsibility charting reveals often helps in recruiting for the job.

A new juvenile commissioner had been through her first year without a deputy for operations and was now meeting with her top staff to consider whether to add such a role. The participants were the commissioner, the deputy for administration, the deputy for planning, and the director of secure detention. They identified twenty-four decisions that would clearly involve a deputy for operations if that role existed, including “responding to the press on a problem in an operational unit,” “overall management information system strategy,” “program planning within a unit,” “union issues,” and so on. All four voted on their perceptions of how a deputy director for operations would be involved in each of the twenty-four decisions.

As a consultant to the group, I tabulated the ballots. In addition to showing the patterns of letters for each decision, I
created an overall score for each participant’s perception of each role’s influence by assigning weights to the letters as follows: A (approve) = 4, R (responsible) = 3, C (consulted) = 2. The results are summarized in Table 11.

As is clear from the totals, the amount of influence that each person assigned across all twenty-four decisions was reasonably close (206 to 239). But within various roles, the differences are significant. One person saw the deputy for operations as having an influence score of 85, whereas someone else saw it as having approximately half as much influence, 43. All but one saw this role as the most influential. These overall patterns and the specific responses on each of the twenty-four decisions helped the group work through their different conceptions of what value the deputy role would bring and at what cost to current working relationships.

### Table 11. Perception of Influence.

<table>
<thead>
<tr>
<th>Influence Scores</th>
<th>Approve (A) = 4</th>
<th>Responsible (R) = 3</th>
<th>Consulted (C) = 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner</td>
<td>22</td>
<td>38</td>
<td>24</td>
</tr>
<tr>
<td>Operations Deputy</td>
<td>66</td>
<td>56</td>
<td>85</td>
</tr>
<tr>
<td>Administration Deputy</td>
<td>28</td>
<td>33</td>
<td>27</td>
</tr>
<tr>
<td>Planning Deputy</td>
<td>12</td>
<td>34</td>
<td>17</td>
</tr>
<tr>
<td>Secure Detention Deputy</td>
<td>32</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td>Nonsecure Detention</td>
<td>26</td>
<td>16</td>
<td>26</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>17</td>
<td>27</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>211</strong></td>
<td><strong>225</strong></td>
<td><strong>239</strong></td>
</tr>
</tbody>
</table>
The high influence scores suggested that the role would centralize considerable power. They ended up with a decision not to fill the role. Instead they developed alternative mechanisms to ensure the integration across program units that was a critical element in the overall strategy.

The specificity of the process helps people envision the future with the new role included and explore how different people imagine it will alter the way key decisions are reached. It prevents the situation where everyone imagines that the future will bring improvements but each one envisages different (and sometimes incompatible) benefits. It is particularly powerful as a part of the preparation for recruiting for the role, as described in Chapters Three and Four, because the key interrelationships and the patterns of authority are so vividly identified. When the role is filled, the chart can be used as part of the orientation.

3. Effective Implementation. As Lynn suggested in the quotation earlier in this chapter, reorganizations are often associated with confusion. Responsibility charting can be used in a number of ways as part of the implementation of a new structure. First, a leader can use decision charts to brief key staff members on how the reorganization is to function. Here, the process of balloting is not used, but only a completed chart, which might have been developed by the reorganization planning committee and approved by the leader. Again, the specificity of a decision chart offers much more guidance than an overall description of the functions of the new divisions. Because responsibility charting, unlike a job description, shows each role’s assignments in the context of others, it is like a play book for a football team, showing how the roles interact.

After a reorganization has been in effect for a month or so, a leader can conduct a responsibility-charting process to reveal some of the implementation problems and make necessary adjustments. In this model, participants first develop the chart, perhaps by responding to a questionnaire asking them which decisions they find either confusing or not working effectively. Then the key staff members ballot, using an agreed-upon set of codes. A third-party consultant or staffperson tabulates the data, and the group discusses the patterns at a workshop. This process was used by Richard
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Nelson several months after his reorganization of field services in Michigan (Gilmore and Nelson, 1978). A useful ground rule at such sessions is to separate the discussion and the decision making. The group works through all the confusion and lists the pros and cons of alternative adjustments. Then the leader should take a week or so to reflect on the patterns before issuing a memorandum. This use of responsibility charting is particularly valuable in clarifying how people will relate to crucial annual processes such as budget development, planning, and legislative initiatives, areas in which learning on the job is particularly costly.

In sum, responsibility charting can be valuable both before, during, and after a reorganization. Organizations are complex. Just as we are limited in our ability to do complicated mathematical problems in our heads, we can think through only a limited number of organizational changes. Responsibility charting offers a language for handling much greater complexity and can speed up the transition from an old to a new structure.

Reorganizations are complex processes, not one-time events. For their success, they depend not only on an appropriate design but on building good working alliances with the people who will carry them out, a topic to be addressed in the next chapter.