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[Review of the Book *The Challenge of Organizational Change: How Companies Experience It and Leaders Guide It*]

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[Review of the Book *The Challenge of Organizational Change: How Companies Experience It and Leaders Guide It*]

Abstract

[Excerpt] Overall, this book is an important contribution to the organizational studies literature. The Big-Three Model and the case studies supporting it provide new insights regarding the ways in which changes affect individuals and organizations. Further theoretical developments should build on this framework, and incorporate elements of this model into more detailed schemas of change. The authors have exposed many new research questions and provided many lessons for practitioners. I look forward to additional work from them.

Keywords

service climate, motivation, performance, retention

Disciplines

Human Resources Management | Organizational Behavior and Theory

Comments

Required Publisher Statement

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On balance, however, this book is a clear success. It is lively and hard-hitting, as well as easy and enjoyable to read. The authors let us know in no uncertain terms what they think and why, never shrinking from controversy. In contrast to the banalities and professional jargon found in so much purported "policy analysis," this book's directness is most refreshing.

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Human Resources, Management, and Organizational Behavior

The Challenge of Organizational Change: How Companies Experience It and Leaders Guide It. By Rosabeth Moss Kanter, Barry A. Stein, and Todd S. Jick. New York: Free Press, 1992. xix, 535 pp. ISBN 0-02-916991-7, \$35.00.

There is little doubt that change is one of the most important issues for organizations today. As stated in this book,

Company survival today depends on courage and imagination—the courage to challenge prevailing business models, and the imagination to invent new services, new products, and new markets. Competitive success in the 1990s will belong to companies that escape the tyranny of their service markets to create new ones, a process that requires sweeping challenges to obsolete assumptions. Increasingly, neither business leaders nor rank-and-file employees question whether to change, but how. (p. 489)

The authors of this timely book begin by describing the nature and scope of changes faced by many work organizations. They address several elementary but important questions that prime the reader for a new perspective—for example, what is change, and where does it come from? Proceeding from their analysis of these and other questions, they develop and discuss a number of propositions. One proposition is that change exists or is manifested in the form of "movement" at multiple levels of analysis—from individual to societal. Moreover, the forces that create motion at these various levels of analysis interact in very complex ways, making change management extremely difficult. The authors have correctly stated that "responding to change, harnessing

change, and creating change become the major management challenge" (p. 14). Kanter et al. also argue that the change process should not be viewed in static terms, as implied by several "classic" change models: change is clearly dynamic and continuous. As such, models of change must examine change at multiple levels of analysis and incorporate a dynamic, integrative framework.

The authors then present their model of change, the "Big Three Model," which incorporates a dynamic perspective that addresses change at multiple levels of analysis. At the "macro-evolutionary" level, change is represented by the relationships between an organization and its environment. At the extreme, Kanter et al. argue that this type of change involves restructuring and redefining organizational boundaries such that "an organization becomes entirely different" (p. 15). An example of this "identity" change is an organization's transition from a family-owned business to a publicly held corporation. Changes at the "micro-evolutionary" level occur within an organization and may affect such aspects of the organization as size, shape, and culture. An example of change at this level of analysis is downsizing to reduce the number of managerial layers. Finally, there is "revolutionary" change, which primarily affects power relationships and methods that can be used to alter the control of resources. For each element of the model, an introductory discussion is presented, followed by a series of mini-cases that illustrate the type of change under consideration and the ways in which key individuals attempt to cope with that change.

The Big Three Model of change is a thoughtful conceptual framework on which many research questions can be based. The focus on multiple levels of analysis should stimulate much needed cross-level research, and the dynamic, continuous elements of the model emphasize the need for longitudinal inquiry. In addition, the mini-cases provide some fairly rich, substantive detail regarding methods and processes that can be used to cope with relevant aspects of the change process. For example, Kanter et al. provide convincing evidence that strategic interventions can and should be used to cope with identity change.

On the negative side, the model is a bit narrow in scope. For example, there is very little discussion regarding the evaluation and measurement of change. Since evaluation is considered to be of central importance to understanding change and how it affects us (see,

for example, T. G. Cummings and C. G. Worley, *Organizational Development and Change* [Minneapolis/St. Paul: West, 1993), this omission is unfortunate. In addition, although the mini-cases provide some useful examples of specific methods that can be used to manage and cope with particular change issues, there is too little discussion of whether or not the interventions or solutions that were implemented to cope with change were the most appropriate, or whether other interventions might have been more effective. A summary section at the end of each topic would have been valuable.

Overall, this book is an important contribution to the organizational studies literature. The Big-Three Model and the case studies supporting it provide new insights regarding the ways in which changes affect individuals and organizations. Further theoretical developments should build on this framework, and incorporate elements of this model into more detailed schemas of change. The authors have exposed many new research questions and provided many lessons for practitioners. I look forward to additional work from them.

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