



Unleashing and Combining the Wisdom: Rapid, Whole-Systems Change in Public Organizations

MARY EGGERS
SYLVIA JAMES
LORRI E. JOHNSON

www.dannemillertyson.com

Dannemiller Tyson Associates, 905 W. Eisenhower Circle, Suite 105, Ann Arbor MI 48103

Key words: systems thinking, purpose, empowerment, results, microcosm, paradigm shift

Abstract

This article describes an approach called Whole-Scale[®] Change, a large group process that appears to have helped others achieve dramatic, sustainable results in their organization or communities. It describes the possibilities for applying the predictable processes and the critical elements of Whole-Scale Change to achieve rapid, whole-system solutions in today's complex environment of public organizations.

Public organizations face increasingly complex demands in our world's ever-changing environment—complex social issues, deregulation, privatization, drastic budget cuts, customer needs for responsiveness and flexibility, pressure to survive and to recreate themselves more as a “business.” These demands require leaders to uncover new approaches that harness the speed and complexity of the new environment and use them to the advantage of all their stakeholders.

This article describes an approach called Whole-Scale[®] Change that has, from the perspective of group participants and some public officials, helped achieve dramatic, sustainable results in their organizations and communities. It describes the possibilities for applying the processes and the critical elements of Whole-Scale Change that may, from the perspective of the authors, achieve rapid, whole-system solutions in today's complex environment in public organizations and in communities.

What is Whole-Scale?

Whole-Scale has been used extensively in a variety of public organizations—city and national government, education systems, community organizations, and non-profits.

Whole-Scale was developed by Dannemiller Tyson Associates in 1981 when Ford Motor Company, seeking to move its management culture from “command and control” to a more participative style, brought in Kathleen Dannemiller, Al Davenport, Bruce Gibb, and Chuck Tyson to design and facilitate the change. The method that emerged has been used for two decades to assist hundreds of organizations and communities.

This highly participative approach provides a robust, highly effective and predictable set of processes to help organizations and communities identify and utilize their own internal abilities to grow, to better lead, and to create the organizations and communities of their own choosing. Typically, organizations and communities already know what kind of difference is needed: implementation of a new vision or strategic direction, new or redesigned work processes, restructured roles/jobs/teams, cooperation between labor and management. What they do *not* know—which Whole-Scale helps to provide—is (1) how to put the difference in place rapidly and effectively through whole-system solutions, and (2) how to continue the process.

The goals of Whole-Scale are simple. Through a series of small and/or large group interactive sessions that are purpose-driven:

- Organizations and communities work to build a shared understanding of their current reality, a vision of the future, and the action steps to get there.
- Individuals and groups seek to gain a broader “big picture” of and critical need for cooperation among all elements of a system.
- Whole system solutions are created real time and people work to implement them within days or months instead of years.
- Diverse people strive to become “one brain and one heart” which shapes how they go about their work—acting individually with the wisdom of the “whole.”
- Personal connections are forged between stakeholders at the individual “max-mix” tables over the two to three days of an event, where each table is a cross-section of all the diversity in the room. Actually knowing people makes calling on them for assistance or information easier and is key to implementation.
- The organization develops skills for using Whole-Scale processes as a way of staying connected and working together, engaging microcosms to continue to refine roles, tasks, and actions. They design and facilitate their own reunions to continue learning and changing.

Two essentials which underlie Whole-Scale as a way of leading change are the belief that:

1. Underlying principles and beliefs—about people, empowerment, integrity and trustworthiness—shape every facet of the work. These principles are the “heart” of the work.
2. Robust processes are needed to address the complexity of today’s environment. Over the years, Whole-Scale Change processes continue to build on the wisdom that has become part of our field of organization development: process consultation, action learning, systems theory, preferred futuring, community building, socio-technical systems, adult learning, strategic planning, and chaos theory.

The paradigm shift

When organizations and communities go through the series of processes described in this article, Whole-Scale Change seeks a paradigm shift—a new way of seeing the world. Once people see the world differently, they cannot be stopped from taking the actions that begin to transform their shared vision into their shared reality.

In designing the flow of needed discussion to effect a paradigm shift, we use a model for change that Dick Beckhard (Beckhard and Harris, 1987) first articulated: $D \times V \times F > R$. . . dissatisfaction with things as they are (D), a vision of what we (individually and together) yearn to have in our organization’s future and in our own (V), and the first system-wide actions we must take together in order to move us in that direction (F). If all of those elements have been discussed and created by a microcosm of the system, the sum of $D \times V \times F$ will be greater than resistance to change (R). If any one of the elements has not been explored and combined, the sum will be zero, and you will find that you can not overcome the very natural resistance to change. In that eventuality, the consultant and the microcosm group will need to diagnose what is missing. When all three elements are in place, change can begin in that moment. But the proof is in the pudding: community by community.

Case studies of Whole-Scale Change

The New York State Tax and Finance Department

In the mid-1990s, the New York Tax and Finance Department could be described as a typical state government agency. It operated with a traditional top-down hierarchy and the individual divisions operated in isolation of one another. There was no “big picture” outlook; most divisions focused on sub-optimization. There was a constant focus on improving unit operations without a clear understanding as to how the improvements connected with department performance. There

was also a great deal of emphasis placed on revenue generation, based on the department's primary function of collecting the tax money, with little attention given to the taxpayers themselves. Leadership wanted to recreate the Department into a top-notch service-oriented organization.

Seeing the possibilities of bringing together a critical mass to create a Department which is "friendly to tax payers," they held two Whole-Scale events: An initial session and a one-year Reunion.

The process for the first session began with an Event Planning Team (EPT), about 30 people from different layers and parts of the organization. This group connected around a purpose for the event to: (1) Improve cooperation, communication and coordination, (2) Empower employees and improve morale, (3) Enhance services to customers, and (4) Strive for universal commitment towards TQM (Total Quality Management).

The initial event was conducted in the fall of 1997 and included over 400 employees. They gathered for a two-day event that focused on how to transfer the Department into a top-notch service-oriented organization. During this process it was recognized that they needed to take better care of the internal needs to enable better customer service. The evaluations at the end of the two days proved that they had made significant movement on the Purpose, as articulated by the Event Planning Team. The following year, they conducted a two-day follow-up session (Reunion). The new Event Planning Team wanted to expand the experience to an even more diverse group geographically. This time over 570 employees gathered to focus on continuation of their strategy. The purpose of the Reunion was to: (1) Evaluate progress, (2) Celebrate successes, (3) Learn from frustrations, (4) Renew the spirit, (5) Determine future direction, and (6) Move forward with a commitment that enables all to work together as a team.

To design the Reunion, a new Event Planning Team was convened. Their wisdom was to begin the Reunion with a progress review, seated in their functional groups. The progress review included the following questions:

- What did we agree to do following last year's conference?
- What did we actually do?
- What did we do that we had not even expected to do?
- What did we learn from all that?
- What do we want to do to continue to move forward?

Most of the focus since the 1997 session was on improving communications, improving training, and enhancing the degree of involvement. They cited a number of technical improvements since the previous year, including more PCs, Lotus Notes, and better equipment. They learned that management is committed, that teams work, that people want to be empowered, and that it is possible to change. To move forward, they said they needed more autonomy at the lower levels, more sharing of information, continuing to voice opinions, and "staying the course".

After the initial progress review, participants were reseated into “max-mix” tables to continue building a shared picture of their current reality. At each table, people are seated at a maximum mixture of all functions, levels, service dates, attitudes of the Department—“max-mix” table seating. They heard from leadership that “the progress has exceeded our expectations” and individuals were now bringing solutions instead of problems to the table. They heard directly from external customers who said the degree of complexity for taxpayers had decreased, the department was listening and was indeed more courteous. Their customers encouraged the department to continue to move forward with their vision.

Still seated in “max-mix”, participants worked together to create a real-time diagnosis of the department today: internal communications, teamwork, rewards and recognition, performance management, technologies, etc. Also, they heard an update of projects initiated from the first session. These projects reaffirmed the success of the session and led into new system-wide action planning. After generating a preferred future statement for each area of the business, participants identified action items towards realizing the future—everything from technology improvements to supervisor training. From these system-wide actions, they moved to generating requests from each other as internal customers and making commitments.

This initiative has not been formally evaluated, but outcomes are encouraging from a whole systems change perspective. Some of the comments from the Reunion were “I see the change and it is good” and “for the first time, I enjoy coming to work,” and “I have seen the commitment from all levels and its impact on our customers. It is taken on a life of its own!” In post-session¹ interviews, other measureables were: (1) Service level improved from 65% to 93%, (2) Accuracy and clarity of information provided improved, and (3) Wait times were reduced from 58% to 32%.

The National Caucus and Center on Black Aged (NCBA)

The National Caucus and Center on Black Aged (NCBA) has strong roots in the civil and human rights movement of the 1960s and 1970s. The convening issue for what started as an ad hoc organization was to give national visibility to economic, health, and social issues facing African-American elderly and to influence the 1971 White House Conference on Aging. By the late 1990s, many of the original founders of NCBA had passed on and those who remained continued the struggle for a decent standard of living and quality of life and to protect the legacy of the original founders. They also recognized that it was important to plan for the future and to re-examine NCBA’s mission in light of current social, economic, and political trends.

The Board had established a Strategic Planning (SP) Committee to collect data using surveys and interviews with its members and chapter offices around the

country. Facilitators met with the Board of Directors to understand what they hoped to create now and what they perceived to be the most critical issues facing the organization as they looked to the future. Issues such as the lack of resources, the restructuring of federally funded social programs, and projected demographics for populations of color were considered.

An Event Planning Team was convened which included representatives from the Board, the SP Committee, and the administrative staff of NCBA. They agreed that the purpose of their first event was “to garner the strengths and resources of all stakeholders in defining the mission and vision of NCBA and agree on our individual and collective roles and responsibilities in achieving them”.

The team designed a two-day strategic planning retreat that included the full Board, staff, and representatives from various external stakeholder groups. Participants attempted to build a shared understanding of how they arrived at the current state of the organization, including obstacles faced and lessons learned from their struggle. Beneficiaries of NCBA services told stories about the role that NCBA had played in their lives and what NCBA meant to them. A trio of elderly women on a stakeholder panel described the feeling of security and the sense of community and family that living in one of the NCBA-sponsored housing projects afforded them. Another woman on the panel talked about having to re-enter the workforce at the age of seventy and the training and placement opportunities that she received through the NCBA employment program. The Chief of the Racial Statistics Branch of the National Bureau of the Census shared current demographical data and projections for the next 20 years and the impact on political, economic, and social trends in the future.

Insights from these external stakeholders seemed to provide the impetus the organization needed to free themselves from old assumptions about their constituency and the environment. Their work together at the event appeared to validate their identity, mission and direction. For the first time they had a shared commitment to their focus as well as how they would create and deliver value. They worked on defining relationships, given their dual roles as advocate and service provider. Together, they seemed to let go of trying to be “another AARP” in order to focus on what they now saw together as their unique role. Once they were aligned on their image of NCBA’s future and the role that the organization should play, everyone agreed to focus strategically on improving their marketing, increasing financial resources, developing human resources (including board development), addressing health issues and the expansion of existing programs—Processes and Resources.

Several weeks after the event, the Strategic Planning Committee and the Board members met to sustain the process by defining and agreeing on their desired results (objectives); developing action plans, and understanding their individual and collective roles in moving ahead.

University of Maryland

In late 1998, the University of Maryland formed the Office of Information Technology (OIT), merging the information technology related work of three organizations into one, under its first Chief Information Officer. This new organization was to: create an information technology infrastructure appropriate for a leading research university, transform the teaching and learning process; provide research design and development tools; reach out to the regional and national community; and support institutional academic and business processes. In the fall of 2000, the leaders of OIT wanted to take the next step in the organizational realignment to ensure that the merger lived up to its potential. The three merged organizations were still performing largely like independent entities, with overlapping activities and processes. This at a time when the organization was being asked to do more to support the larger university community caused the leadership team to look for a process that could help them become “one OIT”, all pulling together to meet the rapidly changes technology requirements of their customers. Facilitators were engaged to help OIT create “one organization” with a strong leadership team aligned around the needs of customers and their role in leading OIT and an organization structured to capitalize on limited resources and current talent to better serve an expanding customer base.

Using the Whole-Scale approach to change OIT’s, journey included four critical components: leadership alignment, organization alignment, organization restructuring and process redesign. The journey began with a retreat to align the leaders around the expanding role that the organization was being called to fulfill both within the University and with external partners and to define their role in leading this effort. The second component aligned the entire organization around a compelling vision of the future and the actions needed to achieve the vision and tapping the wisdom of the employees for their good ideas on how to best organize for success. The third restructured the organization to make the best use of existing talent and technologies to better server customers now and in the future. And the fourth, looked at critical business processes and redesigned them to better support the work that needs to be done. In this process, OIT seems to be creating the internal capacity to manage change on an ongoing basis.

In April of 2000 OIT held an organization alignment event for all but a “skeleton crew” that stayed behind to “mind the store”. A microcosm team of about 20 members from across all levels and functions of OIT developed the event purpose and design. The event purpose was: “To work toward a more unified OIT where people and their ideas are heard and valued to bring about positive change for you, OIT and the university.” Some of the desired outcomes for the event were:

- We feel we have been heard, listened to and acted upon.
- Action plans, task forces, timeline with plans for what happens next to continue follow-thru are in place.

- We have defined OIT's mission, vision, goals, values and priorities.
- We understand the structure of OIT.
- We have identified our current products and services and identified which ones are critical.
- We have agreed on the criteria by which we will design the new OIT.

In addition to achieving these outcomes, the members of the organization seemed to appreciate the magnitude of the work to be done by various levels of the organization. As event participants grappled with ideas for how they might restructure themselves the comment most often heard in the room was "I now see what a hard job leadership has in front of them and the complexity of restructuring an organization like ours." From the leaders of the organization they apparently began to appreciate that by asking for and using the input from everyone in the organization they could create "one OIT" that could meet the challenges they face.

The organization is moving from "three merged organizations" to one with the leadership team working together in new and more open ways. By July 2001 the Change Team, a microcosm team, had successfully managed the process of creating a new organization structure that meets the needs of the leaders, the people and the customers. Importantly, from the whole system change perspective, the people in the organization created this new structure. Implementation of the new OIT structure will begin in the fall of 2001. The next step is the redesign of critical business processes so that these processes support the work of the organization.

The essentials for success

In applying Whole-Scale methods in hundreds of communities and organizations over the past 20 years, we believe that successful engagement in whole systems change hinges on basic principles summarized below. We employ our own "vocabulary" to illustrate our frame of reference in talking about the method. We believe that our vocabulary helps cast group decision-making in a different light.

We disturb the universe with every breath, and every breath/word/action must be intentional. For example, three key questions guide the event planning process:

- What is the purpose of this event? What truly needs to be different in the world because we held this meeting?
- Who needs to be in this room (represented in this room) if we are to achieve that purpose?
- What conversations need to take place and develop if we are to achieve the purpose?

Once a system agrees on the answers to these questions, then trust that with that purpose, the right people, and the robust processes, that it will work!

Wisdom is in the people of the organization. That wisdom is developed through helping participants get to one-brain (all seeing the same data) and one-heart (all connected around common yearnings). When this has come to pass, people will be bonded together as a “whole”, and will be capable of acting separately yet in a unified way—to combine and release their own system-wide wisdom.

Each person’s truth is truth. Creating a common database of truths is the work of the consultant and the organization. From the complexity of all those diverse “truths,” organizational wisdom will emerge and make sense. If you create that organizational wisdom in a microcosm of the whole organization, you will find that they are able to move back into the larger organization and act as a catalyst to evoke change in the virtual “blood stream” of the whole organization.

It is about living out of our hearts. We freely share the wealth of our experiences and processes with others, in faith that those who receive the wealth will do the same, thus creating an ongoing, positive force for change in the world.

Let us uncover this together. Consultants, internal or external, can be experts on process, that’s all. They must fight for processes which they believe will work and must be flexible and creative at the same time. Organization members are the real experts on their own world.

This work is about a sincere, deep abiding, unwavering view of democracy and empowerment within a system-wide view of reality. The wisdom is in the “whole.” Help to release and combine the diverse beliefs and voices, and the answers will always be the right ones. Democratic leaders help everyone be as good as they can be by getting them to see the whole picture of reality—inside and outside the organization.

Be authentic in everything you do, with client systems as a whole, with others in your organizations and communities, with students, and with your own family. This belief system is not a “part-time” thing.

Life is an Action Research Project. Everything we do or say becomes data for action learning and insight. W. Edwards Deming believed that we need to be in a constant flow of action research—“Plan, Do, Check, Act” (Deming, 1986, p. 86 and Scherkenbach, 1988, pp. 35–36). The key questions we believe we must ask ourselves at the “check” point to move ahead on the journey are:

- What did we say we would do differently?
- What did we actually do differently?
- What did we learn from that?
- Where do we need to go from here?

Examples of public organizations utilizing Whole-Scale methods.

- Education: Ann Arbor, Michigan Public Schools; St. Francis, Minnesota School District; Mead School District, Spokane, Washington; University of

Michigan, University of Maryland, Eastern Michigan University, University of Minnesota . . .

- U.S. Government: Department of Defense, Central Intelligence Agency, Bridger Teton National Forest, Minnesota Land Resources, NASA
- State Government: Wisconsin Department of Transportation, New York Tax Department . . .
- County Government: Washtenaw County, Michigan; METRO—King County, Washington; Sedgwick County, Kansas, City of Takoma Park, Maryland . . .
- City Government: City of New York, Houston . . .
- Community Groups: The National Caucus and Center on Black Aged (NCBA), Ann Arbor Arts Council . . .

Roots and theories underlying Whole-Scale: Selected readings

Action research

Frohman, M., M. Sashkin, and M. Kavanagh. (1976). "Action Research as Applied to Organization Development." In *Organization and Administrative Sciences*, 7(1-2), 129-142.

Adult learning

Knowles, M. (1980). *The Modern Practice of Adult Education*. New York; Cambridge: The Adult Education Company.

Knowles, M., E. Holton, and R. Swanson. (1998). *The Adult Learner: The Definitive Classic in Adult Education and Human Resource Development*. 5th Edition. Houston: Gulf Publishing Company.

Kolb, D. (1984). *Experiential Learning: Experience as the Source of Learning and Development*. Old Tappan, NJ: Prentice-Hall.

Chaos field theory

Gleick, J. (1987). *Chaos: Making a New Science*. New York: Penguin.

Wheatley, M. (1992). *Leadership and the New Science*. San Francisco: Berrett-Koehler.

Community building

Lippitt, G. and R. Lippitt. (1978). *The Consulting Process in Action*. San Diego: University Associates.

Preferred futuring

Beckhard, R. and R. Harris. (1987). *Organizational Transitions: Managing Complex Change*. Reading, MA: Addison-Wesley.

Lippitt, Lawrence. (1998). *Preferred Futuring: Envision the Future You Want and Unleash the Energy to Get There*. San Francisco: Berrett-Koehler.

Lippitt, Ron (1983). "Future Before You Plan." In *The NTL Manager's Handbook*. Arlington, VA: NTL Institute.

Socio-technical systems

Trist, E. (1981). "The Evolution of Socio-Technical Systems." In *Perspectives on Organizational Design and Behavior* by Andy Van de Ven and William Joyce. N.Y.: Wiley Interscience.

Systems thinking

Deming, W. (1986). *Out of Crisis*. Cambridge, MA: Massachusetts Institute of Technology, Center for Advanced Engineering Study.

Scherkenbach, William W. (1988). *The Deming Route to Quality and Productivity*. Washington D.C.: CEE Press Books.

Mary Eggers is a partner in Dannemiller Tyson Associates. Mary has been in the field of organization development since 1985 and has experience in healthcare, education, government, information technology, not for profits and manufacturing. She is a graduate of AU/NTL with an MS in Organization Development. Mary lives in the Washington, D.C., area and when not working with organizations she is an artist and a gardener.

Sylvia L. James has worked as an internal and external consultant in large-scale change for 20 years, pioneering Whole-Scale processes in aerospace in the early 1980s. She works globally with communities and organizations to bring about a variety of whole-system change efforts in high tech, service, manufacturing, government and education systems. She is a presenter at conferences and workshops around the world. She is a contributor to *Flawless Consulting Fieldbook* (Peter Block) and *The Change Handbook* (Holman & Devane).

Lorri E. Johnson has experience in the application of Whole-Scale methodology that includes strategic planning, work redesign, and culture change. She has consulted in a wide range of industries, such as automotive, manufacturing, health care, and information technology. She is a faculty member of the Association for Quality and Participation at the School for Managing and Leading Change. Lorri's background includes fourteen years' experience with Xerox Corporation and Bell & Howell in the areas of human resources, sales, and marketing.