

Exploring the Kotter Model and Appreciative Inquiry as Organizational Change Vehicles for Nonprofit Human Services Agencies

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This paper explores two models of change and the supporting theories that underpin them. The models are the Kotter Model and Appreciative Inquiry. An overview of critiques and benefits is provided for both. Additionally, both models are reflected on as potential methods for conducting change at two nonprofit human services agencies: the Families First agency and the ACME Mental health Services agency.

Why Organizational Change Process Are Not Always Smooth Undertakings

Change processes in organizations are not always smooth undertakings. For example, if the leadership is going to make some changes, there will most likely be resistance. Resistance often comes from a perception that there is something to be lost, or a bad past experience. A staff position could be lost, an unrealized promotion, some freedom, everyday practices such as a daily schedule, or even one's job, etc. When we consider resistance, there are no guarantees that a change project will work out well.

In this paper I will be exploring two theories of change. Basic theoretical and practice foundations will be provided for each theory, as well as overviews of the critiques and the benefits. Dr. Edgar Schein (nd), the grandfather of organizational psychology, once wrote that change processes increase anxiety in every organization. Whether the intended change is a big one, or a small one, it is

important to pick a theory and related model that might fit the people in the organization, especially the employees.

To help increase reader facility with various theories and related models of change I explore two models and their theoretical underpinnings. I then apply the two models to two situations deemed for change in the non-profit sector. The two models I examine are Kotter's Model, and Appreciative Inquiry. After examining the basics of each approach I provide an overview of critiques and benefits, and will apply them to the situations described.

The Kotter Change Model

The Kotter model was proposed in the mid-1990's by Harvard Business School professor John Kotter (Kotter, 1995). It is grounded in a theoretical orientation to change known as *n-step* theories. In this orientation the image of the change manager is that of Director (see Palmer, Dunford, & Akin, 2006: p. 27). These kinds of approaches outline a set of steps for a change manager to use for any kind of change. The various models will differ in the number of steps to be used and the order of steps. However, what they have in common is an optimistic view that change can be achieved. However, it is imperative that the change manager follows the prescribed steps of the change model.

Kotter's model has eight steps:

1. Establishing a Sense of Urgency
2. Creating the guiding coalition
3. Developing a change vision
4. Communicating the vision for buy-in
5. Empowering broad-based action
6. Generating short-term wins
7. Never letting up
8. Incorporating changes into the culture

Kotter's corporation provides short descriptions of the 8 steps.

- Step One involves helping employees to see what is the need for the change. What is driving the change? People need to know the context.

- Step Two involves assembling a group of people with enough influence to lead the change effort, and part of this step is to encourage the group to work as a team
- Step Three involves the creation of a vision, which is designed to help direct the change effort, and also develop some strategies for achieving that vision.
- Step Four involves making sure that as many employees as possible understand and accept the vision and the strategy.
- Step Five involves removing any obstacles to change, change systems, or any of those structures that seriously undermine the vision, and encourage related risk-taking, nontraditional ideas, activities and actions.
- Step Six involves planning for those achievements that can easily be made visible to the organization, planned follow-through with those achievements and recognition and rewards for employees who were involved.
- Step Seven involves using increased credibility. Credibility is needed to change systems, structures, and policies that don't fit the vision. It also requires hiring, promoting, and developing employees who can implement the vision, and reinvigorating the process with new projects, themes, and change agents.
- Step 8 involves articulating those connections that occur between the new behaviors and organizational success, and developing the means to ensure leadership development and succession.

Source for the above: www.kotterinternational.com

Reflection on the critiques of and benefits of the Kotter model

Many authors argue that change never stops (Weick and Quinn, 1999). Kotter's model lacked rigorous fundamentals but was well received and remains a landmark in the change management literature (Appelbaum, Habashy, Malo & Hisham (2010). Kotter's model was never expected to be applicable to all types of changes; it was designed to address "fundamental changes in how the business is conducted in order to help cope with a new, more challenging market environment" (Kotter, 1995).

Kotter also argued that the eight steps should be executed in the prescribed sequence: extended overlapping of the steps would compromise success. This

implies that the steps are designed to be requisite of (unfold from) one another. For example, to not implement the first step would make it difficult or impossible to implement the subsequent steps with the intended results. Authors such as Burnes (1996) have argued that such a strongly prescriptive approach does not correlate well with opinions and research findings from studies that have suggested that organizations prefer to implement approaches to change that stems from their own culture. Thus Kotter's Model cannot easily be amended or replaced (Burnes and James, 1995).

Other authors suggest that the eight steps form an excellent starting point in implementing a change effort, but such an excellent start should not be thought of as employing success. However, the Kotter Model could be thought of as useful in combination with other models to find the best mix for change (Todnem, 2005). What we see here is that some authors believe the Kotter Model is rigid and should not be changed, and others believe it can be mixed with other models, but those that fit well with the organizational culture.

Appreciative Inquiry (AI)

Appreciative Inquiry emerged from the thinking of Cooperrider and Srivasta (1987). The AI model focuses on "what's working" in an organization rather than focusing on its problems. It's a 180-degree turn from common problem-solving practices that address the need for change.

Palmer, Dunford, & Akin (2006) write that AI is grounded in humanistic theories of change, as is organization development. In this approach, the image of the change manager is that of the Coach, with the assumption that the change manager can shape the organization's capabilities. This would start with the leading of an appreciative inquiry rather than a problem-centered inquiry or set of change interventions. As with OD, humanism, democracy, and individual development are stressed. The AI coach has his/her own ideas about what approaches to take and what works. In fact, "what works" is what is centered. Fuller, Griffith, and Ludema (2000) emphasize that by focusing on what is already working an organization can then design the future based on the positive.

What is not talked about in Palmer, Dunford, and Akin's book is the AI

connection to social constructionism and the Taos Institute. Cooperrider and Srivasta have been longtime members of the Taos Institute, the world center of social constructionist thought; please also see Cooperrider and Whitney's reference to the "constructionist principle", and how organizations exist as living human constructions (1999: p. 25). AI also falls nicely into social construction's approach of organizational change practitioners 'telling it as it could be' (Gergen & Thatchenkery, 1996).

Cooperrider and Whitney (1999) write that the role of leadership in an AI effort is to plant the positive seed of AI and allow it to blossom its own way in its own time. Leaders and followers are invited to participate as yet another voice in a dialogue. The authors write that AI has a four step change process. The process is simple, and yet sometimes addresses complex problems. The 4-D process, as it is known, is as follows:

- Discovery (appreciating the best of what is)
- Dream (what the world is calling for)
- Design (what could be – co-constructing)
- Destiny (how to empower/adjust/improvise –sustaining)

Reflection on the critiques and benefits of Appreciative Inquiry

Bushe (2012) refers to two separate critiques of AI. The first wave came from OD scholars who argued for a balanced focus on what is working and what are the problem areas. This argument is in support of a valid diagnosis (ie, Golembiewski, 1998, 2000); Golembiewski argues that AI advocates were anti-research. Bushe (2012: p. 13) responds that Golembiewski did not understand the social constructionist underpinnings of AI.

Constructionists argue that all research only makes sense within a community of discourse and, that social science research, in particular, constructs the world it studies. As a result, social constructionists do not believe that any theory or method is about 'the truth' (including social constructionism) but, rather, that every theory and method is a human construction that allows for some things to be seen and done and for other things to be overlooked or unavailable. From this point of view, AI

as a research method is not interested in discovering what is but in allowing a collective to uncover what could be. Similarly, it doesn't make sense to ask whether AI (or any OD method) generates valid information (Bushe, 2012: p. 13).

One positive side of AI is that there are many case studies that give evidence of its benefits. And like other OD approaches, AI draws from the resources and existing culture of an organization, so it does not enter an organization as foreign set of ideas. It also exemplifies democracy and human and individual development.

Applying the Two Models

Families first

Some years ago, I was an unfortunate co-victim of a change project to turn two different departments into one. At the nonprofit Families First (not the real name) leaders determined this was in the best interest of the organization. The change was forced upon my department, which consisted of two master practitioner family therapists. The other department consisted of approximately 10 lower level credential holders who carried out support work with families.

What my colleague and I sensed immediately was a dumbing down of our work, as well as a promotion of some in the other department. We also witnessed this in the job descriptions that were being put forward, and we fought it. I am quite certain at this point that the change effort was probably based on Kotter's model. In the end, within two years, my colleague and I both left the new team. A year later, due to cutbacks, I was forced to return, and left again four years later. Unfortunately, my resistance, and my activism as a union leader ultimately cost me my security and caused me a high amount of distress, resulting in time off. I eventually left Families First and have never regretted it.

My sense is that an appreciative inquiry effort could have been very successful with Families First, if and only if the leaders could allow the group to fully participate in creating the change within the two departments. This would require some inquiry (action research) to determine what was working well on the two separate teams, and the possibilities of combining talent from both teams. Once we had this information we could then design "how things might become" from there.

ACME mental health services

In recent years I have served on the Board of Directors of a non-profit mental health organization. My roles are treasurer and HR/personnel. ACME is funded mostly by government health authorities. Around 2010 the agency Executive Director took sick leave, has remained on long-term disability, and will most likely not return.

In Canadian nonprofits the executive director controls the daily functioning of the organization, as the chief executive officer and employee of the Board. Currently ACME has several employment positions. In 2011, in the executive director's absence, the Board decided to restructure the organization as a "collaborative collective" model. In other words, the Board would assume some of the responsibilities of the executive director (in effect a working Board). Two of the employees would serve as "coordinators" and there would be no hierarchical line of accountability, only collective accountability. Unfortunately, the Board did not do its job in the everyday work of ACME, and this would not be possible anyway as Board members are unpaid.

Need and Drivers for Change

What I discovered after joining the Board was that there was a significant amount of conflict amongst key employees at ACME, and this was in part due to the absence of a leader at ACME. While the Board had an intention to be involved in everyday functioning at ACME, it was simply not possible to be onsite everyday and be able to intervene as necessary. The level of conflict was seriously affecting performance. While the Board worked on providing an intervention, via an HR services agency, this problem indicates a bigger concern: that the Board must function better and re-structure the organization so it has a leader and controls that can be governed regularly.

ACME carries out important work with the local mental health consumer population, and this must carry on. Funders require accountability and ACME must be seen as a responsible organization. The Board needs to be accountable to funders

and govern accordingly. Employees must be in alignment with the Board and its vision and control policies

What if No Change Occurs

- Employee morale is already at an all time low and will get worse
- Funders could “pull the plug” on funding if low morale affects functioning
- Stress could result in sick leaves
- New employees will be pulled into the conflict
- Board members could be pulled into the conflict

Applying Appreciative Inquiry to ACME mental health services

Applying an appreciative Inquiry to the AI situation could work quite well. One reason is that AI stresses what is positively working rather than targeting “trouble makers”. AI also works within the democracy, resources and local culture. Once a positive snapshot is established, the process can continue toward establishing a clear and compelling vision to create a more working organization (as it could become). From there, systems can be designed to support the change. AI also speaks the “collaborative” discourse of the nonprofit sector and on that basis would not seem foreign. In a meeting recently one board member and one of our coordinators expressed concern that ACME could be turned into a hierarchical organization. AI seems to be the logical choice to explore what needs to change at ACME.

Applying the Kotter Model to ACME mental health services

My doubts are high that the Kotter model could work with the nonprofit sector. The language is a much different language. Kotter argues that systems need to change to support the change. The change effort is largely a top down effort with little input from the whole organization. I’m very sure that ACME would lose some of its staff if the Kotter model was to be imposed. As the Family First CEO told us back in 2000 when she announced the change project “some of you won’t survive this”.

Conclusion

Change is difficult no matter which way it is carried out. But how can we carry out a change project in such a way as to utilize the resources and ideas and

passion of those involved? In a small nonprofit with a staff of six and a board of the same number I believe that a successful change effort utilizing Appreciate Inquiry is entirely possible.

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