

ASTD 2008 International Conference & Exposition

Session W114–Blockages to Organizational Change in China

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Session Learning Objectives:

1. Enhance awareness and understanding of challenges to organizational change in China
2. Utilize participatory processes to help groups discern change strategies
3. Practical ideas to use when facilitating change processes in China

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ASTD International Conference 2008 Blockages to Organizational Change in China

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LEADERSHIP INC



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Session Introduction

Description

- China is an unique and challenging environment for organizational change professionals.
- While we are aware that there are "differences," it is often difficult to discern these differences and the underlying reasons.
- The speaker will share his experience and facilitate participants sharing to clarify what blocks organizational change in China.
- We should discern some "do's" and "don'ts" when facilitating change programs in China, and discuss some case studies that explore approaches that have worked in China.

Learning Objectives

- Enhance awareness and understanding of challenges to organizational change in China
- Utilize participatory processes to help groups discern change strategies
- Practical ideas to use when facilitating change processes in China

Blockages to Organizational
Change in China



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Schedule

- Introductions (interactive)
- Experience Sharing
- Blockage Workshop
- Do's and Don'ts Discussion
- Case Study
- Closing

Mark Pixley

- Managing Director of LEADERSHIP INC, based in Shenzhen China. As an organizational consultant/facilitator and executive coach, he works with senior managers to provide organizational change and leadership development.
- He is a certified facilitator who has worked with a range of multinational and Chinese corporate clients. These assignments have included organizational planning programs for senior management groups and leadership/productivity coaching.
- Mark has eleven years experience in organizational development in Greater China leading a range of corporate and personal workshops including strategic planning, organizational change, facilitation training, creativity and innovation, and public presentation skills.
- He has spoken on Organizational Transformation and Facilitating Strategic Culture Change at various corporate conferences and contributes articles on management development to local magazines. He is a Director of the International Association of Facilitators.
- He has lived in Asia for over fifteen years in Hong Kong, Taiwan and China and speaks Mandarin Chinese. He has previously worked in corporate banking at Standard Chartered Bank and graduated from the Stern School of Business, New York University with an MBA in Finance/international Business.

Things to be aware of...

- China is very large
- China is changing very quickly
- There are different types of Chinese...
- There is a large generation gap
- There is very strong pride
- There is a drive to succeed

- It is very different from us
- It is very similar to us

Foreign Corporations in China

- Are often very large
- Have expanded very quickly
- Young managers
- High expectations
- Limited experience
- Fast paced market
- Often a lot of frustration and confusion

Organizational Structure

- Representative offices and start up situations
- WOFE – Wholly owned foreign enterprise
- Joint venture
- SOE – State owned enterprises
- Privately-controlled corporation

Another Dimension of Chinese Management...

- Performance Dimension
- Maintenance Dimension
- Moral Character
 - Absence of flattery
 - Disciplining subordinates according to fair rules
 - Giving proper credits to others
 - Law abiding
 - Allocating resources fairly and unselfishly
 - Thrift
 - Concern for others

Management values

- Guanxi (relationship)
- Rengqing (favour)
- Mianzi (face)
- Fu (compliance)
- Zhong (loyalty)
- Xin (trust)
- Cheng (sincerity)

What others have said...

Executives

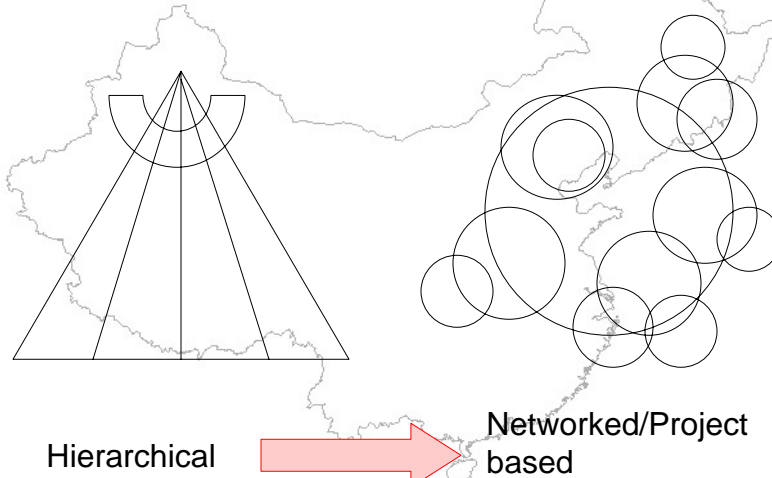
- **Cultural Challenges** – different ways of thinking and making decisions
- **Skills gap** – trying to learn but big gap from book learning to implementation
- **Caution** – and words/action don't match
- **Managerial Generation Gap**
- **Fear of loss** – focus on limiting risks rather than taking opportunities
- **Overwhelm** – trying to do too many things at once

What others have said...

ASTD Global Networks

- What is blocking our organizations from making necessary change?
 - Loss of benefit
 - Unclear top-down communication
 - Used to the way things are
 - Directionless
 - Lack employee support

An image of what is going on...



Hierarchical

Networked/Project based

Blockages to Organizational Change in China

Can you get Chinese to participate?

- Clearly define the process
- Allow people to individually and in small groups develop their thinking
- Ensure senior management wants and supports participation
- Get the results back to everyone involved
- Create implementation team and follow up

Blockages to Organizational Change in China

Participatory Processes

- Participatory Planning Process
- Future Search
- Open Space Technology
- World Café
- Appreciative Inquiry
- Whole Scale Change

Participatory Planning Process

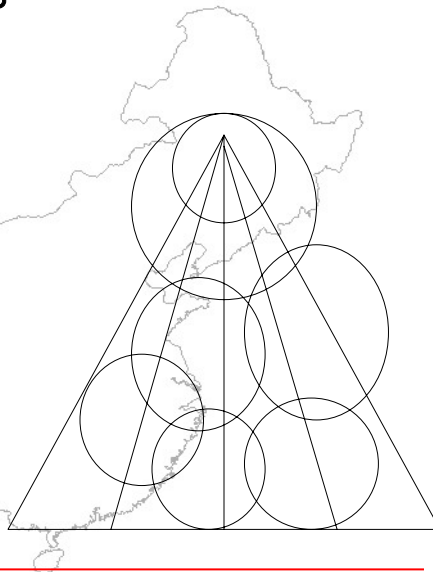
- A structured consensus decision making process that guides a group to look at their organization and develop change strategies
 - Current Standing Point
 - Practical Vision
 - Underlying Contradiction
 - Strategic Directions
 - Implementation Taskforce

Participatory Planning Process

- Each session is a workshop involving brainstorming, organizing, and naming process
 - Allows for generation of lots of ideas
 - Develops insights and consensus
- Each session builds on and expands on the understanding of the previous

Integrated Process

- A Senior Management Vision/ Strategy Meeting (5 – 15 people)
- Senior & Middle Management Strategy/ Implementation Meeting (20 – 50 people)
- Series of BU, departmental or issue basis planning meetings



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W114 Blockages to Organizational Change in China

China Operations:

of People: _____

of locations: _____

Cities: _____

Current Feel: _____

What is blocking change from happening in your China Operations? (Think of specific situations and ask what was blocking the change)

Individual Brainstorm

-
-
-
-
-

Group Discussion

-
-
-
-
-

What actions can I take do deal with these blockages?

-
-
-
-
-

| Participatory Planning Worksheet | | |
|----------------------------------|---|-----------------------|
| Focus Question | What is the focus of my planning process ? | |
| Current Standing Point | What is currently going on? | • • • • • |
| Practical Vision | What would you like to have? | • • • • • |
| Underlying Contraction | What is blocking you from achieving your vision? | • • • • • |
| Strategic Direction | What can you do to eliminate the blockage and move on the vision? | • • • • • |
| Implementation Steps | What can you do tomorrow ? | • • • • • |

| | |
|--|--|
| National Traits | 37 Commitment |
| 1 Patriotism | 38 Thrift (saving) |
| 2 A sense of cultural superiority | 39 Persistence (perseverance) |
| 3 Respect for tradition | 40 Patience |
| 4* Bearing hardships | 41 Prudence (carefulness) |
| 5 Knowledge (education) | 42 Adaptability |
| 6* Governing by leaders instead of by law | Business Philosophy |
| 7* Equality /egalitarianism | 43 Non-competition |
| 8 Moderation, following the middle way | 44*Not guided by profit |
| 45*Guanxi (personal connection or networking) | 46*Attaching importance to long-lasting relationship not gains |
| Interpersonal Relations | |
| 9 Trustworthiness | 47 Wealth |
| 10 Jen-ai / Kindness (forgiveness, compassion) | 48 Resistance to corruption |
| 11*Li / Propriety | 49 Being conservative |
| 12*People being primarily good | 50*Morality |
| 13 Tolerance of others | |
| 14 Harmony with others | Personal Traits |
| 15 Courtesy | 51*Te (virtue, moral standard) |
| 16 Abasement / Humbleness | 52 Sense of righteousness / Integrity |
| 17 A close, intimate friend | 53 Sincerity |
| 18 Observation of rites and social rituals | 54 Having a sense of shame |
| 19 Reciprocation of greetings, favours and gifts | 55*Wisdom / Resourcefulness |
| 20 Repayment of both the good or the evil that another person has caused you | 56 Self-cultivation |
| 21 Face (protecting, giving, gaining and losing) | 57 Personal steadiness and stability |
| 58 Keeping oneself disinterested and pure | |
| Family /Social Orientation | 59 Having few desires |
| 22 Filial piety | 60*Being gentleman anytime |
| 23 Chastity in women | 61*Obiligation for one's family and nation |
| 24*Kinship | 62*Pragmatic / to suit a situation |
| 25*Vebneration for the old | 63*Contentedness with one's position in life |
| 26 Loyalty to superiors | Time Orientation |
| 27*Deference to authority | 64*Past-time oriented |
| 28 Hierarchical relationships by status and observing this order | 65*Continuity / time viewed as circular rather than linear |
| 29*Conformity / group orientation | 66*Taking a long rang view |
| 30*A sense of belonging | |
| 31*Reaching consensus or compromise | Relationship with Nature |
| 32*Avoiding confrontation | 67*The way (Tao) |
| 33 Benevolent autocrat / Paternalistic | 68*Fatalism / Karma (believing in one's own fate) |
| 34 Solidarity | 69*Yuarn |
| 35*Collectivism | 71*Unity of Yin and Yang |
| 70*Harmony between man and nature | |
| Work Attitude | |
| 36 Industry (working hard) | |

Source: Amended and revised from the Chinese Value Survey by the Chinese Culture Connection.

ORGANISATIONAL TRANSFORMATION AND METHODS FOR CHANGE

**MARK PIXLEY PROVIDES A PRACTICAL GUIDE TO THE
PARTICIPATORY PLANNING PROCESS, WHICH ALLOWS A COMPANY TO
THINK THROUGH ITS ORGANISATION'S SITUATION AND PRODUCE A
STRATEGIC PLAN OF ACTION**

THE SCENARIO...

The General Manager has just called you and says he wants to get "his people together and make some changes." He seems somewhat agitated, even frustrated, and indicates that he wants to "get to the bottom of this mess and get the group working as a team, and he wants to do it this month!"

As the HR Director, what do you do?

PARTICIPATORY PLANNING PROCESSES

As managers seek to accelerate change in their organisations, they are increasingly utilising participatory planning processes. These processes allow a large group of people (10 – 500) to think through their organisation's situation and, in a relatively short period of time (2-5 days), produce strategically based plans of actions.

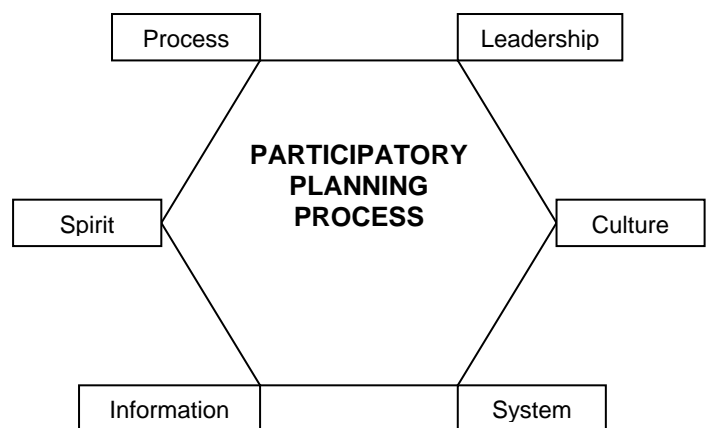
Many managers have intuitively known that there are substantial benefits from 'getting people together and figuring out what is going on.' Yet, they have often been frustrated when these meetings become political or bogged down by endless repetition. Most people assume that they know how to run meetings effectively, however, in many corporate meetings you can see oppressive and disruptive behaviour that wastes energy and limits achievements.

There is a fear that 'things will get out of control' if you let people truly take responsibility and make decisions for the organisation. And, as you limit people's ability to be responsible, it seems they become more irresponsible. In turn, if people have been limited for a length of time, they will often be irresponsible when offered responsibility in order to 'test' the offer. This makes it difficult for managers to put aside authoritarian posturing and allow any genuine participation.

However, there is a technological revolution taking place, essentially a revolution in the structuring of human interactions within meetings and organisations. This revolution offers a range of meeting processes, which allows groups of people to define their situation and then make responsible decisions about what they will do, both collectively and individually.

KEY ASPECTS OF A PARTICIPATORY PLANNING PROCESS:

In considering a participatory planning processes, there are six key aspects that impact the meeting results. These are system, leadership, culture, spirit, process and information.



SYSTEM: Consider the whole organisation and bring in stakeholders from within and beyond the formal organisation.

The planning process should deal with how the organisation operates as a whole and within the context of its environment. This means getting a greater variety of people involved in discussions, from inside and outside the organisation and allowing them to consider how the whole organisation operates..

ORGANISATIONAL TRANSFORMATION AND METHODS FOR CHANGE

LEADERSHIP: Increase decision-making opportunities and expand the leadership group

Long term sustainable change is not based on a 'dramatic' one-off decision, but rather an accumulation of many decisions. Each decision helps increase the personal commitment of each of the participants. Further, it is important to recognise and welcome leadership when it appears.

CULTURE: Respect and enhance diversity of one's perspective and understanding

This is closely related to 'system.' It involves creating opportunities for people to talk together and recognising the diverse thinking styles and utilising the insights that each person provides. Rather than fight a perspective, try to understand it and integrate it into the final decisions.

SPIRIT: Discern the depth base of the organisation

Collectively speak about the values, vision and purpose of the organisation. This involves discovering the relationships that give an organisation meaning and even uncovering the contradictions that are currently limiting the company. It is important to create time and space to collectively allow for this deeper understanding.

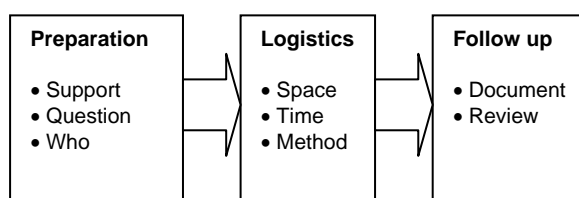
PROCESS: Create an ongoing process to guide change and allow learning

Any meeting should fit into the context of the larger change process. A one-off program will have limited impact. People must be able to operate using their insight and reflect on what they are learning. With an iterative process in place solutions will improve and implementation capacity will increase

INFORMATION: Document the results and share broadly

It is important to record the results of all planning processes and share these outcomes among participants and any others. This confirms the company's insights, decisions and commitments. Creating images, including logos, slogans and celebrations can be an important element in this process.

PREPARING FOR A PARTICIPATORY PLANNING PROCESS



When undertaking a participatory planning process there are some important questions which must be reviewed and answered regarding the three phases of preparation, logistics and follow-up

Do we have support from our leadership group?

Any program can be a threat to existing leaders so it is necessary to get their support and clarify the results they require. So consider early on whose support is needed to allow the program to take place and how to ensure ongoing support for the resulting plans and decisions.

Which question will this process answer? Work with the leadership group in writing the question that you want the process to answer. This may be broad like "how do we develop our organisation over the next 5 years? Or "how do we improve customer service?" If the topic is too small the process will seem trivial. If the topic is too large, people may be unable see how their results will make a difference. Ideally it will be on the edge between the participants 'arena of concern' and their 'arena of action' and serve to expand the latter.

It is helpful to define what the rational objectives and the experiential aims of the processes are. Rational objectives are the physical results such as the types of decisions, physical documentation, the relationships established, etc that will come out of the program. The experiential aims are about how the participants experience the process, such as fun, seriousness, creativity, active, boring, etc. You can be quite intentional about what is needed in the current situation.

Who should be involved in the planning process?

The participants who are invited will determine the results of a planning process. There are distinct benefits to broadening the participant group to include perspectives that are currently under-represented, or even those outside the organisation. However, a smaller group may allow a deeper conversation.

The logistics of a participatory planning process focus around space, time and method:

Space: It is helpful to get people out of the space that they are currently working in. 'Off-site' meetings are very popular and effective. You can restructure any space to allow more productive interactions. The traditional board room structure is extremely hierarchical and not conducive to a participative processes. A participatory meeting will generally require 2-3 times as much space as a traditional meeting.

Time: In the current fast paced environment there is an emphasis on making quick decisions, which often undermines the natural adjustment process needed in thinking processes. At least 2-3 days are required for an important planning process. This time allows participants to soak in new ideas and process their thinking. By combining tension with slack periods, the mind/group has a chance to integrate and come up with new and different solutions.

Method: Choosing a method for the planning process comes from the rational objectives and

ORGANISATIONAL TRANSFORMATION AND METHODS FOR CHANGE

experiential aims. There are a variety of processes that have been developed (the 'Technology of Participation' and 'Open Space' processes are introduced below) and can be considered. It is important to choose a process that is appropriate to your situation and then stick with it as much as possible.

Finally, it is important to follow-up on the results of participatory planning process. Many programs come to naught because the participants think that the plan is for somebody else (like their boss) and then never act upon the plan. For real impact the participatory planning process is a kick-off to a larger implementation process.

The most immediate follow-up is to provide copies of the planning document to all participants. The documents should be a record of the insights and commitments agreed during the meeting. Other processes can be created to share the meeting results including having taskforce meetings and explanatory meetings for people who did not participate.

Review meetings with planning groups should be scheduled on a regular basis, perhaps on a monthly basis. This helps the group to recognise their achievements, be aware of what has not yet been achieved; share new learnings that are taking place and create new decisions about future tasks. By actually working the plan, the group will learn more about its situation and refine the implementation process.

SOME PROCESS ALTERNATIVES

There are a range of participatory planning processes designed to guide a group in its discussion and decision-making. Most of these have been developed over the last twenty years as managers and theoreticians sought to capture improved results through participation. Because these processes have been purposely constructed and tested, they deliver desired results more consistently compared to "ad hoc" planning programs.

TECHNOLOGY OF PARTICIPATION (TOP): PARTICIPATORY STRATEGIC PLANNING

The ToP program is a structured participatory planning process that guides a group to look at themselves and their organisation through five major "lens":

1. **Current Standing Point:** What is currently going on in our organisation?
2. **Practical Vision:** What do we want to see in our organisation in 2-4 years?
3. **Underlying Contradiction:** What is blocking our organisation from moving towards our vision?

4. **Strategic Directions:** What can we do to overcome the contradictions and achieve the vision?
5. **Implementation Taskforces:** What can we do in the next 3 months to activate the strategic directions?

Each of these sections involves a workshop, which allows the participants to explore their understanding at that level and then build collective insights. In turn, each workshop builds on the understanding of the previous one.

The facilitation process helps focus on where agreement exist within the group and stating it clearly enough so that the appropriate action can be undertaken. The process is self-documenting and is provided after a program. The result of a 2-3 day program is a detailed implementation plan with individual commitments to implement

| ToP Schedule |
|-----------------------------------|
| Day 1 |
| Introductions |
| Current Standing Point |
| Practical Vision Workshop |
| Underlying Contradiction Workshop |
| Closing Reflection |
| Day 2 |
| Opening Review |
| Strategic Directions Workshop |
| Song, Story, Symbol |
| Implementation Taskforces |
| Closing Reflection |
| Participants: 8 – 50 people |

OPEN SPACE TECHNOLOGY:

Open Space Technology is a self-structuring meeting process, which allows the participants to determine the topics of discussion and then hold meetings with interested colleagues.

The basic structure involves an opening gathering in a circle of all participants where the process is introduced and participants create topics around a theme. The schedule allows 1 – 1 ½ hour meetings with up to seven meetings per time period. In a one day, a group could have 30+ meetings, or 60+ meetings over two days. The participants meet at the beginning and end of each day to reflect and share what they have learned.

The structure allows the group (and the individuals) to take responsibility for talking about the topics that they believe need to be discussed. There is space to deal with fundamental issues, trivial issues, and visionary issues. (The groups tend to deal with those issues, which are important to them).

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Each individual meeting is documented by the convener. During the meeting periods, each participant is responsible for using time effectively.

This process has been used with a large number of organisations on a variety of issues. It is generally found that a one day program allows exploration, a two day program will allow strategy development and a three day program will allow clear implementation plans.

(Open Space Technology: A User's Guide by Harrison Owen, 1997)

| Open Space Schedule |
|------------------------|
| Day 1 |
| Introductions |
| Topics |
| Meeting 1 |
| Meeting 2 |
| Meeting 3 |
| Closing Circle |
| Day 2 |
| Opening Circle |
| Meeting 4 |
| Meeting 5 |
| Convergence Session |
| Action Meeting |
| Closing Circle |
| Participants: 30 - 300 |

ROLE OF THE FACILITATOR

The role of the facilitator can vary depending upon the process and the temperament of the individual. However, two roles for a facilitator of participatory planning programs are:

Process Expert: A facilitator provides in-depth knowledge of the participatory planning process and knows how it can be implemented. He or she can assist in choosing an appropriate process for the current situation and clarify logistical questions. Even when he or she is a knowledge expert, they leave that role to the participants.

Concerned Outsider: A facilitator provides an outside perspective on the organisation and the group processes in operation. As an outsider he can help the group think through their operating assumptions and disrupt counterproductive behaviour.

It is generally not advisable for the organisational leader to be the facilitator as a conflict can result from such a role, even if he or she is highly skilled.

BENEFITS OF PARTICIPATORY PLANNING

Considering how much frustration exists around 'holding more meetings' it is surprising to learn what

benefits can result from a participatory planning process.

First, and often most important, is a clear plan of action which is both comprehensive and systematic prepared in a short period of time which has extensive buy-in. Because of the participant's involvement in creating the plan, they are often deeply committed to the plan and start implementation rapidly. The plan is often better structured because of the diversity of thinking involved.

Second, the process builds the capacity of the individuals and the organisation to deal effectively with their changing situation. The participants often start using similar processes in their teams and individual planning processes. Openness and sharing is enhanced, with an increased ability to listen to new ideas and encourages diverse personality.

Finally, a participatory planning process is often the least expensive way to get short term and long term results.

SO...

When you get that telephone call, pull out this article and prepare yourself for an event that will transform your organisation.

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