9. OWNERSHIP, PARTICIPATION AND ORGANIZATIONAL CHANGE: TAKING A MORE HOLISTIC AND DYNAMIC PERSPECTIVE

Antonie van Nistelrooij

The topics mentioned in the title are some of the central topics in the work of Erik's, which I studied when I was one of his PhD students. To date, these very same topics are still the main points of interest in my contemporary action research which I conduct as a scholar and practitioner in the field of Organization Development and Change. I remember that I particularly liked to read Erik's article entitled 'Employee Ownership and Organizational Citizenship Behavior' (2015). In this article, Erik and his colleagues operationalized and discussed how employee ownership can have a positive influence on workers' organizational citizenship behaviors, herewith suggesting that organizations are advised to consider implementing employee ownership and to look for other sets of HR practices that may produce sustainable change. These and other findings suggest that direct involvement in the change process enhances employees' acceptance of change. On the one hand, this may be due to the enhanced information flows that help employees understand the need for change. On the other, it may be due to employees feeling ownership in the change process.

Of course, under specific experimental controlled situations in which individual employees will be closely monitored, the odds of researchers finding significant, linear relationships between participative behaviors, ownership and individual change may be high. However, as I will argue in this contribution, the daily blurry and messy reality of organizational change will make it far less likely that such linear relations can be found (or actually exist) and that much depends on how we, as management scholars and practitioners, look at change.

Change and the difficulty to understand it
The central question, which I would like to explore in this contribution, is: what will happen when it seems as if, initially, there is a lot of enthusiasm and knowledge about a particular change initiative, but in reality, nothing actually gets off the ground? This refers to a phenomenon which is widely acknowledged in the world of change practitioners, but which at the same time is so poorly understood theoretically. Most of the

time, we tend to blame a failed change initiative on a lack of 'ownership', or the 'resistance' of those who have to adopt the new initiative. However, in essence, 'ownership' and 'resistance' are theoretical constructs, which in the context of a particular social setting, such as a change process in an organization, are less easy to be disentangled than suggested by the well-known dichotomies mentioned in the literature, such as: 'feeling ownership versus feeling alienated', or 'resisting versus being committed.' Reviewing the literature, it shows that two shifts have occurred regarding the conceptualization of change-related concepts, such as 'ownership' and 'resistance': a shift from simple one-dimensional concepts to more complex multidimensional concepts (including a broad array of interactional factors that occur at more than one level) and a shift from rational-bounded phenomena with both positive and negative connotations to more identity-dependent phenomena. With regard to the latter, 'resistance' is no longer seen as a hindrance that we need to address by introducing the positively connoted concept 'ownership', but as something in itself which can be viewed as an integral part of successful change.

When change has been introduced, we can expect several forces that can drive individuals in opposite directions. Consequently, all change-related concepts are more ambiguous, contradictory and paradoxical than we expected them to be when we read about them in the literature. To illustrate this, I will briefly present a contemporary example from a Dutch Labor Union division, in which all stakeholders that were directly involved expressed a lot of ownership and involvement. However, in the final analysis, nothing seems to have changed.

An example: a Dutch Labor Union division
For a union to be successful, it is important to have enough members who are satisfied with the services offered by the union representatives. Confronted with a continuous decrease in the number of members over the last three years, a business manager of a union expected the employees to become more accountable in delivering union services, recruiting members, and realizing strategic targets over the next two years. In several interactive sessions, union leaders and managers discussed the urgency of these measures and searched for ways to implement them. After two years, it became clear that nothing had changed for the better; in fact, nothing had happened at all, and members were still leaving the union in substantial numbers. It became clear that in a worst-case scenario, there would be no union members left. But what could be done? All those involved were well aware of the urgency of the situation. Everybody was eager to do something and really wanted to change the way the union operated. But, instead of pulling together to cope with the serious challenges the union faced at that time, people

went on with their own idiosyncratic ways of working, did not find ways to act accordingly and, in fact, rather worked against each other's ideas for change.

As was the case, from a managerial point of view, the union leaders' behaviors could be labelled as a display of 'resistance'. However, the union leaders themselves felt that their behaviors could be seen as a display of their genuinely felt sense of 'ownership', which paradoxically, did not contribute to what can be considered stakeholders' mutual interests. Moreover, what was regarded by management as 'resisting', could also be interpreted as 'being involved'. The union leaders regarded the labeling of 'resisting' itself as an act of disrespect, diminishing their own involvement. Interlocked as their mutual perceptions and behaviors were, the whole process became a self-fulfilling prophecy: the behaviors of all involved, that of union leaders and managers alike, came down to resisting each other's suggestions.

Based on this case, the following observations can be made. First, the example illustrates that the challenges which today's leaders and employees face are not necessarily problems that come down to merely reducing 'resistance' or boosting up a 'sense of ownership.' Second, our case also illustrates that, in particular social contexts, there are no simple, linear 'cause-and-effect' relationships. That is to say, what someone perceives as an 'effect' may be a 'cause' for others, and *vice versa*. Third, human perceptions play a much more pivotal role than we may believe to think. This brings us to the fourth and final observation that, to us as scholars, the challenge may be much more *how* we perceive change than actually changing our behavior. In short, when we perceive things as being different and separate, while the problems themselves are in fact interdependent and interconnected, we may tend to make things much more complex than they already are. For most of us, when we find ourselves in complex situations, it seems impossible to react in a straight and consistent way. What we possibly most likely will be inclined to do is simultaneously 'pushing the gas and hitting the brakes'. Similar to driving a car, we spin around in a circle, meanwhile producing a lot of noise and smoke, but not being able to go forward a single inch. The phenomenon central to this contribution may have all the ingredients which are present in the story of the Red Queen (one of the famous characters in Lewis Carroll's well-known novella *Through the Looking Glass*) who tries to run as hard as she can around a tree in order to stay at the same place.

Looking at change as being recursive and cyclic
A change process is not and cannot be merely a rational, analytic pre-planned process. We do not see ourselves as physical particles that follow nicely set-out trajectories when we are pushed to change or receive external impulses to do so. Moreover, under these kinds of circumstances, we tend to do things more recursively and in cycles;

moving along a lot, but seemingly not functioning or operating in the supposedly 'right' direction. The latter is the typical behavior which most of us associate with 'resistance' to change. However, this kind of behavior is not exclusive to typical top-down managerial change initiatives. Also, participative change initiatives can lead to initial enthusiasm and an intense and widespread sense of ownership and as such can unlock lots of energy. However, even under these conditions, this can also be a recipe for enhancing inactive and cynical reactions. We will illustrate this in the next example of a business university.

A second example: a business university
A business university that specialized in offering MBA education and in-company management development programs had just survived severe cutbacks in which half of the staff lost their jobs. In the following months, the remaining employees, who successfully applied for their current upgraded jobs, did not seem to manage their daily challenges and opportunities after the restructuring. In fact, they did not seem to cope at all. After more than six months of unproductive behavior and internal dissatisfaction, the CEO decided that something drastic had to be done. Therefore, the CEO hired an external specialist who started with a series of individual interviews. The interviews showed that everybody was well aware of the urgent financial situation and that most employees were struggling with impressions and perceptions of how things went during the cutbacks and the following period of reapplication as instigated and directed by the CEO. Despite all this, most people seemed to know exactly what had to be done. During an interactive dialogue session, the problems, results and suggestions for the follow-up were talked through and validated with the entire staff.
Although there was much agreement on the main points, there was a lack of agreement on the specificities. To cope with this, a procedure was agreed upon with the works council. The outcomes determined would give the CEO clear and specific advice about what to do. The CEO copy-pasted this advice and presented it back to the works council. However, to the surprise of the CEO, the works council gave a negative advice, disapproved the proposals by the CEO, and questioned his competence to implement the decisions. This led to new disputes within the organization and the whole process came (again) to a halt.

Again, what we see here is an example with people who were involved as much as possible, under the condition of substantial cutbacks and serious consequences for everyone involved. And, just as was the case in the first example, we can view the behaviors of the people involved as 'resisting', but also as a display of a genuinely felt sense of 'ownership'. Because there are more than one contradictory perspectives in-

volved it becomes extremely difficult to come to a shared sense of what is going on and what has to be done in such ambiguous situations. And in this case, the whole process ends up in what seems to be a typical catch-22 situation in which the only solution is denied by a colleague's vision on what has to be done, which is as 'true' and well-motivated as that of our own. In these kinds of ambiguous contexts, we find ourselves in a blurry situation, not being able to name or see the contradiction itself; we are involved, feel committed, know that our jobs are on the line, but eventually, we ask ourselves how much ownership we need to display to be heard and how to overcome this mess?

Under such circumstances, the mind cannot think what it must think and it is reluctant to express the reasons for this. We easily become increasingly tense as we realize that we are in a situation we do not want to be in and we do not see our way out of it without the help of our colleagues –who apparently do not seem to agree with our vision, and do not seem to reckon our efforts to make the change. Besides, we do not seem to have the capacity to combine or integrate the different perspectives relevant for making progress in these kinds of ambiguous situations. An important observation based on this example is that, insofar the actors try to make sense of and act coherently in these situations, change is not happening, as long as we are not willing to reflect upon on our own assumptions and that of the relevant others.

Perceiving change and inertia, parts and the whole

In his lecture '*The Perception of Change*' at Oxford in 1911, Nobel Prize winner Henri Bergson (1946) mentioned: 'The point is that usually we look at change but we do not see it. We speak of change, but we do not think it. We say that change exists, that everything changes, that change is the very law of things: yes, we say it and we repeat it; but those are only words, and we reason and philosophize as though change does not exist.' (p. 131). However, our attachment to everyday reality, that is our concern with living and acting, necessarily narrows our vision; it requires us to look straight ahead in the direction we have to go at the expense of 'peripheral' things as changing this daily reality. This happens because, in action, we are less interested in the things themselves than in the use we can make of them. So, framing a change process as solely a conscious, linear or even as a pure individual process, focusing on somebody's perceived involvement or sense of ownership, doesn't do the job. In this regard, a change process is not and cannot be merely a rational, analytic pre-planned process focusing on objectifying and opposing constructs as 'ownership' versus 'resistance'.

As the above examples show, it will be helpful when contradictive, oscillating and circular behavioral patterns come to the full awareness level of the minds of all involved stakeholders, and every one of them sees their own part in it. To do so, we need

to approach change from a more holistic and cyclic perspective. Meaning that we are more focused on the ongoing dynamics and behavioral patterns between people – in a given social context – than the characteristics of the people themselves. But it also means that we – managers, consultants and employees alike – need to reflect upon our own assumptions and ways in which we perceive change. Or to put it differently, much depends on the way we look at change: do we see people, their behaviors, their relations, or all these aspects at once, as interrelated parts of a whole? With the latter, we are looking specifically at how outcomes are fed back to the performing whole – which can be a group of people, an echelon, an organization, or even a network of organizations. Feedback is in this regard more than 'a report given back,' but is about news (conveyed as a 'difference') that made a subsequent 'difference' in a future conduct. In a certain vein, looking from this perspective, it is almost natural that people could become stuck in repetitive loops of unfulfilling behavior.

Unfortunately, for scholars and practitioners who like to plan, plot and predict human behavior, or as we indirectly argue in this contribution, prefer analytical and statistical methods, things are becoming less simple. As we see it, the way people react to a change initiative is less consistent, less certain and, as our examples show, far more unpredictable than suggested by the sequences in the classical planned behavior models.

References

Bergson, H. (1946). *The creative mind*. New York, NY: Carol Publishing Group.

Poutsma, E., Van Eert, C., & Ligthart, P. (2015). Employee Ownership and Organizational Citizenship Behavior: High Performance Ownership Systems and the Mediating Role of Psychological Ownership. In A. Kauhanen (Ed.), *Advances in the Economic Analysis of Participatory & Labor-Managed Firms* (Volume 16, pp.223-248). London: Emerald Group Publishing Limited.