

Integral Organisation Development:

A holistic approach to change management

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There is nothing more difficult to take in hand, more perilous to conduct or more uncertain in its success than to take the lead in the introduction of a new order of things - Niccolo Machiavelli

The Problem

Why do organisation development initiatives usually deliver such poor results? Why are they frequently met by resistance and even by outright cynicism? What makes the problems associated with change so intractable? Go to the business section of any bookshop and you will find a multitude of titles promising to provide the “how to’s” of organisation development. Applying them in our own organisations is usually not so easy. There are many reasons why change is so troublesome, but a common and fundamental problem is that many approaches, although providing valuable insights and advice, are only partial. Partial solutions at best deliver partial results, and their effects tend to erode over time.

An Integral Approach

The word *integral* implies essential for completeness, or forming a whole. An integral approach simply attempts to include *all essential aspects* necessary for successful change and development. Organisations are comprised of people. The quality of an organisation rises and falls with how well people can relate, cooperate and adapt towards achieving common objectives. This is dependent on four discrete and interrelated areas:

1. Individual subjective experience
2. Individual objective behaviour
3. Collective subjective experience
4. Collective objective behaviour

These will be explained in detail later, but the point is that *all four are necessary and interdependent*. Like the legs of a table, *remove any one of them and the whole table becomes unstable*.

In order explain the integral approach, it is useful first to introduce the concept of the *Holon*¹ as a metaphor for organisations. A Holon is whole in

¹ See www.integralinstitute.org for a more comprehensive description

itself and part of another, larger whole. For example a letter is part of a word, which is part of a sentence, which is part of this paragraph. A person is part of a team, which is part of an organisation, which operates in a market.

Holons have four dimensions, called quadrants. Take people for example: each person has inner, subjective experiences and outer, objective behaviours. In addition, each individual is also a member of various groups, which have inner and outer experiences and manifestations. This combination of individual and collective, subjective and objective gives rise to four areas of experience, or quadrants, shown in figure 1.

Upper Left “I” Interior –Individual Intentional Subjective	Upper Right “IT” Exterior - Individual Behavioural Objective
Lower Left “WE” Interior –Collective Cultural Inter-Subjective	Lower Right “ITS” Exterior –Collective Social (Systems) Inter-Objective

Figure 1: The Four Quadrants

Now, viewing an organisation as a holon, we can describe it in the above terms, shown in Figure 2. The left hand side of the diagram deals with the inner, subjective aspects of the organisation. The right hand side deals with the outer, objective aspects. The upper half concerns individual meaning and behaviour, while the lower half relates to collective meaning and behaviour.

UL Personal Meaning Purpose, Values Tacit Knowledge Personal Maturity	UR Individual Behaviour Explicit Knowledge Technical Skills Competencies
LL Organisational Culture Shared Meaning & Values Community	LR Organisational Behaviour Business Systems & Processes

Figure 2: Organisational Quadrants

Integral Development

Many holons, humans and organisations included, *evolve and develop* along identifiable lines and stages. This development needs to be balanced; otherwise undesirable and unintended effects are likely. The health of the whole is dependent on the health of each quadrant and the balance between them. Increased complexity in any quadrant requires similar complexity in the others. The more complex the challenges faced by an organisation, the more development (individually and collectively) is required by its members in order to deal with them.

Lets take an example of a change initiative, such as the introduction of new business processes (LR Quadrant). Attempts to implement these processes will be problematic if interdependencies with the other quadrants are ignored. When considering such change it is necessary to consider questions such as:

- Does the existing culture allow for this change? (LL)

If the prevailing culture is opposed to change, then the culture must be addressed as part of the change process if the new systems are to have a reasonable chance of success.

- Is there a need for improved teamwork? (LL)

If the new business processes mean that people will need to relate and cooperate in new, more sophisticated ways, then improved skills in teamwork and communication need to be considered. Otherwise teams will most likely be unable to implement the new work methods effectively.

- Are new, changed individual behaviours or skills required? (UR)

If people need to adopt new behaviours then it is important to ensure that these are known and that any new skills required are developed as part of the change process.

- Do the new processes make sense to people? (UL)

Many change initiatives fail because they are driven from the top down and don't pay sufficient attention to the expertise of the people who implement them. It is important to consult the people affected, to ensure that the change process will actually solve the problems it addresses.

- Do people want to implement them? (UL)

People tend to resist change, especially if they feel that it is imposed upon them. Without 'buy-in' any organisation change initiative is doomed.

Neglecting to address any of these questions and quadrants will adversely affect the intended outcome.

Integral Organisation Development

Figure 3 provides some examples of personal and organisation development interventions in the four quadrants.

UL Leadership Development Personal Development	UR Skills Training Management Development
LL Organisation Culture Shared Values Team Development	LR Strategic Planning Organisation Structure Business Processes

Figure 3: Development in the Four Quadrants

The right hand side is behavioural, objective, quantifiable and tangible. This is the so-called ‘hard’ side of business. The left hand is the ‘soft’ side; consisting of the subjective, non-quantifiable, intangible; often referred to as ‘touchy feely’. The left hand side is more complex to address and difficult to measure.

Many leadership and organisation development models focus exclusively on the right hand side. It is not possible to associate a linear Return On Investment with left hand interventions. To do so is to attempt to describe subjective factors in objective terms. Due to this and other factors the left side is often neglected, usually with undesirable and unintended results. However there is a mountain of evidence to suggest that left hand side considerations are absolutely essential to success². Ignore them at your peril.

The Implications for Leadership and Organisations

The more complex the challenges faced by an organisation (for example its market, competition, technology and rate of change), the more sophistication and flexibility is needed in its people, in how they communicate and cooperate: its structures, systems and processes guided by its culture and values.

² See, for example, [Business and the Spirit](#): Management Practices That Sustain Values, by Jeffrey Pfeffer

The ability of the organisation to be flexible, creative and responsive to challenges is largely shaped by the internal, subjective ability of its leaders³. If they are too rigid, or have difficulty delegating, for example, then these traits will be reflected throughout the organisation. Organisational leadership ability is dependent on the level of UL Quadrant development –cognitive, emotional, moral, interpersonal etc.

Because of this (and in spite of the difficulty with objective quantification) it is vital that senior executives, especially CEOs, give much more attention to interior development. Otherwise organisation change initiatives will continue to disappoint - and promising organisations will continue to underperform.

A holon is more than the sum of its parts. It is of a higher order of complexity than its individual components. An organisation is more than a group of individuals. Its performance is closely related to interior issues such as its culture, norms, shared meaning and values. These are LL elements – which can be referred to as its collective consciousness or intelligence. Teams with a low level of collective consciousness, regardless of the individual abilities of their members, will not deliver to their potential. This calls for specific attention to be given to collective interior development in organisations.

The importance of right hand side considerations remains. The point is that all quadrants need to be equally considered to enable organisations compete successfully - and sustainably. Investment in left hand side development is not a 'nice to have'; rather it is absolutely essential.

Conclusion

An integral approach provides a simple framework, which if used effectively, will increase the effectiveness of any leadership and organisation change initiative. It clarifies the interdependency between the intentional, subjective and the behavioural, objective elements of the organisation. This approach reveals that interior development of executives and teams is a 'must have' for organisations that are serious about competitiveness.

³ See, for example *Working with Emotional Intelligence*, by Daniel Goleman