Organisational Transformations: Successfully Engaging the People

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Abstract

Purpose: The purpose of this paper is to explore the discrepancy between organisational transformation (OT) models when it comes to formal motivation and incentive elements to incite employee engagement in organisational change programmes, giving attention to important considerations of organisational design and operational excellence theory and practices so that interventions are more likely to result in sustainable success of organisational transformation programmes.

Methodology: This paper is based on a synthesis of the literature on organisational transformation and socio-technical system (STS) literature to identify the commonalities and differences to explore potential gaps for mobilising an organisation to change with a focus on employee engagement.

Findings: Employee participation *per se* is not a magic bullet to ensure success of an organisational transformation. Rather, it needs to be anchored in the organisation by a combination of several factors, setting goals and creating systematic feedback loops. It needs to start at the top with a vision and strategy, be part of the formal goal and objective-setting, as well as part of the reward and remuneration structure. Furthermore, it is necessary to integrate it into the leadership role and style and make that part of the communication plan concerning the planned organisational change. Even if applied and pursued actively, it is only one of the success factors of organisational transformation and change.

Research Limitations/Implications: This research considers theory, models, and practices identified in literature from the 1900s to the 2010s associated with European, American, and Japanese businesses that have had an impact on researchers and practitioners in the OT and operational excellence (OE) communities.

The paper identifies important enabling considerations that have been surfaced by earlier researchers for improving firm performance when structures are redesigned but are seldom highlighted by contemporary writers in the field of OT and OE.

Originality/value: Organisational change programs are often designed in a top-down manner. However, despite the managerial tip of the iceberg having thought it through, it is up to the rest of the organisation to carry it out. Organisational design (OD) models emphasise the need for a sensible reward and recognition system and dedicate a substantial part towards enabling and empowering the people, but organisational change models do that only in a very implicit manner.

Keywords: Organisational transformation, operational excellence, socio-technical systems, goal setting, employee engagement

Introduction

The success ratio of implementing change and transformation projects is considered low, and failure rates go as high as 70%, 80%, or 90% (Cerpa & Verner, 2009; Eaton, 2010; Kotter, 2012), depending on the specific context. Independent of the accuracy of those figures, the potential for improvement becomes evident.

The following reasons for failing are cited frequently:

- **Vision and strategy** (Beer, 2003; Eaton, 2010; Hines et al., 2011; Kotter, 2012)
- **Goal setting** (Deming, 2000; Eaton, 2010; Hines et al., 2011; Akan, Er Ülker & Ünsar, 2016; Rottmann & Roland, 2016)
- **Leadership** (Beer, 2003; Eaton, 2010; Kotter, 2012; Project Management Institute, 2014)
- **Governance** (Kotter, 1995; Beer, 2003; Eaton, 2010; Hines et al., 2011; Project Management Institute, 2014)
- **Communication** (Hines et al., 2011; Kotter, 2012; Klonek, Lehmann-Willenbrock & Kauffeld, 2014; Project Management Institute, 2014; Rottmann & Roland, 2016)
- **People engagement** (Deming, 2000; Jones, Roberts & Chonko, 2001; Eaton, 2010; Hines et al., 2011)

Independent of the size of organisations and their complexity, the socio-technical systems theory suggests that the effectiveness of the enterprise is subject to the influence of human resources (Pasmore, 1988). Team involvement is seen as key to success in any lean transformation project (Bicheno, 1994) and in any change project, as suggested by Lewin (Mitchell, 2013).

Context and Background

Classical transformation methods generally follow a waterfall process where one phase needs to be finished to start the next. Independent of the level of details, there is a preparation phase, an implementation phase, and then a consolidation phase, which can be found in classical works (Lewin, 1947; Lippit, 1958; Phillips, 1983; Pasmore, 1988; Dichter, Gagnon & Alexander, 1993; Kotter, 2012; Mind Tools Ltd, 2016). However, it is often not considered in the application that there may be a moving target, that a change program may consist of several different steps, and (in particular) that a course correction is needed when roadblocks are hit and the initial assumptions or plans are no longer valid (Dahlstroem, Desmet & Singer, 2017).

This research paper addresses a particular aspect within the change and transformation process by suggesting a more consequent application of feedback loops and two-way communication (Kotter, 2012), such as plan, do, check, act (PDCA) (Bicheno & Holweg, 2016), in the transformation process. The objective of that approach is to aim for more active team involvement and engagement to increase the success ratio.

Research Method

This paper reviews organisational transformation models and approaches with a focus on employee involvement and engagement and how a consequent application and consideration thereof might increase the success ratio of transformation projects. In detail, the works of Lewin, Lippit, Phillips, Pasmore, Kotter, Prosci, Nadler and Tushman, Hayes, and Edosomwan are being reviewed.

This paper reviews these works, addresses the reasons for failure mentioned above, and intends to point out the necessity of several aspects to be working together in combination to achieve a positive effect on organisational transformation.

Literature Review

Organisational Transformation Models

Kurt Lewin’s three-phase model consists of three phases: un-freeze, move, and re-freeze (Lewin, 1947; Mind Tools Ltd, 2016). However, it is suggested that the model itself only formed after his passing (Cummings, Bridgman & Brown, 2016) without questioning the validity of the model as a founding pillar of organisational change.

The phases are described as such:

1. Unfreeze
   Determine what needs to change
   Ensure there is strong support from upper management
   Create the need for change
   Manage and understand the doubts and concerns.

2. Move
   Communicate often
   Dispel rumours
   Empower action
   Involve people in the process (especially leaders)

3. Refreeze
   Anchor the changes into the culture
   Develop ways to sustain the change
   Provide support and training
   Celebrate success

Lippit’s seven-phase model builds on Lewin’s model, to whom he also explicitly refers to in his book (Lippit, 1958), and focusses on the role of the change agent (Koller, 2012). Although some people try to match it to Lewin’s three phases entirely (e.g., (Lippit, 1958; Mitchell, 2013) emphasises that it is not a one-way road but change that consists of many iterations. He also uses the term ‘client system’ rather than ‘client’ for the organisation in the change process to acknowledge the complexity thereof.

The seven phases are:

1. Discover or develop need for change
2. Establish the helping relationship
3. Identify problem
4. Examine alternative routes, goals, and objectives
5. Initiate change activities
6. Generalise change and stabilise

7. Terminate or redefine helping relationship

Independent of the process, Lippit distinguishes between different types of systems by the size of the organisation, and although the process steps are the same, the dimensions of activities are different.

Phillips's four-step model builds on Lippitt's model (Koller, 2012) and identifies four major steps or phases (Phillips, 1983). However, he also explicitly distinguishes three critical components that need to be paid attention to in each of the four phases.

The four phases are the following:

1. Creating a sense of concern
2. Developing a specific commitment to change
3. Pushing for major change
4. Reinforcing and consolidating the new course

In each of the phases, the strategic, organisational, and political components need to be considered and addressed.

Kotter's eight steps (Kotter, 2012) outline eight major errors in organisational transformations before presenting the answer to each one of them. Kotter emphasises the need for strong leadership throughout the process. That defines the eight-step approach for his transformation model that needs to be followed sequentially:

1. Establish a sense of urgency
2. Creating the guiding coalition
3. Developing a vision and strategy
4. Communicating the change vision
5. Empowering employees and remove obstacles
6. Generating short term wins
7. Consolidating gains and producing more change
8. Anchoring the change in the corporate culture

Edosomwan's seven steps (Edosomwan, 2009) proposes a model and emphasises that independent of the change being positive or negative, it is necessary to follow these steps to have a successful change. Edosomwan pays attention to the need for leadership in this transformation:

1. Leadership vision and motivation for change that involves the leaders having a vision and motivating the staff;
2. Education on the need for change, which is mainly about communication to and with the people to create an understanding of the need;
3. Develop the skills and tools for change that requires providing training and tools to master a changed environment;
4. Engagement for change, which is the need to understand and respect the informal network to create a substantiated momentum for change;
5. Development of change agents who can be internal or external people (in line with Lippit (Lippit, 1958) to support the change activities and help reach a critical mass;

6. Assess the readiness for change, which is the reflection of the organisation's capability to absorb and execute the change; and
7. Change implementation, which is the final step after preparation and planning, best supported by successful pilot projects.

Hayes's change process proposed in his textbook compiles various approaches (Hayes, 2014) and proposes a five-step process accompanied by two processes in parallel. The first block explains his view of change being a dynamic process and not something static; therefore, it is not part of the change process *per se*, but the introduction to his methodology. As it is a textbook, an entire chapter is dedicated to each of the sub-steps and phases. The model consists of the following phases:

1. Recognising the need for change and starting the process. This phase concentrates on the importance of understanding the need to change, what different patterns of change exist, and how to form relationships and start the whole process;
2. Diagnosing what needs to be changed and formulating a vision. That aspect describes in detail the analytical requirements and the methods to do such a diagnostic to design a vision and strategy for the future;
3. Planning and preparing the change. After the initial diagnosis, the planning activities are described. That part is a mixture of methods and tools to plan the change successfully;
4. Implementing the change and reviewing progress. After the diagnosis and the planning comes the actual implementation; next to launching the activities, this includes ideas on how to control and manage the different change activities; and
5. Sustaining the change. The last part describes how to keep the change as part of the organisation and how to continue the activities with new areas.

There are two more processes that run parallel to the five steps above, that can be seen as continuous activities (enablers) for the change process:

6. Leading and managing issues related to people. Hayes dedicates a substantial part to the roles of leaders, and the importance of communication throughout the complete change process to ensure steady progress; and
7. Learning. Finally, Hayes describes the importance of continuous learning, and how change can be an opportunity for both individuals and a group of people.

Nadler and Tushman's congruence model (Nadler & Tushman, 1997) compares the input, strategy, output, and analyses in regard to what extent there is an organisational fit. Nadler and Tushman do so along four organisational components:

- Formal organisation
- Informal organisation
- People (individuals)
- Work

In principle, they describe a process where there needs to be a match between the existing input of an organisation and the desired output (congruence), and an analysis of it that reveals the areas of improvement. They finish this process with the formulation of an action plan. However, the cornerstone of their approach is the analysis of the relationships between four key elements of the organisation that result in six potential bi-lateral relationships that need to be analysed:

- Formal organisation-informal organisation
- Formal organisation-people
- Formal organisation-work
- Informal organisation-people
- Informal organisation-work
- People-work

Prosci's change management model distinguishes between change management for an organisation (three phases) and for an individual (five phases), and argues that success needs the combination of both (Prosci, 2013, 2017). The organisational model provides additional elements and deliverables for each of the three phases along the change process:

1. Preparing for change
   Define your change management strategy
   Prepare your change management team
   Develop your sponsorship model

2. Managing change
   Develop change management plans
   Take action and implement plans

3. Reinforcing change
   Collect and analyse feedback
   Diagnose gaps and manage resistance
   Implement corrective actions and celebrate success.

The individual model can be considered a checklist to evaluate the individual's readiness for change:

1. Awareness of the business reasons for change. Awareness is the goal/outcome of early communications related to an organisational change;
2. Desire to engage and participate in the change. Desire is the goal/outcome of sponsorship and resistance management;
3. Knowledge about how to change. Knowledge is the goal/outcome of training and coaching;
4. Ability to realise or implement the change at the required performance level. Ability is the goal/outcome of additional coaching, practice, and time; and
5. Reinforcement to ensure change sticks. Reinforcement is the goal/outcome of adoption measurement, corrective action, and recognition of successful change.

Pasmore's organisational design (OD) process incorporates intrinsic motivational drivers of involvement, respect for the individual, and respect for the group (Pasmore, 1988), and takes a group-based approach in line with STS to change what can be described as a step process:

1. Define scope of system redesign;
2. Identify environmental demand;

3. Create vision statement;
4. Educate members;
5. Create change structure;
6. Conduct STS analysis;
7. Create redesign proposals;
8. Implement agreed changes; and
9. Evaluate changes/refine design.

Further Aspects of Employee Engagement and Involvement

The origins and evolution of STS emerge from UK coal mining in 1949 and the Tavistock Institute studies in particular through to 1980, by when it had become part of a field known as the ‘quality of working life’ (Trist, 1981). These early studies surfaced productivity and morale benefits of small autonomous group working end-to-end across the production process, especially higher commitment, cooperation, and task rotation. Trist’s work clearly highlights the need to consider three levels of organisational design: primary systems (individual/group level), organisation (department/plant level), and macro-social (sector/community level).

Guiding principles and aspects of socio-technical systems practice were developed to support those involved in organisational design by facilitating the simultaneous adoption of both social and technical systems principles (Cherns, 1976). Cherns suggests that organisations should be inclusive with regards to who is involved in organisational design with design activity involving and belonging to 'the members of the organisation whose working lives are being designed' (Cherns, 1976, p. 791).

This inclusive approach was specifically adopted to encourage practitioners and management to move away from a Taylorist control approach.

STS theory is a valid approach for organisational development interventions involving self-managed work teams (Appelbaum, 1997). To achieve effective application, STS theory would need to be applied at a strategic level rather than a local level and via a complex change intervention. Once established, self-managed teams would become adept and easy to maintain, though this strength itself may turn into a weakness; self-focus can result in resistance to essential change required to satisfy changing market conditions and improve operational excellence (OE).

Western strategy deployment practices through the 1960s and into the 1990s set a standard for specialist staff-led systems to avoid rather than engage with people in the business, leading to poor strategy and implementation (Mintzberg, 1994). For strategy building to be visionary, creative, and committing, the role of strategic planners should be to facilitate deployment from the outside-in rather than be active in analysis and strategy building (Mintzberg, 1994).

Management styles that are aligned to strategic planning and thinking activities can have a significant impact on adoption; strategic planning is aligned with calculating management style with its attendant lack of commitment and energy; in contrast, a committing management approach of leaders is required to support adoption (Mintzberg, 1994). A focus on deploying a plan with hard data rather than deploying a vision/strategic goal can also have a negative impact on manager-level engagement (Mintzberg, 1994).

Lean strategy deployment practice (*Hoshin Kanri*) is a change-enabling approach that engages team members in the ‘how’ of strategic and tactical change (Cowley & Domb, 1977). Cowley and Domb suggest that many of the conceptual origins of strategy deployment can be seen in the quality management work of Juran (Juran, 1964) and Drucker’s (Drucker, 1954) management by objectives. Juran (1964) was influenced by cultural studies. Juran's chapter, 'Resistance to Change—Cultural Patterns', is largely the text of his earlier paper on relationships between staff and line (Juran, 1956), with influences from the field of anthropology.

Jackson (Jackson, 2006) describes a three-level process for 'institutionalising *Hoshin Kanri'* that involves company-wide work for business processes, functional processes and their interactions (such as marketing and engineering), and functional sub-processes whose work is carried out at a shop-floor level by the first tier of leaders with their teams.

Surfacing and sharing tacit knowledge is required for effective organisational learning; Nonaka (Nonaka, 1991) suggests that a knowledge-creating company's core HR strategy should focus on surfacing tacit knowledge of employees so it can be applied by others and become part of everyday activity and insight. To achieve this, a four-step 'spiral of knowledge' (the SECI process) is applied that is comprised of socialisation, externalisation/articulation, combination, and internalisation.

Discussion

From the analysis of the approaches and models, we could find several ideas and suggestions on how to address initial issues and reasons for failure in organisational transformations.

Providing a vision: The vision may be abstract, but has to be long-term (Nadler & Tushman, 1997; Hines et al., 2011), imaginable, and desirable (Kotter, 1995), and show where the organisation will position itself in the future (Dahlstroem, Desmet & Singer, 2017).

In a leadership context, *Hoshin Kanri* provides a compass, the 'true north' of an organisation's mission that is an essential element allowing self-management to take the place of bureaucracy; coupled with harnessing workers' knowledge in a systems approach for business objective action plans, policy deployment can provide both direction and engagement opportunities for *kaizen*.

Creating a strategy: The strategy is more concrete and tangible than the vision. The strategy needs to be touchable, understandable in less than five minutes (Kotter, 2012), and must already show how to achieve the previously defined vision (Hayes, 2014); therefore, the objectives and goals need to be previously defined in this phase as part of the strategy definition. This activity may take several iterations and loops with the leadership team (Kotter, 2012), and because the strategy needs to be anchored in the organisation (Proff & Proff, 2013). However, it is an integral part needed before launching the next steps.

Strategic planning: While Mintzberg (Mintzberg, 1994) articulates the fallacies of strategic planning in particular to behaviours. uses of planning specialists, and negative impacts on managers in the business, he frames proposals around management and planners with no reference to the role of those who work in the process. There may be many reasons for this gap in realising strategy deployment and making change actually happen: a focus on non-operative roles, a focus on resolving just part of the deployment process, or possibly that up to the mid-1990s engagement of those who worked in the process of planning and executing strategic goals was not considered important.

Goal-Setting

With the strategy clear, it is now time to dive into details and define specific objectives not only on a global level, but also and especially for the different sub-organisations.

Define objectives: The first activity is to translate the strategic objectives into tangible goals (Lippit, 1958) and define a roadmap for change (Hayes, 2014). This includes defining KPIs for strategic initiatives (Hines et al., 2011) and developing potential scenarios (Lippit, 1958; Proff & Proff, 2013). The major challenge of this activity is to commit to concrete objectives and to make them measurable; that in turn means that success can be measured and also the lack of it when not achieving an objective.

Break down objectives: Once the objectives are specified, they now need to be broken down into smaller pieces for the different sub-organisations (Dichter, Gagnon & Alexander, 1993) and with a smaller time frame to make it more tangible (Nadler & Tushman, 1997). This may require another force field analysis for a sub-organisation in order to have a clearer vision of how to implement the change there. In any case, it is necessary to have the overall strategy translated into sub-strategies for the different organisational entities to make it manageable.

Define reward scheme: Independent of its specificity, a key motivational factor for employees is rewards (Herzberg, 1959; Vroom, 1964; Locke et al., 1989); therefore, it is necessary to address this issue for the employees (and also organisations) and define them for the changed positions and responsibilities in order to motivate people (Proff & Proff, 2013; Lorsch & McTague, 2016). The reward system must be designed in a manner that the change can be sustained (Lewin, 1947; Hines et al., 2011; Mind Tools Ltd, 2016) and not dissipate, because people adhere to the old ways sometimes just because the old ways are rewarded better.

Define change reward scheme: There is a key aspect that has been neglected in almost all the models: the reward scheme for the transformation and change process itself (Prosci, 2017). It appears sometimes implicitly, but never as directly and explicitly as it does when it comes to defining a remuneration or reward structure for the future organisation. This appears to be a significant potential gap for further study.

Improve Leadership

Establishing leadership: Leadership as a crucial aspect is mentioned in many models; however, it is necessary to define that aspect a bit further. Creating a powerful change leadership team includes not only finding people who are willing to drive the change (Kotter, 1995; Dahlstroem, Desmet & Singer, 2017), but finding the people who have the power and influence to drive the change throughout the organisation (Kotter, 1995; Hayes, 2014; Mind Tools Ltd, 2016). This is a challenging task, as people in upper management often have a very tight schedule.

Ensure commitment: Once leadership is established, it is necessary to ensure that they do not only pay lip service to the change effort, but are truly convinced and committed (Phillips, 1983). Although one can never be absolutely sure, there are some activities to support that endeavour. This may include workshops or offsite events (Dichter, Gagnon & Alexander, 1993; Kotter, 1995), or another round to convince the top management that this has not yet been the case (Dahlstroem, Desmet & Singer, 2017). Independent of the activities, the outcome must be formed, convinced, and committed leadership with the willingness and ability to drive change throughout the organisation.

Define roles: The next step is to define the exact roles or the leadership team in order to drive the change. This ranges from a simple designation of tasks (Proff & Proff, 2013) to defining the team structure (Prosci, 2017), but also involves realigning responsibilities in order to ensure that the people have enough time and capacity to assume the newly defined role (Dichter, Gagnon & Alexander, 1993). This may also result in defining a specific and distinct change organisation for this transformation. If responsibilities are not clearly defined, confusion may result, which is especially detrimental in the starting phase of a change project.

Adapt style: In addition to the roles, it may be necessary to adapt the leadership style. The focus here is to lead a change (Kotter, 1995) rather than manage a change. That may imply a more entrepreneurial approach from the leadership (Hines et al., 2011); this is important to consider when selecting people in the first place. Key traits for success are to walk the talk, to have actions in line with words (Kotter, 1995), and to be very clear about how decisions are being made (Dahlstroem, Desmet & Singer, 2017). If speed is the matter, then the decision-making process may require a substantial overhaul or alignment.

Improve Governance by Establishing Feedback Loops

Many organisational models address the need for formal governance; however, the models only marginally and implicitly mention the need for a two-way approach. There are two aspects that stand out in most transformation approaches.

Provide sufficient resources: It is necessary to allow for sufficient capacity and capability (right people, right skills, enough time) to direct the operational activities. That can either be change agents (Lippit, 1958; Edosomwan, 2009; Proff & Proff, 2013) or other people with a distinct responsibility for this transformation program. Tools are business cockpits (Hines et al., 2011) and standard project management practices (Wysocki, 2014). In a travel analogy, this would represent the steering wheel, and if no one is at the helm, one might wonder where the ship is sailing to.

Formalise feedback loops: In order to increase the speed of change, a continuous reflection of the progress is required (Kotter, 2012), as well as maintaining a positive attitude (Lippit, 1958), even if things go slow in the beginning and the activities continuously expand (Phillips, 1983). This involves the reporting of positive news and success stories. Top management and leadership have the responsibility here to help increasing the momentum and spread the change.

However, few models explicitly address (Lippit, 1958; Hayes, 2014; Prosci, 2017) that a feedback loop is necessary. During the transformation process, many things happened, some went according to plan, others did not; some things went extremely well while other aspects were rather disappointing. In any case, it is necessary as part of the governing model to integrate a regular review to assess what happened and how to amend things in the future.

Improve Communication

Define communication content: The recommendations range from describing the benefits of the upcoming change (Lewin, 1947; Mind Tools Ltd, 2016), determining why it is being planned, and being as detailed and descriptive as possible to leave little room for ambiguity; yet, it needs to simple, and perhaps very visual (a picture vs. a thousand words) and passionate (Kotter, 2012). A communication plan is in order (Prosci, 2017) so that the communication towards the organisation is done in a streamlined way. As with any project it may be recommendable to have a project manager in place for the communication plan, depending on the size of the organisation and the size of the transformation.

Spread the word: After defining the content, the word now needs to be spread. This is addressed in detail in a few approaches. Kotter and Mindtools' interpretation of Lewin's approach address this aspect explicitly (Kotter, 2012; Mind Tools Ltd, 2016). Kotter insists that communication is underdone by a factor of 10, 100, or 1,000. A simple question to the staff might shed some light on this matter when asking about the current transformation and their level of information.

Enable two-way communication: There are several reasons to enable two-way communication: to avoid confusion (Mind Tools Ltd, 2016), dispel rumours (Kotter, 2012) as early as possible, and demonstrate commitment and leadership (Proff & Proff, 2013). It is important to allow the entire organisation to participate in order to be successful (Hayes, 2014, p. 5), especially since the finishing line may be a moving target.

Engaging People in the Change Process

Enabling people: Enabling people primarily addresses skill development. This can be achieved by either developing existing personnel through training and coaching (Lippit, 1958; Hines et al., 2011; Kotter, 2012), or integrating new people (Proff & Proff, 2013) and providing the right tools for them (Edosomwan, 2009).

Empowering people: However, enabling people is not considered enough. Letting people make decisions at the front line (Mind Tools Ltd, 2016), may require a change of process (Dichter, Gagnon & Alexander, 1993). Activities may have to be reflected in their personal development plan (Hines et al., 2011) so that spreading the change is facilitated by motivating and helping fellow colleagues (Hayes, 2014). The key here is that the decision-making process differs from the traditional asking up the hierarchy and confirming down the hierarchy process by allowing front line decision-making.

Actively involve people: Socio-technical systems (STS) theory and principles give insight into those who are contemplating change using *Hoshin Kanri* as a framework. For example, STS holds that organisational design should involve and belong to 'the members of the organisation whose working lives are being designed' (Cherns, 1976, p. 791); STS theory is embedded in the context that irrespective of how complex, autonomous, and technically advanced technical processes are, effectiveness of the enterprise will be subject to the influence of human resources. Through an STS lens, maximum system effectiveness comes about when the needs of both technical and social systems are fully met; for example, decisions on how the workplace is laid out and how team members can engage in maintaining/improvement activities are as important as decisions about the type of equipment and methods to be applied (Pasmore, 1988).

Ensure organisational learning: Japanese companies are particularly adept at combining tacit and explicit knowledge through the externalisation/articulation step of the knowledge share spiral (Nonaka, 1991). The spiral processes appear very similar to Training Within Industry Job Instruction (TWI JI) steps to surface ‘knacks’. When organisational change is being considered, the degree of tacit versus explicit knowledge that is shared would impact future design effectiveness and sustainability. Thus, having those who work in the process become part of the change team would make tacit knowledge more likely to be identified and embedded in the future state.

Ensure agility: There are always unforeseeable issues or unplanned problems that appear and need resolving (Dahlstroem, Desmet & Singer, 2017). This is a critical success factor for change (Kotter, 2012), and whether it is addressing systems, processes, people, or other issues, it is important to actively deal with issues and do so forcefully. This requires a speedy and agile approach (Fowler & Highsmith, 2001; Wysocki, 2014). If necessary, a call for help might be in order (Proff & Proff, 2013). This might go as far as a resistance management plan (Prosci, 2017); however, this may involve top management in order to remove road blocks. A key to this is a fast decision-making process; also, top management involvement and commitment to setting the tone on how problems are solved (or not) will affect and impact future actions and motivation.

Conclusion

Based on a review and synthesis of the organisational design (OD), organisational transformation (OT), and operational excellence (OE) literature, we have analysed the approaches of concepts and find that effectiveness of transformational models can be improved by combining them with the ‘catchball’ methodology of *Hoshin Kanri*. The essential feature of the ‘catchball’ process itself is that it embraces a key principle of STS theory: those who are impacted by change should take part in designing the future state.

The authors also conclude that the very need to apply certain change tools is brought about by the failure to involve those impacted by change; hence, those who are ‘doing’ change to others are then needing to apply an additional and possibly futile ‘transformational effort’ to make the change stick. Employee involvement is a continuous effort and needs to be addressed from different angles to achieve sustainable improvement, which we summarise below.

Participation *per se* is not a magic bullet: In the context of continuous improvement, however, participation *per se* is not the one and only solution to achieve acceptance of change; change has both technical and social elements with the social element having significantly more propensity for challenge than the technical element. Lawrence (Lawrence, 1969) noted that when operators' skills and knowledge were respected, there was no resistance to change, change would be successful, and there would be an appetite for more change. However, when a specialist introduced a change in a 'tell' scenario, then the change would be unsuccessful with associated signs of resentment and lack of preparedness for further change (i.e., social aspects influence the absence or presence of resistance).

Setting goals and rewarding change is crucial: The beginning of change preparation is considered especially crucial and important by most authors. Much attention is given to setup, analysis, strategy, and commitment. However, in order to engage and involve people, it is necessary to set the goals accordingly (Lewin, 1947; Dichter, Gagnon & Alexander, 1993). In particular, it is necessary to define specific targets for the organisation and for people concerning the change and transformation process itself (Prosci, 2017). This applies to both management and staff; if involvement and engagement is a desired effect, it needs to be stated and made clear.

Additionally, change efforts and activities to be rewarded accordingly. Much attention is being given to enabling people with skill development, much less to empowering them (e.g., front line decision-making), and even less to removing obstacles (if people or things get stuck, they require help to move again) (Kotter, 2012; Proff & Proff, 2013; Prosci, 2017).

Agility and fast feedback loops need to be an integrated part of the organisation: This is of particular importance for leadership roles and styles (Kotter, 2012), which in turn need to be in line with the overall strategy and goals. If agility is desired, leadership needs to take the first steps (Wysocki, 2014; Dahlstroem, Desmet & Singer, 2017). Much thought is given to employee motivation and development in an organisation, and this needs to be applied as well during a change process for the process itself.

There is much attention given to the content of a message, but less to communication channels and methods. A particular focus needs to be on two-way communication in order to involve and actively engage people in the change process (Kotter, 2012). These aspects need to be part of the goals and targets of the change organisation, from the vision down to operational goals.

Implications: There are some managerial implications, foremost that the aspect of employee engagement needs to be part of a broader picture, setting goals for the transformation itself and enabling an agile and bi-directional information flow. However, due to the scope of this document, it is not a suggestion that by only addressing goal setting and intensive communication a transformation will be successful. The suggestion is to consider those aspects as well, when contemplating or envisaging a transformation programme and how to engage employees in that programme.

Engaging employees is a powerful ally when it comes to organisational change. However, it is only one of the many pillars that need to be considered in concert and not in a standalone fashion to achieve a successful organisational transformation.

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