CHAPTER

3 Mutual Engagement and Shared Diagnosis

Effective organizational change requires an alteration in patterns of employee behavior. At the outset of effective change implementation, leaders engage employees in a process of shared diagnosis. The goal of that diagnostic process is to unfreeze "social habits" and create a sense of dissatisfaction with the status quo. Mutual engagement helps build commitment to the change process among those who participate.

This chapter will describe and analyze mutual engagement and shared diagnosis. In particular, the chapter will:

- Describe the role of diagnosis in assessing behaviors and values and in creating dissatisfaction with the status quo
- Discuss the use of a systemic framework for guiding diagnosis
- Explore ways to overcome the "climate of silence" that blocks mutual engagement
- Provide the key ingredients of a diagnostic intervention
- Define the role played by after-action reviews (AARs) in creating quick learning and improvement

First, we will look at the initial days and weeks of a newly hired CEO intent on energizing transformational change. As you read the introductory case, ask yourself:

- How did Fiorina formulate her ideas for how to transform Hewlett-Packard (HP)?
- How did HP's top executives respond to Fiorina's direction of change?
- How would you evaluate her initial efforts to improve the HP's performance?

"A DEER CAUGHT IN THE HEADLIGHTS" AT HP

Plagued by poor performance in its computer and printer business, Hewlett-Packard's board hired Carleton (Carly) Fiorina from Lucent.[1] This represented the first time since its 1939 founding that HP had reached outside the company for a CEO. Appreciating the urgency of the situation, Fiorina hit the ground running. Her first public appearances were well staged

and electric. What she had in mind was clear. She would reorganize HP in order to centralize decision making, revitalize the sales force, trim costs, and energize employees.

Based on her previous experience at Lucent, Fiorina had a clear idea of how she would achieve her goals, which she revealed at her first strategic meeting just a month after her arrival. To reverse the company's "sacred" emphasis on decentralization, she proposed a simpler, more centralized structure: two "back-end" divisions (each back-end division included design, manufacturing, and distribution—one for printers, the other for computers) and two "front-end" marketing and sales operations—one for consumers and the other for corporate customers. The company would also begin to focus on far fewer products. "This is a company that can do anything," she told executives, "it is not a company that can do everything." Finally, the culture would change dramatically and immediately to emphasize performance. "Let me make something very clear," Fiorina told executives. "You will make your numbers. There will be no excuses. And if you can't make your numbers, I will find someone who will."

Fiorina asked for the support of HP's top executives on her centralization and reorganization plan, and she got it. That is not to say, however, that they all *agreed* with her. "I don't know anyone who was in favor of it [her back-end/front-end reorganization plan] other than Carly," said one. "She came in with a recipe," said another, "and come hell or high water, she was going to use it." Carolyn Ticknor, head of laser printing, recalled, "I was a deer caught in the headlights when she [Fiorina] described the front and back end."

Six years after the announcement of the reorganization plan, the company's board demanded Fiorina's resignation. The board again looked outside of HP for a replacement; this time selecting Mark Hurd of NCR. When reporters asked Hurd about his plans to revitalize the company, he responded that it was too soon to tell. "We'll look at the entire enterprise," he said. "I can't give you any guarantees on anything," he added.[2]

DIAGNOSING THE ORGANIZATION

The desire on the part of executives such as Carly Fiorina to "hit the ground running" with solutions, particularly when their organizations are mired in poor performance, may be perfectly understandable. The tendency to believe that what has worked for them in the past can provide a kind of recipe for the future is also strong. Reorganization worked at Lucent; why not do the same at HP?

Taking that approach, however, fails to create mutual engagement and shared diagnosis that is so critical in shaping and guiding change. It can lead to solutions that are inappropriate to the target organization and are not supported—perhaps even actively resisted—by employees.

THEORY INTO PRACTICE

Effective change starts with action, not solutions.

The desire for quick solutions can lead executives to overlook the critical elements of learning and commitment that can be built through mutual engagement and shared diagnosis. The dynamics of every organization are unique. Additionally, an organization's external competitive forces are likely to be in a state of flux. Therefore, applying a recipe—what worked somewhere else in the past will work here now—can be overly simple, misleading, and even dysfunctional.

Lucent's best practices may not have been applicable to HP. The act of imposing those practices is likely to evoke resistance. Lack of mutual engagement—of holding an honest conversation among employees about what needed to change, why, and how—leads to low levels of employee commitment.

Diagnosis is meant to create learning about the real, current, and unique dynamics impacting the organization's performance. When combined with mutual engagement, it is designed to create deep and wide commitment to the desired outcome.

THEORY INTO PRACTICE

Don't expect formulas—solutions that have worked in the past and are imposed on the current situation—to work for your organization.

Building a Vocabulary of Change
Learning the process by which individuals receive data from the external environment, analyze that data, and adjust their thinking and behaviors based on that analysis.

At its most fundamental level, diagnosis is about learning: learning *what* needs to be changed and *why*. **Learning** is the process by which individuals receive data from the external environment, analyze that data, and adjust their thinking and behaviors accordingly. The notion of *shared* diagnosis goes one step further. For effective change implementation to occur, many employees at multiple hierarchical levels and in varied units need to change in the same direction. A diagnostic process engaged in by an individual, no matter how insightful, highly placed, or influential that individual may be, will not lead to coordinated change. It is only when the same diagnosis is shared by multiple individuals that change implementation can move forward effectively.

THEORY INTO PRACTICE

The most effective change implementation starts with a diagnosis that is shared by many employees at multiple organizational levels.

Altered and renewed strategies, new business models, and shifting external realities typically call for new skills, competencies, and patterns of behavior. The sequential implementation model depicted in Exhibit 2-6 starts with diagnosis in order to identify both the current state of skills, competencies, and behaviors and the requirements for future outstanding performance. Mutual engagement by employees generates awareness of the gap between the status quo and the desired future state. That awareness, in turn, provides the source of dissatisfaction and the drive for change.

Recall from Chapter 2 Lewin's warning that "lectures" about the status quo—speeches on the need for change or PowerPoint presentations on the

new strategy, for instance—will *not* be sufficient to create the disequilibrium necessary to motivate change. Instead, effective change starts with a diagnostic process that engages employees in a learning process. Executives learn why the status quo is unsatisfactory; so, too, do employees at all levels and in all units.

In addition to generating learning, mutual engagement in shared diagnosis can create a consensus among employees not just about *what* needs to be changed but also *how* to bring about that change. Engaging employees in the process of collecting and learning from data and then using that learning to shape an intervention can help build real commitment to implementing change.

Building a Vocabulary of Change
Diagnosis the process of learning about the dynamics of the organization in order to take action intended to improve performance.

As an alternative to initiating change by announcing a solution, leaders can instead begin with diagnosis. **Diagnosis** is the process of learning about the dynamics of an organization's functioning. It is meant to engage employees in the process of identifying both the current state and the desired future state of the organization.[3] Employees collect data and engage in a dialogue concerning the meaning of the data. The diagnostic process provides a roadmap for change; mutual engagement in diagnosis helps build motivation on the part of employees to alter their behaviors.

THEORY INTO PRACTICE

Use diagnosis as the preliminary stage in implementing change.

Requirement for a Systemic Framework

Diagnosis should be guided by a broad, systemic view of the firm.

Organizations are composed of multiple units and functions and processes that link various activities. There are also design elements, both formal and informal, that organizations call upon to—they hope—align employee behavior with strategy. Additionally, organizations live in a dynamic world. New competitors, technologies, business models, customer expectations, changing government rules and regulations, shifting environmental imperatives, and ups and downs in the national and global economy all impact the organization.

Building a Vocabulary of Change
Diagnostic framework a roadmap to analyzing alignment that makes explicit both the key elements of an organization that need to be aligned and the interconnections and interdependencies among those elements.

A **diagnostic framework**—a roadmap for guiding mutual engagement in shared diagnosis—should help to identify all the key variables that impact the performance of an organization. But it must do more. None of these elements, after all, exist in a vacuum. Just think: employee behaviors are shaped by organizational design, which should serve the company's strategy. And all of the elements, in turn, must find success within an ever-shifting external environment.

Understanding that organizations exist in constant interaction with a dynamic external environment leads to an important insight: An organization whose internal processes are perfectly well suited for one kind of competitive environment may find those same processes becoming a burden in a new, shifting landscape.

THEORY INTO PRACTICE

In order to set the stage for effective implementation, diagnosis can do more than target-specific elements of the organization; it can focus on the entire organization.

Take the Federal Bureau of Investigation (FBI). The FBI built its reputation by battling crime and arresting criminals. The mission of the FBI—"G-men battling notorious criminals"—created a context and a set of structures and policies that gave absolute primacy to criminal investigations and special agents in the field. A highly decentralized structure allowed agents to focus their attentions locally. Additionally, the FBI preferred internally generated data, often distrusting and rejecting information supplied by external agencies and sources.

The attacks of 9/11 on New York and Washington triggered a change in the strategy of the FBI. Gathering information and *preventing* an attack—that was the new strategic task. Recognizing that the new mission would require altered patterns of thinking and behaving, FBI Director Robert Mueller took steps to transform the bureau.

When organizations such as the FBI attempt to undergo strategic renewal, leaders can call on a diagnostic framework to focus attention on the multiple elements that contribute to success. But an effective framework can do more; it can delineate and help make explicit the interactions and interconnects among the elements. If employee behaviors do not reflect strategy—let's say, in the case of the FBI, field agents concentrating most of their efforts on low-priority national threats, or, in other cases, salespeople spending most of their time selling products that are no longer core to the company's strategy, or functional employees continuing to work mainly within their functions rather than across functions when the company's strategy calls for rapid new product development—a framework can drive employees into analyzing the linkages that have created those misalignments.

THEORY INTO PRACTICE

Use a common organizational framework to shape mutual engagement and shared diagnosis.

No framework can, of course, explicate all the interconnects, causes and effects, and actions and reactions that occur within an organization and impact performance. That is why relying on a framework is only a preliminary step in the diagnosis. Mutual engagement and open, honest dialogue will build on the framework and enrich participants' understanding of organizational dynamics.

There are numerous frameworks available for judging alignment.[4] Exhibit 3-1 offers one such framework. The goal of any framework is to provide a common guide to participants as they seek to understand the interconnected linkages that affect organizational performance. Exhibit 3-1 summarizes the criteria that, according to David Nadler, any useful framework should adhere.[5] What makes a framework effective is that it leads people toward systemic thinking that

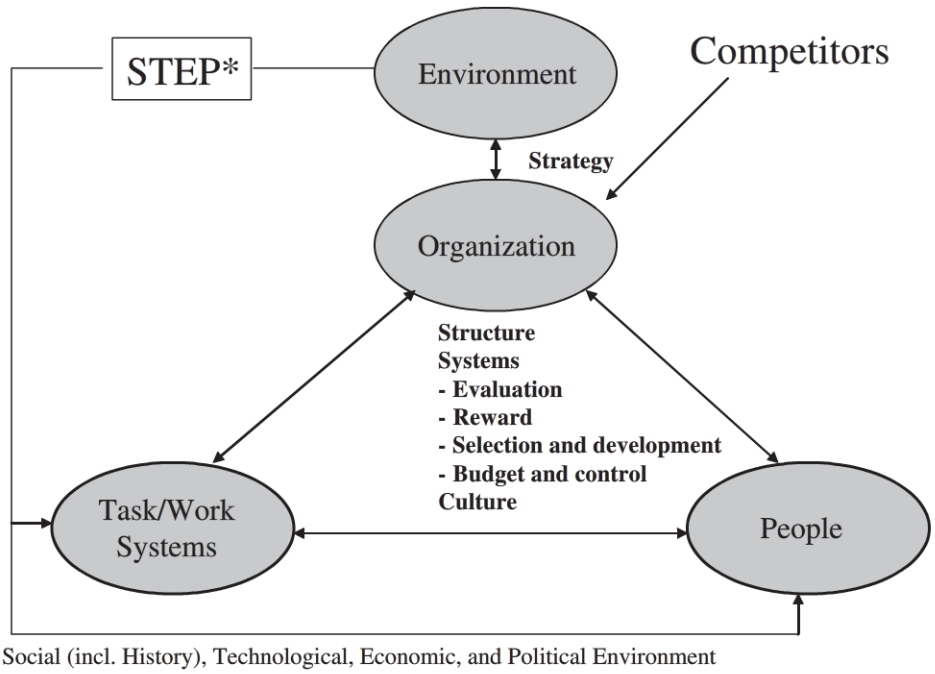

EXHIBIT 3-1 Diagnostic Framework†

can focus diagnosis on disjunctions that are impeding implementation of the renewed strategy and achievement of outstanding performance. A framework helps employees understand that outstanding performance can be achieved or sustained only with alignment between and among all the elements. It builds a common understanding and language that can form the basis of a shared diagnosis.

STARTING WITH MUTUAL ENGAGEMENT

The mutual engagement that forms the core of an effective change implementation effort starts at the diagnostic step. Employees can have the opportunity to engage in a dialogue that focuses on performance and the impediments and barriers to achieving an organization's strategic goals.

†This organizational design framework and analytic model has been adapted from a number of writers on the contingency theory of organizations: James D. Thompson, *Organizations in Action* (New York: McGraw-Hill, 1967); Paul R. Lawrence and J. W. Lorsch, *Organization and Environment* (Homewood, IL: Richard D. Irwin, 1969); Jay R. Galbraith, *Designing Complex Organizations* (Reading, MA: Addison-Wesley, 1973); Jay W. Lorsch and John J. Morse, *Organizations and Their Members: A Contingency Approach* (New York: Harper & Row, 1974); Jay R. Galbraith, Organization Design (Reading, MA: Addison-Wesley, 1977); Jay W. Lorsch, "Organization Design: A Situational Perspective," *Organizational Dynamics*, 5 (1977) American Management Association, 1977; Jay R. Galbraith and Daniel A. Nathanson, *Strategy Implementation: The Role of Structure and Process* (St. Paul, MN: West, 1978); John P. Kotter, Leonard A. Schlesinger, and Vijay Sathe, "Organization Design Tools," *Organization: Text, Cases and Readings on the Management of Organizational Design and Change* (Homewood, IL: Richard D. Irwin, 1979). See also H. W. Lane, "Systems, Values and Action: An Analytic Framework for Intercultural Management Research," *Management International Review* 20, no. 3 (1980), pp. 61–70.

Dialogue is a structured, collective discussion among two or more parties. Dialogue builds mutuality because the purpose of dialogue is to move beyond the understanding of any one individual and create an enriched and shared understanding and the multiple participants.

Building a Vocabulary of Change
Dialogue a structured, collective discussion among two or more parties with no predetermined conclusion.

Dialogue is meant to be more than one-way communication, more even than a simple conversation. Because the goal of dialogue is learning, it is a process that leads to unexpected conclusions. The process of participating in dialogue enriches both the understanding and the commitment of all parties to the implications and conclusions of that dialogue.

THEORY INTO PRACTICE

Creating a dialogue offers the opportunity for an open and honest conversation among employees.

Achieving an open, honest dialogue, especially in a hierarchical organization, can be difficult. Success in creating a dialogue depends on a number of factors. Because dialogue occurs in an organizational context, that context must be one that enables rather than impedes openness.

Organizational Enablers of Dialogue

Dialogue does not occur within a vacuum. It is up to organizational leaders to help create and maintain a context that allows, encourages, and enables an open and candid dialogue. Speaking openly and honestly can be a risky undertaking. Employees often feel inhibited when asked to speak up concerning organizational problems and barriers to outstanding performance.

The phenomenon that inhibits or even eliminates opportunities for the free and open exchange of ideas and views is known as organizational silence.[6] **Organizational silence** refers to the pervasive set of assumptions on the part of employees that candid feedback and open, shared dialogue is to be avoided. As we saw at HP, it is not just employees at lower hierarchical levels who can feel inhibited. Managers and executives can also hesitate to speak openly and honestly, even when they do not understand, agree, or both with the policies being promulgated from the top.[7]

Building a Vocabulary of Change
Organizational silence the lack of truthful dialogue in organizations caused by the widespread assumption on the part of employees that candid feedback and the open exchange of ideas will have either no positive impact or negative consequences to the individual, or both.

THEORY INTO PRACTICE

Don't confuse passive acceptance with agreement.

Organizational silence hinders mutual engagement. Silence, undermines an organization's ability to engage in learning. Learning requires engagement, participation, and openness. Silence—the unwillingness to engage, to participate, and to be open—inhibits learning and makes effective change implementation more difficult.

THEORY INTO PRACTICE

Leaders can take an active role in overcoming the "climate of silence."

Organizational silence—even in hierarchical organizations—is not inevitable. Leaders can help their organizations overcome silence by paying attention to particular dynamics that may block openness. Hierarchy, as we know, creates power distance: distinct differences in power based on hierarchical position. The problem is, large power distances—say, between a boss and a subordinate or a CEO and a division vice president—can encourage silence.

When one participant in the dialogue possesses significantly more organizational power than the other, both parties tend to filter their communication. The boss may be less than totally candid with her subordinates. Do they really need to know this information, she may ask herself? And what will they do with the information? The subordinate may think twice about what he says to the boss. What will my boss do with this information? Will it somehow be used against me? Both parties tend to withhold, or even distort, intending to protect and/or advance their self-interest.

THEORY INTO PRACTICE

A large power distance between parties in a dialogue inhibits openness and risk taking while distorting communications.

In a hierarchical organization, some power distance is inevitable. Filtering cannot be avoided entirely. Nevertheless, organizations have undertaken a number of approaches meant to lessen the distance and increase the effectiveness of the dialogue. One approach to reducing power distance involves *delayering*, that is, eliminating multiple levels of hierarchy. Many of today's business units have significantly reduced the number of supervisory and managerial levels existing in a unit. With fewer hierarchical levels, the distortion that arises from filtering is reduced significantly.

Decentralizing pushes decision making down to lower levels and can occur separately or be combined with delayering. By granting lower-level managers the autonomy to make decisions, those managers have the opportunity to involve their direct staff in diagnosis, thus eliminating hierarchical levels that more typically exist between workers and managers.

Many organizations have taken the symbolic step of creating an *egalitarian culture,* eliminating many of the perquisites often associated with hierarchical status:

- Doing away with executive parking and cafeterias is a now-common characteristic in new work facilities.
- Putting the entire workforce on salary erases the distinction between hourly and salaried employees.

- Informal attire and forms of address (calling everyone by his first name, for example), and an end to opulent executive offices removes obvious external signs of status.

These symbolic actions will mean very little if they are seen by employees as empty gestures or even as contradictions to an otherwise hierarchical, highly differentiated power structure. If, on the other hand, they are experienced as manifestations of a deeply embedded egalitarian culture, they can help reduce perceived power differentials and enable open dialogue.

Third-party facilitation can also be a powerful antidote to power differentials. In a structured dialogue where multiple hierarchical levels are involved, facilitators can suggest—and even enforce—communication rules meant to establish openness and trust. Third-party facilitators can create "situational" power equity.[8]

Most power equalization steps focus on power differences based on hierarchical position. Power distance can also exist *horizontally*. Horizontal power distance involves units that, in essence, compete for power within the organization. This will lead to power distances that can develop over time between functional units within an organization. "Engineering is king." "Marketing is everything." "We're completely numbers driven." All of these slogans are expressions of precisely this type of inequity among functions.

Horizontal power distance can be harmful to open dialogue. Communication can be filtered and ideas dismissed. A powerful research and development function can make it difficult for sales and marketing people to inject the customer perspective into the dialogue about product design decisions. An overly dominant finance function might block the voice of employers and customers. An isolated but influential research and development department might offer new products that business units feel are unattractive to their local markets.

A well-balanced top management team with shared purpose will help maintain mutual engagement, ensuring that all voices are respected and influential. In that circumstance, the voices of multiple functions and units are more likely to come through unfiltered in a diagnosis concerning barriers to outstanding performance.

Steps to equalize power help set the organizational context for dialogue. Organizations seeking to encourage mutual engagement will also need to create **psychological safety**—a belief on the part of employees that the organizational climate is conducive for taking personal risks, especially around dialogue. Leaders can look at all the elements that create or undermine trust between and among stakeholders. Creating a psychological safety zone in which all employees feel safe from threat and reprisal for both advocating and inquiring will help nurture a context in which mutual engagement can and will continue. Ultimately, in a change implementation process, leaders can help banish the barrier of silence by committing themselves to the desirability, even the necessity of entering into a dialogue with employees. Instead of announcing solutions, leaders can create a process of mutual engagement and learning, thus inviting employees at all levels to cross barriers of silence and participate in a dialogue.

Building a Vocabulary of Change
Psychological safety a belief on the part of employees that the organizational climate is conducive to taking personal risks, especially around dialogue.

EXHIBIT 3-2
Power Equalization Steps.

Steps	Lead to
Delayering	Removing hierarchical barriers that create distance and distort communications
Decentralizing	Pushing down decision making to close gap between decision makers and "doers"
Egalitarianism	Removing "artifacts" of status differentials
Third-party facilitation	Structuring effective "rules-of-engagement" around feedback and dialogue
Representation	Inserting voice from multiple levels, both vertical (managers, shop floor employees, etc.) and horizontal (union and management, various functions, etc.) into dialogue
Teamwork	Building shared purpose and mutual responsibility to ensure equal participation and influence by all members in dialogue

THE CONSULTANT ROLE

Mutual engagement in diagnosis requires more than just motivation, willingness, and psychological safety. It also requires skills. Those skills are different from the functional competencies—marketing, sales, technology, operations, and so forth—that are required in the typical workday of an employee.

Participating in an open dialogue where views—both positive and negative—are freely expressed and performance-focused might prove both unusual and uncomfortable. Participating in such a dialogue, not to mention facilitating the participation of others, might be alien to an employee's experience.

THEORY INTO PRACTICE

Leaders can call on a consultant to introduce and teach skills required of mutual engagement and diagnosis.

Building a Vocabulary of Change
Consultant an individual possessing a broad range of diagnostic and developmental skills who contracts with the organization's leaders to facilitate an intervention.

Employees *can* learn these skills. In fact, one of the goals of change can be to develop such skills and competencies among employees. But because diagnosis calls for new roles and skills that have yet to be developed, it often proceeds with the help of a consultant. A **consultant** is an individual possessing a broad range of diagnostic and developmental skills who facilitates a change intervention.

Consultants may arrive from outside the organization: professional consultants or academics with a specialization in organizational change and development. They may also come from within the firm: specially trained employees, often within the company's human resource or organization development staff. Whether internal or external, the task of the consultant is the same: to facilitate diagnosis and dialogue and to do so in a way that allows employees to develop those skills themselves.[9]

GETTING STARTED WITH ORGANIZATIONAL DIAGNOSIS

To increase the effectiveness of diagnosis as an opening stage of organizational change, the process can follow the principles outlined in Exhibit 3-3. It is now time to explore the specific steps that can be pursued based on these principles. These steps involve:

- *Collecting data* on the organization and its environment
- Entering into a *dialogue of discovery* that makes sense of and provides insight into the data that has been amassed
- Receiving and providing *feedback* on what has been learned
- *Institutionalizing dialogue and diagnosis* so that they become an organic and ongoing part of the organization's activities

Each step enhances mutual engagement and helps build commitment to change.

Data Collection

Effective diagnosis is data driven, that is, infused with and informed by valid information concerning the factors that impact the performance of the organization and its ability to implement its renewed strategy. A diagnostic framework will point to the target areas for data collection.

THEORY INTO PRACTICE

Make sure that diagnosis flows from valid data about the organization.

Data are more than a collection of cold, hard facts. Data amassed through the diagnostic process can have a powerful impact on the ensuing change by motivating employees to alter their behavior in ways that will support strategic

Systemic focus	Targets the entire organization and is guided by a framework that focuses on interactions
Consultant facilitated	Specially trained individual(s) bring external perspective and required skills
Participative	Employees participate in all stages as full partners in order to build commitment and competency
Data-based	Participants agree on the validity and strategic importance of data collected about performance
Honest conversation	Employees engage the requirements of shared dialogue: mutuality, reciprocity, advocacy, and inquiry
Psychological safety	Active steps taken to overcome climate of organizational silence

EXHIBIT 3-3 Principles for Organizational Diagnosis.

renewal. The motivational impact of data occurs as feelings are aroused and forces unleashed that bring about behavioral change. The act of collecting data potentially becomes a key way of mobilizing the considerable energy needed to abandon the status quo.

So the challenge of data collection becomes twofold:

1. To collect data on the key elements impacting an organization's capacity to support the new strategy and to achieve and maintain outstanding performance; and,
2. To do so in a way most likely to build motivation and commitment on the part of employees.

There are three basic forms of data collection: questionnaires, interviews, and observation. Each holds strengths and weaknesses, especially in light of that dual requirement.

THEORY INTO PRACTICE

The process of collecting data can help build motivation and commitment to altering patterns of behavior.

Building a Vocabulary of Change
Questionnaires self-administered paper-and-pencil data-collection forms, often stressing areas of behavioral interaction such as communications, goals, and coordination.

QUESTIONNAIRES The most popular form of collecting data involves written questionnaires. **Questionnaires** are self-administered paper-and-pencil or computer-based data-collection forms. Questionnaires often stress areas of behavioral interaction such as communications, goals, and coordination. Employees may be asked, for instance, to rate the clarity of the organization's strategy, the quality of information that is shared, or the nature of supervision. Although questionnaires can be developed internally, they are more typically packaged by an external consulting firm or an academic center. Exhibit 3-4 presents a sample from one such questionnaire developed by Robert C. Preziosi.[10]

Questionnaires have some tangible advantages as a source of data. They can be administered to a large number of employees and results compiled in a short time period. Because they are administered and returned anonymously, questionnaires can help overcome the climate of silence by allowing employees a greater sense of freedom and protection. They can provide a valuable benchmark for the organization to measure itself against. When administered to multiple units, they can offer comparisons and highlight units in the organization where results are especially positive or negative. When administered to the same unit over time, they can track progress or regression.

There is, however, a downside to the use of questionnaires in a change process. The preconceived categories represented in the questionnaires may measure theoretical constructs that are relevant to the developer of the questions, but they may not necessarily speak to the true needs of the organization. Questionnaires, write Jack Fordyce and Raymond Weil, "do not create the kind of personal involvement and dialogue that is so valuable in changing hearts and minds. The information generated by questionnaires tends to be canned, anonymous, ambiguous, and detached—i.e., cool data rather than hot."[11] Because of

EXHIBIT 3-4 Organizational Diagnostic Questionnaire.

A sampling of 10 questions is reproduced. The complete questionnaire along with an analysis by its author can be viewed at: http://www.g-rap.org/docs/icb/preziosi-organ_diagnosis_questionnaire_odq.pdf

From time to time, organizations consider it important to analyze themselves. It is necessary to find out from people who work in the organization what they think. This questionnaire will help the organization that you work for analyze itself.

Directions: DO NOT put your name anywhere on this questionnaire. Please answer all questions. For each of the statements, circle only one number to indicate your thinking.

Agree Strongly – 1, Agree – 2, Agree Slightly – 3, Neutral – 4,
Disagree Slightly – 5, Disagree – 6, Disagree Strongly – 7

1. The goals of this organization are clearly stated.

   1 2 3 4 5 6 7

2. My immediate supervisor is supportive of my efforts.

   1 2 3 4 5 6 7

3. This organization is not resistant to change.

   1 2 3 4 5 6 7

4. The leadership norms of this organization help its progress.

   1 2 3 4 5 6 7

5. I have the information that I need to do a good job.

   1 2 3 4 5 6 7

6. The manner in which work tasks are divided is a logical one.

   1 2 3 4 5 6 7

7. The opportunity for promotion exists in this organization.

   1 2 3 4 5 6 7

8. The structure of my work unit is well designed.

   1 2 3 4 5 6 7

9. I have established the relationships that I need to do my job properly.

   1 2 3 4 5 6 7

10. All tasks to be accomplished are associated with incentives.

    1 2 3 4 5 6 7

Source: Excerpt from "Organizational Diagnosis Questionnaire," available at http://www.g-rap.org/docs/ICB/Preziosi%20-%20Organ.%20Diagnosis%20Questionnaire%20ODQ.pdf.

that lack of personal involvement and deep sentiment, managers may be more likely to respond with token reaction rather than significant response.

THEORY INTO PRACTICE

Be careful about the overuse of employee questionnaires in collecting data about organizational effectiveness. They can be useful for measurement purpose but do not create mutual engagement.

That is not to say that questionnaires have no important role to play. By providing a benchmark measurement against either other organizations or against best-practice units within the organization, questionnaires can help build dissatisfaction with the status quo and awareness of the need for change. When used for internal measurement, the results can serve as an early warning system for problems developing within a unit.

Building a Vocabulary of Change
Diagnostic interviews a form of data collection in which a trained diagnostician meets with an employee, or small groups of employees, to solicit information pertaining to the performance of the organization.

INTERVIEWS Other methods of data collection can provide far richer and more detailed insight into the dynamics of an organization. **Diagnostic interviews** involve a trained diagnostician—this may be an external expert, an employee with specific training, or a combination of the two—sitting down with an employee, or occasionally small groups of employees, and soliciting information. Interviews can provide far richer data than questionnaires.

Diagnostic interviews can be either structured or unstructured. In structured interviews, the interviewer prepares a set of questions to be asked of all respondents. In an unstructured interview, a small number of general questions—"What are the organizational barriers to achieving your strategic objectives?" or "What are the goals of your unit and what are the organizational barriers you perceive for achieving those goals?" for example—are intended to precipitate what Andrew Manzini calls "the respondent's own definition of relevant problems and issues."[12] What follows those broad questions is an open dialogue between the interviewer and the interviewee that helps determine the direction of the remainder of the interview.

THEORY INTO PRACTICE

Use diagnostic interviews and behavioral observation to collect rich and valid data about how employees behave and how the organization functions.

In addition to generating data, open-ended interviews offer the opportunity to clarify the data as they are being generated. The interviewer can ask questions of the respondent and probe more deeply: *What did you mean by that response?* Or, *can you tell me more about why you think that is true?* Because unstructured interviews can become a forum for personal issues that have little to do with improving organizational performance, interviewers will need to keep focus on pertinent, performance-related issues.

Professional consultants can conduct these interviews. There is also an advantage to training employees as interviewers. The involvement of employees in the data collection process enhances their commitment to the changes suggested by the process. Also, organizational members inevitably know more about the hidden but critical aspects of organizational life than would any outsider. They bring, in other words, their own expertise to the process. Finally, by participating in the data collection process, employees are gaining the skills necessary to engage in ongoing data collection and diagnosis in the future.[13]

Building a Vocabulary of Change
Behavioral observation a form of data collection in which a trained diagnostician can watch actual behaviors of employees.

OBSERVATIONS Apart from questionnaires and interviews, another source of data is **behavioral observation.**[14] The diagnostician can watch actual behaviors of employees: the meetings of top management teams, efforts of work groups to solve problems, interactions between boss and subordinate, and so forth. Behavioral observation has the advantage of eliminating self-reports by focusing directly on behaviors. The observer may remain apart from the behaviors themselves, acting as a sort of an unobtrusive fly-on-the-wall. Or, the observer may involve himself in the behaviors being observed. The participant–observer becomes immersed in the actual behaviors of employees as a way of reaching a deep understanding of their behaviors.

A broad literature in the social sciences exists on the strengths and weaknesses, validity and pitfalls, even the ethics of the participant–observer role.[15] For a well-trained observer, the interactions that result from participation in meetings, problem-solving groups, and the like can provide an indispensable source of data concerning the cognitive and emotional state of employees.

SUMMARIZING DATA COLLECTION METHODS The three types of data collection (summarized in Exhibit 3-5) do not have to be thought of as mutually exclusive. Used together—interviews and observations to collect rich data and questionnaires to validate data on a wider scale—the various methods of data collection provide invaluable input into the next stage of the diagnostic process: creating a dialogue about the organization's functioning.

Creating a Dialogue of Discovery

Data collection is only the preliminary step in diagnosis. The next step addresses the question: what does the data mean and what should the organization do about it?

Building a Vocabulary of Change
Discovery the process of analyzing and making sense of data that has been collected as part of an organizational diagnosis.

In the **discovery** stage, employees engage in an analysis of the data, make sense of what they have learned, and consider the steps to take to act upon that learning. When diagnosis is the first step of a change process, the responsible leaders of the organizational unit being targeted—if it is the entire organization, then the responsible leaders are the top management team—can be engaged in that discovery.[16] The involvement of the individuals, groups, and teams required to take action enriches the understanding of the data while simultaneously building their commitment to the resulting change. Because their own behaviors will likely be part of the collected data, their mutual engagement in the discovery process and commitment to respond to their learnings become particularly valuable.

EXHIBIT 3-5 Data Collection Methods for Organizational Diagnosis.

Methods	Advantages at Initial Stage of Change	Disadvantages at Initial Stage of Change
Questionnaires	• Can be administered to large number of employees • Can be processed quickly • Data is collected anonymously • Can be used to create benchmarks and make comparisons across organizations and over time	• Based on preconceived ideas about what issues and areas should be examined • Can over simplify vague and complex issues like culture • Do not expose root causes of problems • Do not create commitment to outcomes or motivation to change
Diagnostic interviews	• Collect rich data • Begin process of creating dialogue • Teach communication and active listening skills to employees	• Require up-front investment in training interviewers • Data may be hard to summarize and quantify • Lack anonymity
Behavioral observation	• Provides current work-based behavior as data • Offers deep and rich data on interactions among people • Can surface underlying emotions that impact behavior	• Act of observation will impact behaviors of those being observed • Time-consuming data collection process • Requires highly skilled observers

Determining *who* to engage is the first requirement of the discovery process. A blend of individuals representing a multitude of perspectives on the organization (say, representatives from various functions and units and from multiple hierarchical levels) will help ensure a broad, systemic view. The next vital question in designing the discovery process is *how*.

THEORY INTO PRACTICE

Mutual engagement in the discovery stage will help both to assure the validity of the conclusions and build commitment to corrective actions.

Mutual engagement in the discovery process can take place in face-to-face meetings: employees gathered in the same room when possible and connected via electronic means when necessary. Face-to-face interaction provides the richness required to help understand the complexity of the opportunities and problems to be addressed.

When employees themselves have been involved in the data collection process, they can deliver their data directly to the responsible individuals. The consultant can facilitate that exchange by setting ground rules for productive and open dialogue. The leadership group hearing the feedback, for example, can be allowed to ask clarifying questions but be stopped by the consultant if their responses represent defensiveness or denial.[17]

Mutual engagement in discovery is critical to determining the effectiveness of the change process. To ensure the systemic nature of the discovery process—that is, a focus on how the multiple elements of the organization do or do not align—the consultant can use a diagnostic framework. A discovery process guided by a systemic diagnostic framework will channel energy, in Michael Harrison and Arie Shirom's words, "toward decisions and actions likely to provide the broadest organizational benefits."[18] By creating disequilibrium with the status quo, discovery provides a vital staging for the upcoming change process.

Closing the Loop with Feedback

Employees who have engaged in the data collection and discovery phases will expect to learn how their efforts have been translated into action. There is an expectation, in other words, that feedback will be part of the diagnostic process. **Feedback** refers to the process of receiving information concerning the effectiveness of one's actions and performance.

Building a Vocabulary of Change
Feedback the process of receiving information focused on the effectiveness of one's actions and performance.

THEORY INTO PRACTICE

Mutual engagement can be enhanced when top management feeds back to employees what it has learned from the diagnostic process and uses that feedback as an opportunity to generate more learning.

The entire diagnostic process involves feedback, of course. By receiving data from the organization about performance and about the manner in which various organizational elements align, or do not align, in order to implement strategy, management benefits from rich and valuable feedback. In the discovery phase, management receives feedback not just about the particulars uncovered through data collection but also about the perceived meaning, importance, and performance implications of that data.

Feedback can also occur following discovery. Managers can report to employees on the conclusions reached as part of that process and on the plan of action intended to address what has been learned. When groups of employees participate directly in collecting data, the feedback loop can be closed directly if upper management communicates directly with those participants.

As top management reports its conclusions, mutual engagement can continue as employees react to the plan of action. The feedback loop can thus become continuous and ongoing. Two mechanisms advance the feedback process:[19]

1. The feedback from the top management group empowered to lead the change can occur in face-to-face sessions in order to increase the richness of

the process as well as to create responsibility and accountability for taking actions.[20]

2. The learning from the discovery process as well as the change plans that result can be presented as tentative rather than final, thus inviting additional dialogue and discovery.

Closing the feedback loop will work to keep mutual engagement continuous during the change process.

Building a Vocabulary of Change
After-action review (AAR) an organized, disciplined approach to shared diagnosis and mutual dialogue in the immediate aftermath of a specific action or event.

After-Action Reviews

A form of mutual engagement and diagnosis that has become popular in recent years involves a process of looking back. In an **after-action review (AAR)**, organizations take an "action" that has just occurred—some event of strategic import—and diagnose the dynamics of that action. The goal is to engage participants in a "just-in-time diagnosis" that leads to quick performance improvement.

An example of such an AAR occurred when Wall Street firm Wills & Somerset fumbled a potential contract with a large corporate client. Wills & Somerset CEO Carol Peters expressed frustration, of course, but also determination. The client was scheduled to ask for a new bid in six months. To make sure that Wills & Somerset would be better positioned to succeed this time around, she called on all the participants in the past effort to engage in an AAR. The cause of the problem emerged quickly. Sales and technical support had been unable to agree on either the scope of the product they were developing for a specific client. As a result, the price quoted to the client fluctuated wildly from week to week, meeting to meeting. Worse still, the lead salesperson had been unable to explain to the client just what the cost drivers were and why the price had been so difficult to fix. This insight was not a solution, of course. But the AAR helped point Wills & Somerset set a direction for needed change.

First developed by the U.S. Army at the Center for Army Lessons Learned, AARs are a structured effort to collect data, identify deficiencies, sustain positives, and improve performance.[21] The army's own definition is instructive, labeling the AAR "a professional discussion of an event, focused on performance standards, that enables soldiers to discover for themselves what happened, why it happened, and how to sustain strengths and improve on weaknesses."[22] In particular, the AAR offers an approach to shared diagnosis and mutual engagement that attempts to compress the elapsed time between action, learning, correction, and new action. For Wills & Somerset, the need to learn was pressing. For soldiers involved in military operations, that need is even more urgent.

The AAR is based on the premise that a lesson is not "learned" unless and until it leads to new behaviors. The review follows the principles of shared diagnosis and mutual engagement by involving those who participated directly in the "action"—in the case of Wall and Somerset, those individuals involved in putting together the proposal to the client—in gathering and interpreting data and then building an action plan for future success. Because those involved in the initial action are also engaged in the analysis and planning, their commitment to future improvements are enhanced.

The specifics of the army's AARs involved eight key components:

1. The review takes place either during or immediately after the event under study.
2. The review starts with a shared understanding of the objectives and aims of the event.
3. The review focuses on the overall performance of the targeted group.
4. The review is conducted by the participants in the event.
5. The review is governed by open-ended questions such as What occurred? Why? What can we do about it?
6. The review identifies strengths and weaknesses.
7. The review leads to new actions.
8. The lessons of the review become part of future training.[23]

In any organizational setting—whether it be the army or a business firm—the AAR approach to shared diagnosis and mutual dialogue offers an opportunity to learn, interpret, and act quickly. Wills & Somerset was able to overcome internal barriers to collaboration by forming a small cross-functional engagement task force and offer a successful rebid. Although AARs are, by definition, sharply focused on specific actions and activities, the resulting learning can be amassed by organizations as a way of sharing learning.

THEORY INTO PRACTICE

After-action reviews provided an opportunity for a sharply focused and timely mutual engagement that can lead to quick corrections.

Conclusion

If the need for change is urgent, executives may be tempted to rush toward a "solution." That instinct, while understandable, is likely to harm the effectiveness of the change implementation process. Mutual engagement in dialogue and diagnosis helps generate vital data. The process can also create commitment to learning and motivation to change on the part of participants, while building diagnostic competencies into the organization.

In order to target the performance of the entire organization and its ability to implement a renewed strategy, diagnosis can be shaped and guided by a systemic framework. With the facilitation of a consultant, employees can engage in data collection and a dialogue of discovery concerning those elements and their fit with each other, with the strategy, and with the external environment.

Creating a dialogue within the organization is hampered by many organizational factors. Power distance encourages participants to filter information rather than to be completely open. Organizational silence discourages honesty and must be overcome by organizational leaders. Only by creating a sense of psychological safety will employees willingly engage in a candid exchange of information and insight concerning the performance of the organization.

Once dialogue and diagnosis have been engaged, implementation can proceed. Dialogue and diagnosis likely will target patterns of behavior, asking if employees at all levels of the organization are enacting their roles and responsibilities in a way that is aligned with the demands of the strategy and the requirements of outstanding performance. The ability of an

organization to create and sustain a climate of openness and honest conversation depends a great deal on the culture of the organization and the values of that organization's managers. Chapter 4 will focus explicitly on an understanding of values and culture.

Discussion Questions

1. How might Carly Fiorina have planned her early efforts at Hewlett-Packard? Pay particular attention to how she might have used the principles of mutual engagement and shared diagnosis.
2. What are the potential advantages of relying on a systemic framework for guiding diagnosis? Are there any potential disadvantages?
3. Why is open dialogue so difficult to achieve in many organizations?
4. In what specific ways can an executive actively promote a sense of psychological safety among employees to engage them in an honest conversation about performance?
5. How might the three forms of data collection be used together in the opening stages of a change process?
6. How can an organization make sure that diagnosis becomes a regular and ongoing element of the way it does business?

Case Discussion

Read "Managing Transformation at National Computer Operations" and prepare answers to the following questions:

1. Prepare an implementation plan for change that would enable Gar Finnvold to create a fully competitive computer service within two years.
2. How could Finnvold conduct an organizational diagnosis that would lead off his implementation? Be specific about how he could ensure mutual engagement.

MANAGING TRANSFORMATION AT NATIONAL COMPUTER OPERATIONS

Gar Finnvold knew his organization needed to change, to transform itself over the next two years. His 1,000 employees had enjoyed for their entire careers what amounted to monopoly status. They had been the exclusive provider of computer support services to the immense, global enterprises of the U.K.-based National Banking Group. All that was about to change. National Bank's newly appointed chairman had decreed that, starting in two years, all bank operations would be free to purchase their computer services from any vendor who could supply excellent value. Finnvold's operation would be competing against the best in Europe. At the same time, Finnvold would be free to market his computer operations on the outside, to build a customer base external to the bank.

Finnvold's excitement at the challenge of transforming his National Computer Operations (NCO) into a truly world-class competitor was matched by his anxiety (see Exhibit 3-6 for a partial organization chart). As the longtime manager of computer operations, he understood only too well that NCO was unprepared to compete, not internally and certainly not externally. Internal bank customers had complained for years of the high-cost/low-responsiveness culture

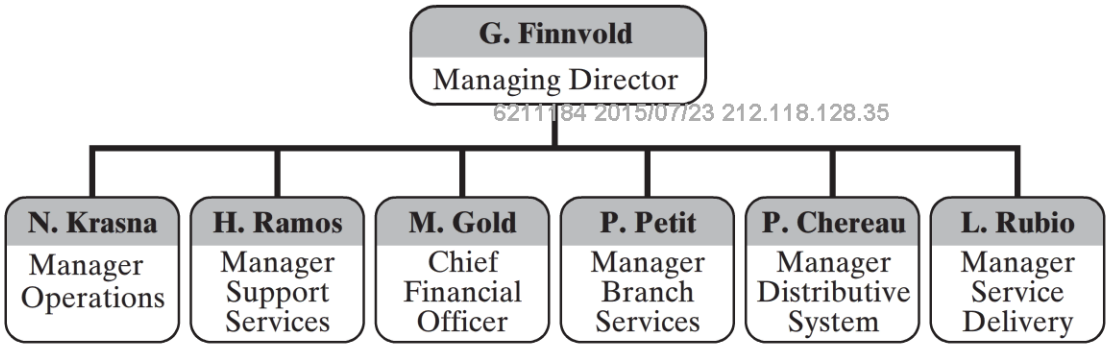

EXHIBIT 3-6 Partial Organization Chart—National Computer Operations.

of the NCO. Buffered by their monopoly status, NCO's computer technicians didn't worry much about whether the customer perceived them as providing value. We understand better than the customer both what that customer needs and how much they should be willing to pay for it. We'll define value.

In two years, Finnvold knew that equation would be reversed. Given a free-market choice to seek the best provider of computer services, would they re-up with NCO? Not likely, he thought.

At least inside the bank, NCO enjoyed a substantial cost advantage over potential external interlopers. National tax laws exempted bank operations from having to pay a nearly 20 percent tax on internally provided services. That tax advantage evaporated when NCO left the safety of the bank to hunt external customers.

What's more, no one at any level in NCO possessed real general management experience. No one, Finnvold included, had ever run a freestanding commercial enterprise with all that implied: managing costs, customers, and operations within a fiercely competitive environment. Was two years even close to enough time to undergo the radical transformation required to make such a venture successful?

NCO Operations

Listen to how Peter Kapok, a longtime NCO manager, described what his organization was like in the 1990s: "We weren't client oriented. We very much told our clients what they could and couldn't have. We came to work for ourselves and did pretty much what we wanted. We simply didn't consider ourselves working for a client." The notion that customers might define the ultimate value of their services was alien to NCO.

Henri Vieuxtemps, who entered the computer operations in 1988, recalled his amazement at how little the operation resembled a true business. "What surprised me," he said, "was that money was no object. Service was not a major consideration." What might be called the arrogance of technology permeated NCO's approach to the business. "We spent money on technology that really didn't matter," continues Vieuxtemps, "not to the customer anyway. It was just something that appealed to *us*. In fact, we didn't think of internal clients as customers at all. They were just other departments in the bank."

Vieuxtemps may have believed that the culture of NCO was fundamentally flawed, but to many of his fellow managers, things were going quite nicely. National Bank, after all, had eliminated the need for NCO to respond to market forces. Think of the situation in which NCO found itself: Guaranteed customers who would always cover the costs that the computer operation passed along, assured profitability.

It's little wonder that for most of NCO's managers, effectiveness was not measured by organizational performance or client satisfaction. Their focus turned inward instead. *How can* I *build up* my *functional domain? Enhance* my *personal career?*

"We were an organization of little empire builders," Kapok observed. "The more people you had working for you, the more likely you were to get promoted. There were few performance measures, and almost no coordination of our efforts." The functional silos of the organization were so powerful, said Kapok, that NCO's own staff "didn't quite consider ourselves working for the same operation. If someone from one unit went to someone from another to ask for help, they were considered a nuisance. We certainly never considered the impact of any of this on our costs."

NCO's high spending, "customer—what customer?" attitude could only lead to resentment on the part of client operations within the bank. That resentment finally boiled over into open rebellion. The bank's new chairman hired a consulting firm to evaluate internal computer operations. The findings were as disturbing as they were predictable. "They confirmed our worst fears," recalled an NCO manager. "We were moribund."

Until the consulting report provided irrefutable evidence to the contrary, computer operations managers felt they did an excellent job of providing these services to the bank. "If you had asked us how we were doing," admitted Gar Finnvold, "we would have said, 'We meet our customer service levels most of the time. We are improving our unit costs year-on-year. And *of course* we're adding value.'" It was only later that Finnvold came to recognize that customers held a view of NCO's effectiveness that stood in diametric opposition to the opinion of NCO's managers. "Our customers were saying, 'You're too expensive. Your damn system is always breaking down. And *what* added value?'"

At the time of the consulting report, computer operations were billing approximately $240* million annually (within an overall annual information technology expenditure of $1.5 billion), almost entirely to internal bank customers. Although NCO offered myriad services, including processing, project management, and technical support and consultancy, they pointed with pride to two distinct competencies. The first was facilities management. "NCO can take the responsibility for all or part of a company's Information Technology requirement," announced their official literature, "which can include every aspect from providing the workforce and premises to the systems and services." The second vital core competency was disaster recovery. "NCO provides planning and backup facilities for unforeseen crises or disasters such as fire and flood. Planning and backup facilities can be provided either separately or together and can be offered in either a 'hot start' or 'cold start' environment."

*Figures given in equivalent U.S. dollars.

The Challenge

The bank's new chairman quickly recognized that NCO customers and managers held completely different views of value. He knew that his first task was to force NCO managers to adopt the customer perspective. The way to do that, he reasoned, was to inject market forces into NCO's protected, monopoly-like world.

Using the consulting report as a driver, he first designated NCO as a profit center. He made clear that NCO would be expected to pare costs severely. Within a year, NCO dramatically downsized its workforce from 1,500 to 1,000. The chairman then called on Gar Finnvold to oversee more sweeping change, change that would be governed by two new ground rules:

1. NCO could actively and aggressively market its services to external customers.
2. In two years, all of the bank's internal units would be allowed to purchase computer services from outside vendors.

NCO, in other words, would have to become fully competitive in order to survive.

Finnvold said he welcomed the challenge, particularly the notion of becoming a true market competitor. "I had this gut feel that we should try to sell external from day one," he said. "If we didn't, we'd never learn the lesson of what being commercial is all about. It was the way out of our cocooned environment." He believed that there were external customers waiting to snatch up NCO's services. The facilities management business was expected to grow 50 percent annually worldwide. NCO planned on being part of that growth. "We thought we really had things to sell and that we were the best," said Finnvold.

Endnotes

1. Information on Hewlett-Packard is from Peter Burrows, *Backfire: Carly Fiorina's High-Stakes Battle for the Soul of Hewlett-Packard* (New York: Wiley, 2003) and George Anders, *Perfect Enough: Carly Fiorina and the Reinvention of Hewlett-Packard* (New York: Penguin Putnam, 2003).
2. Hurd quoted in Laurie J. Flynn, "Hewlett Chief Has No Plans but Says All Is on the Exhibit," *New York Times,* March 31, 2005, p. C11. In 2010, Hurd himself was asked to resign as the result of a sexual harassment probe. The board soon hired Leo Apotheke to replace Hurd. Apotheke had been CEO of SAP until he was asked to resign by the German software giant's board.
3. Many of the concepts in this chapter are based on Michael Beer and Bert Spector, "Organizational Diagnosis: Its Role in Organizational Learning," *Journal of Counseling and Development* 71 (July–August 1993), pp. 642–650.
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7. Moskal, "Is Industry Ready for Adult Relations?"
8. Richard E. Walton, *Interpersonal Peacemaking; Confrontations and Third-party Consultation* (Reading, MA: Addision-Wesley, 1969).
9. Beer and Spector, "Organizational Diagnosis."
10. In a previous edition of the text, the source of this questionnaire was misidentified. Thanks to Professor Preziosi for calling our attention to the error and allowing us to use the properly attributed questionnaire.
11. Jack K. Fordyce and Raymond Weil, "Methods for Finding Out What Is Going On," in Wendell L. French, Cecil H. Bell, Jr., and Robert A. Zawacki, eds., *Organization Development: Theory, Practice, and Research* (Dallas, TX: Business Publications, Inc., 1978), p. 121.
12. Andrew O. Manzini, *Organizational Diagnosis: A Practical Approach to Company Problem Solving and Growth* (New York: AMACOM, 1988), p. 39.
13. Beer and Spector, "Organizational Diagnosis."
14. E. E. Lawler, D. A. Naddler, C. Cammann, *Organizational Assessment*, pp. 337–343.
15. See, for example, Severyn Bruyn, *The Human Perspective in Sociology: The Methodology of Participant Observation* (Englewood Cliffs, NJ: Prentice-Hall, 1966); Robert Bogdan, *Participant Observation in Organizational Settings* (Syracuse, NY: Syracuse University Press, 1972); Patricia A. Adler and Peter Adler, "Observation Techniques," in Norman Denzin and Yvonna S. Lincoln, eds., *Handbook of Qualitative Research* (Newbury Park, CA: Sage, 1994), pp. 377–392; James P. Spradley, *Participant Observation* (New York: Holt, 1997).

16. David A. Nadler, *Feedback and Organization Development: Using Data-Based Methods* (Reading, MA: Addison-Wesley, 1977).
17. Beer and Spector, "Organizational Diagnosis."
18. Michael I. Harrison and Arie Shirom, *Organizational Diagnosis and Assessment: Bridging Theory and Practice* (Thousand Oaks, CA: Sage, 1999), p. 25.
19. Beer and Spector, "Organizational Diagnosis," p. 648.
20. See also Nadler, *Feedback and Organization Development*.
21. The material on after-action reviews comes from Department of Army, *A Leader's Guide to After-Action Reviews*. (Training Circular 25-20) (Washington, D.C.: Headquarters, Department of Army, September 1993); Lloyd Baird, John C. Henderson, and Stephanie Watts, "Learning from Action: An Analysis of the Center for Army Lessons Learned (CALL)," *Human Resource Management* 36 (Winter 1997), pp. 385–395; Paul Wright, "Learn as You Go Through the After Action Review," *Knowledge Management Review* (March–April 1998), pp. 4–6; Lloyd Baird, Phil Holland, and Sandra Deacon, "Imbedding More Learning into the Performance Fast Enough to Make a Difference," *Organizational Dynamics* (Spring 1999), pp. 19–32; Marilyn J. Darling and Charles S. Parry, "After-Action Reviews: Linking Reflection and Planning in a Learning Practice," *Reflections* 3 (2001), pp. 64–72.
22. *A Leader's Guide to After-Action Reviews*, p. 1.
23. Based on Wright, "Learn as You Go," p. 4.
24. All names are disguised. This case is based on the research conducted for Bert Spector, *Taking Charge and Letting Go: A Breakthrough Strategy for Creating and Managing the Horizontal Company* (New York: Free Press, 1995).