

Changing Informal Design First

Effective change implementation separates the two aspects of design, targeting informal design before seeking to alter formal design.³

Theory into Practice

Effective change implementation starts with informal rather than formal design changes.

That distinction between informal and formal designs can, at times, be confusing. Job design is informal, although job descriptions are formal. Expecting individuals to work collaboratively is informal, although paying them based on joint outcomes is formal.

To appreciate the distinction between formal and informal design elements, we can return to the case of ASDA from [Chapter 1](#). Facing bankruptcy as the result of poor strategic decisions made by its leadership team, the chain's board brought in a new CEO with the goal of revitalization. The CEO and his top team elected to place their hopes for the revival of the chain in the hands of the 205 store managers, those responsible for making sure that the stores met the expectations of their customers while increasing revenues.

In the earliest stages of ASDA's transformation, store managers were asked to spend more of their time and energies looking outside of the store—at their customers and competitors—rather than inside. Stop being supervisors and start being strategic leaders; that was the direction provided by the company. In order to succeed, they would have to push more and more responsibility down to the individual department managers.

The roles and responsibilities of store managers changed dramatically. However—and here is the point—nothing in the formal design system changed, at least not at first. Job descriptions were not rewritten; pay systems were not changed; reporting relationships were not altered; measurement systems remained the same. Over time, those formal structures would all be altered, but not in the early stages of the process.

At the beginning, nobody in the company knew exactly what the store manager job would evolve into; they only knew it would be changed. Informal redesign—new definitions of how the store manager job would be played out—created a fluid, even experimental situation. Different roles were tried out as transformation moved from one store to the next.

Informal design fits more effectively at the early stages of change precisely because it is informal. No policies or procedures are altered. Nothing is written in stone or committed to formal documents. Instead, informal design involves experimentation, trying out new roles.

What will work? What will not work? Helene Gayle did not alter the organization chart at CARE. Reporting relationships remained unchanged. Instead, she focused on informal redesign—redefining roles, responsibilities, and relationships—in order to create greater cross-border collaboration. At a later stage, when new behaviors have been instilled, formal structures and systems can be changed, if required, to reinforce and institutionalize those behaviors.