

Summary of the Three Lenses

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Some slides by Eleanor Westney

Organization as Strategic Design

- View of the organization: input-throughput-output system
- Key concepts: resources (esp. information), systems, fit
- Key processes: grouping (differentiation), linking (integration), and alignment
- View of the environment: resource base, competitive market
- Role of the leader: “organizational architect”, strategist
- Stimuli for change: lack of internal alignment, lack of “fit” between organization & environment
- Barriers to change: inadequate analysis, inadequate information

Organization as Political System

- View of the organization: an arena for conflict
- Key concepts: power & influence, interests, dominant coalition, stakeholders, social capital
- Key processes: conflict, negotiation, coalition building
- View of the environment: external stakeholders
- Role of the leader: forging coalitions, identifying and leveraging interests, negotiating
- Stimuli for change: shifts in dominant coalition, in power of stakeholders
- Obstacles to change: “entrenched interests”

Organization as Cultural System

- View of the organization: a social construct
- Key concepts: symbols, shared mental maps, organisational culture (artifacts, values, basic assumptions)
- Key processes: meaning and interpretation, legitimation, rhetoric, vision
- View of environment: social and cultural network
- Role of the leader: articulating vision, symbol of culture, understanding and leveraging the culture
- Stimuli for change: challenges to basic assumptions, contending interpretations
- Impediments to change: dominant culture, established mindsets

Key Words

- SD: *Design* -- grouping, linking, aligning
- Political: *Power* -- interests, conflict, negotiation
- Cultural: *Meaning* -- identity, mental maps, values, shared assumptions

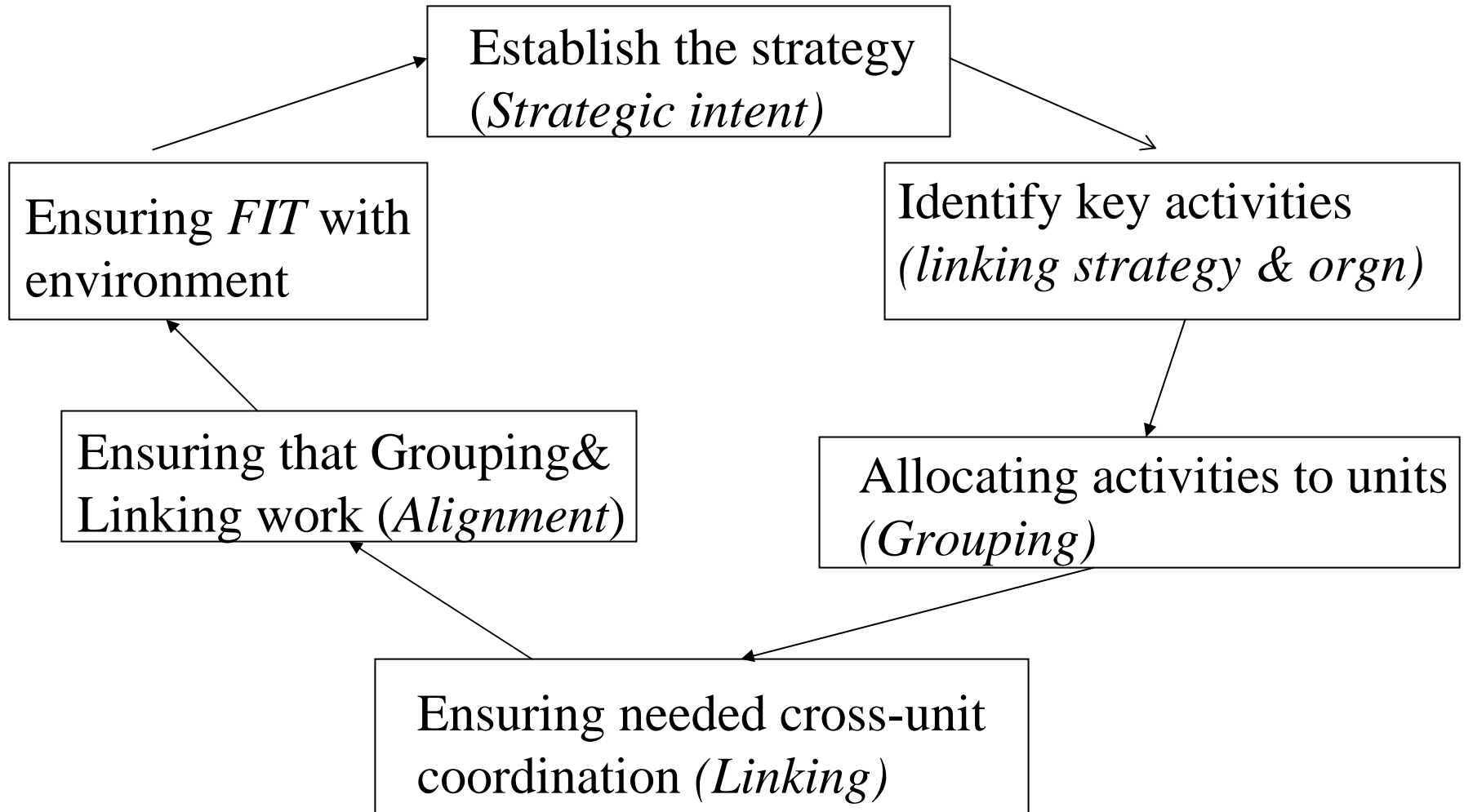
Example of Perspectives: Managing Teams

- Team composition:
 - Strategic design: required knowhow & capabilities
 - Political system: representation of key stakeholders
 - Cultural system: variety of mental maps
- Key roles:
 - Project manager, task management, facilitator
 - Boundary manager, negotiator
 - Maintenance roles, cultural interpreter

Three Perspectives on the “New” Organization

- Strategic design: new architecture
- Political: empower the “front line” of organization, recognize multiple stakeholders
- Cultural: new vision/rhetoric, different framework for identity

Strategic Design Processes



STRATEGIC DESIGN - KEY CONCEPTS

- Grouping
- Linking
- Alignment (internal)
- Fit (external - with environment)

Key Grouping Criteria

- Activity (e.g. function)
- Product
- Market/customer (geography, segment)

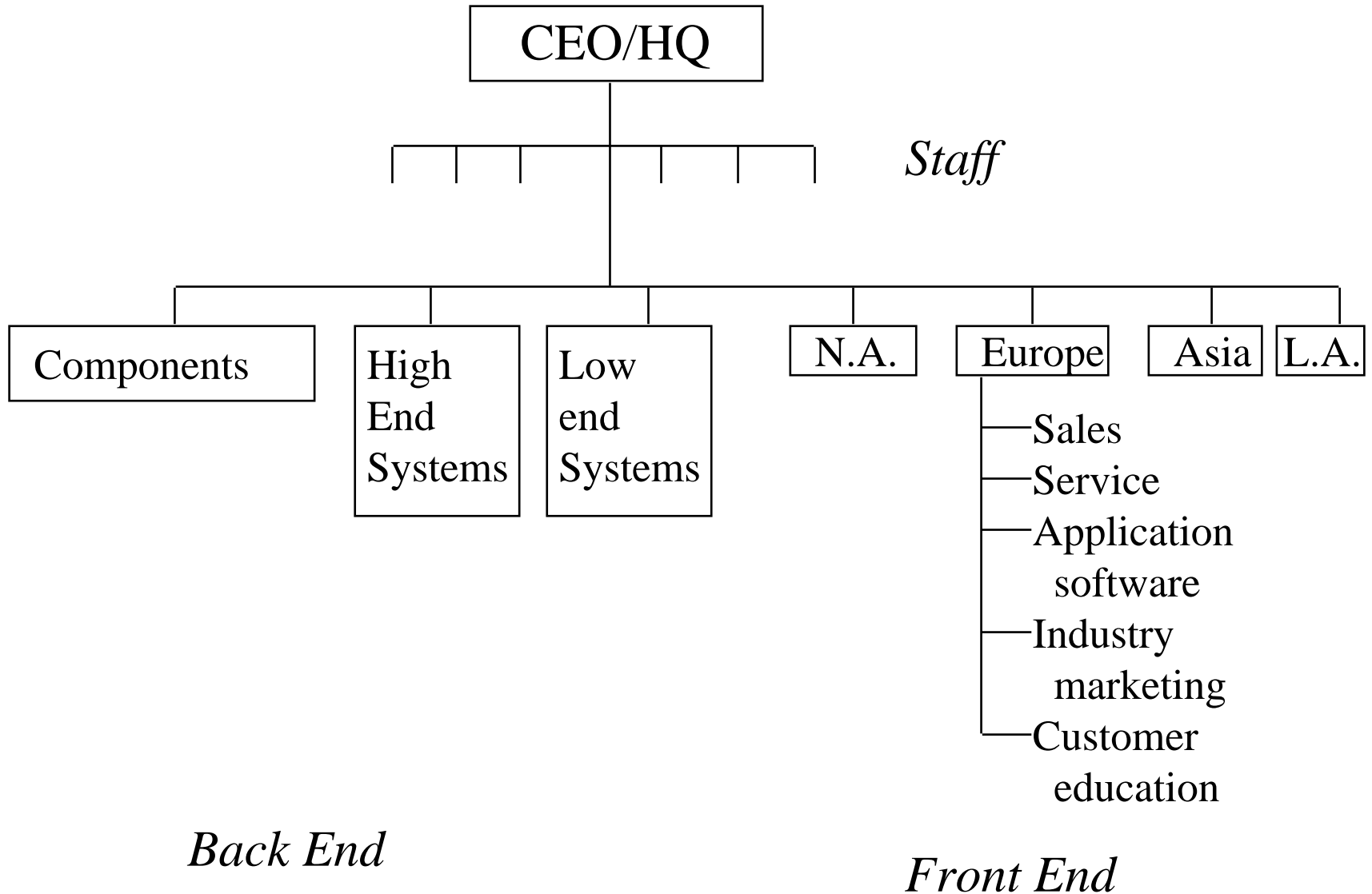
Key Linking Mechanisms

- Formal reporting structures (hierarchy, matrix)
- Integrator roles (e.g., Product mgr, project mgr)
- Permanent cross-unit groups
- Liaison roles
- Temporary cross-unit groups
- Info. technology systems
- Planning processes
- Informal networks

Key Alignment Mechanisms

- Performance metrics
- Rewards and incentives
- Resource allocation
- Human Resource Development
(recruitment, training, tracking, planning)
- Informal systems and processes

Front-end/Back-end Structure



Building Blocks of the Political System

- Interests and Goals
- Power
- Stakeholders and Bases of Power

Power is the basis of the ability to get things done in organizations, and is therefore an essential element of organization and leadership.

Power can also be used to keep things from getting done in organizations (blocking).

Political processes in organizations are the processes by which power is used.

Bases of Power

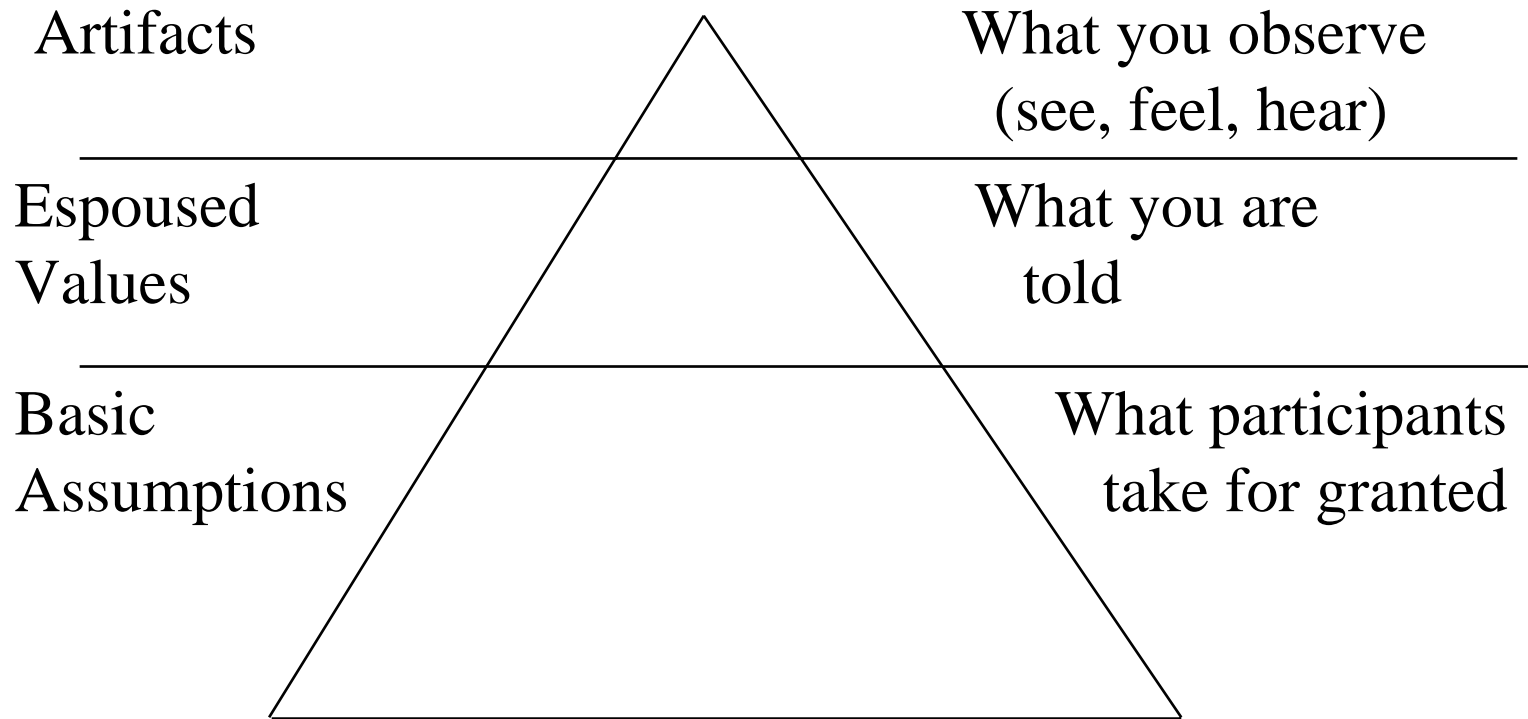
- Formal Power through Position, Legal Prerogatives, or Ownership
- Resources and Specialized Skills & Knowledge that are:
 - Essential
 - Scarce or critical
 - Non-substitutable
- Networks that access the above

What is Culture?

Working Definition: *Shared assumptions a given group has developed to deal with the problems of external adaptation and internal integration.*

- Historical (passed across cohorts and generations)
- Has moral force (normative, not utilitarian)
- “The way we do things around here” (cognitive dimension - taken for granted)
- Differentiating/identity device (relative to other groups)
- Associated with the intensity of common problems faced by the group
- Changes across time, but usually slow and small changes

Schein's Model of Organizational Culture



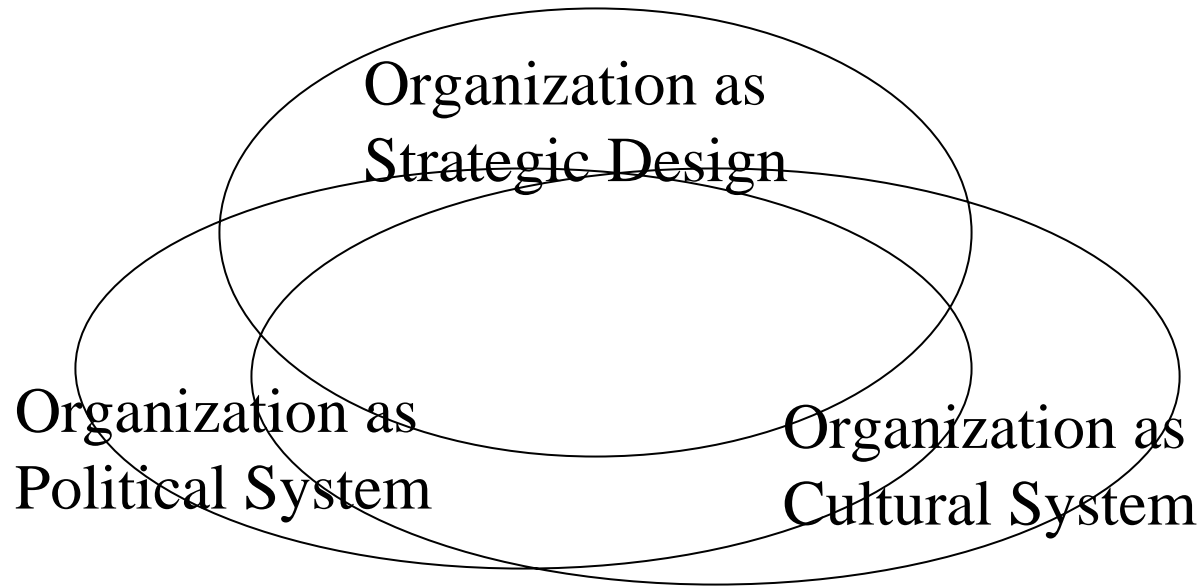
The Relevant Cultures in a “Global Organization”

- A. Country Cultures - based on national & ethnic origins
- B. Industry Cultures - based on technological and social histories of industries
- C. Organizational Cultures - based on a given orgn’s history
- D. Organizational Subcultures:
 - 1. Based on occupational shared assumptions
 - 2. Based on sub-group histories:
 - Functional groups
 - Geographically isolated groups
 - “Shared task or fate” groups
- E. “Professional/Functional” Subcultures
 - 1. Managerial culture
 - 2. Culture of “universal” functions e.g. finance, personnel, R&D

How does Culture Change?

- Natural evolution
- Managed evolution (org'l learning and development)
- Challenges to Cultural Assumptions:
 - Charismatic leadership
 - Scandals
 - Infusion of “outsiders”
 - Mergers & acquisitions
 - Coercive persuasion (“turn-arounds”)
 - Self-destruction & reconstruction

Three Lenses on Organisation



Looking at Sloan Fellows Program from 3 lenses

Strategic Design

*The goal is to deliver & learn
explicit technical and
organizational skills*

Political

*Education is both an
empowering and
legitimizing strategy. Also
used to create and
intensify social networks*

Cultural

*Education is to deepen or
change habits, mental
models and values. About
providing a professional
identity*