ABSTRACT

Managers are preoccupied with change because the fundamental nature of how we do business, and thus how we must manage, is in transition. Technologies of production, communication, and distribution are changing while expectations of customers, regulators, and financial markets are volatile and uncertain. In this paper we discuss two strategies for assisting managers in implementing organizational change. The first approach is the organizational development (OD) or "big wins" strategy. The second and alternate method is the incremental or small wins strategy in which substantial change issues are reformulated into smaller, less overwhelming ones. We argue that in many cases the small wins strategy may lead to more efficacious change than OD interventions because managers have framed the problems as obtainable. To label a problem minor rather than serious lowers anxiety and is appropriate if people are unsure what to do, or think they are unable to do it. How do you eat an elephant? The answer is obvious, of course. One bite at a time.

One of the authors joined an organization as a new industrial psychologist. Shortly after arriving he was approached by his supervisor’s boss who indicated that he wanted the author to work with him in building a revitalized, more cohesive and involved department for his 75 employees. The boss sensed the importance of change and looked to his new psychologist to help him implement this change. The naïve professional reported back to the boss that there was indeed a significant morale problem, and offered a very comprehensive change plan incorporating an employee attitude questionnaire, a team building retreat, followed by a series of confrontation meetings in which the culture of the department would be discussed, and appropriate action plans
developed. The goal was to implement a more quality-oriented, customer-focused, democratic, and participative organization, just as the boss envisioned.

The psychologist saw an exciting opportunity to implement what he had learned in graduate school about helping businesses change through organizational development (OD). Going to his little black bag of OD interventions, he brought out several of them. When the inexperienced psychologist suggested this plan to the boss, instead of enthusiastically endorsing the plan, his eyes glazed over, he hesitated and appeared to retreat from his heretofore expressed desire to improve the department. The psychologist was puzzled that the boss never again mentioned this topic.

As a more mature professional, that author now concurs with Brief (1995) in believing that (1) organizational change efforts are driven as much by fashion as by documented need; (2) organizational changes tend to occur at the margin and often do not survive over the long haul, that is, fundamental, enduring changes in the character of an organization are rare; and (3) managers’ words and deeds, in reference to organizational change, frequently do not align—they talk a lot about change, but actually do little, and sanction less. Yet it need not always be this way, as we will demonstrate.

MANAGERS AND CHANGE

Managers are preoccupied by change, both the changes that they must react to, such as new and important threats and opportunities, and the changes that they initiate as a result of their beliefs and aspirations. To increase organizational effectiveness—for instance, to improve efficiency, gain market share, or simplify organizational design—managers are constantly developing new programs, streamlining procedures, evaluating proposed courses of action, and scanning their environment for new problems or opportunities. Such activities lead to organizational change and redesign.

Regardless of the kind, organizational change is important to all employees since it directly affects employees’ work environment and relationships. It is especially important to managers, because change greatly impacts their workloads and stress levels (Huber & Glick 1993). Yet change is often resisted (as indicated in the earlier vignette). Given the potential for resistance, the central change issues are: how to develop motivation for change and a shared understanding of the proposed approach to organizing and managing, and how to sequence interventions so that maximum energy for change is generated and minimum resistance is triggered.

ORGANIZATION DEVELOPMENT (OD) AS BIG WINS

To assist managers with change, organizational scientists and researchers have developed a number of approaches that can be subsumed under the general rubric of organizational development (OD). Its purpose is to enhance both the effectiveness of organizations and the well-being of their members through planned interventions in human processes, structures, and systems, using knowledge of behavioral science and its intervention methods (Beckhard 1969). OD is primarily a field of practice involving an entire organization or a coherent system or subsystem (French & Bell 1978). It emerged from the consultation of behavioral scientists with managers about problems of group and organizational effectiveness (Beer & Walton 1990). This consultation led to the development of many different intervention methods for effecting change in organizations. These methods are rooted in the knowledge and theories of several fields, among them, psychology, sociology, organizational behavior, and management. OD is typically thought of as a top down,
organization-wide, planned process of change in an organization's culture using behavioral science technology, research, and theory (French & Bell 1978).

Most practitioners of OD emphasize a systems approach which suggests that all aspects of the organization are interrelated (Burke 1982). This viewpoint requires one take a “big picture” perspective since what one does in one part of the organization has implications for all other parts (e.g., departments, divisions). In addition to the importance placed on systems, OD specialists typically believe that the current environment is precipitating a need for massive change in how corporations organize and manage people (Beer, Eisenstat & Spector 1991). Widely read business books over the last several years have suggested the need for significant restructuring of the organization (Hammer & Champy 1993, Peters 1992, Tomasko 1993). Such texts seek breakthroughs by discarding existing strategies and operations, and replacing them with entirely new ones. Such scenarios are enough to glaze the eyes of any self-respecting executive.

The OD perspective, in summary, highlights significant problems of a far-reaching nature requiring complex planned change strategies for the entire organization, or at least key sub-organizational units, generally over a long period of time. We call this the “big win” approach.

**THE SMALL WINS ALTERNATIVE**

In a provocative paper, Weick (1984) suggested that the scale on which people think about problems affects their ability to solve them. While not specifically addressing corporate issues, Weick’s thesis has applicability for management practices in that thinking about organizational problems at a global and comprehensive level (e.g., transforming an organization’s culture) often tends to produce frustration, fear, and helplessness. Weick suggests, rather than attempting to solve such problems comprehensively (i.e., achieving the “big win”), reducing the scale of the problem to be tackled to more manageable proportions encourages greater individual action and increases the prospect for success. Weick (1984) labels this the “small win” process, which he defined as “a concrete, complete, implemented outcome of moderate importance…” (p. 43).

The small win represents a change strategy for one individual situation which is undertaken as the problem is identified. It is a stand-alone activity which may not be part of a neat, linear flow. Small wins often are scattered and cohere only in that they move toward a common goal or in the same general direction.

Among the advantages of pursuing small wins, Weick asserts, is that they involve a smaller perceptual focus and more local, immediate, and achievable goals than large wins. As a result, small wins appear less formidable than large wins and may mobilize action rather than producing perceptions of helplessness, as the latter tend to do. Ironically, small wins can breed greater success by attracting others’ support in striving for the next small win, and the next, and the next. Even a small success builds in the minds of the participants. Success engenders success, not only because of increased confidence, but also because additional resources flow toward winners.

In many respects the small wins technique is similar to the Japanese principle of kaizen (Imai 1986). The idea behind kaizen is that small improvements, done continuously, will amount to major changes over time, and not necessarily a long period of time. The aim is to do what an organization already does, only do it better. While the small wins approach recommends concentrating on tangible, small projects where the chances of success are high, it does not preclude implementing other procedures as a means to incremental improvement.
WHY SMALL WINS CAN WORK WHEN LARGE WINS FAIL

Once a problem is identified, and it is agreed that the problem is serious, the change process, or "real problem," begins. Generally, people believe that they must convey the gravity of a situation and the serious consequences of not finding a solution to get everyone's attention so that all will marshall their resources to solve the problem on a priority basis. However, serious problems can shift one's thinking from rational to emotional. Fear, helplessness, and anger can be aroused at a dysfunctional level and people may become overwhelmed by the magnitude of the issues and unable or unwilling to attempt to do anything about them.

By breaking large problems into smaller, less alarming ones, we may be able to identify a series of modest opportunities that can produce results. By reducing the larger problem into small, manageable units, negative and potentially sabotaging emotions can be minimized.

A series of small wins is more structurally sound than a large win because small wins are stable building blocks on which to build greater change (Weick 1984). Additionally, small wins do not require as much coordination to execute and because of limited scope, changes or interruptions affecting the effort have limited effects. The inability to gain political and fiscal support for major new programs may not be a problem when following a small wins strategy.

When we initiate small scale projects, we disconnect the parts so that they do not affect each other. The small problem tackled is manageable, understandable, and controllable by ordinary individuals. It is seen more clearly which improves the chances of a specific solution (Weick 1984). Small wins are not only easier to accomplish but are less disruptive to those attempting them.

Another factor to consider when evaluating the use of the small wins technique is the stress levels arising from work demands. When employees perceive that demands exceed their capability, but feel pressure to handle the problems, stress tends to increase. By downsizing the scope of the problem, it is easier for workers to see that their capabilities exceed demands, giving them greater assurance of success.

When a large problem is divided into a series of small wins, three things happen. First, the importance of any single win is reduced. Second, the size of each demand is reduced. And third, existing skills are frequently perceived as sufficient to deal with the demands.

Weick (1984) provides a final rationale for using small wins, and that entails the perception of control in the problem solving situation. If perceived control is low, as is characteristic of the pursuit of big wins, an individual may not be very likely to contribute or participate (Bandura 1986). Although not explicitly stated, Weick’s analysis implies that reframing a large win into a series of small wins is a strategy that should increase perceived achievability and facilitate actions designed to solve subparts of a larger problem. For example, successful change leaders in the 1990s have used “better fit and finish” as a rallying cry at Ford Motor Company not quality improvement or enhancement of financial performance (Beer et al. 1991).

APPLICATIONS OF SMALL WINS

Examples of the application of the small wins philosophy come from a variety of settings. Alcoholics Anonymous only asks for abstinence one day at a time or even one hour or minute at a time instead of requiring a wholesale change of lifestyle. Football teams have been successful by focusing on making the easy wins against the teams they know they can beat and not trying to win every game against every opponent. Some feminist groups have focused on attempting to "desex" the English language, as a preliminary to attacking the larger issue of what they perceive as unfair
treatment in society. A business example of a small win was described by Peters (1988) when he
discussed Japan’s initial entry into the European auto market via Finland. Finland! It might be asked,
"Why Finland?"

No one worried about a Japanese presence there; it was out of sight—almost literally. In the
small, ‘invisible’ Finnish market, the Japanese experimented with new features for European
consumers. Only later, with trial—and error—largely out of the way, did they launch their

The essence of successful innovation and change Peters notes is, and always has been, constant
experimentation in small steps.

**THE ROLE OF LEADERSHIP IN USING SMALL WINS**

A key role of leaders in introducing change, then, is to build a sense of efficacy (a “can do”
attitude) in others by articulating that the forthcoming change is controllable, manageable, doable,
and practical, thereby enabling organizational members to carry out the change successfully.
Recasting larger problems, such as “eating an elephant,” into smaller less ominous tasks, such as
eating one bite at a time, gives people a sense of optimism, confidence, and persistence—in short, a
sense of efficacy or personal effectiveness that the performance literature indicates is critically
important when effort is to be mobilized for action (Bandura 1986).

**SMALL WINS AS THE PATTERN OF SUCCESSFUL CORPORATE TRANSFORMATIONS**

The small wins strategy is nicely illustrated by the way corporations transform their culture.
Successful corporate transformations have a common pattern (Beer et al. 1991). They start with
innovations in organizing and managing in outlying manufacturing plants or divisions. If successful,
the company has an organizational model (a small win) and managers skilled in the new way of
managing. Early successes convince top management to advocate adoption by other subunits or the
entire organization. Thus change that began in a few subunits diffuses to other parts of the
corporation, eventually changing the corporation’s culture.

This pattern is explained by the fact that top management is usually not ready to lead a corporate
transformation until they become convinced that innovations in subunits are effective. Even if they
were ready to start a corporate transformation from the top, it could meet with massive resistance. It
is much easier to make paradigmatic change in a smaller unit (Beer & Walton 1990).

**SUMMARIZING DIFFERENCES BETWEEN ORGANIZATIONAL DEVELOPMENT AND SMALL WINS**

There are major differences between the organizational development and small wins approaches
to corporate change. Table 1 highlights these differences. In the OD approach, the entire organization
is evaluated and a determination made as to what needs to be done on a large scale to change the
entire organization. Small wins are in the context of a small portion of the organization and are not a
part of an overall organizational change plan. OD is a long range effort to introduce planned change
in an organization while small wins take place on a scattered basis with no schedule, and connect
only in moving in the same general direction. Most practitioners of OD emphasize a systems
approach which suggests that everything is interrelated (Burke 1982).
TABLE 1

<table>
<thead>
<tr>
<th>SMALL WINS</th>
<th>OD (BIG WINS) vs. SMALL WINS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect</td>
<td>Undramatic</td>
</tr>
<tr>
<td>Pace</td>
<td>Small steps</td>
</tr>
<tr>
<td>Time Frame</td>
<td>Continuous and incremental</td>
</tr>
<tr>
<td>Resistance to change created</td>
<td>Low levels</td>
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<tr>
<td>Change Involvement Approach</td>
<td>Gradual, constant, and non-controversial</td>
</tr>
<tr>
<td>Mode</td>
<td>Maintenance and Improvement</td>
</tr>
<tr>
<td>Practical requirements</td>
<td>Requires little political and financial resources</td>
</tr>
<tr>
<td>Problem orientation</td>
<td>Micro, minor, concrete, and can be immediately acted upon</td>
</tr>
<tr>
<td>Psychological states engendered</td>
<td>Optimism, confidence, persistence, helpfulness, in control</td>
</tr>
</tbody>
</table>

The systems viewpoint, when combined with the tendency to increase upward the magnitude of problems in the interest of mobilizing action, often results in inaction, impotence, and hesitancy (Weick 1984). When organizational problems are described this way "...efforts to convey their gravity disable the very resources of thought and action necessary to change them" (Weick 1984, p. 40).

The goal of OD is to achieve organizational effectiveness while the goal of small wins is to solve a selected immediate problem on a micro basis. The major strategy of OD is to intervene in the ongoing activities of the organization while small wins are on an individual problem basis and only in retrospect appear to be a part of the ongoing activities of the organization. OD seeks to make sure that we know there is a major problem, while small wins proposes that problems are small enough to be manageable.

OD and small wins do have some common characteristics. For example, both use behavioral science concepts and recognize the interaction of subgroups and individuals within the organization. Both also acknowledge the effect of the internal and external environments on people and problems. Similarly, OD and small wins have a goal toward which they are moving the organization. The small wins and the OD approach both recognize the dynamic nature of the organization.

A Final Caution

Kaufman and Kerr (1993) have conducted studies prompted by the Weick (1984) publication in which they propose that while the small wins approach has considerable merit, it is not always appropriate in every situation. In cases where it is vitally important that an overall goal be kept in mind or where even small losses are extremely costly, it is necessary to remind those who are working on "that one single aspect" to remember the overall goal toward which all are moving. Also,

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it is suggested that, if all participants are not aware of how successful accomplishment of their goal leads to overall success, there is a tendency for “free riding,” an attitude of letting others do the work.

Recent research by Nadler, Shaw and Walton (1995) suggest that the small wins strategy of incremental change may be more appropriate during periods of environmental stability or equilibrium, while OD approaches may be more suitable during periods of disequilibrium in which there is a radically changing environment and the organization must build a whole new configuration with a new strategy. Both OD and small wins approaches have distinct advantages and should not be considered as mutually exclusive when adopting an approach to organizational change. As in the case of most questions involving human behavior and motivation, the approach taken is situation dependent.

REFERENCES


