



POSTPONE AND ACCELERATE IMPROVEMENTS IN ORGANIZATIONAL
TRANSFORMATIONS

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Abstract

An organizational transformation is about strategically redesigning the entire organization. Hence, it requires that every middle manager and employee be involved in the project. Yet, these middle managers and employees have opinions on their own. Knowing where and how much these opinions differ from the management target helps refine strategic decision-making and improve internal communication. But, little is known about the gap between employee and ambition and management targets. This study aimed to fill this gap. Data were generated utilizing questionnaires in 84 organizational transformations covering more than 800 teams and 30,000 employees. The findings reveal that, on average, only 40% of the middle manager-/employee ambition was in synch with the management target and, thus, was 60% postponable. The management target was 16% higher than the ambition of employees. That resulted in 76% of the management target not being covered by middle managers/employees and, therefore, accelerated. Approximately 60% of the teams needed to do less to reach the management target, 20% needed to do more, and 20% needed to do much more.

Keywords: Employee polling, organizational transformation, Guttman-Poll, ambition, target, gap.

I. INTRODUCTION

Organizational transformation is a business strategy for change management intended to implement a new vision for the entire organization, contrary to more minor changes such as recruiting a new person, modifying a program, etc. Examples of organization-wide change cover a shift in mission, restructuring operations, new technologies, rightsizing, etc. (Alkaya and Hepaktan, 2003). Organizations that handle change well thrive, whereas those that do not may struggle to survive. Employee involvement is a critical contributing factor for keeping the employees gain alignment on organizational, team, and employee goals. It covers an employee's active participation in pursuing an organization's goals. A modern, forward-looking business relies on employees and involves them in decision-making at every step to exploit the talents of all employees. "Command and control" is no longer preferable model (Hewitt, 2002).



Employees are the center of organizational transformation. Those who are impacted by change inherently believe that they have no control over many of the things that happen in the organization. Therefore, resistance automatically occurs significantly. As Jag Randhawa, author of *The Bright Idea Box*, quotes: "All employees have an innate desire to contribute to something bigger than themselves." An involved employee helps drive the business forward by playing a significant role in the actions that add value (Gonzalez, 2022). There is a statistically significant relationship between employee involvement in decision-making and firms' performance (Kuye and Sulaimon, 2011).

Involving employees in decision-making can offer various benefits, from generating diverse ideas to promoting financial breakthroughs. The main advantages of employee involvement and empowerment are enhanced morale, better ideas, improved results, greater loyalty, increased productivity, enhanced teamwork, and creative thinking (Obiekwe et al., 2019, Gifford et al., 2005).

Beer and Nohria (2000) have pointed out that approximately two-thirds of transformational change projects fail because of ineffective direction in the change processes (Arslan, 2017). The best approaches to overcome resistance and effectively implement change are increased and sustained communication and education. For example, the leader should meet with all managers and staff to explain reasons for the change, how it generally will be carried out and where others can go for additional information.

Forums should be held for organization members to express their ideas for the plan. They should be able to express their concerns and frustrations well.

There are many ways to encourage employee involvement in workplace decision-making. (*) One specific employee participation initiative uses suggestion box that empowers employees to submit suggestions, comments, and complaints anonymously, although they can add their names. It's critical, however, that organization's leaders check and respond to the ideas regularly (ideas submitted on paper or electronically is an employee survey) and act on those that show potential. (*) An alternative approach is to form a survey with each performance review form. When employees receive suggestions, they can also offer their own feedback, helping to inform about decisions regarding their efforts and those of the organization. (*) Employee Goal-Setting is a collaborative effort between a manager and a direct report. Permitting employees to play a role in setting their own goals for performance and development gives them a greater role in decision making. Employees who receive clear objectives and relevant feedback are more motivated and perform better. (*) Brainstorming Days are important meetings that will allow to generate many ideas quickly and identify shared interests and expertise on different projects for achieving business goals. Open-Door Policies enable employees to discuss any job-related ideas or issues with their managers and supervisors. It reflects transparent and flexible communication between managers and team members. (*) Board Meeting Participation: Offering employees opportunities to participate in board activities can promote collaboration and invite a broad range of ideas. To keep the size manageable, select representatives from different departments to attend (Gonzalez, 2022).



Although organizational transformation requires that every middle manager and employee be involved in the project, there will be different views between bottom-up and top-down about the course of the organization. Organizational management needs to find out what stage they are in now and how change or transformation can be implemented effectively in the current stage, which is lacking in the scientific literature. It's good to understand where views differ from ironing out the most prominent wrinkles. It's polling the views of as many employees as possible (the 'wisdom of the crowd'). This polling is a valuable contribution to the decision-making process (Giles, 2005; Surowiecki, 2005). Secondly, to refine the internal communication about the target. Employees need to understand why parts of their ambition will not be honored by management. And why other items not on their list have become a management priority after all.

To win the hearts and minds of middle managers and employees, management needs to explain before the actual implementation of the target starts why priorities were different than what the rest of the organization had in mind. Managers are often skeptical about the value and relevance of employee involvement in decision-making to firm performance. It is because of this that the study performs the following:

- 1)How to objectively dissect employee ambition from management targets?
- 2)How much is the average gap between employee ambition and management target
- 3)Are there clusters to be identified that separate the average in useable archetypes that can be used for internal communication about the transformation?

II. METHOD

Procedure and participants

To objectively measure the gap between the ambition of middle managers and employees versus the target set by management, it is required to objectively tally the actual situation (and employee ambition) of or before the transformation rather than gauging employees' feelings and opinions about the strategy. Hence, we did not use Likert scales as the basis for an organization-wide survey. Instead, we created an alternative survey scale based on the Guttman survey scale (Gutmann 1950; Diamond, McDonald, and Shah, 1986) designed to objectively survey employees (Van de Poll 2018, 2021, and Van de Poll et al., 2022). Next, we studied to bridge the gap between two potentially contrasting kinds of knowledge as employee and ambition and management targets in 84 organizational transformations covering more than 800 teams and more than 30,000 employees. These polls resulted in three data points per respondent for each question in the employee poll: their actual view, their ambition for the next six months, and, additionally, the management target for that question. This resulted in 4,257,666 datapoints. We used PRAIORITIZE, the world's first online SaaS platform for automated consultancy, to perform the calculations (www.praioritize.com).

Measures

To capture the three data points per respondent per question, we designed an alternative survey scale based on the Guttman scale (Stauffer et al., 1950; Diamond, McDonald, and Shah,



1986) better geared to objectively polling employees (Van de Poll 2018, 2021, and very recently, Van de Poll et al., we analyzed 23 different employee polls about various strategic issues, all requiring some organizational transformation. Our alternative survey format based on the Guttman scale is an ordinal, multiple choice scale where every following answer is better than the answer before. Uhlander (2002) calls these 'breaking points.' We also added a time dimension to ask for two answers to the same question (actual view versus in 6 months). For example (from a team effectiveness poll):

Q. How have you defined your team objectives?	Now	In 6 months
1. We have no team objectives (yet)	<input type="checkbox"/>	<input type="checkbox"/>
2. We have a qualitative description	<input type="checkbox"/>	<input type="checkbox"/>
3. We have formal, SMART key performance indicators.	<input type="checkbox"/>	<input type="checkbox"/>

We avoided adjectives or adverbs that couldn't be verified (e.g., "good"). Hence, this question format is sufficiently verifiable (Ahrens & Chapman, 2006; Plewis & Mason, 2007). In addition, we decreased the respondents' self-reporting bias (Donaldson and Grans-Vallone, 2002) by including "verification words" like, e.g., 'periodically, 'described,' 'formally,' 'measurable,' and 'documented.' Such "verification-words" diminish the emotional or cognitive meaning given by employees to the answers (Frese & Zapf, 1988).

Table 1 explains how the differences between the actual situation and ambition (indicated by the respondent) and the management target are dissected in three consequences.

Respondent 1's answers to Question 1 show that the ambition is two answers ('steps') higher than the target mandates. Hence, this ambition is better postponed until a later moment. With Question 2, the ambition is in the right direction (Answer 1 to Answer 2) but then is

Table 1
Calculating Right, Postpone and Accelerate

	Answer 1	Answer 2	Answer 3	#. steps being:		
				→ Right	Postp.	Accel. Nett.
<i>Scores for Respondent 1 on:</i>						
Question 1	Actual/Target		Ambition	-	2	-
Question 2	Actual	Target	Ambition	1	1	-
Question 3		Actual/Ambition	Target	-	-	1
Question 4	Actual/Ambition		Target	-	-	2
Question 5	Actual	Ambition	Target	1	-	1
Question 6	Actual		Ambition/Target	2	-	-
Question 7		Target	Actual/Ambition	-	-	-
Total				4	3	4
As percentage				57%	43%	57% 14%

Postp. = Postpone, Accel. = Accelerate, Nett. = Nett effect



exaggerated by aspiring to go for Answer 3. Consequently, the first step is 'Right,' the second one to be postponed. With Question 3, the respondent's ambition is not as ambitious as the management target. Hence, this step is to be accelerated. Questions four to six follow the same logic. With Question 7, the actual situation is already better than the target. This means there is no gap to close: it makes no sense 'downgrade' the achievement already achieved by the respondent.

Data Analysis

For each team in our sample, we tallied per respondent per question the steps for Right, Postpone and Accelerate. Next, we added these values to a team total and then converted these absolute numbers into relative percentages for comparison among the teams. Taking the seven questions in Table 1 as an example, the absolute numbers are four steps Right, three steps to Postpone, and four steps to Accelerate. In percentages: 57% of Respondent 1's ambition is Right, 43% is to postpone, and another 57% to accelerate. The net effect is that management has a target that requires 14% more work than Respondent 1 had in mind. We consider every step equal to be equal in workload.

III. RESULTS

Table 2 shows the composition of our database: 84 organizational transformations covering 800 teams and 32,063 employees, providing 4,257,666 data points.

Table 2
Database, postpone & accelerate, clusters/scenario's

	N	Share	Min.	Max.	Avg.	St.Dev.	Cluster centroids			
							Right	Postp.	Accel.	Nett
<i>Database</i>										
#. questionnaires	84									
#. teams	800									
#. questions per questionnaire			7	130	41	14				
#. respondents	32,063									
#. respondents per teams			4	992	40	94				
Datapoints	4,257,666									
<i>Capacity management</i>										
Right: ambition in line with target			0%	97%	40%	24%				
Postpone: ambition surpassing the target			3%	100%	60%	24%				
Accelerate: ambition below target			0%	872%	76%	100%				
Nett effect			-97%	830%	16%	110%				
<i>Clusters / scenario's</i>										
Focus on key priorities (do less)	504	63%					32%	68%	21%	-47%
Controlled growth (do more)	143	18%					51%	49%	96%	48%
Jump-start (do much more)	153	19%					54%	46%	238%	192%

Min.: lowest number, Max: highest number, Avg: average number, StDev: standard deviation.
Postp. = Postpone, Accel. = Accelerate, Nett = nett effect



The section on 'capacity management' shows the average percentages. On average, only 40% of the middle manager-/employee ambition was in synch with the management target and, thus, was 60% postponable. The management target was 16% higher than the ambition of employees. That resulted in 76% of the management target not being covered by middle managers/employees and, therefore, accelerated.

Table 2 shows for Accelerate a remarkably high standard deviation. To research the spread between minimum and maximum values for Accelerate, the teams were clustered in three scenarios to understand how often teams have to do less, do more or do much more compared to their initial ambition. The 'Max.' percentage for Accelerate was 872%, and the average was 76%. That hinted at a smaller group of teams that needed to do much more. The clusters/scenarios in Table 2 show that 63% of the team in our database had to do less. In fact, on average, 47% less than their initial ambition: a focus on the key priorities. In a smaller group, 18% of the teams had to do the same amount in addition to their ambition: a scenario we dubbed 'controlled growth.' And there was an almost equal amount of teams (19%) had to do a lot more: twice as much as their ambition. This could be described as a 'jump start'-scenario: waking up the team to make a giant leap forward.

Limitations and future research

There are a few cautionary remarks to be made about our research. We have tried to vary the topics of the organizational transformations in our database. We reckon that there were teams of 4 respondents but also 'teams' of over 900 respondents. These were more likely divisions than actual teams. Yet, we worked with the base data of more than 30,000 respondents. That would make our conclusion about Postpone and Accelerate very indicative.

We were also unable to do a second round of questions with the teams. We haven't measured to what extent teams and employees went on their way to actually implement their ambition or whether their ambition was more an indication than a concrete priority list. There was no way to confront teams with their results and then ask them anew to answer the questionnaire to make a more deliberate choice.

We did not pursue further refinement in the clustering. More refined clustering could result in more precise handling of the gap between middle managers/employees and management.

Finally, we did not discriminate in workload among questions and steps. Weighing questions and steps might further refine our outcomes.

IV. DISCUSSION & CONCLUSION

This study has important implications for a workforce that is in (mis-)alignment with management's strategy and planning. The findings of this study quantitatively indicate that 60% of what middle managers and employees saw as a priority was not coming back in the management target. Understanding the consequences of such a gap are of paramount importance. Firstly, the amount of effort those employees might have spoiled on priorities that, later on, management would see as temporarily not important. Secondly, management needed to achieve certain milestones only to discover later on (or too late) that the organization has steered



seriously off course. Thirdly, considering the value of the wisdom of the crowd, management missed the reasons why the rest of the organization had different priorities in mind. Fourthly, in case management was convinced their priorities were the right ones, they would miss strong guidance in the internal communication around the transformation. This research enables management to intervene much earlier and more precise in the transformation process.

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