



Book Review: Handbook for the Revolutionary

inspired by
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Systemic Excellence Group

Independent Think Tank for Leading Practice

Content

Book Review „Handbook for the Revolutionary“

1. Three act drama - creative destruction
2. Police, media, education - Opion leadership
3. GRPI-scheme
4. TPC-matrix

Models, methods and instruments

Reference

Book Review „Handbook for the Revolutionary“

Like no other consultant, Noel M. Tichy has advanced and extended the methodologies of consulting during the last decades. This was especially so during his time with General Electric (GE) in the Eighties and at the side of Jack Welch, where Tichy – now a professor of Organisational Behaviour and Human Resource Management at the University of Michigan – developed new approaches, methods and instruments based on his observations of GE’s own organisation. All of which, due to their theoretically persuasive power and their practical success, have become today’s standards of organisational development.

Tichy develops approaches to organisational development that become standard

What is particularly captivating is his consequent systemic perspective – i.e., comprehensive perspective on organisations – which is based on his belief that reciprocal dependencies and influences exist within an organisation. According to Tichy, these dependencies and influences take place at different levels of organisational action: the comprehensive, process-oriented level (“creative destruction”), subordinated levels of detail like the level of communication (“police, media, school/education”), the level of cooperation (“GRPI”), as well as a general analytical, logically monitoring level (“TPC-matrix”).

A consequent systemic perspective on organisations

From the perspective of systemic practice and of a sociological system’s theory reflection, Tichy’s “Handbook for the Revolutionary” is a profound contribution to the classical instruments of Change Management. His instructions for the revolutionary focuses on practical change-related activities in order to deal with exogenously induced strain of suffering.

Operationalisation of the necessity of change

In the following sections, these thoughts and models shall be drafted, in order to give a glimpse of Tichy’s approach to organisations and their inner dynamics under the conditions of change processes – like those he was able to observe at GE.

Transformation as „emotional time“

1. Three act drama - creative destruction

Transformations of organisations are, according to Tichy, “an emotionally-loaded time”. Based on individual psychology research, Tichy devises organisational change as a drama in three distinct acts, with each linked to organisational requirements. This permits the moderation of all the involved participants’ emotions instead of leaving them to deal with them on their own. The result is a process architecture that allows for a design of organisational change in such a way that conscious exposure to that change can be established. This is because “only with the powerful energy of many motivated people with clear goals [can] such a turn...succeed”. In this context, he talks of “creative destruction and the reconstruction of the organisation”.

Three act drama to enable to facilitate emotions

Change occurs only when psychological strain is big enough

Prologue

According to Tichy, today’s companies’ and organisations’ global field of competition is the trigger for change. But people and organisations only change when the psychological strain is big enough.² Under those circumstances, it is possible to act reactively – e.g., “shutting the stable door once the horse has bolted” – or proactively. Every person perceives this point in time differently and according to his/her individual situation. Consequently, people become either herders or resisters to change and, thus, different players in the three-act-drama.³

01_ The issue of resistance to change-processes retains an ambiguous meaning from the perspective of systemic process moderation. On the one hand, resistance is willingly taken as an indicator for content-related deficits in participation. This not only refers to communicational transparency, but also to the degree of usage of systemic knowledge by the individual actors. Whoever is engaged by resistance, has already lost the most important organisational resource: people’s commitment. On the other hand, resistance describes a political dimension as well. The system itself, or the organisation, is aware that something basic has not yet been clarified and struggles against doing the next step prematurely.

02_ Strain is the starting point for reactive crisis management. According to therapeutic settings, appendages for organisational development have long lingered on possibilities to indicate strain as an origin for change processes in organisations. The problematic thing about this is that the started processes can lose their energy as soon as the strain or the imposed threat vanish or reduced in force. A change from a non-critical situation cannot be constructed that way. Active and proactive change management build upon the ideas described by Tichy, but a different motor of change must be found to positively describe that which until now has been negatively described as strain in regard to crisis management.

03_ In that respect, Tichy’s position resembles that of Levin, in which he states his concept of “freeze – unfreeze”. This approach is also about change architecture based on its own repetition.

Act one – The final cut / the awakening

To make a change for something new, a closure of the old is necessary.⁴ Only this way can important emotional energies be unleashed and directed towards change instead of working against it. At organisational level, this means that the status quo must be sufficiently shaken up so that the need for change can be recognised and accepted by all members of the organisation.

The farewell to the old enables the introduction of the new

Act two – Development of Vision

Once the need for change has become communally understood and accepted, the change itself needs direction. This direction must be literally “‘pictured’ by a vision”.⁵ In the context of post-modern developments, this task of sense-making is a new phenomenon for organisational development. Just because of that, the formulation of a vision is a necessary step in the process of change, which transforms “frustrations and fears into new, exciting directions”.

Vision gives direction to change

Act three – Re-architecture

Re-architecture means the recreation of the social network. The launch of a new organisational structure at the personal level acts as the creation of a new social architecture which causes an inner realignment and the release of new energy. Tichy’s social architecture focuses predominantly on the models of cooperation within an organisation, which are to be systematically, participatively and transparently negotiated. Tichy also suggests, in this regard, the GRPI-model, which will be further illustrated later.

Inner direction through the creation of an architecture of the social

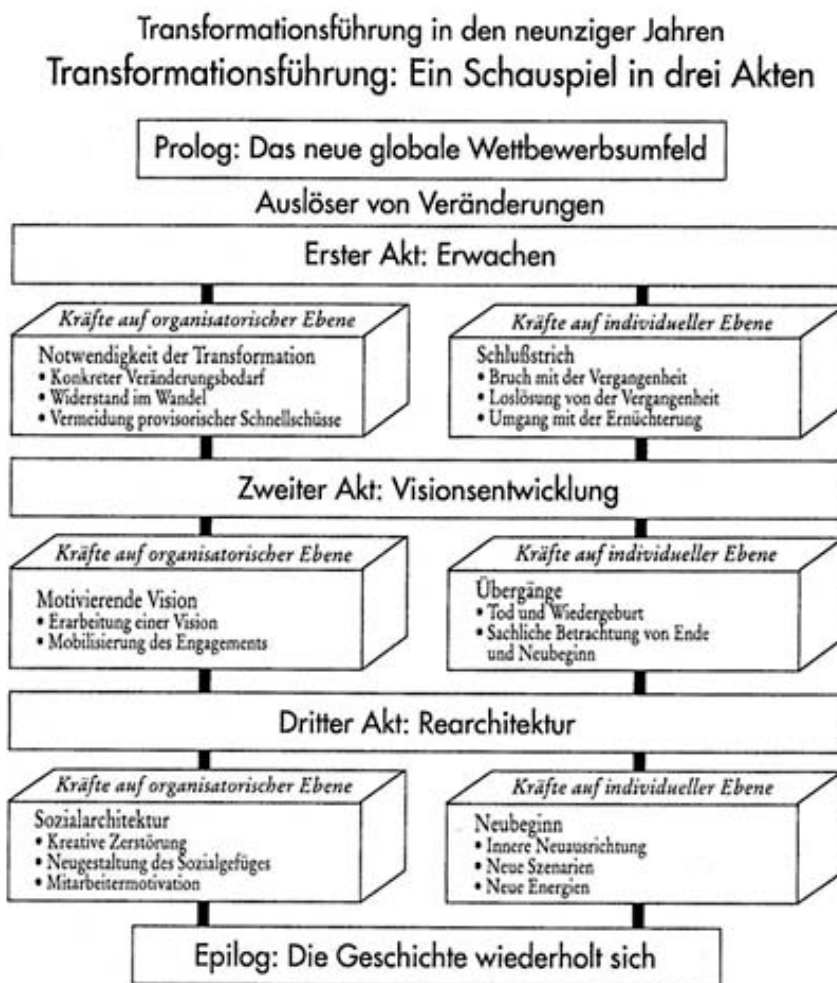
04_ Within this context lies the special value of the idea of punctuation. Organisations are always subject to change. By establishing a starting as well as an end-point of a change process, no change is discriminated from standstill. Rather organisational attention is focused on an issue that should be addressed ostensibly because of its importance, urgency or significance. The danger of such punctuation lies in overstressing the organisation’s attention, either because the chosen period is too long, or because there are too many change processes, projects or initiatives that have been initiated simultaneously.

05_ Today the issue of vision is to be handled with special accuracy for several reasons. Superficially, the concept of vision is threadbare and nearly burned, which is mainly due to the fact that within organisations too many different visions have been created in too many different places. This could be described as the tragedy of insufficiently-complex visionary processes. Instead of pursuing an integrated political clarification process as a whole and keeping that process alive as a cyclical task, vision statements have been misused as anaemic placeholders which have been invalidated as soon as they have been created. Nevertheless, it remains an important task to picture the development of an organisation as a whole, to use the result of this organisational clarification and sense-making process as an orientational reference point for further development itself. A thusly created model is indispensable for the organisation as a whole as well as for the focused developmental process. So at both levels, the parties concerned must be asked: What will the goal and the way there look like?

Epilogue: The history is repeated

According to Tichy, the process should ideally be initiated again at its end. This is because such change processes can take up to several years, during which time the organisations' relevant environment would have been subject to change. Furthermore, modified contextual terms as well as the organisations' own degree of development can be taken as motives for such a repetition. After all, these very variables initiated the change process to begin with.⁶

As an ideal the process starts again at its very end



Graph 1:
Handbook for the Revolutionary, p. 18.

06_ Experience from systemic practice has shown that it is advisable to break down change processes into several closed, distinct sequences that are shorter than a complete business year. On the one hand, it is difficult to focus organisational attention on a certain issue for longer than nine months; on the other hand, an organisation's internal structure tends to dissolve if the change project gains more stability than its core business. This is especially the case with regards to staff members who provide resources for the change project out of their core business area. It is clear that conflict can arise as core business cannot abandon its staff in the long run. Also, switchback options can be corroded over time if core business builds up alternative resources.

2. Police, media, education - Opinion leadership

Noel Tichy was drawn to the concept of “police, media and education” by a plausible observation. He noticed that a change process was thwarted by resistance when personal vested rights in the organisations’ commando-chain were threatened or perceived as such. Tichy claims that in analogy to real revolutionaries’ strategies, the starting points for change are not to be found right there. Groundbreaking changes are achieved by the appropriation of the police, the media and the educational system. Within organisations, similar critical points exist:

„Police, media and education“ govern change

___ **Police: the reward systems and sanction systems, plus controlling operations**

In any organisation, these systems are the equivalents to worldly power systems. They are both the tools for intervention and (political) guidance. This applies especially to reward-systems, which award the organisational desirable in their variable shares. Secondly, it is regular processes of target agreement that cascade organisational objectives and strategy down to the level of the employee as an orientation of the individual action. Monitoring systems in this context plays an important role (controlling operations, revision etc.), because you can only steer or govern what you can observe.⁷

Systems of payment, sanction and monitoring represent order

___ **Media: the internal and external communication**

This encompasses all the media within an organisation. They serve as media for the transmission of organisational outside- and self-images. It is all about an objective-focused integration of media and communication in reference to the several target-groups, as well as the creation of necessary resources with the different channels of communication.⁸

Internal and external communication provide self-images and other images

07_ The Six Sigma methods toolbox, which gained prominence with GE, should be mentioned as an excellent example, The issue here is neither the creation of surveillance-control, of any sort, nor the reduction of the world to numbers, but rather the enabling of staff members to self-monitor by systemically monitoring their business and gain more latitude and a greater degree of freedom in terms of local autonomy.

08_ The integration of communication is becoming a never-ending gardening task, especially in a post-modern organisational world where we have become used to having self-descriptions of organisations, authored and communicated in the most diverse locations within an organisation.

— **School/Education: employee management and management development**

They represent education/development, which transfer values, principles, guiding images and visions into the organisation as a whole and also organise the succession of decision making within the organisation. Two aspects of this instance are of high importance: (1) the active support of the employees through enablement to face the upcoming challenges of the change effort; (2) the aspect of “school” in the metaphorical sense of a source of culture and language. In this regard, the relevance of elite British schools like Eton is often stressed concerning their importance in supporting the coherence of the British Commonwealth.

Human development is
intermediate of values,
guiding images and vision

If these critical points can be occupied, ideas of change, visions and mission statements can reach the whole organisation and coin it effectively. Via these critical points, orders can be changed, overthrown or newly created. They are essential levers for lasting change.

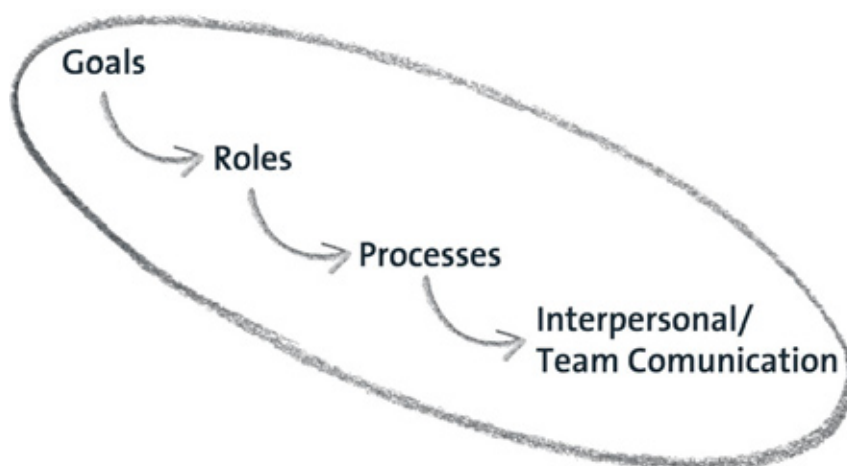
3. GRPI-scheme

Tichy created the GRPI-scheme based on observations within the GE-combne. He noticed that irritations and conflicts leading to friction within the teams – especially regarding the cooperation of teams – and thus to inferior results, were often addressed and approached at a personal level: “XY is responsible for the bad results”, “he’s delaying our work”, “she’ incompetent”, etc.⁹

From Tichy’s point of view, it’s essential to have complete clarity concerning several criteria with regards to team collaboration: goals, roles, processes and interpersonal and team communication – in short: GRPI. He advanced the view that ambiguities concerning those criteria can start off a cascading dissemination, until arriving at the personal level and prompting statements like those above. He then confronted teams exhibiting problems like those mentioned above. It showed that Tichy was right.

Irritations are address on a personal level

Clearance of goals, roles, processes and interpersonal issues are mandatory: GRPI



GRPI-Modell
Noel M. Tichy

Cascade of relevant criteria of cooperation in teams

09_ The tragedy of the “black sheep” is often referred to give reason for systemic family therapy and systemic organisational development approaches. In this view “black sheep” carry first of all the symptom of the entire system. Therefore one has to focus the whole system to explore which settings and arrangements produce the symptom and how to realise relief.

<p>___ Goals</p> <p>Common goals¹⁰ create teams and keep them together. They are absolutely mandatory because they create identity and generate sense. Their definition is essential for the work and the success of a team. They give direction and also serve as performance indicators for what has been achieved.</p>	<p>Common goals create identity and generate sense</p>
<p>___ Roles</p> <p>In cases where the goals are not common in a team, effects at the level of roles can be observed. What is my role/the specific roles in achieving which aims? Tasks, competencies and responsibilities cannot be formulated or addressed.</p>	<p>Roles define tasks, competencies and responsibilities</p>
<p>___ Processes</p> <p>In the logic of GRPI, irritations cascade down to the next level, the process level. How can they be described or even designed if the goals, roles or responsibilities of team members are not defined in full? Which critical success factors count? Which key performance indicators?</p>	<p>Processes describe the topics of the working model</p>
<p>___ Interpersonal and Team communication</p> <p>If there are any ambiguities concerning those criteria, they'll eventually be addressed personally and strain the level of interpersonal or team communication with the aforementioned consequences. Yet this level, too, can be worked with via different designs, and a basis for future communication within the team can be established. Regular communication is particularly important, i.e., regular exchange within the team, including clearly ordered feedback. Thus, an enduring possibility for constructive, yet appreciative, critique is established within a feedback-culture, which helps to avoid future irritations at all levels of collaboration.</p>	<p>Interpersonal and team-communication create space for reflection</p>

10_ In the practise of consulting, the self-evaluation of common goals via the SMART-scheme payed out. Aligning SMART goals should always be formulated:

- ___ specific
- ___ measurable
- ___ achievable
- ___ relevant
- ___ time related

4. TPC-matrix

In the analysis of organisational action Tichy develops a matrix that should help display the actions, decisions and communications in three dimensions: the TPCmatrix.

TPC stands for Technical Dimension, Political Dimension and Cultural Dimension. Every action, therefore, can be assigned to one of the dimensions and, according to its intention, classified and dealt with. However, Tichy proceeds one important step further. With these classifications, one is given criteria at hand in order to pose the question: Which implications can a certain action have regarding the two other dimensions? Even when an action, communication or decision can be clearly related to the political dimension – like a personnel decision within the management ranks of an organisation – this decision will have consequences both on the Technical and Cultural Dimension.

The TPC-matrix reflects organisational action in three dimensions

	Mission und Strategy	Organisation Structure	Human Resource Management
Technical Dimension	Evaluation of the environment Evaluation of the organisation Definition of the "mission" and distribution of resources	Differentiation Integration Adoption structure-strategy	Review roles-persons Key performance indicators Evaluation of performance
Political Dimension	Who influences mission and strategy Mgt. of coalitions in strategic decision making processes	Distribution of power Balance of power of all players	Succession politics Development of reward systems
Cultural Dimension	Mgt. of influences of values and philosophies Development of culture, suitable to strategies and mission	Development of a mgt. style suitable to the structure Development of sub-cultures to support roles Integration of the sub-cultures	Selection of carriers of culture Shaping culture Culture boosting rewards

TPC - Matrix
Noel M. Tichy

Opportunity to picture organisational action in the three relevant dimensions (Technical, Political and Cultural Dimension)

The surplus value of the TPC-matrix is to show the interconnectivity of these three dimensions, as well as the possibility of causing any consequences in the other dimensions.

The TPC-matrix is a tool for analysis for qualified self-observation

The TPC-matrix is a tool for qualified self-observation. When using it, it is possible to question one's own behaviour¹¹ under different perspectives (i.e., a technical and a political perspective) and against the background of one's own cultural dimension.

These possibilities are not only given in retrospect, but can as well be used as a preparation for future action. Which implications will my actions have on the other dimensions, respectively? By answering this question, unintended consequences can be identified, alleviated or even eliminated in time.

It is also possible to think of a combination of the TPC-matrix with other analysis tools such as the GRPI-model. This way, goals, roles or processes can become objects of analysis, be observed and their qualities come to be workable with respect of the different levels of the TPC-matrix.

The TPC-matrix can be combined with other tools

	Goals	Roles	Processes	Interpersonal Communication
Technical Dimension				
Political Dimension				
Cultural Dimension				

TPC-Matrix X GRPI
Noel M. Tichy

Opportunity to picture goals, roles, processes and communication in the three relevant dimensions (Technical, Political and Cultural Dimension)

11_ What is also always included, is the explicit non-action, non-decision making, analogue to the famous quote of Paul Watzlawick: "One cannot not communicate." So to say "blind spots" become visible.

Models, methods and instruments

Generally speaking, the surplus value of all of these instruments comprises of self-awareness, based on which realistic opportunities for development and developmental potential of organisations can be identified. Only when in authentic contact with itself, can an organisation evaluate its actual condition in an unprejudiced and unbiased way, and identify or at least estimate the influencing factors, in order to draw conclusions for its further aspired development.

The surplus of the instruments: qualified self-recognition

From the perspective of systemic practice and based on sociological and systems-theoretical reflexion, “The Handbook for the Revolutionary” arranges for the transition from organisational development to organisational mastery:

From organisational development towards organisational mastery

— In the “three-act-drama”, the state-of-the-art of organisational Development is condensed and the vision as a herder of change is introduced, although there is still no emancipation from strain as a trigger of change. The whole drama evolves around the punctuation of a tension-curve, in the centre of which are creative destruction and stabilisation at a new level.

— This new stabilisation is achieved within the regimes of the organisation. “Police, media and education” form a sustainable and action-guiding operationalisation for the implementation and the establishment of new norms, practices, rules and standards.

Regimes stabilise change

— The achievement of the TPC-matrix is primarily to have enriched the orientation and content of the microeconomic toolbox and to sensitise it in regards to politics, political engineering and culture. Social systems are not trivial systems and revoke economic or technical ideas of feasibility.

The TPC-matrix sensitises for politics, political engineering and culture

— The GRPI-scheme remains the most popular instrument in Tichy’s toolbox. The respective cooperation-models of teams and departments should be under review and not only in times of great change. In establishing regular team-development, the decisive step is taken which leads away from reactive crises management towards proactive change management. During his time at GE, Noel Tichy had institutionalised this realistic self-observation through several methodologies, methods and instruments. The proceedings

With GRPI towards proactive change management instead of reactive crisis management

of that story is well known: It was on the basis of these assumptions that Jack Welch implemented his ideas in a realistic way together with Tichy's architectures and designs. They made GE one of the most important corporations of its time.

Reference

Book Reviews

The „book reviews“ are intended to analyse best selling management literature systemically. The seminal working hypothesis is that a large part of the success of such books can be attributed to the fact, that they answer one of their time's urgent questions satisfactorily for a large audience. The theses put forward seem to work. The Systemic Excellence Group provides an explanation taken from systemic practice and from sociological, system theoretical reflection. Furthermore, we translate models, methods and instruments into their practical usability.

Credits

English:

Tichy, Noel M. (1995): Handbook for the Revolutionary, HarperCollins, New York

German:

Tichy, Noel M. (1995): Regieanweisung für Revolutionäre - Unternehmenswandel in drei Akten, Campus Frankfurt/New York

Contact

Should you have any questions regarding Systemic Abstracts and for further support impenenting the listed models, methods, and instruments:

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