



International Association of Facilitators  
**The Art and Mastery of Facilitation – Worlds of Change**  
Toronto, Ontario, Canada  
April 27 – 30, 2000



## World of Organizational Change

### DISCOVERING THE MAGIC: WHAT IS WHOLE-SCALE™ CHANGE?

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Excerpted from prepublication drafts of two books which Berrett-Koehler will publish September 2000: Whole-Scale™ Change: Unleashing the Magic in Organizations and Whole-Scale™ Change Fieldbook: Tools for Unleashing the Magic in Organizations. Both books are authored by all partners of Dannemiller Tyson Associates. Adapted for IAF2000 Conference by Sylvia James, Eric Qualkenbush, & Paul Tolchinsky

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Our new and ever changing environment combined with the speed of light have placed unparalleled demands and expectations on the leaders of today's organizations. These demands require leaders to uncover and utilize new approaches that harness the tumult, speed, and complexity of the new environment, and use them to the organization's advantage. We believe there is an almost overwhelming need to change from our old structural organizational methods into the common sense ways that can be uncovered by tapping and unleashing the wisdom evident in the entire workforce when processes are set in place to release and combine that knowledge. That is the reason we believe that the Whole-Scale™ methodology makes important sense today. Whole-Scale™ enables the organization to quickly and effectively assess today's



environment and map and implement a strategy to deal with it successfully now and in the future.

The purpose of this writing is driven by the urgency in bringing about the kind of change that empowers organizations, and the people in those organizations, to be truly successful in the future. We want to “open our hands” and pass on ideas, designs, and processes that are robust in creating change.

### **The Roots of the Term Whole-Scale**

Our work with system-wide consulting has undergone significant change over the years. As the challenges of our clients have changed, our work has changed to support them. Each time our understanding of what is needed has undergone dramatic change, we are clearer about the needed outcomes and we choose a names for the processes that we believe is more accurate in describing the work to be done. Based on our work with Ford Motor Company in the early 1980's, the name we used was Large Group Interactive Processes. During that time our clients told us that they needed to bring larger and larger groups of people together, in order to move quickly, all in the same direction. Later, from our work with Boeing on the challenges facing them in the early 1990's, they identified the work they needed to do as getting large groups of people connected around developing a common and accurate strategy. We called it Real Time Strategic Change. During that time we discovered that when a microcosm of the organization had a common data-base and could identify what needed to be different in their work, at that very moment ("Real Time" in the meeting), change began. Several years ago, we realized how dramatically we had expanded our work and changed the focus. Ford taught us to "go big;" Boeing taught us "to get focused" with strategy; and now clients were asking us to continue doing those things and also find ways to go deeper by changing day-to-day behaviors and work

processes in their organizations. By combining everything we knew about moving large groups fast in a focused direction, we realized that in the same types of microcosms the client could also develop new work structures and processes-large groups doing details real time.

United Airlines, Indianapolis Maintenance Center, provided us our first real opportunity to combine and integrate the Socio-Technical Systems approach with the Real Time Strategic Change approach to help them meet their needs to move faster and deeper. At that point we began to call our approach Whole-Scale™ because the power of the microcosm allowed them to see the whole system and work whole system regardless of the size of the microcosm. What our clients helped us see is that the same robust change processes we had developed for Ford and Boeing, could be applied to process issues, organization design problems and the daily work issues of organizations. United forced us to develop a methodology that would not only move them faster, but would also take the conversations from the strategic to the day-to-day issues of whole systems. What we learned is that with any size group, we work with a microcosm of the whole, we help the system think “whole” about their present realities and the future needs, and build a common database that ignites action to begin in the moment. In that fashion we can bring about significant change without being required having the whole system in one place at one time. Whole Scale means that we are always operating as well as thinking of the whole organization as we work with true microcosms of that organization. Whether we are working with 20 people or 2000 people, the principles of the microcosm and seeing "whole" are the same.

### **Whole-Scale™ Change: A Journey and a Process**

Whole-Scale™ processes consist of a series of small and/or large group interactions that enable the organization to undergo a paradigm shift. It applies an action learning approach,



using Whole-Scale™ events as accelerators. Using groups of people that reflect the entire range of levels, functions, geography, history, and ideas in the organization, Whole-Scale™ processes provide a powerful way of working with the whole system. Using these microcosms to do this work, we are able to create and sustain change across the whole organization – impacting the present and the future of that organization. Microcosms represent the unconscious of an organization – once shifted; the conclusions of the microcosm forever change the organization.

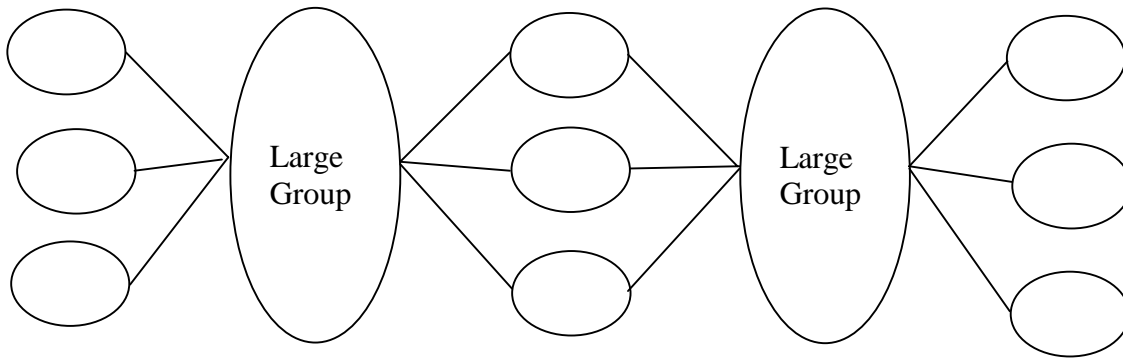


Figure 1 - Converge-Diverge Model

In Whole-Scale™ approach, the convergence/divergence diagram depicts how we seek to unleash and combine the magic in individuals and in organizations by ensuring productive differentiation is brought whole by productive integration.

A second model that we use to describe Whole-Scale™ as a journey is the Action Learning Roadmap. The Action Learning Roadmap is a picture of the emergence of wholeness--generating, releasing and focusing individual and organizational energy. It provides a continual plan-do-check-act set of learning processes. Following the Action Learning path can facilitate a systems approach to engaging all the key stakeholders in the change journey. The model is an application of systems thinking and action learning, aimed at keeping the system whole at every step of the way. It is based on Kurt Lewin's action research model and Ron Lippitt's Roadmap for Change.

The Action Learning Roadmap is intended to be a common sense way to look at how organizations get on the path to change. The Action Learning Roadmap describes our way of thinking to help the client system stay whole throughout the learning cycle. We believe that the



continuous re-examination of results achieved at different points throughout a change process is needed in order to inform the next step. This is as true for the next agenda items in a meeting, the next day of an event, and for the next step on the journey of the whole organization.

Whether we are focusing on an event as an accelerator or the change journey as a whole, as process consultants, our approach is to help the client get the right people (a few or thousands) to have the right conversations to achieve their purpose. Our interventions are intentional at each step in the cycle. We design our work to engage the organization to answer for itself the questions noted beside each step.

### What Is Whole-Scale™: Creating Paradigm Shifts

The DVF formula (Dissatisfaction x Vision x First Steps > Resistance) has been and continues to be a cornerstone of our work. We first developed this concept from the work of Richard Beckhard at National Training Labs (NTL). It is a model that we believe explains what it takes to bring about real change, in an organization or in an individual. Everyone must be able to see and understand the view that others hold, and to understand that "each person's truth is truth" since each of us has a different view of reality, based on our own view of the world. We need to see and value other's views and combine those with our own view to create a common database from which the entire organization can move forward. Each individual and the organization, as a whole, needs to share a common database of dissatisfaction (D) with things as they are right now. They need a common vision (V) of what we all yearn to be in the future; and they also need agreement on significant system-wide first steps (F) that could begin to move them in that direction in order to ensure that change can prosper. If any of these three elements is zero, the drive for change cannot overcome the natural forces of resistance (R).

Change will occur and sustain itself when there is a common database of D, V, and F in an individual and/or the microcosm of the system. If any of these bases is zero, change will not occur. It is appropriate to resist when we can't see the larger picture.

In the mid-1980's, as we were doing the early stages of large-group work, we realized that our DVF formula explained the results we began to see. The most startling result was that changes that had taken place in those earlier large-group meetings lasted at least 6 months to a year beyond what we had expected. Equally startling was that even though some people believed that nothing had happened since the last meeting or series of meetings, six months later when we would bring people back together and ask them the action research questions ("What did you say you'd do when you left the last session? What did you actually do? What did you do differently that you didn't expect to do? What did you learn from that?"), they would uncover, as a group, new meaningful results they had not noticed before. Things had changed; they themselves had changed; and yet the changes were not always the ones they had expected when they left the meeting. Instead of doing what they had agreed to do, they did what needed doing. In the old way of working, they would have done what they had agreed to, whether it was right or not. As a result, they viewed themselves as failing because they weren't doing what they said they would do. Until they became "one-brain" and "one-heart" again, as an organization they could not see that what they had been doing, individually and in a group, was to invent altogether new ways to accomplish the results the participants were eager to achieve.

We began to realize that the  $D \times V \times F > R$  model was a great deal more than simply a model for change. We realized that it was an important model for enabling a paradigm shift to occur. When D, V, and F are all combined, when each of us sees the multiple realities that connect us, the system as a whole and we, as individuals, shift. When we see the world



differently, it causes us to act differently in the future. When that shift occurs, you can feel it in terms of higher affect, excitement, and energy. That paradigm shift lasts, beyond the initial euphoria. It is literally impossible, once we have made a real shift, to go back to seeing the world in the old ways.

### What Is Whole-Scale™: Unleashing the Power of the Microcosm

If you want to shift the whole system at one time, you must be able to think the way the whole system thinks. Using microcosms of the organization in the overall change process is one of the features of the Whole-Scale™ Approach that allows us to think and see “whole system”. A microcosm is a real subset of the larger group that represents all the “voices” of the organization. Working with groups that mirror the “whole” allows us to work with the “whole system” at a different level. The microcosm contains the essential “DNA” of the whole organization. The microcosm creates a perspective that combines and represents all the voices, rather than working only with segmented voices such as the “leader as expert.” The segmented voice will never be representative of, or as accurate as, the “whole voice” represented in a true microcosm.

The best way to change a system is to engage the whole system. The use of microcosms comes from seeing the organization as a living system. The microcosm is the best window we know that can give you a view of the whole system in real time. Microcosms give us access to changing the whole system more quickly and effectively. We’ve learned that having a critical mass of microcosms experiencing the paradigm shift helps the whole organization shift.

The underlying assumption in the use of microcosms is that the wisdom necessary for success is in all the people of the organization. We have found that the most effective change efforts include the voices of all key stakeholders. It’s not just the top or the bottom or the

middle. It's all of the people in the organization plus those who are counting on the organization like customers, owners or suppliers.

Why is this is so important?

The traditional consulting approach has been to pull together the “experts” on a particular issue - that often meant people who thought alike or had the same background or had the “right” status in the organization. This view is limited, often focusing on data of high-ranking, influential views. It's necessary to know about those views, and it isn't sufficient. The use of the holistic view from a microcosm has affirmed our strong and abiding belief in people's ability to contribute powerfully when given enough information and when they are simply invited to do so.

In Whole-Scale™, microcosm means involvement from every area and from every level. Involvement in the process happens all the way throughout the process, not the night before implementation. In Whole-Scale™, involving numbers of people is not just a numbers game; it is about involving each person in a deep and meaningful ways.

Whole-Scale™ processes evoke the system's wisdom without needing to direct or control the results. Thus, when the system is ready, the answers come. The consultant's job is to help the system to become ready. The microcosm will have all of the knowledge it needs, once the knowledge has been uncovered and combined. It is possible to create identity in the moment and to form new identities, without having to define every aspect of the system or get inside each person's head.

This moment, when new identities have formed within a microcosm, is the moment we call the “paradigm shift” moment. People (individually and as a whole) are seeing the world differently, are seeing themselves differently and are connected around a common picture of



their future and the actions they will need to take to get there. After the paradigm shift experience participants are able (and indeed clamoring) to flex their newly uncovered wisdom and build toward the yearnings they have uncovered together.

Some examples of microcosms that make the difference in Whole-Scale™ are research teams, cross-functional task teams, work design teams and event planning teams. Microcosms are used in several ways in Whole-Scale™ events. Using “max-mix” seating, each table in a Whole-Scale™ event is a microcosm of the room and those in the room are a microcosm of the system that you are trying to help change.

### What is Whole-Scale™: Uniting Multiple Realities

We believe we must keep a continual focus on the simultaneous and sometimes conflicting realities that exist in the internal and external environments of the organization. During events the content is shaped by the real needs of participants in their back-home work. Issues are discussed in real face-to-face dialogue, rather than being simulated or demonstrated in a role-play.

Many organizations base their improvement efforts on the assumptions of problem solving. The assumption of problem solving that we believe leads to dis-empowered employees is that there is a “right” solution to any problem. The flip side to this is that if there is a “right” solution, there must also be a “wrong” solution. The right/wrong paradigm is an ineffective way to help organizations change.

We operate under the belief that there is no “right or wrong” answer. An individual’s answer is their “truth.” “Each person’s truth is truth” and “All truths matter” are phrases we use to help individuals listen to each other’s perspectives.

Pulling together a microcosm and/or a series of microcosms creates a critical mass of the organization - one head and one heart - capable of building and living a new culture in the moment. This same critical mass will proceed to model what the organization can be and how it will work, it becomes the vehicle by which powerful change occurs in the whole system as a result.

When the microcosm has gone through those series of processes it will produce a paradigm shift – a new way of seeing the world. Once the organization experiences the paradigm shift, people see the world differently. They are ready to take the actions that will begin to transform their shared vision into their shared reality.

We are all on the same path.... And we believe it is an important one for the future of the human race: to help people and the organizations they live within be as good as they can be as they proceed into the future.

**Bringing Whole-Scale™ to Life -- Designing the New Organization --Case Study:  
Transforming The Central Intelligence Agency's Office of Training and Education**

Situation and Convening Issue:

In 1997 the CIA's Office of Training and Education (OTE) was asked to move to a business enterprise basis called a "Working Capital Fund." This meant that the Office would become a for profit business within the US government, operating with the CIA as its primary customer and the intelligence community as a secondary set of customers. The move to this new form of organization would require new budgets, marketing plans, a real understanding of the customer's needs and a complete business plan to be submitted and approved by the appropriate Agency authorities.



The internal change team made up of the senior leaders of OTE and an internal consulting team charged with developing the business plan realized that the key to success in this shift was the staff. Moving to a Working Capital Fund not only required a different way of doing business, but would require a transformation in the culture of this office as well.

To be successful OTE would have to (1) redesign many of its business processes; (2) engage with and understand the customers' requirement (now and 2-3 years out); (3) change the organization structure, many of the managerial jobs and much of the support organizations roles and responsibilities; and (4) somehow transform the culture, while involving everyone in the decisions.

During October 1997 a plan was created. The critical issues were (1) middle management commitment; (2) engagement of the entire staff; (3) transitioning of a new leader for the organization; and (4) make it all happen and be ready to implement by the start of the new Fiscal Year.

The plan called for:

- Concurrent work being done for the management system and the Working Capital Fund Project Team
- A series of Whole-Scale™ (they called them WOW's for "Whole Office Workshops") and small scale events
- Task teams engaged in everything from customer interviews to process design and marketing plan development.

#### Roadmap of the OTE Story:

The roadmap below describes the activities we engaged in with the client. You will see a series of Management Off-Sites (prior to each Whole Office Workshop), the four WOW's and

the interim task team work. In WOW #1, the entire office launched the change effort by hearing from their customers, considering the competition, and creating a shared picture of what the new Office must look like. At WOW#2, the entire office determined the qualities and attributes they would like to see in the new organization structure. Then, at a management off-site, all managers (approximately 50) met to develop the structural options the whole system would choose from. At WOW #3, the whole office reconvened to decide the new organization design, to take into the Working Capital system.

Immediately following WOW#3, the next level of organization design (what we called Mezzo Design) began. Mezzo Design took the high level template agreed to in WOW #3 and determined the next levels of specificity (e.g., roles and responsibilities, hierarchy; integrating and coordinating mechanisms across the new groups, etc.). Then each new work unit met to design itself: specific responsibilities and mechanisms for working together and with other work teams.

### WOW #3: A Pivotal Experience

WOW #3's purpose was to "embrace a new organizational model with a shared commitment to make it happen!" This two-day meeting involved the entire workforce in selecting, from the three options created by managers, the new organization framework. Ideas from the other two models were incorporated into the final. Over the course of two days 350 people from across the organization reached consensus on the new model and put in place plans to make it happen in the next four months!

This meeting was pivotal in several respects. First those who wished to maintain the old lobbied for the model most like today. Second, customers and leaders were concerned that the model chosen would not meet the longer-term needs of the Agency. Finally, many believed that



the Director of OTE really had the answer predetermined and that in the end their choice would not be accepted. In fact, OTE's Director actually turned over to the people complete responsibility to make the choice. In the end, the 350 people at the meeting choose the most forward thinking, customer aligned and creative solution offered. People were able, with a common database about personal needs, customer needs and the longer-term direction of the Agency, to select the least selfish and most enlightened solution.

Being apart of this, and seeing everyone come together for the greater good of the Office, provided the fuel to really propel everyone forward.

#### Brief Results and Continuation Plans:

The most significant results were the following:

- Cost reduced 10%
- Significantly reduced levels of management and manager to staffing ratio (management positions were reduced 70%) without a single grievance
- The creation of two new organizations, positioned to better align with customers needs
- Increased freedom on the part of staff to band together to market and provide services to the customer
- The introduction of a sophisticated knowledge management system to provide real-time customer, business and Office information to every staff member

The organization continues to use Whole-Scale™ processes as a way of working together. They engage microcosms to continue to refine roles and tasks. The organization has designed and facilitated its own reunion involving the whole office.

