

ORGANIZATION DEVELOPMENT

**Theory, Practice,
and Research**

Edited by

Wendell L. French

*Graduate School of Business Administration
University of Washington*

Cecil H. Bell, Jr.

*Graduate School of Business Administration
University of Washington*

Robert A. Zawacki

*Graduate School of Business Administration
University of Colorado,
Colorado Springs*

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IRWIN

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ORGANIZATIONAL DIAGNOSIS: SIX PLACES TO LOOK FOR TROUBLE WITH OR WITHOUT A THEORY

Marvin R. Weisbord

No single model or conceptual scheme embraces the whole breadth and complexity of reality, even though each in turn may be useful in particular instances. This is why management remains an art, for the practitioner must go beyond the limits of theoretical knowledge if he is to be effective. (Tilles, 1963, pp. 73–81).

For several years I have been experimenting with “cognitive maps” of organizations. These are labels that would help me better describe what I saw and heard, and understand the relationships among various bits of data. I started this endeavor when I realized that though I knew many organization theories, most were either (1) too narrow to include everything I wished to understand or (2) too broadly abstract to give much guidance about what to do.

This article represents a progress report on my efforts to combine bits of data, theories, research, and hunches into a working tool that anyone can use. It is one example of a process I believe goes on among practitioners that is neither well documented nor well understood (Weisbord, 1974a). The process does not take place in a mode consistent with the protocols of social science research. It is not tied to any particular theory, nor is it subject to easy translation into research instruments. It is not intended to prove or disprove hypotheses. Rather, it represents what Vaill (1975; Friedlander & Brown, 1974) calls a “practice theory”—a synthesis of knowledge and experience into a concept that bears “some relation to public, objective the-

ories about organizational situations, but in no sense (is) identical to them.”

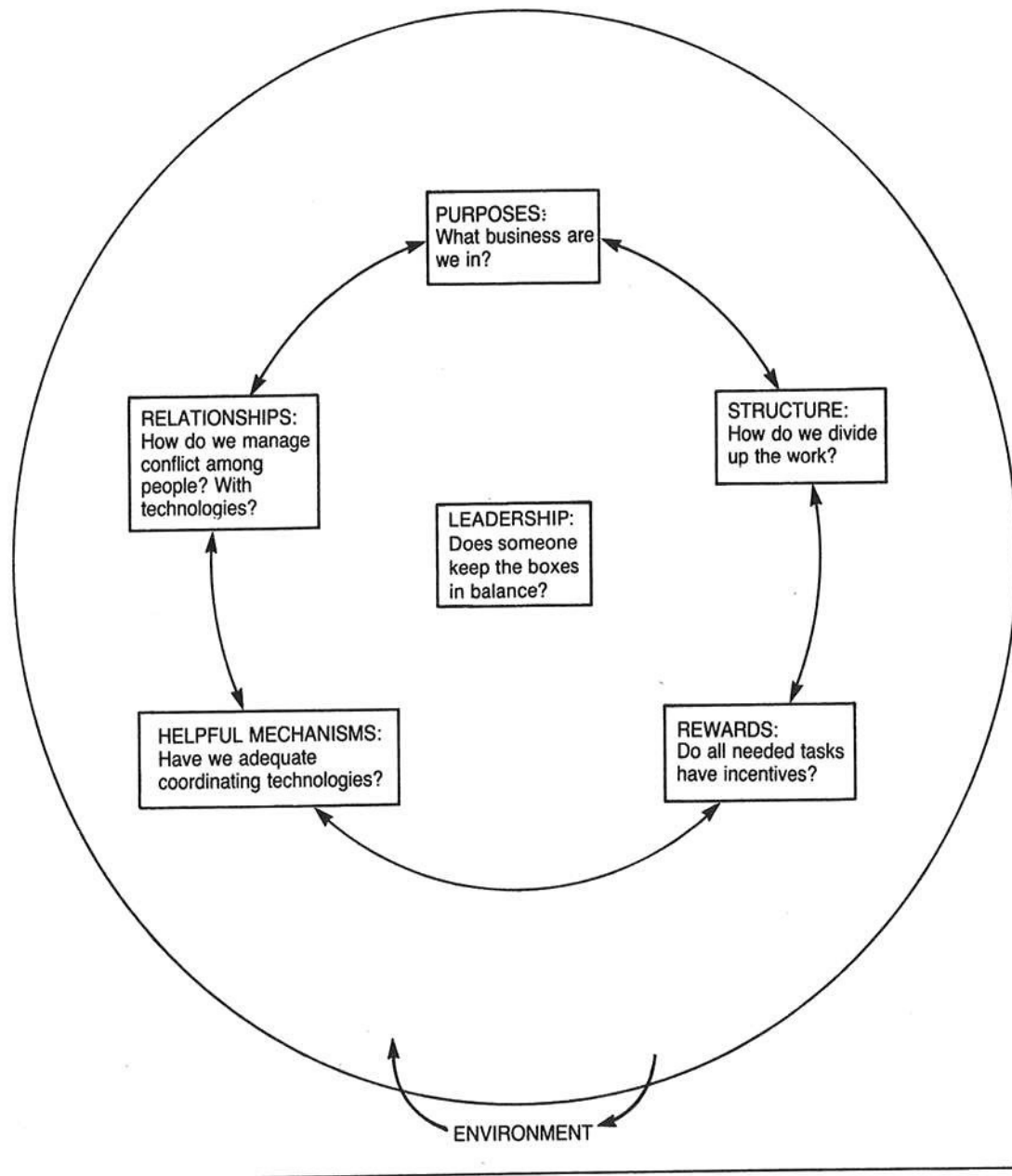
I think this accurately describes what I have been calling, for want of a more elegant name, the “Six—Box Model.” This model (Figure 1) has helped me rapidly expand my diagnostic framework from interpersonal and group issues to the more complicated contexts in which organizations are managed. It provides six labels, under which can be sorted much of the activity, formal and informal, that takes place in organizations. The labels allow consultants to apply whatever theories they know when doing a diagnosis and to discover new connections between apparently unrelated events.

We can visualize Figure 1 as a radar screen. Just as air controllers use radar to chart the course of aircraft—height, speed, distance apart, and weather—those seeking to improve an organization must observe relationships among the boxes and not focus on any particular blip.

Organizational “process” issues, for example, will show up as blips in one or more boxes, signaling the blockage of work on important organizational tasks. (Process issues relate to *how* and *whether* work gets done, rather than *what* is to be done.)

Unfortunately, such issues too often are seen as the result of someone’s personality. For example, the failure of a group to confront its differences may be diagnosed as the inability of one or two people to assert themselves. Yet, if the consultant were to look closely, he might find that no one in the organization confronts, independent of the assertion skills they may have. Those who do confront may be considered deviant and may be tolerated only to the extent that they have power.

Source: Marvin R. Weisbord, reprinted from *Group & Organization Studies*, December 1976, pp. 430–47.

FIGURE 1 The Six-Box Organizational Model

From a management standpoint, it is probably more useful to think of process issues as systemic, that is, as part of the organization's management culture. This culture can be described as:

1. "Fit" between *organization* and *environment*—the extent to which purposes and structure support high performance and ability to change with conditions; and/or
2. "Fit" between *individual* and *organization*—the extent to which people support or subvert

formal mechanisms intended to carry out an organization's purposes.

The relationship between individual and organization is the basis for many important books in the organizational literature. McGregor (1960) argued that a better fit might be attained under Theory Y assumptions (people like to work, achieve, and be responsible) than Theory X assumptions (people are passive, dependent, and need to be controlled). Blake and Mouton (1964) devised elaborate change

strategies (variations of "Grid" theory) based on the notion that productivity and human satisfaction need not be mutually exclusive.

Maslow (1971) struggled in his last years to reconcile employee self-actualization—personal growth and creativity—with an organization's needs for structure, order, and predictability. Argyris has written extensively on the potential incompatibilities of individuals and organizations and the threat that bureaucratic structures pose to self-esteem (Argyris, 1957).

In the last 10 years, both managers and consultants have become much more conscious of organizations as open systems in which structure and behavior are heavily influenced by environment. Lawrence and Lorsch (1967) compared high- and low-performance businesses in terms of structural requirements—based largely on rate of change in business technology and environment—and came up with a contingency theory: the way subunits of an organization are structured depends not only on their functions but on environmental factors, which results in different policies and procedures for different organizations.

Sociotechnical theorists such as Trist (1969) have tried to reconcile structured technologies and work systems with people's individual and social needs, theorizing that high performance equals an optimum balance between technology ("task") and people ("process").

Each of the possible frameworks highlights important organizational issues; each has been the basis for useful interventions in the organization development repertoire. Yet, none is an adequate tool for the management of an entire organization without an expansion of concepts.

Management needs a view simple enough, and complete enough, to improve the quality of its decisions. What follows is a description of how the Six-Box Organizational Model can be used to put into perspective *whatever* theories and concepts a consultant already knows along with *whatever* problems present themselves in diagnosing an organization's problems.

The circle in Figure 1 describes the boundaries of an organization to be diagnosed. *Environment*

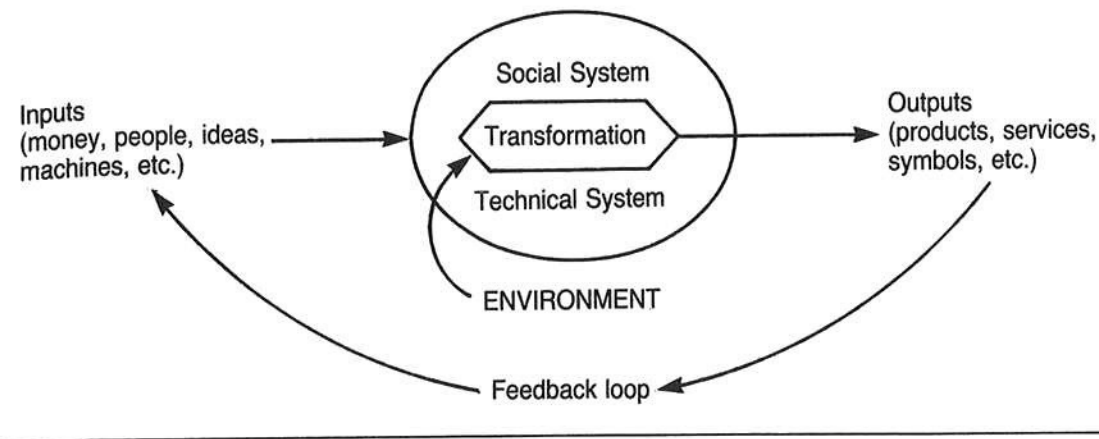
means forces difficult to control from inside that demand a response—customers, government, unions, students, families, friends, etc. It is not always clear where the boundaries are or should be. Although such a system can be characterized accurately as "open," its rationality depends on partially closing off infinite choices. Deciding where the boundary lies is an act of reason wed to values, for there are no absolutes (Vickers, 1965).

The consultant may find it necessary to set boundaries arbitrarily so that a diagnosis can proceed. I do this by picking a unit name (i.e., XYZ Company, ABC Department, QUR Team) and listing groups or individuals inside the boundary by virtue of dollar commitments, contract, or formal membership. Within the boundaries, the boxes interact to create what is sometimes called an input-output system, whose function is to transform resources into goods or services. Figure 2 illustrates the Six-Box organization/environment using input-output terms. Given that organizations function or do not function depending on what is going on in and between each of the six boxes, a consultant has a basis for doing an organizational diagnosis.

Formal and Informal Systems

Within each box are two potential trouble sources—the formal system that exists on paper and the informal system—or what people actually do. Neither system is necessarily better, but both exist. In doing a diagnosis, it helps to identify blips in each system and to attempt to define the relationships among them.

Diagnosing the formal system requires some informed guessing, based on knowledge of what the organization *says*—in its statements, reports, charts, and speeches—about how it is organized. The guessing comes after comparing its rhetoric with its environment and making a judgment about whether everything fits—whether society will value and underwrite an organization with such a purpose and such a means of organizing itself. Much expert consultation is aimed at bringing organizational rhetoric into better harmony with the outside world.

FIGURE 2 The Six-Box Organizational Model Using Input-Output Terms

However, in every organization there is another level of behavior—what people actually do. Diagnosing these informal systems is sometimes called “normative” diagnosis (Clapp, 1974). It focuses on the frequency with which people take certain actions in relation to how important these actions are for organizational performance. Normative behavior usually determines whether otherwise technically excellent systems succeed or fail, because normative behavior indicates the degree to which the system as designed meets the needs of the people who have to operate it. Sometimes norms cannot be changed informally, so there is a need to study relationships *between* the two levels of analysis. By persisting in such an inquiry, a consultant discovers some of the reasons why the input-transformation-output stream is not flowing as smoothly as it could.

How to Collect Data

Collecting data on which to base a diagnosis can be as simple as brainstorming or as complex as a “grand design” research methodology involving hypotheses, instruments, and computer analysis. Complexity aside, there are four ways to collect data:

1. *Observation.* Watch what people do in meetings, on the job, on the phone, etc.
2. *Reading.* Follow the written record—speeches, reports, charts, graphs, etc.

3. *Interviews.* Question everyone involved with a particular project.
4. *Survey.* Use standard questionnaires or design your own. Surveys are most useful when they ask for information not readily obtainable in any other way, such as attitudes, perceptions, opinions, preferences, beliefs, etc.

All four methods of data collection can be used to isolate the two major kinds of discrepancy—between what people say (formal) and what they do (informal) and between what is (organization as it exists) and what ought to be (appropriate environmental fit). The trick is not to use any particular methods, but to sort the evidence of one’s senses into some categories that encourage sensible decisions.

Where to Start

There are two main reasons why one might want to diagnose an organization: to find out systematically what its strengths and weaknesses are or to uncover reasons why either the producers or consumers of a particular output are dissatisfied. Because the latter reason is most often the trigger for corrective actions, I suggest starting a diagnosis by considering one major output. Tracing its relationship to the whole system will result in an understanding of the gaps in the organization between “what is” and “what ought to be.”

Let us look at one output—say a single product or service—and determine how satisfied the *consumers* are and how satisfied the *producers* are. The central assumption behind this activity is that consumer acceptance, more than any other factor, determines whether an organization prospers or fades. Satisfied consumers generally indicate a good fit with the environment at one major contact point. Without satisfied consumers, producer satisfaction is likely to be unstable.

A consultant must watch for two situations in particular when diagnosing helpful mechanisms. One is the lack of any rational planning, budgeting, control, or measurement systems. In this case, no amount of interpersonal or group process work will “improve” an organization. Second, and worse, is the organization that has budgeting and controls, but no goals that the people doing the work agree are *organizationally* relevant (for them). The latter describes some universities and medical centers, for example, in which financial control systems provide an illusion of rationality that, like beauty, is only skin deep (Drucker, 1974b).

OD in such situations is not an *organization* development process at all. The best that a consultant can do is help members make more rational decisions about their own careers, thereby contributing to their personal growth. Certainly there is no interdependency to be negotiated in the absence of agreement about the ends toward which the organization is being managed (Weisbord, 1976).

The Six-Box Organization Model is a useful “early-warning system” for a consultant who is trying to decide where and whether to take corrective action. There are three levels of diagnosis that provide clues to appropriate interventions:

1. Does the organization fit its environment? If not, it cannot be developed until the fit can be rationalized and supported.
2. Is the organization structured to carry out its purposes? If not, work on structure is required before an examination of interpersonal and group processes can take on meaning other than personal growth.

3. Are the organization’s norms out of phase with its intent? How much discrepancy exists between formal and informal systems? If this is the main problem (as it often is in otherwise successful businesses) most of the management and organization development interventions will apply.

Any diagnostic questions a consultant asks about any of the boxes will yield useful data. Figure 3 summarizes the important questions about both formal and informal systems. There are as many ways to use these ideas as there are managers. I have offered this practice theory as the basis for starting new teams, task forces, and committees or for helping existing teams decide what they need to do next. Others have adapted the Six-Box Model to screen prospective employers, evaluate the management literature in terms of which issues it illuminates, write job descriptions, and organize research findings. It is also a useful teaching tool in comparing various types of organizations.

Finally, the Six-Box Organization Model provides an easy way of testing the extent to which an intervention seems right. I have used it both to explain and to anticipate my failures and have found that more anticipating means less explaining. In my experience, all interventions that “fail” eventually do so for one of three reasons (Bowers, Franklin, & Pecorella, 1975):

1. The intervention is inappropriate to the problem or organization. (A T-group may improve relationships without surfacing serious deficiencies of purpose, structure, or technology.)

2. The intervention deals with the wrong (less salient) blip on the radar screen. (When the pressing problem is ineffective leadership, a new reward system, no matter how desirable, may not make a difference.)

3. The intervention solves the identified problem, thus heightening issues in other boxes it was *not* designed to solve. An organization can be restructured to better fit its environment without changing norms and relationships that require other interventions.

FIGURE 3 Matrix for Survey Design or Data Analysis

	<i>Formal System</i> (work to be done)	<i>Informal System</i> (process working)
1. Purposes	Goal clarity	Goal agreement
2. Structure	Functional, program, or matrix?	How work is actually done or not done.
3. Relationships	Who should deal with whom on what? Which technologies should be used?	How well do they do it? Quality of relations? Modes of conflict management?
4. Rewards (incentives)	Explicit System What is it?	Implicit, psychic rewards. What do people <i>feel</i> about payoffs?
5. Leadership	What do top people manage? What systems in use?	How? Normative "style" of administration?
6. Helpful Mechanisms	Budget system Management information (measures?) Planning Control	What are they actually used for? How function in practice? How are systems subverted?

Note: Diagnostic questions may be asked on two levels:

1. How big a gap is there between formal and informal systems? (This speaks to the fit between individual and organization.)
2. How much discrepancy is there between "what is" and "what ought to be"? (This highlights the fit between organization and environment.)

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