

ORGANIZATIONAL TRANSFORMATION MODELS & BENCHMARKS

President's Emerging Leaders Project 2006



Identifying Key Attributes of An Effective Transformational Change Model at the University of Minnesota

2005-2006 President's Emerging Leader Team

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Executive Summary

Originally charged with the task of identifying appropriate benchmark organizations for the purposes of informing the University's transformation process, this emerging leader's project evolved into an intensive exercise in self-reflection and analysis.

Fundamental to the development and evolution of this project were the subject matter experts identified by the project sponsor for the purposes of providing the initial direction of the group's research. These experts were leaders from across the University and represented a diverse background of thought. Through e-mail, telephone, and on-site meetings, these members of the University community, despite philosophical differences, began to share an expressed need for the University to develop an initial framework of values and goals which would guide future transition processes.

Task and Purpose

The University of Minnesota's repositioning process is a system-wide initiative, involving academic and administrative units with coordinate campuses undertaking their own strategic positioning processes and building on comparative advantages consistent with criteria approved by the University's Board of Regents. Instrumental to the administrative change efforts are seven administrative task forces: single enterprise, culture, administrative structure, best practice management tools, student services, people, and resource optimization. Charged with leading all seven task forces is Kathleen O'Brien, Vice President for University Services.

In order for the task forces to meet their respective charges, Vice President O'Brien sponsored a 2005 – 2006 President's Emerging Leaders Project. The original objectives for this team were:

- To provide exemplary transformational strategic processes designed and implemented by comparable organizations.
- To provide exemplary measures of a successful transformation such as process milestones, organizational benchmarks and best practices.
- To make recommendations as to which specific models, tools and procedures would be most usefully adapted by the Administrative Steering Committee.

For the purpose of this project, the project team was to focus only on comparable organizations that in these sectors are:

- Large, complex organizations that have recently undertaken enterprise-wide transformative processes (all subdivisions go through the process together) and maintained processes of continual development.
- Stellar organizations with proven track records of success within their sector. Success will be determined by, accreditation recognition, continuous improvement awards, employee-selected top 100 companies status and other sector-specific recognition.

Methodology

An overview of the process used to collect, synthesize, analyze and present information is organized chronologically below. The process steps include:

- Interviewed University of Minnesota Subject Matter Experts (SMEs) (identified by sponsor)
- Synthesized interview data
- Narrowed scope, modified strategy and procedures
- Conducted second interviews with SMEs
- Gathered examples of successful transformation at the University
- Synthesized data utilizing Affinity Diagram Method
- Created diagram of major themes and their relationships to each other
- Analyzed data further through comparison of Kotter and 7S frameworks
- Developed recommendations

Findings

When team members returned to meet with University leaders a second time, their original questions were revised into one: "What critical and unique attributes of change must the University of Minnesota keep in mind as it transforms itself?" After careful synthesis, the project team identified three key thematic principles expressed by these individuals: purpose, personal leadership and strategy.

1. The *purpose* of our organization
 - Effective transformation is purpose-driven
 - Purpose needs to be meaningful to all University communities and constituencies
 - Purpose is required for more than the transformation launch, it must be reinforced throughout the transformation
2. *Personal leadership* and internal talent
 - Recognize, develop, and utilize strategic thinkers at all levels and in all areas
 - Engage community in transformation using continuous and authentic communication and engagement opportunities
3. Carefully crafted and adaptive *strategy*
 - Comprehensive and incremental approaches to change
 - Innovative products, services and processes
 - Continuous improvement utilizing measurements

Present throughout these core attributes as expressed by the SMEs are the *people* involved. Diagram 1 (below) is a graphical interpretation of the relationship that these three attributes share and the central role played by members of the University community.

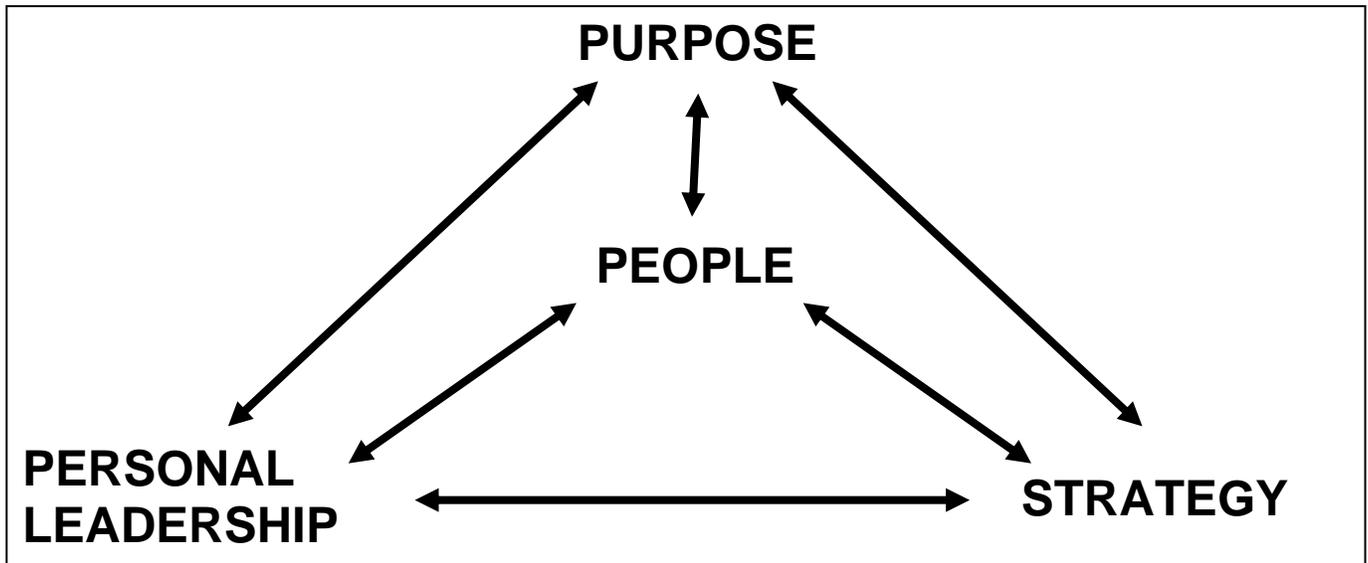


Diagram 1: Relationships between the major themes in SME interviews

Analysis

The three major SME themes of purpose, personal leadership and strategy were further analyzed through comparisons with two existing models. The first comparison describes a fit-gap analysis to John Kotter's Eight Step Model. The second comparison describes a fit-gap analysis to Waterman's Seven S Model.

Kotter's Eight Step Model Comparison

Provided to all University Transformation Task Force members, *Leading Change* by John Kotter, has played a significant role in University discussions and planning efforts. President Bruininks also emphasized this book at the kick-off luncheon of the 2005-2006 President's Emerging Leaders. Upon the request of Vice President O'Brien, the project team reviewed Kotter's eight-step process to identify possible resonance with the attributes identified in the SME findings.

Diagram Two illustrates the number of possible intersections between Kotter and University experts. There appears to be less resonance in the areas involving purpose.

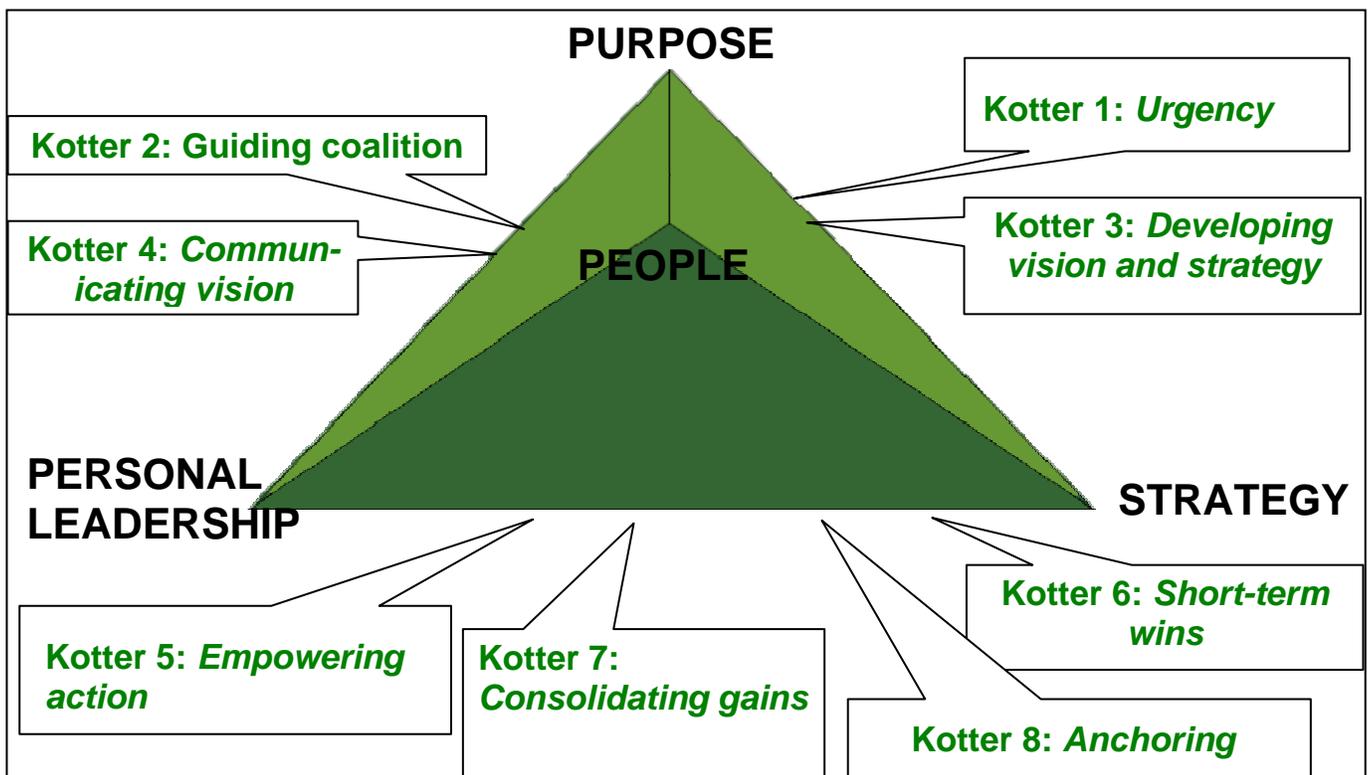


Diagram 2: Critical & Unique Attributes of U Transformation and Kotter's 8 Steps

Seven S Model Comparison

Waterman's Seven S model provided another perspective to understand the SME major themes. The Seven S model is a web of organizational attributes identified as critical to a transformational change. The illustration of this model provides a non-linear web of interrelated attributes.

A number of subject matter experts made a point to emphasize the non-linear process transformational change at the University will follow. Although the framework contains seven interrelated attributes versus the three emphasized by the SMEs, the interrelationship framework clearly resonates with the SME data.

One clear difference is that the Seven S model places *Super-Ordinate Goals* at the center of its web, where SMEs give *People* that position.

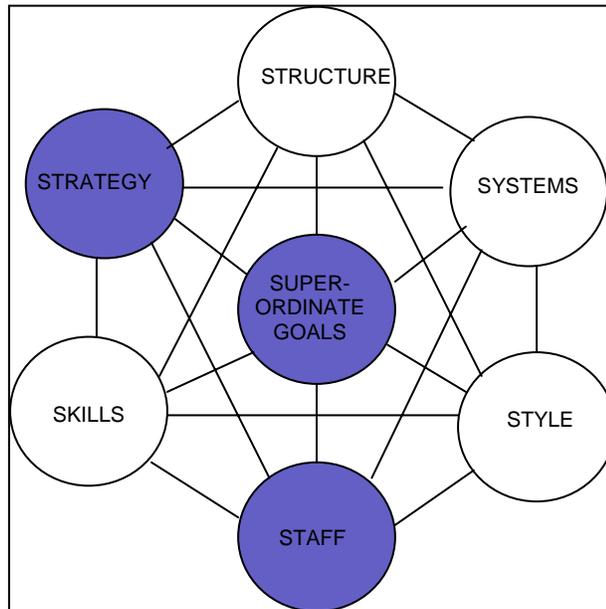


Diagram 3: Critical & Unique Attributes of U Transformation and the Seven S Model

Conclusion

The data obtained from SMEs was more thoroughly articulated and unique to the University. Moreover, Kotter's eight step model assumes the organization has already articulated the purpose.

Models are not perfect but they can be useful. Kotter's model is useful after an organization realizes a need for transformation and has established a purpose, as this model contains strategies. The Seven S model is also useful in that it highlights key areas leaders are presently focused, as well as provides a reminder of key areas that will most likely emerge in the future.

The information shared by SMEs were attributes they considered critical and unique specifically to the transformation at the University of Minnesota. These critical and unique attributes were reflected to varying degrees in the models offered by Kotter and Waterman. All of the critical and unique attributes shared by SMEs are presented in Diagram 1: Relationships between the major themes in SME interviews.

Recommendations

As a result of the analysis, the following recommendations are suggested for successful enterprise-wide transformation:

- Put **people** at the center of the change effort.
- Clarify the vision and share a meaningful **purpose** to all stakeholders using concrete images of intended changes.
- Ensure that our aspiration is not larger than the **capacity** of our infrastructure by attending to staff, skills, style and structural elements of transformation.
- Utilize and develop **strategic thinkers** at every level by selecting implementation task forces thoughtfully.
- Recognize **leadership** as a personal attribute which can be realized at every level of the organization.
- Realize that **strategies** are not dualistic. Comprehensive and incremental change efforts complement one another and will enable us to identify and prepare for future conflicts. Innovation and continuous process improvement likewise complement one another.
- Sustain **momentum** by embarking on a continuous review process based on meaningful criteria and by providing meaningful rewards for workgroups, change-agents and their successes.

Critical Questions

To abate the risk the transformation could veer from its course, the following questions will allow for reflection and discussion:

1. Is our stated purpose meaningful to all constituencies? How do we know?
2. Have we identified the appropriate skills, systems, style or structures needed to fulfill our purpose and achieve our goals?
 - What is required to actualize our purpose and goals?
 - What obstructions are delaying or obscuring our goal's purpose?
3. Have we been strategic in tapping into our human capital (*people, personal leadership*) to release our organization's optimal potential (*capacity*) and minimize human costs?
4. Have we established strategies that are comprehensive yet incremental? Innovative and continually improved based on measurements?
5. What are the best ways to sustain momentum (and avoid encroaching skepticism)?
6. How do we build credibility and trust that those leading the transformation have navigated a viable course?

References

Kotter, John P. (1996.) *Leading Change*. Boston: Harvard Business School Press.

Pascale, R., Athos, A. (1981) *The Art of Japanese Management*, London: Penguin Books.

Peters, T., Waterman, R. (1982) *In Search of Excellence*, New York: Harper & Row.

Waterman, R. Jr., Peters, T. and Phillips, J.R. *Structure Is Not Organisation*, in *Business Horizons*, 23, 3
June 1980. 14-26.

Appendix A: Subject Matter Experts

The individuals were identified to be interviewed by the project sponsor, Kathleen O'Brien.

Interview:

Terry Bock
Kathy Brown
Jim Buckman
Carol Carrier
Chuck Casey
Steve Cawley
Chuck Denny
Gail Klatt,
Bob Kvavik
Scott Martens
Mary Nichols
Jerry Rinehart
Roger Schroeder
Linda Thrane

Not able to establish an interview schedule:

John Anderson
Bruce Gildseth
Richard Pfutzenreuter
Melissa Stone

Appendix B: First Interview Questions

Goal of this initial contacting process: Get organizational names and contacts and other resources (literature, referrals, etc.) and determine gaps in task force chairs' information.

OBJECTIVE 1: We're looking for exemplary transformational strategic processes designed and implemented by comparable organizations (taken from higher ed, corporate, nonprofits, governmental realms) that would be useful (or have already been useful) to the steering committee to use as we proceed with the University's transformation.

What would make an organization comparable? University of Minnesota's process hallmarks:

- integrative (administrative and academic or administrative and operational)
- transformational versus targeted solutions to specific problems (entire enterprise-wide transformation versus fixing problem)
- intensive information gathering (focus groups, consultations, public response to strategic positioning documents)

1. Are you aware of any exemplary models we should investigate?
2. From your perspective, what are the strengths of this model? What are its weaknesses? What are the points of intersection of this model with the University's process?
3. Can you provide the name of a person we should contact for more information about these institutions/organizations? Address/contact info? Are there materials we should look at?

OBJECTIVE 2: We're also looking for exemplary measures of successful transformation such as process milestones, organizational benchmarks, and best practices.

1. Are you aware of any exemplary measurement models we should investigate?
2. From your perspective, what are the strengths of this measurement model? What are its weaknesses? What are the points of intersection of these measurements with the University's process?
3. Can you provide the name of a person we should contact for more information about these institutions/organizations? Address/contact info? Are there materials we should look at?

OBJECTIVE 3: We'd like to investigate problematic models as well as successful models.

1. Are you aware of flawed transformational initiatives?
2. From your perspective, what are the weaknesses of this model? What can we learn from it?

FINALLY: Are there any specific questions that you think we should ask when we look into this organization? If you could ask them a question, what would it be?

Appendix C: Second Interview Questions

1. What critical and unique attributes of change must the University of Minnesota keep in mind as it transforms itself?
2. After our first interviews, four themes emerged; do these themes resonate with you?
 - The realization the need exists for the University of Minnesota to engage in comprehensive change (transformational), not incremental change.
 - The U of M is a pioneer in targeting a comprehensive transformation in higher education. There are no comparable comprehensive models of higher education organizations that were successful or failed in a transformation. There are successes in other industries or in portions of higher education organizations.
 - The transformation model will be unique and successful grounded in the resources and talent of current staff.
 - It is necessary to close "gaps" between leaders, colleges, populations. (e.g., selecting a book such as Kotter's "Leading Change" provides the organization with a common language.)
3. Can you refer us to internal or external organizational transformations that have successfully implemented these critical and unique attributes?

Appendix D: Examples and Resources

Three major themes emerged from the Subject Matter Expert Interviews. These major themes were purpose, personal leadership, and strategy. The three major themes contain specific attributes resulting in seven critical and unique attributes of change for the University of Minnesota as shared at this point in the University's transformation by the SMEs. The seven attributes are:

1. Purpose
2. Personal leadership--Communication & engagement
3. Personal leadership--Strategic thinking at every level
4. Strategy --Comprehensive change
5. Strategy --Incremental change
6. Strategy --Innovation
7. Strategy --Continuous improvement based on review

The following are examples internal to the University of Minnesota.

Attribute:	Leadership — Engagement
Organization's Department:	Graduate School
Organization's Name:	University of Minnesota
Example 1:	Interdisciplinary
Contact:	Gail Dubrow
Phone:	625-2809
Email:	dubrow@umn.edu
Attribute:	Leadership — Strategic Thinkers
Organization's Department:	U-Wide Strategic Planning Process
Organization's Name:	University of Minnesota
Example 1:	Informed leadership
Contact:	Billie Wahlstrom, Mary Luther, Cathy Marquart
Phone:	626-1215
Email:	bwahlstr@umn.edu
Attribute:	Leadership — Strategic Thinkers
Organization's Department:	Writing Group; Inform and strategize academic change
Organization's Name:	University of Minnesota
Example 1:	Strategic thinking at every level
Example 2:	Sharing responsibility
Contact:	Craig Swan
Phone:	626-9425
Email:	swan@umn.edu

Attribute:	Leadership — Strategic Thinkers
Organization's Department:	Center for Teaching and Learning
Organization's Name:	University of Minnesota
Example 1:	Strategic thinking at all levels
Contact:	David Langley
Phone:	625-3343
Email:	langl029@umn.edu
Attribute:	Strategy — Comprehensive
Organization's Department:	Academic Health Center
Organization's Name:	University of Minnesota
Example 1:	Transformation, improved service delivery, developed service baseline levels
Example 2:	Innovation, new services
Contact:	Terry Bock
Phone:	626-3700
Email:	bockx007@umn.edu
Attribute:	Strategy — Comprehensive
Organization's Department:	Extension Services
Organization's Name:	University of Minnesota
Example 1:	Comprehensive change
Contact:	Chuck Casey
Phone:	218-281-8384
Email:	casey002@umn.edu
Attribute:	Strategy — Continual Improvement
Organization's Department:	Juran Center for Leadership in Quality
Organization's Name:	University of Minnesota
Example 1:	Good customer feedback system
Contact:	Sarah Lindeman
Phone:	626-2097
Email:	linde077@umn.edu
Attribute:	Strategy — Continual Improvement
Organization's Department:	President's Emerging Leaders program
Organization's Name:	University of Minnesota
Example 1:	Reflective change built in to organization
Example 2:	Formative review (360)
Contact:	Beth Zemsky
Phone:	626-0561
Email:	zemsk002@umn.edu
Attribute:	Strategy — Continual Improvement
Organization's Department:	Environmental Health and Safety
Organization's Name:	University of Minnesota
Example 1:	Effective continuous review
Contact:	Rich Straumann
Phone:	626-6216
Email:	strau003@umn.edu

Attribute:	Strategy — Continual Improvement
Organization's Department:	General Counsel Office
Organization's Name:	University of Minnesota
Example 1:	Effective continuous review
Contact:	
Phone:	
Email:	
Attribute:	Strategy — Continual Improvement
Organization's Department:	Intercollegiate Athletics; Merger of Men's & Women's Athletic Department
Organization's Name:	University of Minnesota
Example 1:	Comprehensive change
Example 2:	Rewarding people
Contact:	Joel Maturri
Phone:	624-4497
Email:	maturi@umn.edu
Attribute:	Strategy — Continual Improvement
Organization's Department:	Housing & Residential Life
Organization's Name:	University of Minnesota
Example 1:	Rewarding & motivating people
Example 2:	Sharing responsibility
Contact:	Laurie McLaughlin
Phone:	626-1499
Email:	mclau001@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	U of M Online registration process
Organization's Name:	University of Minnesota
Example 1:	Daring innovation
Contact:	Sue Van Voorhis
Phone:	625-8098
Email:	vanvo002@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	U of M Online registration process
Organization's Name:	University of Minnesota
Example 1:	Process excellence & innovation. Simultaneous innovation & cost reduction
Example 2:	U of M Online registration process was best and 1st in the US
Contact:	Kari Branjord
Phone:	626-4444
Email:	branj002@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	CSOM, Executive Development Center
Organization's Name:	University of Minnesota
Example 1:	Enabling and rewarding innovation
Example 2:	Community engagement
Contact:	Ruth Taylor
Phone:	624-1532
Email:	taylo119@umn.edu

Attribute:	Strategy — Innovation
Organization's Department:	Human Resources; Peoplesoft Implementation
Organization's Name:	University of Minnesota
Example 1:	Rewarding people
Example 2:	Sharing responsibility
Contact:	Miriam Ward
Phone:	624-1370
Email:	wardx022@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	Tucker Center for Research on Women& Girls in Sport
Organization's Name:	University of Minnesota
Example 1:	Strategic thinking at all levels
Contact:	Mary Jo Kane
Phone:	625-7327
Email:	maryjo@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	College of Continuing Education
Organization's Name:	University of Minnesota
Example 1:	Strategic thinking at all levels
Contact:	Mary Nichols
Phone:	624-5332
Email:	nicho039@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	Online Portfolio System
Organization's Name:	University of Minnesota
Example 1:	Closing gaps between stakeholders
Contact:	Paul Treuer, Kar Branjord
Phone:	626-4444
Email:	branj002@umn.edu
Attribute:	Strategy — Innovation
Organization's Department:	Church Street Farmers Market
Organization's Name:	University of Minnesota
Example 1:	Engagement across stakeholder populations
Contact:	Carol Carrier
Phone:	624-4515
Email:	carrier@umn.edu
Attribute:	Strategy — Scope
Organization's Department:	Auxiliary Services
Organization's Name:	University of Minnesota
Example 1:	Connectivity and small to big-picture change
Example 2:	Continuous review, long-term change
Contact:	Laurie Scheich
Phone:	624-0542
Email:	schei001@umn.edu

Attribute:	Strategy — Scope
Organization's Department:	Medical School
Organization's Name:	University of Minnesota
Example 1:	
Contact:	Charles Moldow
Phone:	625-5417
Email:	moldo002@umn.edu