

BUILT TO CHANGE

How To Achieve Sustained Organizational Effectiveness

EDWARD LAWLER III and CHRISTOPHER WORLEY

EDWARD LAWLER III is professor of business at the University of Southern California. He is also a founder and director of the university's Center for Effective Organizations. Dr. Lawler specializes in employee involvement, organizational change, compensation and corporate board effectiveness. He is the author of more than 300 articles and thirty-eight books including *Treat People Right!*, *Rewarding Excellence*, *Corporate Boards* and *Organizing for High Performance*.

CHRISTOPHER WORLEY is a research scientist at the USC Center for Effective Organizations. He previously served as a director of Pepperdine University's Master of Science in Organization Development program. Dr. Worley (a graduate of the University of Southern California) consults widely with businesses. He is the author of over twenty articles and two books: *Integrated Strategic Change* and *Organization Development and Change*.

The Web site for this book is at www.builttochange.com.

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MAIN IDEA

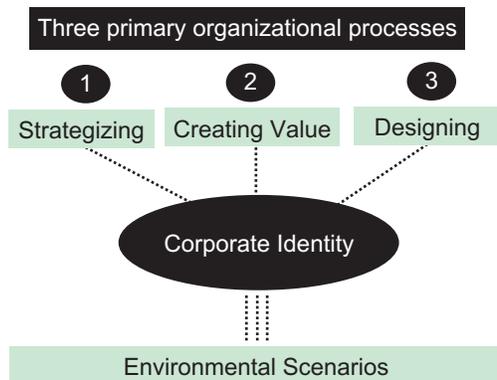
At one time, everyone wanted to build stable companies which would endure indefinitely and last for eons. In today's rapidly evolving business climate, building an organization which can change rapidly is valued more highly. That allows companies to generate a temporary competitive advantage, exploit that advantage to maximum effect and then move on to something newer and better when everyone else catches up.

Traditional organizations are generally built to resist change with a number of various checks and balances, all of which tend to maintain the status quo rather than stimulate change. To build an organization which embraces change as the best way to move forward, you need to do things differently. In particular:

1. A new organizational model is required.
2. New change-friendly business strategies are needed.
3. Some tangible way to handle the transition from being change-resistant to change-friendly must be available.

1. A new organizational model Page 2

For an organization to be able to change quickly and repeatedly, it has to be structured differently. This requires an integrated approach where all of the parts work together effectively. The suggested organizational model for a change-friendly organization will be along these lines:



2. New change-friendly business strategies. Pages 3 - 7

Built-to-change organizations do things differently. They attempt to create virtuous spirals which will take the organization higher and further than ever before. To achieve this in practice, these organizations use eight specific change-friendly strategies:

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| Change-friendly business strategies | ▶ 1 | Look to craft a series of temporary advantages |
| | ▶ 2 | Create jobless work and project structures |
| | ▶ 3 | Move decision making down the organization |
| | ▶ 4 | Have a good brand as an employer |
| | ▶ 5 | Make everyone responsible for their own careers |
| | ▶ 6 | View leadership as a type of team sport |
| | ▶ 7 | Make all your reward practices completely transparent |
| | ▶ 8 | Link rewards to skills and knowledge, not tenure |

3. Managing the organizational transition from change-resistant to change-friendly Pages 7 - 8

Most firms have found making the transition to becoming a change-friendly organization is harder than operating as one on a long-term basis. The reason for this is readily apparent. Most organizations are built to endure rather than built to change. If you want to reconfigure as a change-friendly organization, you'd better be willing to challenge that stability by making a sound business case, addressing directly the resistance which arises and developing a viable plan of action for the transition process to proceed. To become change-friendly, an organization must shift its identity, reconfigure its intent, acquire and develop new capabilities and completely redesign itself – no small order.

