

**APPLICATION OF CONTINGENCY THEORY AT OPPORTUNITIES FOR  
EMPLOYMENT**

**By**

**Dwight Doell**

**A Practicum Report  
Submitted to the Faculty of Graduate Studies  
In partial fulfillment of the Requirements for the Degree of**

**MASTER OF SOCIAL WORK**

**Faculty of Social Work  
University of Manitoba  
Winnipeg, Manitoba**

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## ABSTRACT

This practicum report describes the implementation and evaluation of contingency theory-based interventions at a Human Service Organization located in Winnipeg. Opportunities for Employment (OFE) was the site of these practicum activities. This practicum was designed to be a timely intervention that met the needs of a developing non-profit organization. The intervention plan for the practicum included three specific components: 1) an introduction to Contingency Theory; 2) analysis of different environmental and organizational factors; 3) a list of focus areas requiring change and the development of an action plan. Two process evaluations and one outcome evaluation are necessary to determine if the practicum activities were effective in positively impacting OFE's performance and economic health. Only the first process evaluation was feasible within the scope of this project. Contingency Theory is growing in importance with the discipline of organizational theory. It is open to differing interpretations about key environmental factors, strengths, limitations, strategies for practice, and the results that it can deliver. The findings of this study provide support for the conclusion that Contingency Theory is a valid theory for non-profit managers to consider. It appears that OFE has significantly benefited from the application of Contingency Theory. However, in order to maximize the potential benefits of the theory, the facilitator needs to pay greater attention to group dynamics and complete the interventions in a shorter time span.

## Chapter 1

### INTRODUCTION

#### Overview

As the new millennium begins we find mechanistic modes of organizations coming under increasing attack because of rigidities and other dysfunctional consequences. Human Service Organizations (HSO) seek a solution to these problems through the investigation of nonmechanical methods of organization. These methods provide a means to break free from bureaucratic thinking and organize in a way that meets the requirements of their specific environments in order to become more successfully-functioning organizations. Since performance and financial indicators largely define current organizational success such a solution would be of great value (Morgan, 1997).

This practicum report describes the implementation and evaluation of contingency theory-based interventions at a HSO. Opportunities For Employment (OFE) was the site of these practicum activities. This procedure was conducted as part of the completion of my Master of Social Work degree and was designed to be a timely intervention that met the needs of a developing non-profit organization (Rossi, Freeman & Lipsey, 1999).

#### Practicum Setting

The organization under consideration is a job-training and placement organization named Opportunities For Employment (OFE). OFE was incorporated in 1996 as a not-for-profit organization operating in the City of Winnipeg. A board of directors consisting of representatives from three different human service organizations oversee the operation of OFE. The mission of OFE is to assist individuals to achieve greater independence by pursuing and maintaining meaningful employment. OFE provides pre-employment

preparation, job-skills training, and job-placement support for individuals receiving Employment and Income Assistance (EIA). Eligible participants are either referred or approved to attend OFE's training programs by EIA staff. OFE's agreements with the department of Family Services and Housing are unique in that payment is only received for those participants who are able to maintain employment for a minimum of six months. When a person has achieved six months of full-time employment the department pays OFE a previously-negotiated sum of money. OFE has sixteen full-time staff and contracts with a variety of other individuals to fulfill various functions. An organizational chart has been included in Appendix A (Morgan, 1997).

### **Topic and Purpose**

My interest in contingency theory has grown out of my personal experience as a manager in the non-profit sector. I achieved my current position despite having little formal training in organizational or managerial matters. During my rapid and sometimes difficult introduction to management activities, I drew on my experience as a worker in various work environments. I found myself relying on "common sense." However, as I began to study the history of organizations and organizational change theories I found that organizational theories could explain why something worked or did not work when previously I only knew that it worked or did not work. I was also impressed with the relevancy of "contingent" thinking in today's changing world (Lichti, 2001).

One of the areas of study that especially appealed to me was the aspect of organizational change and organizational structure. Questions raised from these issues included: What is the best way to structure an organization? Why do so many people appear to favour a hierarchical organization that relies on structure and rules? Why do

people speak negatively about bureaucratic structures but desire elaborate organizational rules and procedures? What model of organization does a not-for-profit organization operating in the city of Winnipeg need in order to successfully adapt to its environment? These were some of the questions that occupied my thoughts. Contingency theory appeared to offer the best method of evaluating these questions and initiating appropriate changes. Thankfully, the leadership team of OFE affirmed the benefits of such a process and was willing to apply the tenets of contingency theory.

There was another reason for OFE leadership staff to support this practicum. OFE was undergoing some serious environmental pressures and agency staff were open to the concept of reviewing organizational structures and processes. OFE's financial position was declining and staff were concerned about the long-term viability of the organization. It appeared that OFE could gain a great deal of benefit from undergoing a thorough analysis of OFE's key components.

The problem which the application of contingency theory (ACT) at OFE was aimed at resolving was related to the economic position of OFE. OFE's financial performance had been gradually declining over the years because of lower performance levels. OFE's payment structure allows the organization to accumulate cash surpluses in a contingency fund or to utilize them in the subsidization of more expensive training programs. However, since 1999 OFE had been drawing upon its contingency fund in order to maintain operations and had cancelled a number of longer-term programs because of a need to maintain a positive cash flow. The number of initial and retained job placements had also been steadily decreasing. Concurrently, the cost and number of staff per placement ratios had been increasing. The net result was a less efficient and effective

organization. The management of OFE was willing to initiate the ACT at OFE in response to this problem.

Another major reason why the timing was right for a review of OFE's organizational structures and processes relates to the low level of staff satisfaction within the organization. A survey of staff satisfaction completed in October 2001 had revealed some serious organizational issues that leadership felt deserved proper consideration. Staff had been asked to indicate their level of satisfaction with the questions or statements contained in Table 1.

**Table 1: Staff Survey Questions**

-Having enough freedom to create, develop, and perform
-Being informed and aware of what's happening
-Understanding our mission (what we wish to accomplish as an organization)
-Knowing what we need to achieve to be successful
-Knowing that the leadership group will do what they say they will do
-Getting a positive response to new ideas
-Having expectations for performance well defined
-Being clear about my level of authority
-Having enough authority for the level of my responsibilities
-Having leadership be positive and optimistic
-Feeling appreciated
-Being treated with respect
-Honesty – being told the truth

-Openness to new ideas/possibilities
-Being able to count on the leadership group to pitch in when needed
-Learning and growing
-Sound decisions being made
-Decisions being made in a timely fashion
-Being clear about what I'm expected to achieve
-Leadership taking appropriate risks
-Celebrating successes
-Being rewarded for my achievements
-Leadership doing what they need to be doing
-Being proud to be part of the OFE team

Without being consciously aware of it, OFE was actually conducting a survey of the level of staff satisfaction with regards to various key organizational systems. Unfortunately, the staff responses revealed a low level of satisfaction with management and the quality of communication occurring within the organization. Staff indicated that they did not feel that sound organizational decisions were being made. Relationships between staff and leadership were not at the desired level. It also appeared that organizational systems were not serving the needs of staff or the organization. Leadership staff committed themselves to pursue individual change in order to address the concerns raised.

However, it was determined in a leadership meeting that organizational changes needed to occur on a systemic level if staff satisfaction was to be significantly impacted. Simply making personal changes in the style and approaches of the individual leadership

members would not be sufficient. It is in this spirit that the organizational analysis and change process contained in this practicum report was developed with the sense that it was the right time to do so. The problem statement in Table 2 summarizes the reasons for the applied intervention.

**Table 2: Problem Statement**

Problem: all major indicators of organizational performance such as cost and number of staff per placement ratios have been increasing which has negatively affected OFE's financial position. A low level of staff morale has also been revealed. This has resulted in the depletion of its cash reserves and the cancelling of elaborate training initiatives because of OFE's need to reduce and eliminate a yearly deficit.

### **Potential Significance**

In today's political climate non-profit organizations are under siege to achieve more measurable results with fewer or limited resources. Organizations that fail to meet this challenge are in real danger of having their funding reduced or eliminated. If the application of contingency theory principles is successful in helping OFE achieve its goals, other organizations may choose to engage in a similar process. This practicum could be part of a process whereby more people are made aware of an organizational change process that modifies organizations in order to be more successful in helping their clients. Not only do non-profit organizations benefit in this scenario but the users of social services also stand to gain.

Organizations spend numerous hours of time in various strategic planning sessions or reviews of organizational strengths and weaknesses. Sometimes external consultants are

brought in by organizations at a tremendous cost in order to facilitate these types of events. However, while these processes can involve a study of organizational environments, they do not ensure that organizational structures are aligned with the external environment in order to fully utilize the valuable information gathered. This proposal could help organizations maximize the use of these tools by ensuring that the organization is designed for success by employing contingency theory processes prior to developing three or five year plans.

The real value of this practicum may result from the detailed guide of how to conduct an organizational review and change process that includes a detailed analysis of the environment and its implications for organizational structure. Managers may be able to replicate the processes outlined in this practicum, saving many hours of research time that could be put to other valuable uses.

As contingency theory grows in popularity, growing numbers of managers may seek to implement its components. This project tested the applicability of contingency theory for HSO managers. However, this theory might not be suitable for the HSO environment. Therefore, managers may avoid attempting a non-productive process by reading this report. Information regarding the unsuitability of Contingency Theory may be just as valuable as the potential successful application of the theory.

### **Learning Goals**

As a Master's of Social Work student and Program Manager with OFE I viewed this practicum as an opportunity to integrate my formal education with my professional experience in managing a not-for-profit organization. I was also enthusiastic about the potential benefits of contingency theory and desired to use this valuable resource to help

improve an organization that has already helped change the lives of thousands of people. During the course of this practicum I wanted to achieve the following academic and skill-development goals:

#### Academic

- a) Gain expertise in an organizational analysis based on the theoretical framework of contingency theory;
- b) Expand my knowledge concerning the actual implementation of contingency theory in a not-for-profit organization with special attention to the evaluation of expected results;
- c) Increase my knowledge in the area of research design and its integration with practice;
- d) Expand my knowledge of qualitative research methods. I am very interested to see what new findings these methods will produce which a quantitative approach may have missed (Lichti, 2001);
- e) Contribute to the social work base of knowledge by providing a report on an organizational change theory that is rarely used;

#### Skill Development

- a) Complete an organizational analysis based on contingency theory;
- b) Increase my group facilitation skills specifically in the areas of planning, facilitation, and balancing structure and flexibility;
- c) Develop specific skills and techniques in group facilitation including hands-on experience with effective management techniques that facilitate discussion and problem-solving sessions. These skills include: data gathering, assessment, actions,

involvement of group members, attending to members, expressing self, responding appropriately, making group processes explicit, clarifying content, guiding group interactions, requesting information, questioning, probing, summarizing, and reframing (Enns, 2001);

- d) Implement techniques that foster a safe, inclusive, cohesive, and ultimately productive work environment and develop competence in including all staff in a meaningful way in an organizational review and planning process;
- e) Implement a practical qualitative research assignment in a knowledge-based social work setting in order to test the applicability of contingency theory;
- f) Design an evaluation that can be reused in different work environments throughout my career;
- g) Demonstrate to my fellow-workers that “higher education” is not meant to remain in a classroom but can have immense practical utility in the day-to-day operations of an organization;
- h) Incorporate my dual role of evaluator and Program Manager at OFE in the organizational change process. It is a common practice to use internal evaluators in social service organizations. I desire an opportunity to experience the challenges that this dual role presents and the valuable perspectives that could occur;
- i) Enhance my career by improving a base of skills and experiences that can be effectively promoted on a resume.

### **Strategies to deal with Potential Workplace Conflicts**

The management group at OFE was utilized as an accountability group in order to identify, reduce, and resolve any workplace conflicts. A deliberate attempt was made to

keep the process focused on the goal of improving OFE as an organization designed to meet human need. It was hoped that these factors would be effective in dealing with the aforementioned concern.

### **Summary**

The next section describes the comprehensive literature review that produced the framework for the practicum activities.

## Chapter 2

### REVIEW OF CONTINGENCY THEORY RELATED LITERATURE

This chapter will trace the emergence of the role of the environment in organizational theories, describe the benefits of contingency theory, demonstrate its special relevance to human service agencies, and examine some of its limitations. Each component of this paper will be based on the writings of researchers and established authors. The chapter examines different themes in a chronological manner. Finally, a brief conclusion concerning these findings will be offered.

Contingency theory is growing in importance within the discipline of organizational theory. The concept of contingency theory has been developed from a variety of values, thoughts, and ideas. Various authors and researchers have contributed to contingency theory's core hypothesis that one right way to organize every organization does not exist. The beginnings of contingency theory can be seen in the trend of the 1950's and 1960's which considered the impact of the environment in organizational theories. Increasing numbers of organizational scholars began to see the impact of the environment on different organizations as the rate of change in the world economy began to increase. The distinction between contingency theory and theories such as scientific management or human relations began to grow after the influential works of researchers like Joan Woodward (1970), Jay Lorsch (1972), and Paul Lawrence (1972) were published. There was an increase in popularity in defining the term "environment", prioritizing key environmental factors, and developing techniques to achieve congruence between organizational characteristics and environmental factors (Bozzer, 2000).

### **Overview of Organizational Theories Before Contingency Theory's Emergence**

Contingency theory is part of a discipline that has an interesting history. Charles Perrow captures the major components of organizational theory development in his essay, "The Short and Glorious History of Organization Theory" (1973). Perrow declares that the field of organizational analysis has been characterized by a struggle between two schools of thought, one that treats organizations as machines and one that emphasizes people. The mechanistic school is known for its centralized authority, unambiguous lines of authority, and marked division of labour. In contrast the human relations school draws its inspiration from biological systems and is known for its delegation of authority, employee autonomy, and interpersonal dynamics (Perrow, 1973).

Morgan declares that the mechanistic school introduced the first organizational theory which was known as scientific or classical management. This theory stressed the need for simple-minded organizational adjustments such as changes in personnel. However, these organizational adjustments soon became inadequate because of a number of factors such as organized labour becoming a bigger factor in organizations, the increasing complexity in markets, various social changes, and the growth in the size of organizations. Frederick Taylor was a strong supporter of this theory and the human relations school raised largely unsuccessful objections to the consequences of his beliefs until approximately 1938.

In the late 1930's Chester Barnard proposed the theory that organizations are co-operative systems which stress cohesive leadership. In addition, the famous empirical study of productivity and social relations in the Hawthorne plant demonstrated the role of informal groups and humane leadership (Morgan, 1997). The increasingly popular

human relation's theory began to expand which sparked the more adventurous theorists to focus their thoughts on entire organizations.

In the 1960's Warren Bennis explored the need for innovative organizations which were composed of short-term leaders, temporary assignments, and more equitable access to the objectives of the organization. They formed the opinion that companies operating in times of unstable environments and changing technologies would be better served if their structure were temporary and decentralized. Scientific management lost popularity because of these views (Morgan, 1989).

Max Weber's writings influenced the bureaucratic school's attempt to overcome the momentum of the human relations school. His writings celebrated the efficiency of bureaucracies which were met with limited support in the general public (Morgan, 1989). Managers in organizations found the clear lines of communication effective unambiguous specifications of authority, and plain understanding of responsibility in the model that Weber proposed (Morgan, 1998). Further studies demonstrated that bureaucracies could change more quickly than non-bureaucracies and were the most effective way of eliminating favouritism, arbitrary authority, discrimination, and incompetence in organizations.

Political scientists began reinforcing the role of power in organizations and the presence of legitimate conflicting goals. This bewildered the bureaucratic school because its reliance on rational authority and systems could not account for the covert use of power (Mills & Simmons, 1999). The 1950's and 1960's were dominated by the political-science view which infiltrated both schools of organizational thought. The human relationists declared that conflict was healthy and that power was really a form of

influence that could be controlled. The bureaucratic school tried to incorporate the political-science data but could not produce a credible response in its writings (Morgan, 1989).

In the 1940's and 1950's the decision-making school began to undermine the dominant organizational views of the times through its concern with the basic question of how people make decisions. It did not believe that managers should be given direct orders or be left to devise their own solutions. The fundamental factor that they proposed was to control the premises of management decisions. Once these premises were ingrained, precedent would control the decision-making process. Herbert Simon and James March provided an outline of tools that would achieve this goal. They included a specific organizational vocabulary and reward system. Both the human relations and bureaucratic schools of thought incorporated these views into their respective frameworks (Morgan, 1989).

Joan Woodward took organizational theories to a new level as a result of her study of 100 firms in South Essex, Britain in the 1960's. The prevailing organizational paradigm of management structure and behaviour at the time of her study was based on the belief that there is one best and all-embracing way to run any manufacturing business. She attempted to relate the organizational characteristics of the 100 firms to the technology of their manufacturing processes. She discovered that the type of tasks that an organization undertakes has a dramatic impact on its structure. An analysis of the data appeared to indicate that the flow of work through the factory could severely limit the organizational choice of management (Woodward, 1970). Bureaucracy appears to be the best form of structure if organizations are involved in routine operations. However, decentralization

and an emphasis on interpersonal processes appeared to work better in environments of non-routine work. Mechanistic and human relations schools of thought were both challenged to deal with these newfound insights (Morgan, 1989).

James Thompson's view of organizations was different from that of Woodward's. He defines technology to be the degree by which actions, driven by personal values concerning cause and effect relationships, produce certain outcomes. Input, technology, and output are interdependent and the input and output are interdependent with the environment. It is crucial that organizations are open to the environment and utilize a variety of techniques in order to protect their interests. However, these techniques are never foolproof, resulting in organizations seeking to anticipate and adapt to environmental changes. Environmental fluctuations can be the result of dynamic factors causing organizations to spend considerable time in forecasting possible outcomes (Lorsch & Lawrence, 1972).

Jay Lorsch and Paul Lawrence (1972) contributed to organizational theory with a focus on developing skills in organizational design, defined as the systematic planning and creation of organization structure, measurement schemes, personnel development programs, and the division of organizational work while achieving a unified effort toward the organization's goals.

Lorsch and Lawrence declare that any type of organizational change is built upon a theoretical model, and more effective actions occur when assumed models are made explicit. However, the authors note that the organizational models that management use often appear contradictory. These models are divided into two categories: rational and natural-system. The rational model conceives the organization as a mechanistic

instrument which has deliberately established structures for the use of group goals. It implies that decisions are made on a rational basis and that organizations are composed of manipulatable parts. The natural-system model views organizations as systems which can only be understood in the context of the entire system. Organizations become ends in themselves and have their own separate needs which require attention. Interdependence between the different parts is assumed, which results in ramifying consequences for any planned changes (Lorsch & Lawrence, 1972).

Lawrence and Lorsch affirm the work of researchers like Woodward, Thompson, and Perrow in their declaration that an important environmental characteristic which affects the internal organizational structure of companies is the position of the environment on a certainty-uncertainty continuum. Their own work demonstrated that organizations which operated in uncertain and diverse environments were prone to have units that contained a high level of differentiation in their internal structure and member's interpersonal orientation. Those organizations that operated in stable and less varied environments have less differentiated units and preferred to rely on a hierarchical structure in order to achieve integration (Lorsch & Lawrence, 1972).

Perrow declares that the final piece of organizational analysis centers on goals, environments, and systems. A clear connection between the organization and its environment appear to exist. Bureaucracies were seen to be inefficient because of political nature, discrimination, and sheer corruption. The human relations model also suffered from the findings concerning the connection between organizations and environments because of its assumption that organizational problems were limited to the consequences of the poor interpersonal relations within them. The overriding conclusion

was that organizations are open systems interacting with the larger system which has forced organizational theories to add even more variables, such as environmental factors into their deliberations (Morgan, 1989).

William Howell reinforces Morgan's position concerning the modern theories of organization and management. This support is among the topics covered by Howell in his book Essentials of Industrial and Organizational Psychology. He declares that the first significant studies of organizations were aimed at increasing company profits. The scientific management approach promoted by Fred Taylor was interested in finding the most efficient method for every task in the workplace. Workers would be trained to fulfill these tasks and offered additional compensation in the hope that they would support this initiative. The human relations movement concluded that human considerations on the job such as friendship and self-actualization were on the same level as the structural ones emphasized by the classical theorists. Most of the current organizational theories are descendents of the scientific management or human relations movement. Howell warns the reader that organizational managers have the tendency to think in absolute terms resulting in the singular choice of a "good" organizational theory. However, Howell declares that most theories have the ability to make a positive contribution and managers cannot expect to be successful by picking one theory for all situations (Howell, 1976).

### **Benefits of Contingency Theory**

Burns and Stalker attempt to combine the analysis of organizations under conditions of relative stability and change, plurality of social systems within the organization, and organizational dynamics. They engaged in the study of twenty different companies

involving situations of new and unfamiliar environmental demands. Their core finding was that when novel and unfamiliar market situations and technical information became the accepted order of things, a fundamentally different kind of management system becomes appropriate. Therefore, there is no single set of principles for successful organizations or ideal type of management system that can be seen as a desired model. The critical management task is to interpret the market and technological situation in terms of its stability or instability, in order to design the appropriate organizational structure for successful implementation (Burns & Stalker, 1961).

Burns and Stalker outline two management styles referred to as mechanistic and organic systems which represent the opposite positions that systems can take when they are adapted to specific rates of environmental change. The first style is the “rational” approach which can be deliberately created and maintained in order to utilize effectively the resources of an organization. A mechanistic system is suitable when conditions are stable. It is composed of the following characteristics located in Table 3 (Burns & Stalker, 1961, p. 120).

**Table 3: Mechanistic System of Organization**

A	-The specialized differentiation of functional tasks into which the problems and tasks facing the concern as a whole are broken down
B	-The abstract nature of each individual task, which is pursued with techniques and purposes more or less distinct from those of the concern as a whole -The functionaries tend to pursue the technical improvement of means, rather than the accomplishment of the ends of the concern
C	-The reconciliation, for each level in the hierarchy, of these distinct performances by the immediate superiors, who are also, in turn, responsible for seeing that each is relevant in his own special part of the main task
D	-The precise definition of rights and obligations and technical methods attached to each functional position

E	-The translation of rights and obligations and methods into the responsibilities of a functional position
F	-Hierarchic structure of control, authority and communication
G	-A reinforcement of the hierarchic structure by the location of knowledge of actualities exclusively at the top of the hierarchy, where the final reconciliation of distinct tasks and assessment of relevance is made
H	-A tendency for interaction between members of the concern to be vertical, i.e., between superior and subordinate
I	-A tendency for operations and working behaviour to be governed by the instructions and decisions issued by superiors
J	-Insistence on loyalty to the concern and obedience to superiors as a condition of membership
K	-A greater importance and prestige attaching to internal (local) than to general (cosmopolitan) knowledge, experience, and skill

The organic form is suitable for varying conditions which place demands on organizations that cannot be successfully responded to from a mechanistic structure. It is composed of the following characteristics located in Table 4 (Burns & Stalker, 1961, p. 121).

**Table 4: Organic System of Organization**

A	-The contributive nature of special knowledge and experience to the common task of the concern
B	-The 'realistic' nature of the individual task, which is seen as set by the total situation of the concern
C	-The adjustment and continual re-definition of individual tasks through interaction with others
D	-The shedding of 'responsibility' as a limited field of rights, obligations and methods -Problems may not be posted upwards, downwards or sideways as being someone

	else's responsibility
E	-The spread of commitment to the concern beyond any technical definition
F	-A network structure of control, authority, and communication -The sanctions which apply to the individual's conduct in his working role derive more from presumed community of interest with the rest of the working organization in the survival and growth of the firm, and less from a contractual relationship between himself and non-personal corporation, represented for him by an immediate superior
G	-Omniscience no longer imputed to the head of the concern -Knowledge about the technical or commercial nature of the here and now task may be located anywhere in the network -This location becoming the ad hoc centre of control authority and communication
H	-A lateral rather than a vertical direction of communication through the organization, communication between people of different ranks, also, resembling consultation rather than command
I	-A content of communication which consists of information and advice rather than instructions and decisions
J	-Commitment to the concern's tasks and to the 'technological ethos' of material progress and expansion is more highly valued than loyalty and obedience
K	-Importance and prestige attach to affiliations and expertise valid in the industrial and technical and commercial milieux external to the firm

Neither of the aforementioned systems is superior to the other in all circumstances. An awareness of environmental conditions is the first step in choosing the appropriate system (Burns & Stalker, 1961).

Dalton and Lawrence (1970) argue that the structure of organizations is not fixed in nature but exists as a variable which can be manipulated. Management has the ability to choose the specific types of structures that an organization will be built upon. A distinction is made between the basic structure and the operating mechanisms that undergird this configuration. Basic structures are concerned with the division of labour

and coordination between different groups or members. Formal documents such as job descriptions and organizational charts provide clear demonstrators concerning the basic structure of an organization. However, basic structural design is also reinforced through operating mechanisms such as standard rules, appraisal systems, control procedures, and information systems. These variables are used to indicate what behaviour is expected from organizational members (Dalton & Lawrence, 1970).

Dalton and Lawrence examine the conventional approaches to structural design which revolve around the division of work by function, emphasizing economic and technical efficiency. The authors argue that one premise of the conventional approaches is that people are motivated by money alone and will wholeheartedly follow the dictates of management. Dalton and Lawrence declare that this approach has severe limitations, resulting in the development of further theories that stress the need for workers to be motivated by self-actualization which includes a social component. However, further research indicates that the design of a basic structure will involve task and human inputs (Dalton & Lawrence, 1970).

Wortman and Luthans (1975) describe the market forces in the environment that have a strong impact on organizations. An organization's market environment includes the availability of resources, types of goods or services provided, category of competition, predictability of demand, and product change. These forces can influence organizational structures and delivery of services (Wortman & Luthans, 1975).

Selwyn Becker and Duncan Neuhauser declare that their book The Efficient Organization is written for those individuals who may wish to improve or restructure their own organizations. A contingency basis is utilized in which the structure of the

organization is dependent on the environment and task circumstances. Their presentation is comprehensive in nature and involves various tests with significant numbers of organizations. However, a lack of agreement exists concerning the definition of efficiency and how it can be operationalized. In order to operationalize it is necessary to also define organizational goals. Becker and Neuhauser declare that one of the key determinants of an organization's structure lies in the degree to which management prescribes the tasks by which organizational goals will be achieved. They refer to this as specification of procedures and claim that it not only impacts organizational structure but also acts as a form of organizational control (Becker & Neuhauser, 1975).

One of the earliest proponents of contingency theory was Jay Galbraith (1977). Galbraith declares that this promising theory is based on the conclusion that there is no one best way to organize and the ways to organize are not all equally effective. Galbraith purports that organizations faced with uncertainty must make a choice between four options or face the unenviable task of trying to reduce environmental uncertainty. The first choice is the creation of slack resources which involves a lessening of internal interdependence on subunits. An example of this is the extension of organizational production and planning targets. The second option is the creation of self-contained tasks which could include the use of groups formed around certain processes versus groups formed around certain organizational functions. The third option is an investment in vertical information systems that allow for more automated control. The final option is the creation of lateral relations typified by "flatter" organizations which pushes the decision-making process closer to the actual information site (Morgan, 1989).

How organizational environments impact organizations and their response to these external constrictions is the focus of Jeffrey Pfeffer and Gerald Salancik's book The External Control of Organizations (1978). Pfeffer and Salancik have intended their book to be a guide for designing and managing organizations that are externally constrained. It declares that concepts such as organizations and environments have not been readily accepted in the realm of organizational management. However, the basis of their book is that the environmental context of the organization must be comprehended in order to understand the behavior of a company. Organizations are inescapably linked with the circumstances of their environment. The author's position clearly echoes the tenets of contingency theory. They believe that organizations survive to the extent that they are effective in their adaptation to acquire and maintain resources in environmental change. What happens in an organization is a consequence of the environment (Pfeffer & Salancik, 1978).

There are three environment levels that Pfeffer and Salancik describe in their book. The first level is the entire system of interconnected individuals and organizations. The second level is the combination of people and organizations with whom the organization directly interacts. The third level is the organization's perceptions and representation of the environment. The author's draw on the work of F. Emery and E. Twist who describe environments to consist of four types (Pfeffer & Salancik, 1978). The first type refers to a situation in which the resources desired by organizations are randomly distributed throughout the environment called a placid-randomized environment. The interconnection between the different elements in the environment is not strong. Organizations can survive as individual and small units. The placid-clustered is the

second environment type in which the pattern of resources is sequentially predictable. It is profitable for organizations to understand the wider environment and its opportunities. A need to formulate plans that will permit an organization to achieve specific objectives is critical. Planning and the development of specific competencies are encouraged in this type of environment and lead to larger, more hierarchical organizations. The third environment type involves the organization in creating the distribution and probability of resources which is referred to as a disturbed-reactive. In this environment organizations need to seriously consider other companies or a military strategy where organizations look to outwit their competitors. The final type is similar to the third except a much higher level of interconnection occurs between environmental actors. This environment is referred to as the turbulent field and is characterized by an increasing unpredictability of a company's actions. This unique environment has rarely been seen in world history and requires original forms of strategic action. Collaborative action which involves a network of organizations linked by common goals and values is also an option (Morgan, 1989).

Organizations consist of individuals who belong to groups and these organizations belong to larger groups in an even wider ecology. This biological view of organizations has been utilized by organizational theorists to highlight the critical boundary transactions between organizations and environments. The task environment refers to the relations between organizations and its key contacts (Hasenfeld, 1983). The general environment is broader and includes social, political, technological, economic, and demographic factors. Changes in the environment usually originate in the contextual environment before affecting the task environment. In order to take advantage of

opportunities that present, as well as to respond to potential significant changes, organizations scan their environments. Most of the critical challenges organizations face center on adapting to crucial changes and interacting in a way with environmental relations that actually shape the way changes occur (Morgan, 1989).

During the 1970's and 1980's successful management changed from a strategy of relying on the mastery of a specific technique to include the development of attitudes and values that permit managers to successfully respond to forces that operate outside of their organizations. According to Morgan (1988), managers of organizations are operating within a context of massive change in the form of new technologies, markets, competitors, and social relations. Managers need to accept this reality and develop proactive approaches that respond to these opportunities of change. However, assessing environmental change is fraught with problems. Overanalysing can be as harmful as doing nothing because of the organization inactivity that occurs (Morgan, 1997). Some organizations have constructed a form of environmental intelligence or scanning functions in order to monitor ongoing developments and predict changes. Other managers have tried to predict different scenarios and the impact that these scenarios could have on their organizations.

Morgan encourages the reader to look for "fracture lines" which refers to dramatic events which could significantly enhance or harm the organization. Morgan believes that managers need the ability to see the positive lines of development in any situation. The development of proactive mindsets, positioning and repositioning skills, and a holistic environmental viewpoint will assist in the incorporation of this value. Leadership also

has an important role in providing an overall sense of vision and direction for an organization (Morgan, 1988).

Korman and Associates (1994) provide a process for an organizational response to a major environmental shift. They studied a major division of AT&T's that was divested and changed from a regulated monopoly to a competitive enterprise. Prior to the change, operational manuals were followed in a hierarchically-focused management style. Managers were asked to change their hierarchical style in order to better meet the needs of the changing environment. Staff who relied on structure found the new work environment stressful because of the lack of direction. Specific performance management programs called the Managing for Excellence Library (MFEL) were developed to help the company make the organizational transition. The MFEL was confusing to staff because they expected a new set of structured procedures. However, the MFEL contained a new style of management that expected independent decision making, accountability, and risk taking to be core components of everyone's job. The success of the program was measured in usage and organizational improvement in quality, customer satisfaction, and the financial bottomline, which all improved over time. In this context the ability of an organization and staff to successfully respond to environmental shifts is seen (Korman, Associates, 1994).

Richard Daft's book Organization Theory and Design provides a concise definition of contingency theory and its implications for organizational development. Daft purports that not all organizations are similar, causing numerous problems when a "blanket" approach is used for all organizations. The author argues that contingency refers to the concept that one thing depends on other things and applies it to organizations (Daft,

1998). Effective organizations exhibit an appropriate fit between external environmental conditions and their organizational structure. Simply put, contingency means “it depends.” The correct administrative approach is contingent on the organization’s external environment (Daft, 1998).

Morgan provides a multi-phased process for completing an analytical diagnosis of an organization’s environment, characteristics, and level of congruence between the two realms. The first step is to identify a number of key elements that include the abundance of key resources, patterns of resource ownership, and competitors. The conditions of the political, legal, technological, economic, social, and market are also included. Measuring the degree of stability, homogeneity-heterogeneity, and interconnectedness between these elements is also suggested. However questions such as ‘What is the rate of change in the environment’, and ‘Is it simple or multifaceted’? provide an analysis regarding the stability or instability of the external environment (Morgan, 1997).

According to Morgan the second step is to examine different organizational characteristics to determine their compatibility with the environment. The different organizational subsystems include the strategic, technological, cultural, structural, and managerial components. The strategic realm refers to the type of plan organizations utilize in responding to change and poses questions: Is the environment being systematically scanned for opportunities or threats? Is it a proactive or reactive organization? Does it make sense for the company to be defending a specific niche in its environment? The technological aspect involves processes utilized to transform inputs into outputs and also raises questions: Are they standardized and routinized? Does the technology lend itself to jobs with high levels of autonomy and responsibility? Are the

operations of the organization rigid or flexible? The cultural component speaks to the type of commitment workers have towards the organization. Are the core values and beliefs influencing the cultural ones that support a self-centered approach to employment, or are they ones that challenge people to become personally involved in the organization? The last two aspects of structure and management are concerned with the amount of bureaucracy or organic nature in the organization and questions whether the managerial approach is authoritarian or democratic; whether accountability or initiative is the norm; and how much risk-taking occurs in the organization (Morgan, 1997).

The crux of this literature review on Morgan is to determine the level of congruence between the environment and the organizational characteristics. Within the context of contingency theory organizations in stable environments employ a mechanistic strategy with corresponding implications. As a result companies that are encountering a moderate degree of environmental change demonstrate a reasonable level of technology and mechanization. In contrast highly turbulent environments require organic organizational structures which involve employees with a high level of commitment. These organizations need to be on the cutting edge of technology in order to survive. "Fit" organizations are ones that display the same alignment as their environments in order to meet the challenges and opportunities it presents. Organizations with incongruent components are best served by reshaping those elements as necessary (Morgan, 1997).

One of the main arguments in the book, Strategic Human Resource Management by Christopher Mabey and Graeme Salaman, begins with the premise that organizational environments are constantly changing. On a macro level the decline of traditional industries such as steel and shipbuilding are one example of this change. The dramatic

increase in competitive pressures from countries such as China and the emergence of a global economy also contribute to the rate and depth of environmental change. Mabey and Salaman declare that these changes require organizations to change systems, structures, and skills. They also warn that existing organizational structures and staff may effectively block this change (Mabey & Salaman, 1995)

Performance management has also been identified as a critical element of organizational change in relation to the environment (London & Wueste, 1992). A key concept is that employees must understand changes in their behaviour in response to the changing environment. Performance management has the necessary role of interpreting the combination of environmental changes and organizational leadership strategies, in the form of programs that encourage company success. Changes in environment, organization, and human resource systems may occur separately or all together. London and Wueste suggest a process called “benchmarking” which involves the examination of similar organizations that have successfully managed the change process. Successful change processes target the necessary leverage points which are those systems that have the strongest impact on how the organization functions. Changes can occur in the structure of the organization, culture, or the employees themselves (London & Wueste, 1992).

As human resource strategists, Mabey and Salaman believe the environment to be the ultimate source of organizational change which produces three types of strategic challenges. The first challenge is “demand risk” which occurs as a result of recessions, new competitors, or new products. The second strategic challenge is “innovation risk” resulting from the failure to match competitors’ technological innovations. The third

challenge is the inability to match competitors' costs and is called the "strategic risk of inefficiency" (Mabey & Salaman, 1995).

The critical factor in all of these strategic challenges is the process by which environmental challenges are defined, recognized, and appropriate responses are implemented. The relationship between the strategic response and the implementation of human resource strategies is also fundamental to a successful adaptation because of the human processes involved (Mabey & Salaman, 1995).

### **Summary of Contingency Theory Research**

Contingency theory is centered in the concept of organizations as open systems. Contingency theory is based upon the belief that organizations depend on a wider environment for sustenance. Organizations must achieve an appropriate relationship with the environment if their needs are going to be satisfied. Therefore, organizations must devote themselves to understanding their environments and organizing themselves with this perspective in mind (Morgan, 1997).

Contingency theory revolves around the concept that a single best way of structuring an organization does not exist. The suitable form is dependant on the type of environment within which an organization exists. Therefore, management may correctly utilize a variety of approaches in order to perform assorted tasks, because different types of organization are required in different types of environments. The management staff in an organization must keep one critical factor in mind. They must make the process of adapting their organization to its environment the underlying principle of all their work (Morgan, 1997).

The impact of scientific management can be seen in the non-contingency related theories which appear to be newer editions of a mechanistic view of organizations. Contingency theory is open to differing interpretations about key environmental factors, strengths, limitations, strategies for practice, and the results it can deliver. Morgan has presented an adequate model for the application of contingency theory in a human service agency in Table 5.

**Table 5: Literature Review Applicability Framework**

A	-Completing an analytical diagnosis of an organization's environment, characteristics, and the level of congruence between the two realms
B	-Identifying the key organizational characteristics
C	-Determining environmental conditions in areas such as politics and economics
D	-Measuring the degree of stability in these areas
E	-The crux is to determine the level of congruence between the environment and organizational characteristics
F	-Fit organizations display the same alignment as their environments
G	-Organizations with incongruent components are best served by moving these elements in the appropriate direction

More specifically proposed steps for applying the theory are including in Table 6.

**Table 6: Proposed Steps for Applying Contingency Theory**

A	-Presentation of Contingency Theory
B	-Analysis of the external environment and its implications for OFE
C	-Analysis of OFE's current organizational behaviour

D	-Recommendations for change and identifying those factors that will inhibit change
E	-Plan of action and implementation
F	-Evaluation

Change has been accelerating in the world and human service organizations are pressured to proactively respond to this change in order to ensure their survival. Contingency theory provides a well-researched model based on values that appeal to most managers in human service organizations which can be utilized in order to meet this challenge (Bozzer, 2000).

#### **Specifics Benefits of Contingency Theory for Human Service Agencies**

Human Service Organizations (HSO) are defined as organizations which work with and on people. They have goals which are vague and ambiguous in nature while operating in turbulent environments. They do not have comprehensive knowledge of the ways to achieve their goals and their core activities are centred in the relations between staff and clients (Hasenfeld, 1983).

Charles Glisson's book, A Contingency Model of Social Welfare Administration identifies a theoretical model of human service organization and utilizes that model to determine the expertise and abilities that a social service administrator requires in order to be successful. Glisson's construction is founded upon contingency theory which depicts an organization as a social system operating in an interconnected environment. The successful social service administrator facilitates the interrelationships of the organization's subsystems combined with actions that ensure a positive relationship with the organization's environment. Contingency theory dictates that the aforementioned

actions are contingent upon the features of the organization and its respective environment (Glisson, 1985).

Glisson declares that there are many reasons for HSO's to choose contingency theory over other organizational theories. Contingency theory has integrated the views of accepted theories into a comprehensive outlook that avoids forcing a prescribed organizational structure on all organizations. Managers are encouraged to choose different designs and activities in order to help organizations achieve a successful adaptation to their environments. Contingency theory also takes into account that HSO's work with people as their "raw material" and organizational subsystems need to develop different methods compared to companies that work with inanimate objects. Contingency theory's use of general systems theory is also viewed as an asset. Most social workers are trained to think in "systems" when conceptualizing the interrelationships within the internal workings of organizations and the relationship between the organization and its environment (Glisson, 1985).

Yehekel Hasenfeld in Human Service Organizations asserts that human service organizations share a special set of characteristics. HSO's work with people as their raw product, have ambiguous goals, operate in turbulent environments, utilize indeterminate technologies, contain a core technology centred on staff-client relations, and are usually more resistant to modifications. All of these attributes provide a good case for the applicability of contingency theory. In addition, non-static environments are an obvious sign of contingency theory's applicability. Hasenfeld views the human service agency environment as consisting of numerous interest groups with rapidly shifting ambitions. Combining these factors with the dependency of human service agencies on external

donors for their revenue severely impacts those organizations that do not have strategies to successfully manage change. This is further evidence of the need for an organizational change strategy, such as contingency theory, which is extremely suitable for high change environments (Hasenfeld, 1983).

Managers in nonprofit organizations face many new challenges in the 21<sup>st</sup> century that require a different set of skills and tools. James Gelatt in his book Managing Nonprofit Organizations in the 21<sup>st</sup> Century proclaims that every nonprofit organization is facing or has faced some common problems. Contingency theory has the potential to positively impact most of these difficulties. One problem Gelatt identifies is the tendency of nonprofit organizations to go from crisis to crisis where there is no time to plan. Contingency theory's ability to help an organization develop a proactive organizational response to environmental changes speaks directly to this issue.

Another problem is the need to look at the "big picture". This can take several forms including a lack of organizational focus and suitable decision-making processes. Contingency theory addresses this concern in several ways. The biggest tactic is its focus on the environment and the need to be aware of environmental factors. Gelatt states that most communities do not have a real awareness of what nonprofit organizations located in their area have to offer.

If it is advantageous for the nonprofit organization involved, contingency theory supports the concept of collaboration with other organizations. Collaboration between organizations is also purported to be instrumental in the development of strategic alliances which can help organizations meet the challenges of their environments. Two of the biggest problems relate to the difficulty in attracting and maintaining good staff.

This is an area in which contingency theory is able to provide solutions because an organization that is “fit” with its environment has a much better chance of providing staff with meaningful and less frustrating working conditions. Gelatt declares that another problem that nonprofit organizations suffer from is poor communication among organizational members. Contingency theory’s focus on developing the appropriate vertical as well as lateral communication patterns can be very helpful in this context. The last problem relates to the lack of financial accountability and availability. Contingency theory may not have a prescription for the lack of good financial records but an organization more in tune with its environment will generally be more financially secure. Clearly, Gelatt’s summary concerning some of the common problems faced by nonprofit organizations is fertile ground for a contingent style of thinking and organizing (Gelatt, 1992).

Gelatt affirms many of the basic tenets of contingency theory. He declares that organizations are open systems which must interact and adapt to environmental changes. The anticipation of these changes and the development of appropriate strategies to capitalize on them is a necessity. He points out ten environmental trends that human service organizations must consider: society is getting older and it will become more diverse, the nature of voluntarism is changing, more women will be working outside of the home, possible crisis in the educational system, continued movement to a service based economy, changes in healthcare delivery, transformation in workforce values, increasing impact of technology, and the reality that change will be the constant companion in organizational life. Only a few of Gelatt’s predictions require fulfillment

for contingency theory to be extremely relevant and valuable in human service agencies (Gelatt, 1992).

Human service agencies face a unique set of change characteristics (Gies, Ott, and Shafritz, 1990) and change best describes the environmental conditions of nonprofit organizations in the United States of America since the 1980's. Neo conservative perspectives in responding to community needs have influenced the environmental context of HSO's in the USA and Canada. The USA's Republican party's vision of social ills and the way to address community needs including funding arrangements have also impacted Canada. Local structures are now responsible for the future of many nonprofit organizations at the same time as the public sector role has been significantly reduced (Gies, Ott & Shafritz, 1990). This has led to the privatization of duties that used to be in the public realm. The last decade has produced more change for nonprofits than the previous 50 years combined. Change and ambiguity are the dominant factors in nonprofit organizational life as human service agencies struggle to meet an increasing community need for services. The place for a method like contingency theory which portrays itself as a useful theory in dealing with change is evident to the human service agency administrator (Gies, Ott & Shafritz, 1990).

Peter Drucker's book Managing the Non-Profit Organization contains a section that deals with the issue of the "bottom line". Drucker states that nonprofit organizations tend to minimize performance and results. However, they are more important and difficult to measure than in a for-profit business. According to Drucker the key to nonprofit organizational performance is to concentrate organizational resources in the areas where the results exist. Otherwise, nonprofit organizations face the danger of trying to produce

immeasurable results. Therefore, performance must be planned. Drucker claims that results-based resources involves structuring the organization around information and communication versus hierarchy. Flatter organizations with few layers allow for a much clearer form of communication. However, if nonprofit organizations need to focus on the results that funders find desirable, contingency theory, which focuses on environmental awareness, will be an asset to nonprofit organizations that seek to produce a desired result that will support their survival (Drucker, 1990).

### **Limitations of Contingency Theory**

Lex Donaldson's book, The Contingency Theory of Organizations provides some valuable insights concerning methods to evaluate whether an organization has achieved a good fit with its environment. Donaldson suggests a number of lessons, such as using multiple fits between various contingencies and organizational structural variables. He also warns of the need for reliable measures of performance to lower the correlation between misfit and performance. Another suggestion is the utilization of several organizations that have remained as either fit or misfit with their environments for more than one year when comparing or contrasting the effects of contingency theory on performance (Donaldson, 2001).

Donaldson suggest that contingency theory has three problems. The first problem relates to the seemingly static nature of contingency theory because it appears to discuss change only as a movement from misfit into equilibrium. However, organizations can frequently move in and out of an equilibrium situation. Organizations can experience repeated increases of change in contingencies and organizational structure resulting in a more dynamic theory. The second problem is the difficulty managers have in knowing

exactly what organizational structures fit their contingencies. Donaldson proposes that a full fit with their environments is unrealistic for most organizations and suggests the term “quasi-fit” in referring to the partial fit of an organization with its environment. The third problem relates to the idea of the fit line being one of iso-performance. This is a position that produces equal organizational performance. However, this raises the question of what is the benefit in becoming a more fit organization if the additional costs are greater than the rewards involved (Donaldson, 2001)?

Hasenfeld concludes that contingency theory is composed of two interrelated propositions: 1) environmental demands establish systems of internal differentiation; 2) and the characteristics of the organizational technologies establish the pattern of the workers (Hasenfeld, 1983). The level of uncertainty in the environment requires a parallel response in the level of internal differentiation. However, increases in differentiation necessitate the development of integration and coordination devices. The relationship between organizational structure and technology is similar. The internal structure depends on the stability of the clients and knowledge of the intervention techniques (Hasenfeld, 1983).

Hasenfeld affirms that contingency theory appears to be a reasonably attractive theory that could effectively guide the development of an appropriate organizational design. However, he views the operationalization of environmental factors to have severe measurement problems. These concerns are intensified when elements are measured independently. The important decision makers in organizations can also mitigate the direct causal relationship between the environment and organizational structure. Key

management staff can choose to ignore certain environments. These factors demonstrate challenges to the successful application of contingency theory (Hasenfeld, 1983).

Albert Mills and Tony Simmons in Reading Organization Theory: A Critical Approach to the Study of Organizational Behaviour and Structure (1999) focus on the lack of reference to race, ethnicity, class, or gender in mainstream organizational theories. Their research indicates that most industrial countries are composed of work forces of female workers and various ethnic groups. Strong evidence indicates that these groups do not enjoy the same access to opportunities as other dominant groups. However, organizational theories like contingency theory fail to place the appropriate emphasis on these issues.

The City of Winnipeg is comprised of one of the largest aboriginal populations among Canadian cities. Members of this population are much more likely to suffer from poverty and require the services of organizations like OFE. Contingency theory assumes various dominant North American values which may be in direct conflict with the culture of OFE's largest client group. Winnipeg also has a diverse ethnic composition. Contingency theory is similar to other organizational studies when it renders these perspectives invisible. The exclusion of ethnicity provides a legitimate fear that OFE could be utilizing an organizational change process that is inappropriate given the population that OFE attempts to serve (Mills & Simmons, 1999).

### **Summary**

The literature review has resulted in a framework for applying the tenets of contingency theory in a HSO. The steps in Table 6 are consistent with the theory's proponents. Their application will be seen after the presentation of practicum

methodology. The impact of the literature review can be clearly seen in the following sections on practicum methodology and activities.

## Chapter 3

### PRACTICUM METHODOLOGY

#### Overview

The purpose of the intervention is to change the way OFE is structured and functions through the ACT at OFE. It is expected that organizational programs, methods of delivery, clients groups, and relationships with external stakeholders will be transformed as a result of the ACT at OFE. It is also expected that within one year, after the implementation of the ACT at OFE, all indicators of organizational performance will show improvement because of the changes made in organizational structure and behaviour. OFE will be able to increase its contingency fund or invest in longer-term programs for clients. The anticipated goal is the development of a more effective and efficient organization concerning various performance and economic factors.

The core of this section is to examine how well the practicum activities have been implemented. This is a formative evaluation aimed at assessing the implementation of the theory. My role as the internal evaluator was to collect, analyze, and disseminate this information with program staff and the management group of OFE. This information was utilized to establish the strengths and weaknesses of the ACT at OFE, barriers to program implementation, negative outcomes, method differentiation, and any impediments to the ACT at OFE's effectiveness. Management committed themselves to lead the process and will have invested the most time of all the stakeholders. They were also concerned that the rest of the staff view the ACT at OFE as a "management thing" without actively embracing the program (Herman, Fitz-Gibbon, 1987). As a staff member with the organization I was given the authority to spend any necessary time that

this formative evaluation requires. I also received permission to access organizational information and other staff members' time as required.

### **Four Outcomes**

There were four expected outcomes identified at the onset of the practicum with regards to the implementation of ACT at OFE. First, the staff at OFE will have developed an appreciation of the basic components of contingency theory and will be suitably motivated to apply the theory at OFE. Second, staff will have an accurate shared vision concerning the rate of change that their environment generates. These benchmarks determine the type of organism that OFE needs to resemble in order to be congruent with its environment. The third outcome is for staff to understand where changes are required in organizational function areas in order to reach environmental congruence. Lastly, a plan of action will be developed that guides the evolutionary progress of OFE into environmental consistency.

### **Assumptions**

There are numerous assumptions contained in the ACT at OFE. The first assumption is the belief that the organizational changes that occur as a result of the ACT at OFE will make a difference in OFE's performance and financial indicators. This assumption is basic to the entire program. These changes have to make a difference in OFE's performance and financial indicators or the logic or implementation of the theory is faulty. This assumption is reasonable because organizations do not exist in isolation, but exist as elements in a complex ecosystem. They can play a role in shaping their future by becoming more adapted to their environments. Increased efficiency and effectiveness at OFE will result in the opportunity to generate more job placements at a lower cost to the

organization. OFE's funding arrangement allows it to increase its net income through this increased productivity, resulting in a more advantageous financial position for the organization.

Another assumption of the practicum project's theoretical base is that an internal stakeholder is better than an external one in order to evaluate the intervention. It is assumed that the organization will be better served by having access to the evaluator long after the evaluation is finished. It is expected that the evaluator will use the knowledge gained in completing the evaluation to assist the organization. This was the choice made by the organization even though internal evaluators bring a particular bias with them that external evaluators do not have. Steps to overcome evaluator biases will be described later in this chapter.

### **Stakeholders**

There are numerous stakeholders in this program. The management staff of OFE is perhaps the primary stakeholder because they will implement the recommended action plan and have the biggest investment in its success as the success or failure of the program will be attributed mostly to them. The staff and board of the organization are key stakeholders because of the significant amount of organizational time and energy that will be invested in the program. Funding organizations, organizational partners, the governing political party, clients, businesses, and the community are also identified stakeholders. All these groups could benefit if OFE were to become a more effective organization (Rossi et al., 1999).

### Program Change Goals

There are four goals concerning the project's application. Appendix B provides a chart that shows the different connections that are involved. The first goal is for all staff to develop an appreciation for the validity in viewing organizations as open systems that must adapt to changing environmental circumstances. The second goal concerns itself with the need for staff to arrive at a conclusion concerning the stability or instability of the external environment within which OFE functions. The third goal is for staff to develop an awareness concerning OFE's organizational behaviours that are incongruent with its desired organizational characteristics. The last goal is for staff to identify and determine what changes need to occur in certain areas of organizational functioning, in order for OFE to be in congruence with its environment. The identification of organizational assets and barriers to this movement will also be developed.

**Table 7: Summary of Practicum Activities**

<b>Stages:</b>	<b>Goal:</b>	<b>Process:</b>
<b>Preparation Stage – Literature Review</b>	-To become aware of the history of contingency theory in the context of the broader field of organization studies.	-Assess the strengths and weaknesses of contingency theory including its application.
<b>Stage One – Introduction to Contingency Theory</b>	-For all staff to become informed of contingency theory and develop an appreciation for the validity in viewing organizations as open systems that must adapt to changing environmental circumstances.	-Involve all the internal organizational stakeholders in a staff information session that tests the tenets of contingency theory by looking at the past successes and failures of the organization from its viewpoint.
<b>Stage Two – Analysis of Different Environmental &amp; Organizational Factors</b> a) Analysis of the external environment	-For staff to arrive at a conclusion concerning the stability or instability of the external environment within which OFE functions.	-Develop a rating concerning the pace of change of different elements within OFE's external environment. -Combine the specific rankings into a single

		combined rating for the entire external environment.
b) Analysis of how OFE operates	-For staff to develop an awareness concerning OFE's organizational behaviours that are incongruent with its desired organizational characteristics.	-Develop a rating concerning the different organizational characteristics that compose its organizational behaviour and compare it with the desired rating.
<b>Stage Three</b> - List of Focus Areas Requiring Change & Development of an Action Plan	-For staff and management to identify and determine which changes need to occur in what areas of organizational functioning in order for OFE to be congruent with its environment. -Identification of organizational assets and barriers to this movement will also be developed.	-Activities that support OFE in maintaining and increasing congruence with its environment are identified and developed into an action plan. -Additionally, aspects in the internal environment that may help or hinder this progress are identified.

## Chapter 4

### SUMMARY OF ORGANIZATIONAL CHANGE STRATEGY

#### **Introduction**

Utilizing Gareth Morgan's book Images of Organizations as a guide, the application of contingency theory at OFE involved three different stages of implementation. An evaluation was conducted at the end of these practicum activities. I was extensively involved in the planning, implementation, and follow-up of all the different stages and the evaluation. Each action involved a certain percentage of the time required as part of practicum regulations. Table 7 provides a summary of the practicum interventions.

The general format that stages one, two, and three followed was individual work, management meetings, and larger meetings with all OFE staff. The purpose of the individual work was to prepare a basis of information for the leadership group to consider and build upon. It would have been unfeasible for the management group to spend the time necessary to prepare a basis for beginning to form a plan. The management meetings focused on digesting, challenging, modifying, and formulating the previously completed research into a package that could be presented to the entire staff. The staff meetings were times of facilitation and group work. The quality and quantity of the individual work and management meetings were necessary in order for the staff meetings to achieve their true potential.

#### **Stage One – Introduction to Contingency Theory**

##### **Individual Work.**

The preparation activities required for the first session were extensive. The development of the aforementioned problem statement contained in Table 2 was

conducted under this heading. Exhaustive work to condense the components of contingency theory into a framework that could be presented to a staff that have limited experience with organizational theories was required. Overheads were developed in order to utilize the visual aids necessary in the presentation of the material to ensure that staff retained the critical information concerning contingency theory. It was feared that a failure to successfully complete these preparation activities would jeopardize the ensuing stages which are built on this step. A critical method designed to help staff view the theory as legitimate was to look at OFE's organizational history and draw connections between the history of OFE and contingency theory. The purpose of these deliberations was to examine OFE historically to see if environmental change had a positive or negative impact on OFE. A comparison of some of the different organizational schools of thought such as bureaucracy and human relations was also developed in order to provide some different viewpoints for consideration. The research activities necessary for the first stage to be implemented successfully involved a review of organizational documents that trace the history of OFE. Board meeting minutes, annual reports, and strategic plans were among the documents reviewed and assessed. Speaking to long-term staff members was also necessary, as they constitute part of the "memory" of the organization. Upon completion of this research I made an initial presentation to OFE's leadership group in order to ensure the accuracy of the gathered information and assessment. It was helpful to take the feedback of this session into account when I developed the presentation. I practiced the delivery of the material to ensure that a smooth delivery occurred. Following the reworking of the material and planned process I sent an e-mail to all staff members in order to prepare them for the upcoming staff

information session. Numerous individual meetings with staff were required as part of this stage.

#### Management Meetings

Two meetings were required in order for this component of the intervention to be successful. The first meeting focussed on achieving management “buy in”. I made an initial presentation of my findings to ensure the accuracy of the information and assessment that environmental changes have impacted OFE in a significant way. The result of this meeting was the affirmation of contingency theory premises by the management group.

The second meeting focused on achieving agreement from all members to engage in the contingency theory based interventions drawn from the literature review. The planned presentation for the first staff meeting was reviewed. Facilitation techniques were discussed and agreed upon.

#### Staff Meeting

The first step involved all OFE staff in a group session. OFE sets aside Thursday afternoon from 3:30 – 5:00 as a regular staff meeting time. This time was used to begin the organizational change process. The meeting commenced with an introduction to the underlying components of contingency theory. The introduction focused on the concept of organizations as open systems which are in a constant state of exchange with their environment. The successes or failures of organizations was directly linked to the congruence between their organizational configuration and the environment within which they function. OFE staff were asked to consider their organizational history from this viewpoint and make an evaluation concerning the validity of the theory (Morgan, 1997).

I led this group session utilizing various facilitation skills that include: presenting, involving group members, clarifying content, and summarizing. The session culminated with a “go-around” where people were invited to provide their individual assessment of the theory’s applicability for an organization like OFE. It was anticipated that people would give their verbal approval of the theory’s validity. People gave their verbal positive affirmation to the question of the theory’s validity. This approach was intended to set the stage for a safe, inclusive, and cohesive environment. Numerous individual meetings were necessary in the time following the group sessions to help clarify various questions or concerns that different staff had. I volunteered to be the contact person for people who had concerns or questions. Table 8 represents the overhead that was used to lead the staff meeting.

**Table 8: Organizational Change Process**

- Presentation of Contingency Theory
- Analysis of external environment and its implications for OFE
- Analysis of OFE’s current organizational behaviour
- Recommendations for change/factors that will inhibit change
- Plan of action/implementation
- Evaluation in 6-9 months

### **Stage Two(A) – Analysis of External Environment**

#### **Individual Work**

The next step began by applying the various steps of contingency theory as outlined in Garth Morgan’s (1997) book, Images of Organization. The starting point was to conduct

an analysis of the external environment within which OFE functions. The following paragraphs display the results of my own organizational analysis of OFE's external environment which was the basis of the leadership group's discussion and my presentation to staff. This individual analysis was conducted by a document analysis and my memory of organizational history. As an original staff member of OFE I was in a unique position to provide a historical picture of the company. In order to facilitate this process I needed to be an "expert" on the topic by having conducted my own analysis of OFE's key environmental factors and their implications for organizational structure.

The funding stability of OFE is intriguing. In the first two years of its existence OFE had a single contract with EIA to provide job training, placement, and retention services to EIA recipients. This contract was successfully completed and replaced with a five-year contract, which is due to expire in 2003. In 1998 the province of Manitoba wanted to place people into employment with the Pan-Am Games and OFE provided specific job training skills for these individuals. The department of Education and Training funded this venture. In 1999 OFE was able to negotiate the beginning of a series of escalating short-term contracts with this department to assist current and recent Employment Insurance (EI) recipients with job training, placement, and retention services. However, in a practical sense this contract has been nullified because in 2000 EI has only allowed the most unemployable clients to attend OFE's programs. This has resulted in very few clients being able to utilize OFE's courses effectively making this contract of no consequence. OFE has also negotiated a contract with the Metis Federation to provide people with Metis status the opportunity to access the same services that EIA and EI recipients currently obtain. Unfortunately, no clients have utilized OFE services to date

making this contract basically irrelevant. Currently OFE officials are attempting to negotiate new contracts with the department of Family Services and Housing that will expand their clientele to include persons with disabilities and those with extreme barriers to employment. The aforementioned circumstances have been displayed in the size of OFE's budget, which grew significantly for the first three years and has been roughly the same ever since.

OFE has undergone three major reorganizations in its existence. The first occurred in 1999 when OFE expanded dramatically in response to an anticipated EI contract. The existing project team structure was replaced by a more hierarchal structure that divided non-supervisory staff into three separate groups consisting of employment consultants, pre-employment, and administration. In 2001 this model was disbanded when OFE returned to its matrix style of organization by eliminating the different departments as it found itself operating with significantly fewer clients due to the loss of its EI contract. Staff were encouraged to think holistically, responsibilities were divided up among management personnel or supervisors that enabled OFE to eliminate one supervisory position. This effectively eliminated a managerial level for some staff.

Since OFE is an organization that deals with a large number of unemployed people it is inevitable that a segment of OFE's clientele will be dissatisfied with aspects of its programming. As a result clients have expressed their concerns of perceived wrongs to various politicians. However, these complaints have always been resolved successfully and OFE has not received any negative television or newspaper publicity at the time of this analysis. Therefore, OFE has been able to maintain a low profile in the community in this regard.

The needs of OFE clients have changed dramatically through the years even though the demographic nature of its participants has remained constant. In 1996 the EIA clients that OFE generally received had a recent work experience and few barriers to employment. Some of them were recent graduates of different training programs and the majority had achieved their Grade 12 education. A significant number would arrive at OFE with a resume and a sense of what career field they were interested in pursuing. The addition of EI clients raised the level of the participant that OFE staff was accustomed to serving. Staff observed a noticeable improvement in the standard of dress, in professionalism, and in the willingness of clients to accept jobs that included rotating shifts. The main requests from clients revolved around job leads, OFE experiences, and skills training opportunities. However, in the fall of 2000 OFE experienced a dramatic change in the needs of its clients which corresponded with its loss of EI clientele. The blockage of EI clients caused the level of job seekers, that OFE was used to dealing with, to drop significantly. Simultaneously, the employability level of EIA clients began to spiral downward. Staff observed a noticeable increase in the number of single parents with young children that they were servicing. The amount of mental-health clients also increased. Staff were forced to deal with basic issues such as hygiene, housing, criminal concerns, and health issues that were at a level never seen before. The increased time required to encourage clients to show up for their appointments was in direct contrast with the patterns that staff had come to expect.

The expectations from OFE's main funder has varied over the years. Initially, it was expected that OFE would develop training programs that would increase the ability of its clients to achieve higher paying positions. This changed in 2000 when EIA officials

declared their lack of interest in the high-level training programs that OFE had developed. EIA indicated that they would prefer OFE staff to concentrate on their clients that had the most barriers to employment and to help them obtain employment without being overly concerned about the starting wage.

During the first two years that OFE was in existence it relied solely on EIA case coordinators to provide client referrals. However, in 1998 OFE became dissatisfied with the number and level of clientele being referred and started to advertise its training courses in the Winnipeg Free Press (WFP). This began a series of initiatives where OFE began advertising in the Winnipeg Sun, Aboriginal newspapers, community newspapers, Human Resource Development Job Bank, television, libraries, and other community billboard locations by the year 2000. Extensive efforts were undertaken to encourage existing clients to motivate their OFE eligible acquaintances to get involved. A big change in the relationship with OFE's primary provider of clients happened in 1999 when the Province of Manitoba amalgamated the Provincial and City of Winnipeg Social Services programs into one organization. The chaos that occurred in this new organization had a dramatic impact on the number of clients that were referred to OFE. The number of clients referred on a monthly basis dropped to less than half of its previous total. Most of the aforementioned recruiting strategies developed were a response to this crisis. Currently, OFE obtains approximately one-third of its clientele from a case coordinator referral and relies on word of mouth and advertising for the majority of its clientele. OFE has also been finding that advertising in the Winnipeg Free Press is not generating anywhere near the response it was use to seeing.

OFE relies on the business community to hire its job seekers. This relationship has changed over the course of OFE's existence. Initially OFE was able to generate a strong relationship with a massive Winnipeg manufacturing company because a daughter of the business owner was also an OFE staff member. This business owner was a strong advocate for OFE with business and government contacts and even took the time to address the board of OFE at one of their meetings. However, the connection with this business partner deteriorated when the related OFE staff member left to pursue personal interests. Since this event OFE has never been able to maintain the same level of relationship and placements with this organization and its owner.

OFE tried to implement a creative approach in attracting new business partners through a recruiting effort with a non-Winnipeg employer. OFE recruited suitable candidates, arranged interviews, and even provided transportation for Winnipeg residents to this rural employer. However, this experiment was discontinued because of the poor retention rate of employees resulting in the severing of this relationship.

One of the first employer relationships that OFE was able to develop was with a large restaurant chain in Winnipeg that had a number of locations throughout the city. OFE's relationship with this company was so strong that detailed company information was shared with OFE trainers. This information was developed into a company specific training course that OFE delivered to its clients with the promise of full-time jobs at different restaurant locations for successful graduates. This relationship was discontinued in 1999 because of a dwindling success rate in the number of clients that ended up in full-time employment.

Initially, only 25 percent of OFE's clients obtained employment with businesses that OFE had a specific connection. However, in 1998 OFE made a conscious effort to increase the percentage of jobs with OFE's business partners to around 50 percent. This number was achieved and has remained constant.

In 1997 OFE made a direct contact with a large call centre in Winnipeg that was looking to hire a number of employees. This relationship has been OFE's strongest most consistent business partner. Throughout the years this call centre has held regular recruitment sessions that have resulted in a significant number of job placements. This successful relationship spawned a number of additional contacts within the call centre industry that has resulted in various other companies becoming familiar with OFE's services and using them as a resource for employees.

OFE's relationship with EIA officials has been extremely fluid. Originally an EIA liaison was designated for OFE. It was requested that information would flow through this person and that OFE staff would not contact EIA front-line workers. This arrangement was viewed as successful by OFE staff depending on the identity of the EIA liaison. In 1999 this relationship undertook a dramatic transformation when EIA offered to station a full-time liaison on OFE premises. This was regarded as a dramatic shift in EIA policy and lasted for six months before it was cancelled much to the chagrin of OFE staff. For the past two years OFE has been assigned a liaison that has concentrated on administrative matters and avoided contact with OFE clients. This has resulted in a shift in OFE policy where staff has initiated direct contact with EIA front-line workers in order to discuss client issues.

The political climate that was in existence in Manitoba when OFE began its operations is much different than the political climate of today. The dominant ideology of the Progressive Conservative government was very compatible with the pay for results funding arrangement that OFE enjoyed. OFE enjoyed a personal relationship with various ruling politicians and was able to book the premier of Manitoba to speak at the celebration of its 1000<sup>th</sup> job placement. The election of a New Democratic Party (NDP) government has eliminated much of this privileged connection and OFE has been forced to cultivate a relationship with politicians whose political orientation is not as ideologically compatible with the philosophy of OFE's pay for results funding arrangement. OFE staff have viewed this political change as a loss of power.

OFE has experienced a unique relationship with its competitors. The main competitor for OFE has been an organization called Taking Charge, which provides services to single parents in Winnipeg. OFE actually shared office space with Taking Charge for the first year of its existence, which helped to develop a real spirit of dislike. The two organizations competed for clients, money, and government favour during the first three years of OFE's existence. However, in 1999 Taking Charge experienced a massive cut in funding and was forced to drastically reduce its programming resulting in a colossal downgrade in its stature and importance. OFE also has other competitors such as the Winnipeg Transition Centre, Patel Vocational School, and various small job-training initiatives. Since the downfall of Taking Charge OFE has not been forced to compete with an organization that could match or exceed its resources.

OFE has formed various partnerships with different organizations throughout its existence with varying degrees of success. One key partner has been the Canadian

Manufactures & Exporters Association (CME) which has even provided OFE with some funding to develop certain courses. This funding was slashed in 2001 forcing OFE to seek alternate funding in order to replace the missing contribution. Fortunately OFE has been able to develop a strong relationship with Winnipeg Harvest, which has provided OFE with legitimacy, free food, and training equipment. OFE took the initiative to develop a relationship with Manitoba Hydro, which proved to be a successful endeavour. In 2000 OFE was the recipient of over 70 free computers and a variety of other computer related supplies. OFE has joined organizations like the Chamber of Commerce, Call Centre Association, Retail Association, and the Social Planning Council, which have had limited impact on OFE.

The condition of the economy has changed radically since OFE was created. The unemployment rate has dropped almost in half from the beginning of OFE's inception in relation to the present day. In 1996 businesses were generally able to obtain a significant number of recruits when a job opening was advertised. In 1998 one employer commented that he could place a job ad and receive numerous calls and visits from potential candidates the next day. In 2000 he lamented the fact that his job ads were only generating a fraction of the response that he had enjoyed in the past. The increasing difficulty that employers are experiencing in filling vacant job positions has resulted in the business community being more receptive to OFE's clientele.

The starting wage that employers offer their entry-level staff has also been affected by the changing economic condition in Winnipeg. OFE has been a direct benefactor of this change because the major call centre that it deals with has taken the decision to substantially raise its starting wage from \$7.50 to almost \$10.00 per hour. This has

increased the attractiveness and retention rate for OFE candidates, which has resulted in an even more successful partnership.

There is a moderate to high level of change within OFE's external environment. There are numerous elements that are unstable and exist in a continuing state of flux. The needs of OFE's clients have changed dramatically since 2000 requiring staff to develop new strategies and approaches in order to help them achieve meaningful employment. The method by which OFE derives their clients has also experienced enormous change. It has cycled from relying on case workers, to utilizing massive advertising, only to return to a high dependence on caseworkers to provide a sufficient flow of clientele. The working relationship with EIA staff has also been in a constant state of flux. It has gone from a single contact off-site to a dedicated on-site worker and now to a disinterested administrative contact. The business community has also provided a high degree of change for OFE staff. Business partners have significantly increased and decreased in significance. OFE has lost some of the large original partners in the manufacturing and food industries. It has replaced these organizations with large call centres that hire many of its graduates. The state of the economy has also been changing at a high rate from one of high unemployment to a dramatic reduction in the number of people looking for work resulting in a significant wage improvement for entry-level workers. All of the above factors have changed over time in a rapid fashion.

Some of the environmental factors have only changed moderately over time. The funding stability of OFE has experienced moderate change with the addition of a substantial EI contract and the subsequent loss of this contract. The two EIA contracts have provided stability but if OFE is successful in diversifying its clientele to include

different groups a higher rate of change will occur. The political climate and OFE's position with competitors has changed at a moderate rate with the election of a NDP government and the reduction in Taking Charge's stature.

In conclusion, most of OFE's external environment has changed at a high level over time resulting in an unstable environment. Some of the environmental factors have only been altered at a moderate level. However, OFE's environment is complex and contains clear interconnections between various elements such as the state of the economy and the level of clientele that it serves. When jobs are plentiful the level of clientele that OFE serves tends to go down because the higher functioning clients are able to secure employment on their own. Additionally, some of the individual aforementioned factors have created new opportunities and challenged the viability of existing operations. The net result is an unstable and insecure environment (Morgan, 1997).

#### Management Meetings

Five meetings were in required in this step. The first meeting began with a summary of my findings. OFE management needed to meet one more time in order to reach a consensus of what the key factors in OFE's environment were. Table 9 provides a summary of these findings which were presented to the rest of the staff.

**Table 9: External Environment**

I	Political	Low	High
		Change	Change
II	Competition	Low	High
		Change	Change
III	Number of Funders	Low	High
		Change	Change
IV	Economy	Low	High
		Change	Change
V	Clients' Profile	Low	High
		Change	Change
VI	Strategic Partnerships	Low	High
		Change	Change
VII	Employers	Low	High
		Change	Change
VIII	Nature of Available Jobs	Low	High
		Change	Change
IX	Funder Expectations	Low	High
		Change	Change
X	Relationship with Funders	Low	High
		Change	Change
XI	Media	Low	High
		Change	Change
	Overall External Environment	Low	High
		Change	Change

These factors were examined from a current and historical perspective in order to determine their rate of change over a period of time. The goal of this analysis was to reach a conclusion regarding the stability or instability of the external environment. Various questions were posed during this stage. What is the rate of change occurring in OFE's external environment? Does OFE exist in a stable environment, an environment encountering a moderate degree of change, or in a highly turbulent environment where products and technologies are constantly changing and often have a very short life span? Does OFE's external environment reflect a low or high rate of change? OFE leadership analyzed the different factors in order to better understand what was occurring. Management meetings occurred after all three staff meetings in order to review and assess the staff meetings.

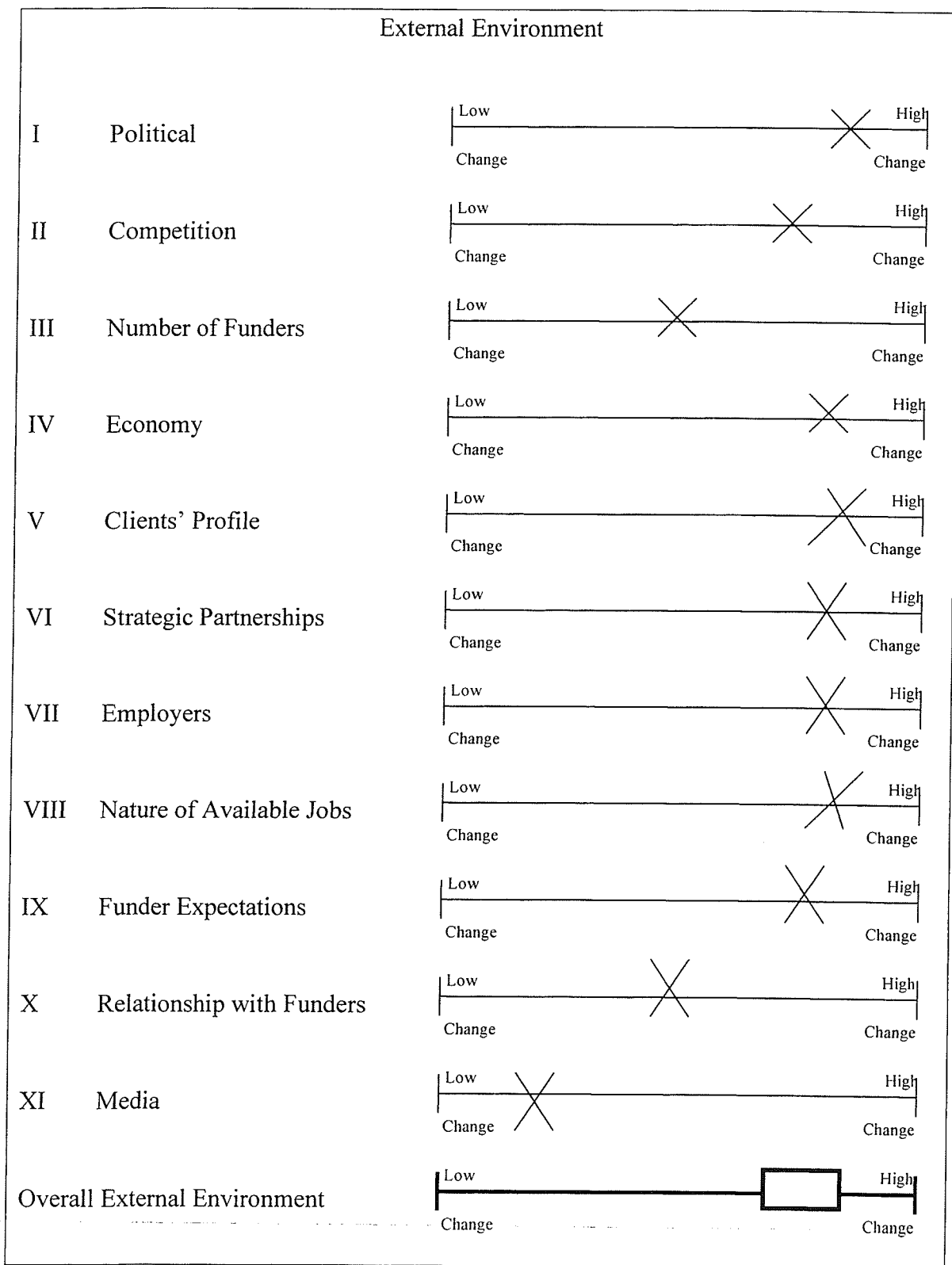
#### Staff Meetings

I began the group session with a review of the last meeting and provided the opportunity for staff to raise any questions or concerns. Questioning and probing are among the techniques that I used to clarify the thoughts of the group. Following this time of clarification an overhead was presented which mirrors Table 9. Using the information agreed upon at the management meetings I elaborated on the external environment factors. Following this presentation the staff was divided into small groups where they had the opportunity to discuss the accuracy of the presented elements, ask what other elements needed to be added, and estimate the rate of change that has occurred in each component. Staff reconvened as a larger group to determine if changes needed to be made concerning the presented elements. At the conclusion of the meeting the staff was asked to consider the rate of change in the presented factors over the next week and be

prepared to make a personal assessment of the rate of change in the different elements at a future meeting. After making the group process explicit I again offered my services to meet with people to help answer any questions or concerns that they may have had.

I began the next meeting with a short period of time designed to proactively deal with any outstanding issues. Following this introduction staff were asked to mark an "X" on each scale in Table 9 that displayed their estimate of the rate of change for that component. Prior to this meeting I arranged a flipchart that contained the respective continuums and different colour markers were made available. Staff initialled where they put their "X" on the flipchart sheet which were averaged to create a group estimate of change for each continuum. The "X's" on Table 10 indicate the group rating for each element.

**Table 10: External Environment Rating**



The third meeting began with an overhead presentation of the combined results. Opportunity was provided for staff to provide feedback. The different individual continuums were previously averaged in a management meeting in order to create a group estimate of change in the external environment which is indicated by the box on the overall external environment continuum located at the bottom on Table 10 (Morgan, 1997). Time was taken to provide an opportunity for staff to express any relevant feedback. The next step was to conclude the speculation pertaining to what species of organization OFE should look like, according to the results of the environmental analysis as shown at the bottom of Table 10. The placement of the box on the environmental continuum coincided with the placement of the box on the organizational species continuum as shown at the top of Table 11.

Table 11: Organizational Behaviour

		Organizational Behaviour	
Desired Organizational Position (Species)		Low	High
		Change	Change
		Classical Machine-like Bureaucracy	Adaptive Flexible Organic
I	Decision-Making	Auto- cratic	Democ- ratic
II	Rules/Procedures	Many	Few
III	Hierarchy	Many Levels	Few Levels
IV	Specialization	High	Low
V	Human Relations	Low Concern For Whole Person	High Concern For Whole Person
VI	Staff Autonomy	Low Change	High Change
VII	Communication	Low	High
VIII	Risk-Taking	Failure Seen as Bad	Failure Seen as learning
IX	Proactive	Low	High
X	Continual Learning	Honouring the Status Quo	Challenging the Norms

This indicated the type of organizational species OFE needs to resemble or look like in order to be in internal harmony with its environment (Morgan, 1997). I presented a summary of the characteristics that this type of organization needs to look like. The meeting ended with staff being informed of what the next step would be and when it would occur. I again offered my services to meet with people to help answer any questions or concerns that they might have.

### **Stage Two(B) Analysis Of How OFE Operates**

#### **Individual Work**

My starting point was to conduct an analysis of how OFE operates. The following paragraphs contain my research utilizing documents such as staff meeting notes, board meeting reports, and annual documentation in order to conduct an analysis of organizational behaviour.

The first factor to be evaluated is OFE's reliance on rules, procedures, and other written records. OFE refuses to develop detailed rules as a means of guiding organizational behaviour. It generally uses broad guidelines and empowers its staff to interpret the appropriateness of a specific action. It is recognized that there will be exceptions occurring in the workplace on a regular basis. To focus on the need for consistency by developing procedures for every possible situation does not benefit the organization. One example of this is a lack of a specific dress code. Employees are also free to take their breaks whenever they deem it suitable. A punch clock is not used to develop a written record of attendance and punctuality. Staff is not required to provide written documentation in reference to where they spend their time. There are no company policies or operational manuals. While OFE does have a personnel policy it is

extremely brief and only provides general guidelines regarding staff behaviour. Very few decisions are made by looking at company regulations for direction. Minutes are taken at meetings but they are rarely read or used as a reference. A great deal of the significant communication occurs verbally without a paper trail. In the realm of written rules and procedures OFE does not resemble the machine metaphor.

The degree of hierarchy demonstrated by OFE places it on the right side of the continuum. OFE has two management staff consisting of a General Manager (GM) and a Program Manager (PM). There is also a supervisory position called an Employment Coordinator. All of the other staff are regarded as either front-line workers or administration personnel. All of the aforementioned management or supervisory positions have staff that report directly to each individual. Additionally, each administrator has specific responsibilities in different areas. Staff is encouraged to bring their questions and concerns to the management or supervisory staff that deal with the affected area. While this causes some confusion for staff, the net result is a "flat" organization that pushes the majority of the decision making out to the people that are most affected by the decision. The absence of a clear chain of command, detailed attention to patterns of authority, and a reduction in the significance of direction in decision making clearly differentiates this organization from the machine metaphor. The classical dictum of "one man, one boss" is not supported through OFE's low degree of hierarchy because a person could be answering to three different people (Morgan, 1997).

The degree of specialization at OFE resembles the organic metaphor. The largest group of staff members at OFE are employment consultants who share the responsibility for recruitment, training, placement, retention, and database administration. Only those

in management and the few administration staff have a distinctive set of responsibilities. Staff are encouraged to develop general skills in all areas in order to be a greater resource for all job seekers. Employment consultants are even required to help clients fill out their daycare subsidy forms.

The degree of autonomy that each staff person has is mixed, but mostly resembles an organic model. Each staff person has a job description and performance plan. However, staff are generally free to implement strategies that draw upon their specific strengths in order to achieve collective objectives. The performance management system is designed to focus staff on developing activities that contribute to the achievement of organizational goals rather than developing a list of prescribed activities that need to be accomplished. Staff is trusted to make the appropriate decisions concerning their allocation of time and other resources.

The degree to which OFE meets the internal needs of its employees through the application of human relations theoretical concepts is at a high level. OFE tries hard to take care of the survival and physical needs of its staff by looking for a minimum level of education and experience before a candidate is hired. An orientation and training period is also provided. The wage remuneration is in the top third of relevant human service organizations according to a salary review that was completed in 1999. Each person has his or her own office, and a full benefit package is provided that includes 100 percent dental coverage.

The social and growth needs of individuals are a real priority for OFE. Every year staff attends a team-building retreat and various other off-site socialization activities. OFE also has a fun committee that plans numerous activities designed to increase the

worker's level of satisfaction. Additionally, OFE has a staff development fund which all staff have access to and are encouraged to utilize at least once per year. Vacant positions are posted internally and existing staff are given priority in the filling of new positions. Staff are encouraged to develop skills in areas that will enhance their career goals even if it would end up being with another company.

There is an extremely high level of support provided to OFE employees. OFE will allow its staff to take cash advances on their salaries and the majority of staff have taken advantage of this option. OFE has had numerous single parents in its employment and has allowed some of them to bring their children to OFE when childcare has not been available. OFE has an EAP program available for staff to use at no cost. OFE will even allow staff in some cases to use OFE time in order to seek counselling. However, OFE tries to meet the needs of staff members, when appropriate, through a personal relationship with other staff and management personnel.

OFE has internal communication patterns that function as open and closed systems but lie on the right side of the continuum. OFE's employment consultants, administration personnel, and management staff meet on a regular basis. The management meetings usually include a staff representative. Relevant discussions at these meetings are shared with other staff members at the weekly staff meeting. This meeting is an attempt to pull all staff together and discuss issues that are affecting the entire organization. This meeting will often include brainstorming sessions where the staff is divided into smaller groups, which encourages collaboration between all sub-group members. The main communication tool used at OFE is the internal e-mail system, which allows all staff members the ability to send and receive messages on an informal basis. Management

personnel also closely monitor the use of labels. Staff are strongly encouraged to use words like “we” and “us” versus “they” and “you.” There are also frequent meetings that occur in a context of constant consultation across all levels of the organization. The standard practice used by OFE, when faced with an issue, is to call a small group meeting of interested parties to discuss the alternatives and options that are available. This lateral communication style reinforces the organic nature of OFE (Morgan, 1997).

OFE’s distribution of power and opportunities for participatory decision-making align it closer to the democratic end of the continuum with some notable exceptions. However, OFE is not a communal management system where each staff member has the same weight in the decision-making process. Management holds the final responsibility for making decisions but seeks the counsel and suggestions of those most affected by the proposed decision. Management maintains the financial power because the only two staff members that have check-signing privileges are the GM and the PM. The weekly staff meeting agenda is closely controlled because the PM dictates what items make it onto the agenda. This controls what items are open for discussion by the staff. Board meetings are closely controlled because the only staff members that attend are managers and supervisors. The financial statements are available only to management and supervisory staff. The management and supervisory staff also develop the operating expense side of the budget, independent of staff input.

There are many opportunities for staff to participate in the management of OFE. The revenue budget is a product of staff estimates concerning the job placements that OFE can produce in a year. An all-staff brainstorming session is held on a yearly basis which estimates the number of yearly job placements staff feel can be achieved. The decision-

making process at OFE involving large decisions is usually transparent and involves the following steps. First, an idea will be presented at a staff meeting and will be debated in smaller interdisciplinary groups. Next, these thoughts are taken to the larger group for discussion. If the idea survives this step it will be further developed and discussed in meetings where all staff can have input. Finally, if the idea is still viewed as being viable it will be brought back to a staff meeting to try and reach a consensus. In addition, there are numerous committees and task forces that meet throughout the year to development action plans and provide direction. Staff are also consulted if a decision is going to have an impact concerning their role and responsibilities in the organization.

OFE demonstrates a high degree of redundancy unlike a typical bureaucracy. A redundancy of functions has been developed in a variety of areas where extra functions have been added to every part, enabling each component to engage in a variety of functions. OFE's employment consultants have acquired multiple skills, which allows them to perform each other other's jobs and substitute for each other as necessary. This allows greater flexibility for holiday coverage and provides back up if a staff member leaves the organization. More importantly it allows for greater flexibility, opportunities to learn more effective ways of approaching work, and a self-governance capacity for this group of workers. The informal learning that occurs in this group is exceptional. The administration and management groups mirror this principle in a variety of ways allowing for similar benefits (Morgan, 1997).

It is more difficult to utilize the concept of requisite variety at OFE because of the number of staff that share a similar set of skills. However, it is practiced in a variety of ways. When groups are formed to deal with a task, the amount and variety of skills that

are brought into the group are based on the complexity of the environment. Teams are empowered to find innovations to the challenges that they are facing with the differing skills each member brings to the group. Groups are formed along diversities rather than similarities despite the difficulty in obtaining an easy consensus (Morgan, 1997).

OFE's pattern of relating to the external environment lies closer to the simple end of the continuum because of its reactive nature to environmental changes. One of the largest changes in OFE's environment has been the loss of its EI contract. This disruption became the nemesis of the organization in 2001. OFE was devastated by this event even though there were clear warning signs in 2000 that EI officials were not excited about the continuation of a relationship with OFE. The loss of clients and revenue threw OFE into crisis where it frantically searched for new contracts and clients. OFE had developed detailed processes that guided its actions and programs. This crisis created an impetus for change that radically transformed the organization. Systems, policies, and staff were eliminated as OFE struggled to change the way it operated. OFE was able to achieve equilibrium by the summer of 2001 but this incident demonstrated inadequate strategic planning, adaptation to change, and the lack of proactive systems such as early warning systems (Markos, 2001).

The 1999 amalgamation of the two agencies that provide social assistance services in Winnipeg demonstrates clear reactive thinking. OFE was devastated by the lack of referrals that occurred while the government reorganized this program and failed to build a process that would bridge the referral gap. OFE was not nimble in its response to this change and needed several months to develop strategies that would replace the missing clients. There was no strategic plan or close monitoring of referrals that would serve as

an early warning system and OFE was forced to enter another period of crisis management (Markos, 2001).

The use of external and internal information sources by OFE would classify it as an organic organization. OFE is in a unique position because of its intermediary role with businesses and clients. Businesses are quick to let OFE know when their expectations are not being realized. OFE follows up with clients for a minimum of six months after they obtain employment. This creates a natural feedback process that provides information concerning client needs and struggles. This information is discussed and disseminated at various meetings for the purpose of guiding OFE's activities.

OFE's internal information is spread by use of regular e-mails, posted monthly results, presentations at staff meetings, and direct staff evaluation. Every Monday employment consultants track the number of clients that attend OFE premises for job-searching purposes. These results are compared to the expected numbers and presented to all staff. This provides key information concerning the revenue and operational effectiveness of OFE. However, the expense tracking of OFE is not accessible to staff which results in the staff being unaware of a major component of the financial picture. The aforementioned factors place OFE closer to the middle of the continuum.

OFE is involved in a great deal of double-loop learning, placing it near the advanced organism on the continuum. The difficult times that it endured in the beginning of 2001 have created a culture that supports change and risk taking. Employees have a requirement on their job descriptions to generate two ideas every six months that either create additional revenue or save on expenses. This forces employees to examine existing modes of practice and find superior ones. OFE has also taken upon itself to

question the recurring problem that it has with clients who take training programs and do not engage in meaningful job-searching activities. Numerous brainstorming sessions have been held in large and small groups to determine what is causing this problem. Staff are also engaged in numerous focus group sessions with clients in order to examine the forces behind the problem. Staff meetings routinely involve a time where people are encouraged to think of their tasks and the reason for them. The ability to question the processes and decisions OFE makes is becoming a culture assumption (Morgan, 1997).

Staff have also been taking the initiative to develop new partnerships with different organizations. Recently OFE was able to eliminate the supplier of its forklift-training component by developing a unique relationship with an organization that will provide OFE clients with identical training. This will result in major cost savings for OFE. Computer training is also a major component of OFE's business. OFE's computer lab has recently been totally reorganized to allow for the simultaneous teaching of multiple training groups which will allow for the ability to offer more courses. This redesigning of business processes increases the quality of production and reduces costs. This initiative is indicative of this organization becoming an advanced organism (Morgan, 1997).

OFE has components that classify it as a reactionary or single loop learning organization. It has not generated the mindset that environmental change is a norm and must be embraced. The external environment is not clearly identified and monitored for growth opportunities. For example, OFE was recently forced to cancel a couple of courses because of a lack of clients. However, OFE never collaborated with any other organizations to determine if other groups would be willing to help fill the courses. OFE

is also reluctant to change its organizational hierarchy to a network of self-managing teams. The management of OFE has remained fairly consistent over the last few years of OFE's existence. Management has not embraced the concept that this hierarchical structure requires change in order to develop a more advanced organism (Morgan, 1997).

#### Management Meetings

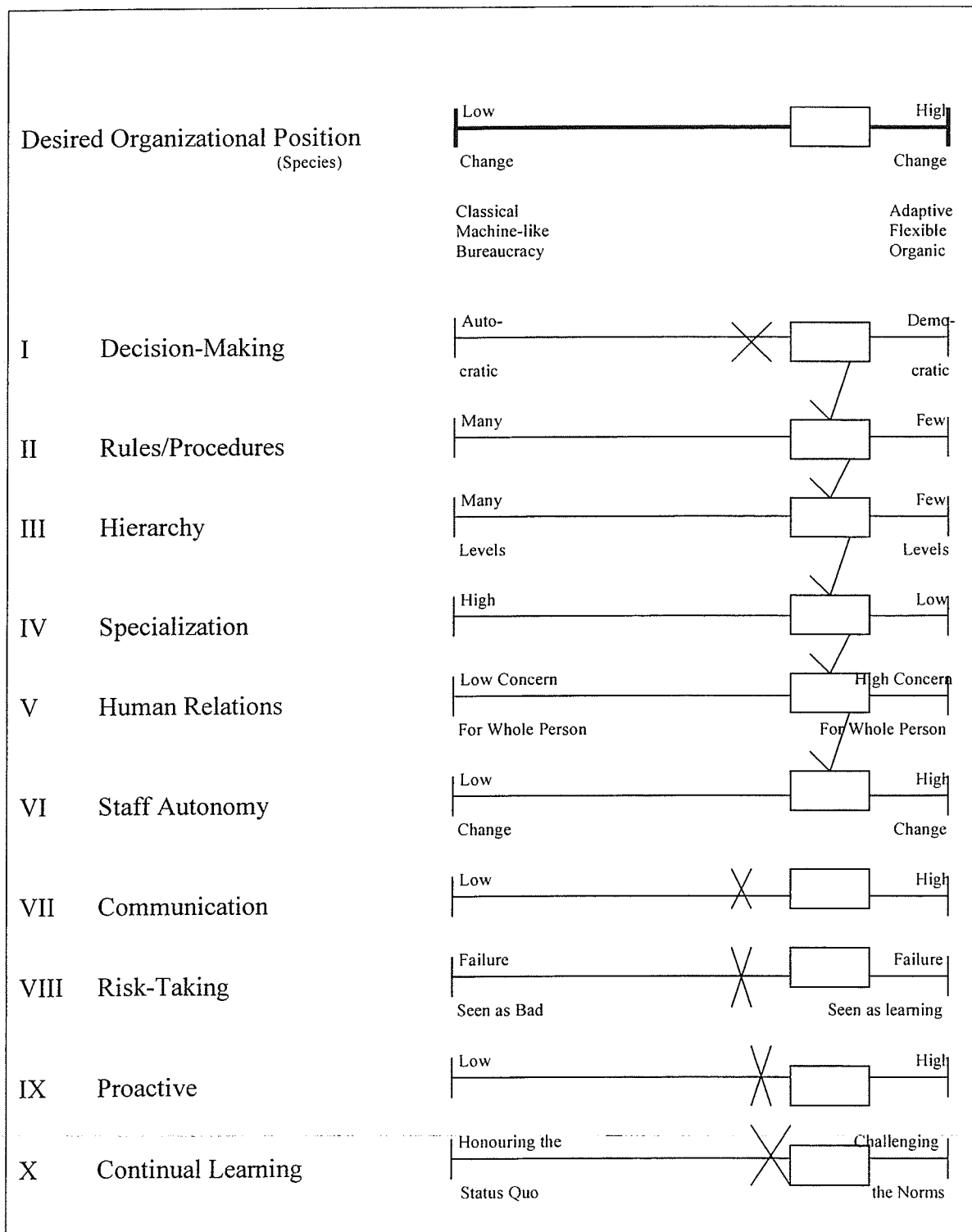
The first meeting began with a summary of my own organizational analysis. OFE's management group reviewed my analysis and conclusions. A process including overheads and flipcharts was also presented for feedback. The second meeting was spent reviewing the findings of the staff meeting. Management was able to reach agreement in identifying OFE's key organizational factors. The meetings also resulted in management staff coming to an individual understanding of where OFE resides with respect to the characteristics of its key organizational factors.

#### Staff Meetings

A group session with all staff was the venue to implement the aforementioned processes. I began the meeting with a "clean-up" session where staff were provided the opportunity to raise any unresolved issues or concerns and then made a presentation based on my previously completed research. After having a chance to work in small groups, staff were asked to initial where they put their "X" on the different continuums shown on a flipchart which mirrors Table 11. Colour markers were made available. The individual staff responses were averaged to create an estimate of the staff's response. I took this information back to the leadership group for review and informed staff about the next step. After thanking them for their involvement, I indicated to staff that they could feel free to contact me for clarification concerning any concerns or questions. The "X's"

in Table 12 indicates the average staff response concerning OFE's organizational characteristics.

**Table 12: Organizational Behaviour Rating**



### **Stage Three - List of Focus Areas Requiring Change & Development of an Action**

#### **Plan**

##### **Individual Work**

The final step built on the work completed in the previous steps. I utilized the information contained in the following paragraphs to effectively guide the process. This information is a summary of my own research of the areas that require change in OFE's organizational structures in order for it to be in better congruence with its environment. Activities that support OFE in maintaining organizational congruence with its environment were listed. Aspects that might help or hinder changes to reach this level of congruence were identified.

The various areas of organizational functioning that OFE needs to change in order to create a better fit with its external environment will be identified and listed. One of the biggest factors revolves around OFE's approach to its environment and the need for an appropriate relationship that will allow OFE to succeed. OFE needs to place more emphasis on the environment and be less preoccupied with principles of internal design. More attention could be placed on understanding OFE's direct interactions with customers, competitors, and government agencies. This would heighten OFE's ability to scan and sense changes in the external environment. The ability to bridge and manage critical boundaries and areas of interdependence, which result in suitable operational and strategic responses, will allow OFE to thrive in an unstable environment. These are potential rewards if OFE begins to function as more of an open system (Morgan 1997).

OFE needs to become more proactive. OFE does react to changes that come its way but it has not developed a strategy in relation to its environment. It is also not attempting

to defend its niche in the environment. OFE is also negligent concerning the low energy it expends in searching for new opportunities. It does not take an aggressive approach but reacts to offers that come its way (Morgan, 1997).

OFE's view of the external environment is not proactive in relation to the concept of co-creation. This is a belief that organizations and their environments are engaged in a process where each produces the other. Organizational environments are composed of other organizations, which reinforce the reality that organizations are able to influence the environment through their impact on other organizations. OFE has the ability to negotiate its environment through collaboration with organizations in the same industry. Joint ventures, networking, and linkages are examples of strategies that OFE could explore on a much larger scale (Morgan, 1997).

The degree to which OFE engages in double-loop learning needs to increase if OFE is going to fit better with its external environment. OFE could expend more energy on the environment in order to gain a better understanding of its customers. OFE could develop processes whereby it can learn to understand how government and clients actually perceive OFE's services. OFE needs to become skilful in breaking the boundaries that prevent it from experiencing its environment as fully as possible. This will help to start the process where OFE can begin to change its environment (Morgan, 1997).

OFE has internalized double-loop learning in some real ways. However, its culture is not one that supports change and risk taking at the necessary level. Staff are not convinced that problems and errors are inevitable in rapidly changing circumstances. The concept of legitimate error, which arises from a lack of control, is not considered to be a source of new learning. OFE staff members do not embrace the view that genuine

learning is action based and that experiments and probes are ways of learning. The employees and management of OFE must learn to embrace uncertainty in a manner that allows for new patterns of action to occur. This will aid the progression of OFE towards a more complete learning organization (Morgan, 1997).

OFE needs to provide better opportunities for participatory decision-making and distribute power in a more egalitarian way. The increased use of its transparent decision-making process would move OFE to the right of the continuum. The management of OFE must look for more ways to talk to staff and open up additional channels for progressive communication. Special sessions that allow and encourage staff input would promote this direction. Review sessions with staff could be altered to allow for greater staff input. Management could take the comments of staff more seriously and ask for the opinion of staff on a wide range of topics. The Board process could also be opened up to include staff in order to encourage staff confidence in the participatory decision-making process. The presence of the GM at internal meetings would demonstrate an interest in the process and let staff know that they are needed and respected. Additional sharing of financial information would help distance OFE from a hierarchical position (Bartle, 2001).

The organizational culture of OFE appears to exist on two levels. On the first level the company seems to emphasize unity of purpose and an identity based in cooperative teamwork. OFE staff are gracious and present the image that all is well and that there are real opportunities to participate in the management of the organization. However, in contrast to this image of welcoming cooperation there is a second dimension of organizational culture. This culture is demonstrated in OFE meetings through the display

of polite disinterest. Staff often take very little in-depth interest in the topics discussed and the presence of a real spirited debate is rare. Most people do not take notes and there is a display of joy when a meeting is cancelled. In private conversations staff members will express considerable anger and dissatisfaction with other staff members, management, and with the organization in general. OFE staff does not usually express the word "problem." When someone uses this word they are usually asked to substitute the word "challenge" in its place. When a staff member raises a problem there is generally a great deal of pressure for the affected individual to take the majority of responsibility to solve the problem through individual action. This has created an environment where organizational members are not comfortable to explore and resolve problems in an open manner. They rather tend to put aside, repress, and express struggles in a private manner. Calm, polite cooperation is the norm when operations are reviewed at staff meetings. This component of the organizational culture will be a barrier in the development of OFE as an evolving organization (Morgan, 1997).

The current organizational culture of OFE is dominated by the financial crisis that it experienced in 2001. In the spring of 2001 information was presented to the staff that indicated OFE was in serious financial trouble, and if the economic situation did not improve, drastic action would be taken. This crisis created a sense of urgency that allowed for the implementation of drastic changes to the organization. Previous to this crisis OFE had a co-ordinator of training and administration that typified the bureaucratic approach. Rules and procedures for even the simplest of tasks were developed which were so lengthy most staff did not even try to fully understand them. This position was eliminated, an electronic filing system was implemented which abolished another

position, and a different program that replaced the two ineffective programs resulted in the further reduction of two more positions. However, the drop in expenses produced an opposite effect on the revenue side, and it increased significantly. This fiscal recovery produced a positive effect on the culture. Staff appreciated the radical changes after the positive results became evident and they are more convinced concerning the dangers of bureaucratic thinking. However, this has caused fatigue in the culture regarding more change. People feel that enough changes have occurred and they are enjoying the new equilibrium. This could be both a barrier and an asset regarding future change.

The dominant culture of North America is reflected in the work culture at OFE. Various components such as hierarchy, competition, and paternalism are demonstrated in different ways. There is a strong tendency for staff at OFE to look at management and expect them to take the necessary independent action to solve organizational problems. The concept of competition is demonstrated through the negative reinforcement displayed at OFE. Staff will often criticize the unsuccessful efforts of other individuals. Paternalism is evidenced by the fact that the only two management positions and the Board chairperson are all men. In fact, the Board chair and management staff of OFE have never included a woman. The aforementioned characteristics will be a hindrance in OFE's organizational evolution.

The physical environment will be a barrier in achieving a more organic organizational structure. Every person currently has his or her own workplace, which is physically separate from anyone else. Staff is not required to OFE together in a common place, which can stimulate the trading of information, models, and stories. This individuality of location prevents the natural synergies of the team-building process from occurring. The

easy flow of communication is not facilitated because staff is able to “hide out” in their offices and have limited contact with other co-workers. The space at OFE is also so limited that staff are not able to reorganize their personal workspace. Several of the offices are located in a separate area and staff only access it for the specific purpose of speaking with a certain co-worker.

The political structure of OFE includes its Board, which is distant, weak, and uninvolved. It only meets five times a year and mostly “rubber stamps” the suggestions of the GM. Most of the members are new and rarely attend meetings consecutively. The GM will usually obtain Board approval for most decisions by seeking the endorsement of the Board chair.

One factor that helps support organizational change is the unique funding arrangement that OFE enjoys. The ability to reward productivity through the creation of a stronger organization rewards workers with more job security. A strong technocratic power is seen at OFE when negotiations are occurring over different actions. When it can be proven that a certain idea is the most efficient process it gets a great deal of consideration (Morgan, 1997).

OFE has a wide range of influence readily available to achieve its evolutionary process. The unique funding arrangement that OFE has with its funders is a bonus because OFE does not have to focus on its processes like other government-sponsored organizations. It does not have to follow the same rules as other organizations because it gets paid for results, which leaves it with a much higher level of autonomy in its internal affairs and organizational structure. OFE is not forced to justify its budget and on its own initiative can make changes to its staff levels, duties, and programming. Having only one

real funder in EIA also supports the autonomy that OFE enjoys because OFE is not forced to juggle the interests of multiple funders. Furthermore, the Board of OFE is very weak and distant, leaving staff the freedom to make operational decisions with few restrictions.

OFE has to deal with the concept of the “psychic prison” in two ways that may hinder its ability to become more adaptable with its environment. First, some of the staff have suggested that OFE needs to concentrate more on efforts in the area of job retention by creating a position that focuses exclusively on this aspect. However, the paradigm of OFE involves a volume approach that concentrates on achieving as many job placements as possible and providing a lower level of service to those individuals already employed. This has led to some staff feeling frustrated with the limitations that the organization has forced upon people.

Second, some staff have seen the changing environment as a threat that requires a change in OFE’s internal environment. This response involves an increase in the organization and structures of OFE, which will provide a security against exterior forces. This desire for safety and predictability is a powerful force and will be a barrier that OFE will need to overcome in its drive toward becoming a learning organization (Morgan, 1997).

In conclusion, OFE is a human service organization that has a direct connection with the dominant economic structures through its strong relationship with the business community. OFE’s recent downsizing in response to the loss of its EI contract indicates the instability of its external environment. Fortunately, OFE has responded to this problem and is again in a position to expand its services. However, contingency theory

suggests that organizations must be aligned in a manner that is congruent with their external environment. An analysis of organizational behaviour indicates that OFE needs to make changes in order to be in a better position of congruence with its environment. These changes will move OFE closer to an organic model of democratic decision making, self-actualization orientation to OFE, complex high-discretion roles, and proactive creation of learning systems. OFE has already started the process of addressing the liabilities that are hindering its development. Unfortunately, OFE has a number of factors in its internal environment that will need to be manipulated for this progressive organizational evolution to occur. How OFE deals with these factors will go a long way in determining the success of its organizational evolution and ultimately its survival (Morgan, 1997).

#### 4-6 Management Meetings

The first meeting involved a review of my findings and planning for the upcoming staff meeting. Those areas of organizational functioning that needed to change in order to create a better fit with OFE's external environment were identified. Decision-making, communication, risk-taking, proactive, and continual learning were the crux of this work. Activities that support the organization in maintaining congruence with the environment were acknowledged. Initiatives that needed to be actualized in order to move the organization closer to the desired positions on the different continuums were offered. Those aspects in the internal environment that might help or hinder this progress were identified for support or change.

The second meeting occurred after the staff session. The primary purpose was to review the findings and delegate responsibility for putting the action plan together. The

student assumed responsibility to coordinate the plan. Numerous meetings were required in the development of the plan.

### Staff Meetings

After presenting the integrated data to the entire staff I opened the last session by dividing the staff into small groups which allowed staff the opportunity to process the presented information and suggest activities that could become part of the action plan. The different groups were asked to come back and present their ideas to the rest of the staff. After the presentations by the small groups I collected the written documentation for review and possible integration in the implementation phase. In conjunction with the leadership group I assumed leadership in producing an action plan that contained the proposed changes which will move OFE closer in similarity to its environment.

After a period of time of planning and development, the second meeting was held in which the action plan was presented to staff which is contained in Table 13. Appendix C contains different sections of the action plan that was developed.

**Table 13: Plan of Action - Summary**

- Decision-making – see handout
- Communication – see handout
- Proactive – strategic group is formed
- Continual learning/risk taking – trail & error process is affirmed and a code of staff interactions is developed – see handout

### Small Group Sessions

I facilitated numerous small group meetings that were necessary in the development of the action plan. This facilitation involved arranging meeting times, providing an agenda, focussing the groups, taking notes, and moving the group to the next step. Developing some of the action plan elements such as the code of staff interactions required extensive amounts of time.

### Summary

The evaluation plan for this practicum was drawn from a review of different literature sources. This research is described in the following chapter.

## Chapter 5

### REVIEW OF RESEARCH METHODOLOGY

Qualitative research allows the evaluator to search out all possible answers rather than focussing on a narrow research question that may limit aspects of inquiry. The Application of Contingency Theory (ACT) at OFE is not an “exact science” but involves various facets of organizational functioning that may be impacted in some fashion. Qualitative methodology includes a variety of different designs. It endorses a design that allows for a range of responses which helps to minimize the chance of missing key findings (Lichti, 2001; Marshall & Rossman, 1999).

The importance of considering context when evaluating the ACT at OFE cannot be overstated. Qualitative research allows for a design that has the capacity to access the complexity of OFE’s organizational change process in the context of the program. The complex dynamics and forces that work within and outside of OFE can be acknowledged and included through this type of qualitative research. The gathering of in-depth information about a program in context such as OFE is facilitated through qualitative research (Lichti, 2001; Marshall & Rossman, 1999).

Another advantage of qualitative research is the value that participants can gain from their involvement (Marshall & Rossman, 1999). OFE is characterized by high client volumes that require staff to remain extremely busy in the performance of their duties. The ability to take time to reflect on the organization and a person’s role within it is rare. The potential exists for staff to reflect on various personal and professional matters through the qualitative interview process. This “intersubjectivity” creates an authentic

dialogue between the interviewer and the participant in a respectful environment (Kirby & McKenna; Lichti, 2001)

The last reason for choosing qualitative research is to allow the program manager role to be a resource in the research process. The researcher's immersion in the research site is seen as an advantage in qualitative research. Internal evaluators usually have greater access to program information and possess additional knowledge concerning program processes than external evaluators. The possibility exists that they will be able to generate a higher level of trust with program personnel. Finally, an increased sensitivity to the needs of the program and the barriers to certain types of research designs are usually facilitated by internal evaluators (Bowers, 1988; Lichti, 2001; Rubin & Babbie).

### **Summary**

The conclusions drawn from the review of research methodology can be clearly seen in the following chapter which describes the evaluation of practicum activities.

## Chapter 6

### EVALUATION

#### Evaluation Questions

The program evaluation questions revolve around the ACT at OFE and the resulting OFE organizational model. The first set of questions relates to the implementation of contingency theory at OFE. The main question in this set is, "Is the model implemented as planned?" Secondary questions include, "Were the first four goals of the planners met? Did the anticipated outcomes occur? Did any unexpected benefits or costs occur? Have all the steps in the theory been implemented?"

The second set of questions focuses on staff response to the model. The main question is, "What is the staff response to the new organizational model?" Secondary questions include, "Is the staff satisfied with the process? Is the staff convinced of the suitability of the ACT at OFE? Is the staff satisfied with the decisions reached in the group sessions? Did any unexpected benefits occur? Were there any adverse side effects on the organization? Have staff made individual changes to their behaviour as a result of the program? Are some staff affected more than others?"

The last set of questions looks at benefits and consequences of the organizational change process and staff response to the evaluator's role in the process. The main question is, "What were the benefits of applying the theory?" Secondary questions include, "Did any unexpected benefits occur? Were there any adverse side effects on the organization? What changes have been made in the organization as a result of the program? How do the different stakeholders view the process? What were the strengths and weaknesses of the evaluator's role in the process?"

Most of the aforementioned evaluation questions appear to be evaluable based on the necessary criteria: 1) They are specific to the ACT at OFE; 2) and the information necessary to answer them is available. Appropriate access to staff is also critical if the aforementioned questions are to have a successful response. Fortunately, this contact with company personnel was also available.

### **Research Design**

Interviews and surveys with staff were the major data collection methods of this evaluation. Major limitations or validity issues that the design contains must be acknowledged. Researchers must recognize their own subjectivity, values, and biases. They must also ensure that they counteract this concern through various activities (Rubin & Babbie, 1997). Different protocols were included in the data collection and analysis in order to help overcome the challenge of bias. One of these activities was the inclusion of several people from different perspectives when analyzing the data. It was also advisable for someone other than the program manager to undertake the role of interviewer because of the management title the evaluator carries. The pressure for staff to answer questions in a certain manner because of the presence of OFE management staff could jeopardize the integrity of the process. A non-management staff member who the staff trusts to maintain confidentiality was obtained for this purpose. The surveys were also delivered in a manner which helped to ensure that the results collected reflect an accurate picture of what occurred in the ACT at OFE. The surveys were delivered to people in the form of a paper copy and a spreadsheet contained on a computer disk. Staff circled the number that best reflected their opinion on the paper copy using a pencil. They then completed the surveys on the computer by typing in their remarks in the comments sections on the

computer copy and printing them out. Therefore, there was no handwriting on the survey. These two copies were then put in an envelope and placed in the evaluator's company mail slot. Staff had the option of keeping or deleting the digital copy of the survey. Anonymity was supported in this process because it was impossible to ascertain which person completed a specific survey (Rubin & Babbie, 1997).

### **Design and Data Collection Options**

The nature of this program reduced the possibility of using standardized evaluation tools. Appropriate measures may already exist that have established validity and reliability which could prevent the onerous task of developing new instruments. However, finding measures that are sensitive to the specific activities of the organizational-change process under investigation was difficult. Control groups and non-equivalent control groups are also not feasible because another organization would have to agree to be extensively engaged, and this would be extremely difficult to negotiate. A number of options are available which include an examination of existing records, self-report measures, focus groups, questionnaires, corroborating data from a variety of sources, interviews, and observation techniques. Qualitative components are appropriate to conduct a formative evaluation of the ACT at OFE. Since the evaluator is part of the program, a full understanding of the change process is facilitated from the direct participation that has occurred (King, Morris & Fitz-Gibbon, 1987).

### **Phase I Interviews**

This component occurred eight months after the last step of the practicum activities was implemented. The data collection occurred in two phases with two methods. A semi-structured interview with small groups of staff members was used as the primary

method of data collection. The purpose of these interviews was to determine the participants' perspective, feelings, and intentions in conjunction with the meaning that they attach to people's behaviour and actions (Patton, 1990). Participants maintained control over the content of the information being provided, which allowed them the maximum amount of control over the interview process. They were able to clarify and define the themes under discussion and also refuse to answer questions (Bozzer, 2000). These interviews were one of the primary methods of gathering the information necessary to answer the research questions.

Appendix D provides an outline of the interview guide which follows the outline of the research questions. The first section asked questions that relate to the implementation of the ACT at OFE. The second section concentrated on questions that attempted to discover staff response to the ACT at OFE. Section three concluded the interview with questions concerning the benefits and consequences from the ACT at OFE and for feedback regarding the primary facilitator's role. The purpose of the guide was to allow for a series of probing questions and ensure that the key themes were discussed. The principles of the interview process involved open-ended questions which allowed the interviewer to pursue different responses or issues. Clear, singular, and neutral questions were asked, followed by the taking of detailed and concrete notes that included the words and body language utilized by participants (Bozzer, 2000). The ability to follow up responses with probing questions that sought clarification was also afforded the interviewer (Holstein & Gubrium, 1995).

### Phase II Surveys

In conjunction with the interviews, all staff members completed surveys based on the general research questions. These surveys were distributed to all staff when the interviews were completed. Appendix E contains a sample of the anonymous survey all staff were asked to complete.

### Reliability and Validity

Surveys and interviews helped to increase the strength of the findings by providing a type of triangulation. Methodological triangulation is the use of multiple methods to study a program through the use of interviews, observations, and questionnaires when findings from one source validate and are congruent with another (Patton, 1987).

An additional qualitative research process called “member checking” was utilized once the preliminary findings were developed. It involved the verification of data, analyses, interpretations, and conclusions with OFE staff. A group session was arranged with all staff in order to present the evaluator’s impressions for the purpose of obtaining feedback. After the presentation of the preliminary findings staff were asked to voice their perspective in terms of what they saw as being accurate and what they viewed as being inaccurate. The evaluator had the opportunity to dialogue with staff concerning perceived discrepancies (Brown, 2000). Each of the aforementioned data collection methods reveals different aspects of the ACT evaluation at OFE. Triangulation can be used in this situation to help ensure that observations and interpretations are as accurate as possible (Bozzer, 2000).

Reliability refers to the quality of the measurement method. Reliability requires that the same data be collected in repeated observances of the same event. An instrument is

reliable when it produces consistent measures over time. Unreliable measures produce random error which needs to be accounted for (Rubin & Babbie, 1997). In order to help provide control for this problem, the interviews were conducted with a guide and audio recorded to allow for the production of accurate transcripts (Bozzer, 2000). However, the instruments were not tested, therefore, a definite statement of reliability can not be made.

Pre-tests of the interviews and surveys was undertaken in order to strengthen their reliability. One individual preliminary interview was completed with the intent of using this experience to refine the questions contained in the guide. The same process occurred with the surveys (Bozzer, 2000). The use of triangulation is also a means to ensure reliability.

Validity is a term that is used to depict the degree to which a tool actually describes the concepts that it intended to measure. There are different types of validity that need to be considered in an evaluation in order to avoid systematic error, which consists of errors in measurement that have a constant pattern of effects (Rubin & Babbie, 1997). Accurate and complete transcripts were obtained through the use of audio recordings for all interviews. This component helped to minimize problems with inaccurate or incomplete data which is known as “descriptive validity”. The presence of an internal evaluator, who is familiar with the context of the program and the staff involved, helped to control “interpretation validity”. Theoretical validity, reactivity validity, and researcher-bias validity are real concerns in this evaluation because the evaluator has a bias for a successful implementation of the ACT at OFE. However, the constant consideration for alternative interpretations and a continual assessment of personal values by the evaluator, combined with the presence of a different person conducting the interviews, helped to

limit these concerns. The analysis of discrepant data, multiple methods to create triangulate results, collection of feedback from participants, and a compilation of complete data was implemented (Bozzer, 2000).

### **Data Analysis**

The core purpose of data analysis is to bring order and meaning to the compilation of data in such a way that the themes which emerge address the original research problem (Rubin & Babbie, 1997). The approach used in this evaluation focuses on the smaller units of data. The analysis examines similarities and differences which fit together as themes and patterns. This approach is utilized because it will more likely allow the results to emerge from the data through its focus on what each individual is saying (Tutty, Rothery & Grinnel Jr., 1996).

The first step in data management and analysis involves the preparation of the data in transcript form, followed by the second step where the data was previewed. Step three involved the coding of data by fitting different “meaning units” into categories and assigning codes to them. “Meaning units” refers to important experiences or ideas contained in the data (Rubin & Babbie, 1997). Step four involved the interpretation of data and fit with contingency theory. It contained the development of conceptual classification systems and the presentation of themes. The final step was to assess the trustworthiness of the results. Is it reasonable to assume that the results are indicative of what actually occurred during the intervention? Evaluators must act responsibly and establish their own credibility, document what has been done to ensure consistency, and explain the steps taken to manage different biases (Tutty et al., 1996).

One of the concerns that could prevent staff from being honest in the interviews and surveys is the fear of reprisal from management if they do not say what they think management would like to hear. It is not enough that anonymity and a non-management surveyor are being promoted. Management must go to great lengths to ensure staff that the evaluation process is not designed to determine blame or blindly confirm that all the expected outcomes have been achieved. The evaluation is being conducted to determine the true impact of the ACT at OFE and what possible activities can be undertaken to benefit the organization.

Management will largely determine the potential utilization of the information generated by the evaluation. A summary of the evaluation will be made available to all staff. However, only management has the ability to follow up the results of the survey in ways that impact the whole organization. It was important to develop the survey in a manner that stresses activities which can be implemented in order to benefit the organization.

### **Summary of Research Methodology**

In conclusion, OFE is a Human Service Organization, through this project is attempting to improve its performance and economic position through the application of a theory that has demonstrated considerable success in the past. Before any improvements can be attributed to the ACT it must be determined that the program is actually responsible for these benefits. The first step in this process is to evaluate the implementation of the ACT at OFE.

Program evaluation is often considered to be the process of asking questions about program outcomes. However, questions directed at answering 'what actually worked?'

allow the evaluator to identify strengths or suggest appropriate changes. This type of evaluation is known as an implementation evaluation and is used by the formative evaluator as a tool to help improve the program. Monitoring is also a valuable tool that helps the evaluator to keep watch over program development and bring attention to incongruent items. An evaluation using qualitative methods follows guidelines that revolve around coded reports, observations, and informal conversations with subjects. An accurate description of program characteristics can be provided utilizing this approach (King, Morris & Fitz-Gibbon, 1987).

## **Chapter 7**

### **DATA REVIEW**

#### **Overview**

The two methods of data collection utilized as part of this evaluation process were group interviews and individual surveys. This section provides a detailed summary of the positive and negative key themes obtained from these data collection methods. The perception of the neutral staff member who facilitated the interviews is also included. As well staff members were given two specific opportunities to respond to a summary of the gathered information. A section called member checking contains the OFE staff feedback derived from the presented information.

#### **Key Positive Themes**

Appendix F contains a summary of the survey's numerical staff responses. These findings have been combined with the information gathered during the group interviews and are displayed in the following paragraphs.

#### **Relevance Of Contingency Theory**

The groups declared that contingency theory is relevant to an organization like OFE because it operates in a changing environment. Therefore, it is a good evaluation tool for OFE. It is also more relevant than the other theories that were explored since it took into account additional environmental and organizational variables. The positive comments praised the changes brought about because of the ACT at OFE. They were seen as being very important to OFE's continued growth.

### Fiscal Benefits

Staff indicated that positive changes related to financial matters had occurred resulting in a financial upswing. Furthermore it prepared OFE for the loss of its EI job seekers, helped OFE to focus on its EIA clients, prepared OFE for the restructuring that occurred, and geared up OFE for corporate change.

### Communication

An increased awareness of communication issues and styles was attributed to the intervention which resulted in a positive change in the way information was passed.

### Sense Of Community

The process was seen to have increased the level of staff satisfaction with OFE. It was stated that the organization and leadership are different but an increased satisfaction with leadership occurred. One person commented, "I heard that things were not good at OFE before. After the theory was implemented staff morale increased significantly. This is what I have heard. I was not employed here before the theory. I feel that the effect is great".

### Positive Behaviour Changes

Staff expressed the opinion that people became more involved in proactive thinking and risk taking activities.

### Increased Awareness Of Organizational Issues

The intervention was seen to have brought out organizational issues that were not being discussed. The responses to this question included a continual learning plan, increased knowledge of the environment, development of decision-making guidelines, expansion of guidelines for inter-office communication, and an awareness of the need to

grow in certain areas. It also consisted of knowledge in the areas of: communication, decision-making, proactive thinking and continual learning. Some people also became more aware of their performance, where change was needed, and started to look at things from OFE's perspective. It became part of the culture of OFE for people to think outside of the "box".

### **Key Negative Themes**

#### **Length Of The Process**

The research indicated that the length of the process took some of the effect out of it. It was strongly declared that the process took too long and became tedious. This fact was stressed numerous times. The result was a feeling of, "Here we go again", resulting in a disinterested audience. People felt that OFE changed in some positive directions but at a cost. It was suggested that these benefits could have been delivered at a much lower cost.

#### **Time Of The Process**

The staff meeting time was not seen as a good time for this type of venture because people were tired and burnt out at the end of the day.

#### **Group Pressure**

Frustration resulted because people felt it hard to continue to contribute if they disagreed with something because of the pressure to agree with 20 other people. Some people left meetings dissatisfied because they felt coerced into agreeing with some idea. The consensus decision-making process also led to dissatisfaction, lowering of staff morale, and some staff members dreaded Thursday staff meetings.

### Hurt Feelings

Another important point stressed was the hurt feelings that resulted because of the way people interacted in the small groups. The groups indicated that the time of the organizational change process was very stressful for some individuals.

### Excessive Meetings

The amount of time taken to go through the process was also seen as an adverse effect.

### **Facilitator Component**

#### Facilitator's Strengths

There were numerous positive comments concerning Dwight's strengths that were offered, "High energy level", "Always trying to get everyone to buy in", "Organizational skills", "Knowledge of contingency theory", "Thoroughness in delivering the theory", "Well-researched materials", "Facilitation skills", "Source of information", "Ability to see the full picture", and, "The immense level of thought put into the process as well as the implementation of the ACT at OFE". Some comments concerning the thoroughness of the research were, "Extensive preparation", "Knowledge of the materials", "Facilitation skills", and, "Organizational skills". "Enthusiasm", was mentioned several times in this section. Dwight was also seen as willing to follow through and use the data to improve the organization. He involved all staff, was open and responsive to staff reactions and responses, had good explanations, and listened to everyone's input. His high level of belief in the necessity of the theory which resulted in an increase in staff satisfaction concerning the communication between staff and leadership. It was stated that, "Dwight played a clear role in facilitating the process".

### Facilitator's Weaknesses

Various comments were made, "Length of time that the process took", "Went on too long", "Too open ended", "Presentations were stressful because they were too theoretical or not broken down to a simple explanation", "Found it hard to digest", "End of the day meetings were tough", "Went through too fast", "Not receptive to feedback", "Data was fairly subjective", and, "Data was not as quantifiable as it could have been and it was presented in a manner that was too theoretical, scientific, and academic". Some people felt that this process was too complicated for some OFE staff to understand.

### Suggestions For Facilitator Improvement

A number of valuable suggestions were made that included, "Make your presentations more audience friendly", "Know your audience more and how they respond", "Take people's feelings into account during the process", "Be more sensitive to the needs and feelings of people as they work their way through the process", "Present materials in more of a digestible format", "Provide more follow-up materials", "Process that takes a whole year to complete is too long", and, "Have people go through the material on their own time and present items in smaller pieces".

### Facilitator Checking

The aforementioned summaries were shared in detail with the facilitator of the two groups. His notes and memory strongly reinforced the accuracy of the information that was gathered from the tapes. The facilitator added some additional comments and observations derived from the group sessions for consideration. Specifically, the definition of contingency theory was very much related to the concept of common sense. The small group sessions were stressful for many staff members. The perceived peer

pressure to agree with certain positions was difficult for some staff. This type of “group think” environment is not conducive for people to give their true feelings or express an alternative viewpoint. The length of the process also resulted in the development of apathy for some members. Most of the staff agreed that the changes made as a result of the ACT at OFE were for the better. The inclusion of staff members in the group interviews who were not on staff during the ACT at OFE proved difficult. These members did not demonstrate any enthusiasm to be a part of the process and as a result the sessions became uncomfortable at times. The most memorable emotion that the facilitator experienced in the group interviews was a feeling of displeasure from those members who had not been a part of the ACT at OFE because they had only recently become staff members.

### **Member Checking**

Staff affirmed the legitimacy of the information gathered from the interviews and surveys. This is a key point because it helps to confirm the reliability and validity of the information gathered during the evaluation process.

## Chapter 8

### LEARNING OBJECTIVES REVIEW

#### Introduction

This section attempt to determine the level of achievement concerning the different academic and skill goals that were outlined at the beginning of this practicum report. The evidence utilized to rate the achievement level was based on personal reflection, surveys, and the group interviews. Most of the goals were met, but for some of the goals the evidence was not strongly convincing. These goals were evaluated to be only partially met.

#### Academic Goal Achievement

##### Complete an Organizational Analysis Based on the Theoretical Framework of

##### Contingency Theory

This goal was achieved during the practicum activities. An organizational analysis was started and completed (despite some temptation to wrap things up early due to the process fatigue that occurred.) OFE was analyzed from both an internal and external viewpoint in order to determine the rate of change in key organizational and environmental factors. In addition, recommendations for organizational change were also offered. This analysis followed the theoretical framework offered by proponents of contingency theory.

##### Expand my Knowledge Concerning the Actual Implementation of Contingency Theory in a Not-For-Profit Organization with Special Attention to the Evaluation of Expected

##### Results

One of the key learnings of this practicum was the importance that staff placed on how they experienced the process. Some staff members' recollection of the organizational change process was completely focussed on how they felt during the different events. The technical analysis of the process was generally not a factor in their thinking. While the technical emphasis is still important in different for-profit organizations, not-for-profit organizations typically place a greater emphasis on staff's feelings. The inability of the facilitator to monitor and respond to these feelings was clearly understood from the research gathered and will be taken into account when completing future similar activities. Therefore, the first part of this goal was met because I did increase my knowledge of the different factors involved when completing an organizational change process in a not-for-profit organization.

The evaluation of expected results indicates that staff believe numerous positive results have occurred because of the ACT at OFE. Staff saw benefits for the organization, generally made positive changes to their behaviour, and felt that the level of staff satisfaction with the organization has increased as a result of the ACT at OFE.

#### Increase my Knowledge in the Area of Research Design and its Integration with Practice

This goal was achieved even though it was not at the top of my priority list. I learned three key aspects of research. First, the inclusion of people who were not a part of the process under consideration in the group interviews was problematic. They did not appear to appreciate the experience. Second, instructing the group interview facilitator to read out the questions was not very helpful for "visual" people. Third, research led me to the conclusion that an impartial facilitator would be preferable and I found this conclusion to be accurate. It appeared that the staff provided open and honest feedback

in the group interviews which may not have occurred if I had been the facilitator. The survey also appeared to be well designed and provided people an opportunity to rate the different practicum components and provide feedback in a way that protected their anonymity.

#### Expand my Knowledge of Qualitative Research Methods

The qualitative research methods utilized in the practicum evaluation were appropriate for this type of work. They allowed me to discover a number of unexpected findings. I did not foresee how the process would personally impact people. I was also unaware of the degree to which people merged the leadership review and the practicum. The leadership review, which provided an impetus for the ACT at OFE, contained many negative feelings for numerous staff members. I believe that this association impacted people's opinion of the ACT at OFE.

#### Contribute to the Social Work Base of Knowledge by Providing a Report on an Organizational Change Theory that is Rarely Used

I believe that a contribution has been made to the social work base of knowledge. The reasons for this conclusion will be discussed in a separate section of this report.

#### **Skill Development**

#### Gain Knowledge and Expertise in Organizational Analysis by Completing an Organizational Analysis Based on Contingency Theory

I have definitely gained knowledge and expertise in successfully completing an organizational analysis. The feedback from the group interviews and surveys, while not overwhelmingly positive, does indicate that most staff believe that the ACT at OFE was moderately successful. Specifically, I learned and appreciated that people valued the

opportunity to evaluate the organization and appreciate the efforts that have been made to improve different organizational aspects of OFE. The portability of the practicum activities allows me to have a base of knowledge to draw upon when attempting future organizational analyses.

Increase my Group Facilitation Skills with Staff under my Supervision, Specifically in the Areas of Planning, Facilitation, and Balancing Structure and Flexibility

This area was a major component of the practicum. Numerous comments reinforced the positive demonstration of various facilitation skills. People specifically appreciated the written summaries, follow-up, on-going reports, leadership, preparation involved, and facilitation skills. My group facilitation skills have also improved or will improve as a result of this practicum. Numerous areas for improvement were also suggested. This honest feedback has been accepted and I am committed to incorporating this knowledge into future facilitation events. As a result I look forward to becoming a better facilitator. The last component concerning the balancing of structure and flexibility was not met as successfully as I desired. The feedback indicated that it would have been desirable to shorten the process, reduce the academic nature of the process, and be more responsive to people's feelings as the process went along. However, this feedback is viewed as a learning experience that will not be forgotten.

Develop Specific Skills and Techniques in Group Facilitation Including Hands-On Experience with Effective Management Techniques that Facilitate Discussion and Problem-Solving Sessions. These Skills Include: Data Gathering, Assessment, Actions, Involvement of Group Members, Attending to Members, Expressing Self, Responding Appropriately, Making Group Processes Explicit, Clarifying Content, Guiding Group

Interactions, Requesting Information, Questioning, Probing, Summarizing, and Reframing

Some components of this goal were met and some were not met. Those aspects that related to involvement, expressing self, making group processes explicit, and summarizing, received a positive rating from staff. However, those components that involved discussions, attending to members, guiding group interactions, and probing, were less successful. However, these comments will serve to improve my facilitation skills in the future.

Implement Techniques that Foster a Safe, Inclusive, Cohesive, and Ultimately Productive Work Environment and Develop Competence in Including all Staff in a Meaningful Way in an Organizational Review and Planning Process

This goal was partially met. All staff were involved in some fashion and the feedback indicates that productivity has increased as a result of the ACT at OFE. However, the small group meetings and the peer pressure to agree with certain conclusions worked against a safe and cohesive environment. This lowered the value that the organizational review and planning process had for most staff.

Implement a Practical Qualitative Research Assignment in a Knowledge-Based Social-Work Setting in Order to Test the Applicability of Contingency Theory.

This goal was achieved. The feedback reinforces my own conclusion that an organizational development process consistent with contingency theory principles is valid and can be used to increase the productivity of a non-profit organization. Staff correctly attributed various benefits that the organization realized as a result of the ACT at OFE.

At the end of the practicum numerous practical improvements such as the communication guidelines and the proactive group had been implemented.

Design an Evaluation that can be Reused in Different Work Environments Throughout My Career

I was greatly pleased with the evaluation tools. I experienced them to be reliable and valid indicators of the factors under consideration. I also found them to be user friendly. I would look to utilize the practicum evaluation tools for future evaluations that I might administer.

Demonstrate to my Fellow-Workers that “Higher Education” is not Meant to Remain in a Classroom but can have Immense Practical Utility in the Day-to-Day Operations of an Organization.

This goal was partially met during the practicum. People had difficulty with the academic nature of the process. It was stressful for some people to think in concepts and terms that required a great deal of mental effort. However, the survey indicated that people generally feel that contingency theory has merit and is relevant for an organization like OFE. I believe that certain changes in the ACT at OFE could have resulted in even higher ratings.

Incorporate my Dual Role of Evaluator and Program Manager at OFE in the Organizational Change Process

This was a special part of the entire process for me. It was rewarding to have staff members either sign their surveys before handing them in to me or personally provide their feedback concerning the evaluation summaries. Some staff even edited these handouts in the anticipation that I would be using them in an academic assignment. I

believe that my dual role was successful because a neutral person facilitated the group interviews, people trusted that there would not be harmful consequences if negative feedback was supplied, and accurate summaries were made of the group interviews and surveys. It also allowed me to gain a better understanding of how people experienced the ACT at OFE.

Enhance my Career by Improving a Base of Skills and Experiences that can be Effectively Promoted on a Resume

Resumes that attract the attention of Human Resource Professionals recruiting for managerial positions include a component of practical experience in organizational assessment and change. I now have the ability to promote this practicum experience on a resume. An added benefit is that it would be easy for me to speak with clarity and knowledge on this subject in an employment interview. A base of skills and experiences that can be effectively promoted on a resume has resulted from this practicum experience.

## Chapter 9

### CONTRIBUTION TO SOCIAL WORK KNOWLEDGE

#### Organizational Planning

It is difficult to find step-by-step guides of organizational review strategies that adequately incorporate a detailed analysis of the environment and its implications for organizational structure. Other agencies have the opportunity to utilize the information presented in this report. They can try and replicate the entire process or select specific components that are appropriate for their organizations. The specific nature of the handouts contained in this practicum is also beneficial because the handouts provide practical tools for facilitators of organizational analysis. The key learning information such as preferred meeting times, required participants, decision-making processes could also be utilized.

#### Efficiency

In today's political climate non-profits organizations are under siege to achieve more results with fewer resources. Lean manufacturing principles and just in time delivery concepts are creeping into the non-profit world. This project could be used by other organizations to increase their efficiencies. Clients, staff, and organizations all stand to benefit from this impact.

#### Maximize Strategic Planning Sessions

Strategic planning sessions are popular, expensive, and time consuming. However, they do not ensure that organizational structures are aligned with the external environment. These efforts could be maximized by employing contingency theory processes prior to developing three or five year plans.

### Additional Validity Concerning Contingency Theory

This report details the application of contingency theory processes at a non-profit organization and some of the positive results that occurred. This is further research that confirms the validity of contingency theory.

### Supports Social Work Values

The application of contingency theory can lead to more efficient organizations which generally have high levels of staff morale. A basis to question hierarchical management structures underlies the process. The application also supports social work values such as participatory management and staff inclusiveness in certain environments.

## Chapter 10

### RECOMMENDATIONS AND CONCLUSIONS

#### Overview

OFE is a HSO that has attempted to organize itself in a way that allows it to meet the requirements of its specific environment in order to become a more successfully functioning organization. The practicum activities appear to have been a timely intervention that met the needs of a developing non-profit organization. This section contains recommendations for OFE management, the student's key learnings, and some concluding comments.

#### Future Directions

The eventual goal of program evaluation relative to this organization is to assess the effects of organizational change on performance and financial outcomes. Thus, an additional process evaluation and a summative evaluation will be required. However, the first step was to examine the implementation of practicum activities. Phase A of the evaluation concentrated on revealing to what degree the ACT at OFE, as implemented, matched what the program planners intended. That was the focus of this evaluation component. The three evaluations are inextricably linked but an evaluation of the practicum activities was required prior to evaluating the implementation of the action plan and effect on performance and financial organizational outcomes. It is necessary to answer the questions of how, and to what extent, the practicum was implemented. The evaluation then was limited to an implementation assessment but it is anticipated that an additional assessment concerning the implementation of the action plan and an evaluation of outcomes should occur in the future. The ACT at OFE resulted in a recommendation

for change in a number of areas of organizational functioning in order for OFE to resemble a different type of organization. These changes need to be examined in order to determine what program and organizational changes actually occurred. Various aspects of organizational functioning will need to be examined. This additional implementation assessment is important to the overall evaluation of the impact of this change, because it must be proven that changes actually occurred in the organization as a result of the ACT at OFE before any positive results can be ascribed to the intervention. Factors such as the cost per job placement, the ratio of job placements per staff, and the ratio of revenue versus expenses could be considered. However, it is beyond the scope of this project.

The third phase of the evaluation, scheduled to occur at least six months after the last step of the ACT at OFE has been implemented, will focus on evaluating the impact of the program on organizational performance and economic health. Considerable time is required to allow the different types of organizational behaviour that developed to impact the performance and financial indicators of OFE. The third phase of evaluation will try to determine if the new program model as implemented was effective in achieving the desired end results. The tangible and quantifiable performance effects that the program was designed to deliver on the performance and economic indicators at OFE will be the focus of this component. It will occur after the examination of the implementation of the ACT at OFE and the evaluation of the new organizational model that emerges. This step, in addition to the action plan evaluation is an important component but was not the focus of the previous evaluation.

### **Student Recommendations for Management**

The student has also recommended to OFE management that a review date be set where staff are provided the opportunity to reassess their opinion of where OFE is at in terms of the key organizational factors. The action plan can be added to or readjusted as required. The aforementioned recommended evaluations should be focussed on linking specific action plan items with financial outcomes.

Contingency Theory appears to be a valid theory for non-profit organizations to engage. Despite the difficulties in implementation, it appears that OFE has significantly benefited from the ACT.

It appeared that the biggest negative outcome of the practicum was the length of time that the process consumed. People wanted to see final results and an end to the process much sooner than what occurred. Any future organizational analysis based on contingency theory principles that I am involved with will have a much shorter time frame. I would suggest that the steps leading up to the development of the action plan take place with a week's time frame.

Attempting a mentally draining process at the end of a day is difficult. Although it was convenient to use OFE's Thursday afternoon staff meeting time for this process, it was difficult for some members to put forth the mental stamina that the ACT at OFE required. I would not rely on this time slot for any future organizational review endeavours. I would use entire days for the process or time slots that are earlier in the day.

The small group sessions caused discomfort for some members. In the future I would use methods that either minimized the use of small groups or provided for more control

and direction in the small groups. Recently the student had the good fortune of attending a facilitative-management training session that included various methods of eliciting group feedback and analysis in a safe and productive manner. Unfortunately this knowledge came too late to be utilized during the ACT at OFE.

The ability and desire of all staff in an organization to engage positively in a demanding organizational change process is an assumption fraught with peril. Determining which organizational members are necessary and interested to partake in the successful application of a process like contingency theory is a critical first step. The success of the process is vitally dependent upon this critical factor. The ACT at OFE was a process that was not relevant or of interest for some staff.

The group interviews could have gone better. The utilization of visual aids or handouts would have been beneficial. In addition, the deletion of staff, which were not involved in the organizational change process, would have been helpful.

### **Summary**

I intend to utilize these recommendations as a guide when attempting any future organizational analysis and change processes. This practicum has allowed the student to pursue his personal interest in an organizational change process that has been both rewarding and challenging.

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**APPENDICES**

Opportunities For Employment's Organizational Chart & Environment

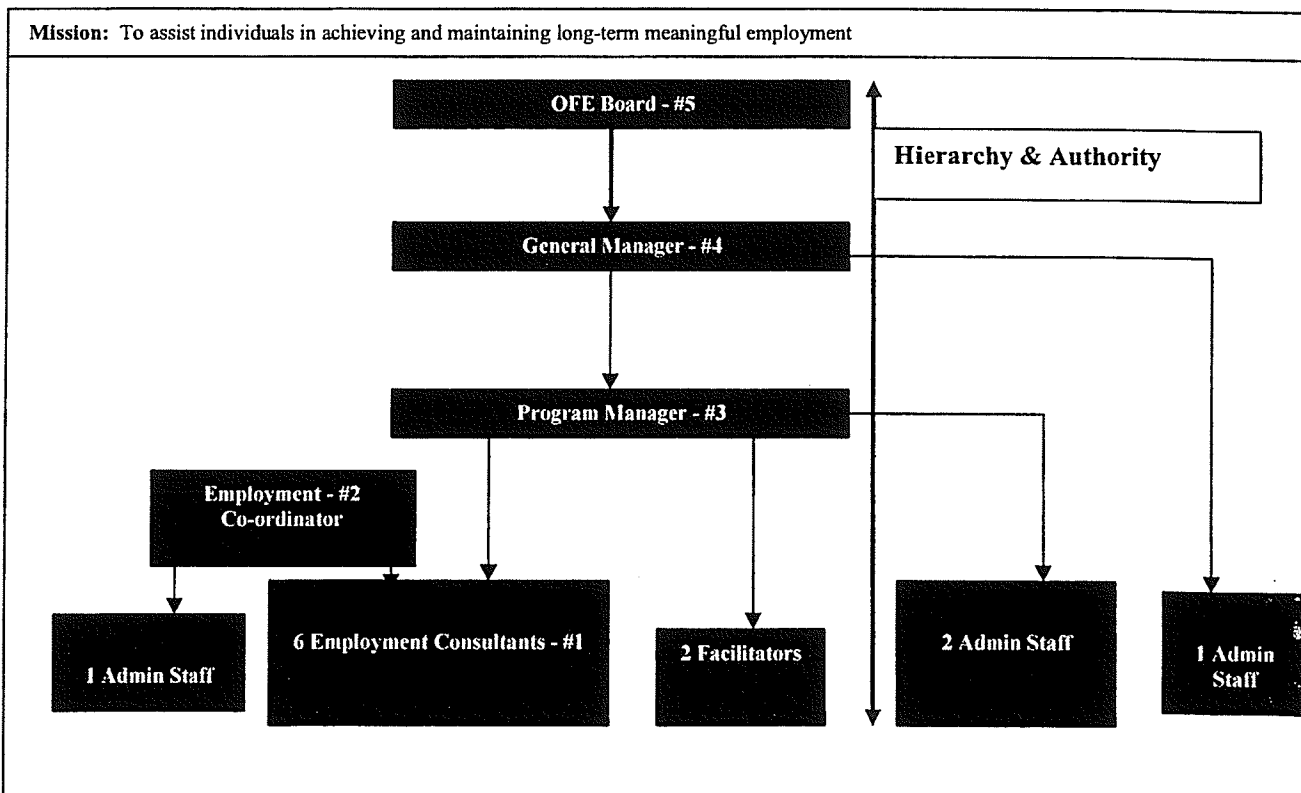
**Political-legal**  
Need for employees and conservative policies

**Economic Conditions**  
Program "freezes", tougher cases, and part-time work

**Social Service Agencies**  
Clothes Closet, Winnipeg Harvest, and unemployment offices

**Clients**  
Social Assistance recipients

**Employers**  
Various businesses



**Competition**  
Taking Charge and Social skills re-entry

**Government**

**EIA**  
Stable Funding, and different expectations

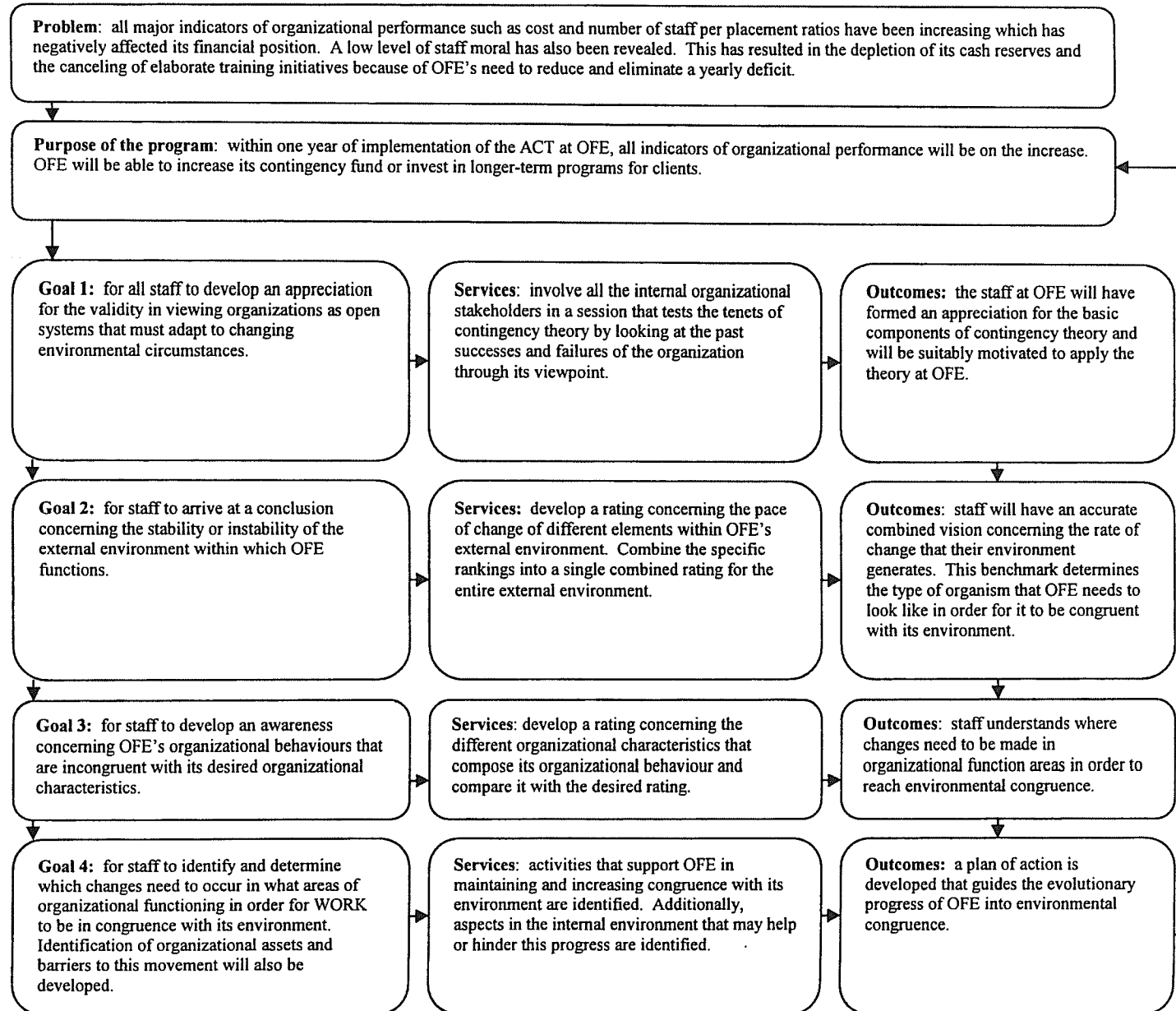
**Sill Foundation**

**Threats**  
New expectations for HSOs and funders taken for granted

**Opportunities**  
Different funders, user fees, and services for higher incomes

**Weaknesses**  
Hierarchical structure and dismissal of environmental influence

## Appendix B - Logic Model



### Decision Making at OFE - Personal Action Plan

Commit yourself to specific and personal ways in which you will take responsibility in the following:

	I will...
Seek first to understand	
Look/listen for the positives	
Trust others' positive intentions	
Express my thoughts/opinions/ideas	
Maintain an open mind to different views	
Respond with consideration and respect	
Ask for what I need	
Support/maintain a positive productive enjoyable work culture	
Remind each other to stay true to these intentions	

**Next Steps:**

Chose a staff person to share your action plan. This person will hold you accountable to the things you have written.

An envelope will be provided for your action plan. You will be asked to make a copy for yourself and seal a copy in the envelope with your name on it.

This envelope will be opened by you after a period of about 3 months to evaluate how you are doing on your action plan.

## Decision - Making

### Major Decisions are generally based on Need or Opportunity:

- Need:**
- a) Increase efficiency/effectiveness
  - b) Reduce expenditures
  - c) Respond to external demands
- Opportunity:**
- a) Expand services related to mission
  - b) Expand financial base
  - c) Initiate contacts in external environment

### Decision-Making Principles / Responsibilities / Processes:

#### Principles

- a) The OFE Mission and Principles of Operation statements provide the guidelines for decision-making at OFE.
- b) Individuals affected by decisions will generally have input to decisions affecting their areas of responsibility.
- c) Decision by consensus is preferred.

**Responsibilities** 1. Each staff member has the authority to make decisions which don't effect other staff and are accountable for these decisions to the appropriate LSG member.

**Authority** 2. When others are effected decisions need to involve a member of the LSG.

**Accountability** 3. The Co-Ordinator Employment and Program Manager are accountable to the General Manager for all decisions made.

4. The General Manager is accountable to the OFE Board of Directors.

#### Processes

- 1. **INTERNAL**
- a. LSG decides WHAT and HOW.  
e.g. Personnel issues

- b. LSG may decide WHAT and ask for input / feed-back on  
e.g. Re-organize Admin & In-Take processes
- c. Suggestions from staff assessed by LSG & then brought to team for decision (applying appropriate models) & action and planning.  
e.g. A new staff incentive proposal
- d. Functional Groups ( e.g. Admin or Employment) may decide WHAT & HOW regarding function -specific issues & Team is informed.  
e.g. Develop a new job skills course
- e. Day-to-day decisions are made in keeping with OFE Mission, and Principles of Operation and Decision-Making Guidelines.

## 2. EXTERNAL

- a. LSG assesses potential impact and implements appropriate processes (See #1 above).  
e.g. Develop a new course in conjunction with business partner
- b. LSG assesses potential impact and involves OFE Board and reports to staff. e.g. Increased Sick Leave Credit accumulation
- b. LSG assesses potential, obtains staff feedback/input makes decisions and reports to OFE Board.  
e.g. Contract negotiations with Family Services

## Decision-Making

1. **UNANIMOUS** - everyone agrees with a decision.  
As a result of discussion of an issue it becomes evident that all parties are in agreement with a suggested conclusion.
2. **CONSENSUS** - everyone can live with a suggested decision. **This does not mean that every one agrees or likes the decision.** It means everyone can accept the decision agreeing to work together with the Team toward the accepted outcome. This process involves direct, honest communication allowing people who object to a proposed solution, resolution or course of action to state reasons for their objection. It is important for differences of opinion to be expressed since this can bring out new ideas resulting in creative resolution of issues
3. **MAJORITY** - by vote it is determined that more than 50% of a group are in favor of a suggested course of action.

4. **DICTATION** the LSG, General Manager or Board dictate a course of action without input or participation from staff.

## **Decision-Making Guidelines**

### **Leadership Responsibility**

Follow the leading of the Spirit

- Include staff affected by decisions
- Include LSG members with appropriate authority
- LSG Members are available for consultation
- Ensure the availability of appropriate & sufficient information
- Finalize decisions in a timely manner
- Use weekly staff meetings as communication and decision making opportunities
- Facilitate decision by consensus when possible
- Maintain flexible position descriptions
- Support / maintain a positive, productive enjoyable work culture

### **Personal Responsibility**

- Follow the leading of the Spirit
- Seek first to understand
- Look / listen for the positives
- Trust others' positive intentions
- Express your thoughts / opinions / ideas
- Maintain an open mind to different views
- Respond with consideration and respect
- Ask for what you need
- Support / maintain a positive, productive enjoyable work culture
- Remind each other to stay true to these intentions

**Organizational Functions –**

**Responsibility / Authority / Accountability**

<b>Function</b>	<b>Responsibility</b>	<b>Authority</b>	<b>Accountability</b>
<b>PERSONNEL</b>	<b>LSG</b>	<b>LSG</b>	<b>GM</b>
<b>PROGRAMMING</b>	<b>LSG &amp; Staff</b>	<b>LSG &amp; Staff</b>	<b>GM</b>
<b>Planning</b>	<b>LSG &amp; Staff</b>	<b>LSG &amp; Staff</b>	<b>GM</b>
<b>Implementation</b>	<b>LSG &amp; Staff</b>	<b>LSG &amp; Staff</b>	<b>GM</b>
<b>Financial</b>	<b>LSG &amp; Staff</b>	<b>LSG</b>	<b>GM</b>
<b>Planning</b>	<b>LSG &amp; Staff</b>	<b>LSG</b>	<b>GM</b>
<b>Budgets</b>	<b>LSG &amp; Staff</b>	<b>LSG</b>	<b>Board</b>
<b>Technology</b>	<b>PM</b>	<b>PM &amp; GM</b>	<b>GM</b>
<b>Day-to-Day Operational</b>	<b>Staff</b>	<b>Staff &amp; LSG</b>	<b>LSG</b>

## Communication at OFE

Action Plan	Issues Addressed	By When	Responsibility
1) Staff communication workshop	Organizational communication Assertiveness, gossip, trust	Within 6 months	Ted, Dwight, Debbie
2) Staff meeting to be held at HOO	Clarification regarding HOO	May 2 <sup>nd</sup>	Dwight
3) Bi-weekly reports from HOO staff at Thursday staff meetings	Clarification regarding HOO	May	Earl
4) Staff person to act as liaison between HOO & OFE for EIA participants	Clarification regarding HOO	Ongoing	Debbie
5) Monthly placement, retention and financial updates at staff meetings with opportunity for questions from staff	Lack of info on how OFE is doing	May	Ted, Dwight, Debbie
6) Review of leadership roles and responsibilities at future staff meeting	Clarification of LSG roles	Within 2 months	Ted, Dwight, Debbie
7) Phone and computer with database available in classroom B for private conversations with job seekers or Case Co-ordinators  Empty classrooms available for private meetings with job seekers.  Cell phone available in Jackie's office for EC's to call job seekers or Case Co-ordinators (trial basis)	Privacy	April	Individual staff
8) General communication guidelines to be developed by LSG for internal and external communication: (eg) Email, phone, letters, internal mailboxes, meetings, database, Case Co-ordinator contact	Methods of communication	Within 2 months	Ted, Dwight, Debbie

### Communication Review

- YES – Separate meetings report to main meetings
- No – Staff meeting time Thursday at 3:00
- No – Friday staff meetings
- Yes - Cut out unnecessary emails, responses, and mass emails that don't impact everyone
- Yes – Turn around E-mail (ones which require a response) time – you must respond by end of the next business day
- Optional – Post note on door for interruptions
- Yes – Accessibility to leadership – interrupt closed door meetings with internal staff as necessary
- Optional – Hand signals to meet with the person
- Yes – Every 2 months a longer meeting
- Optional – Clipboard outside of office door
- Yes – Notify all staff if absent from OFE
- Yes – Staff reports at staff meetings
- ? – Agenda before staff meetings

### Proactive

- A multi-disciplinary group of five people is formed which meets a least once every eight weeks. Its task to examine the environment (client groups, competitors, funders, referring sources, business partners, political climate, etc.) and bring observations/recommendations to the leadership group. They will look at issues like niche defense, new opportunities, and how can OFE change its environment. Dwight will lead the formulation of this group. First meeting to be held in June, 2002.

### Continual Learning/Risk Taking

- Involves OFE culture.
- Trial & Error – error which is anticipated but brings with it a host of subsidiary benefits. This is a concept that we must embrace both corporately and individually. See handout.
- Blame culture – work environment where staff are fearful to suggest ideas because of an anticipated negative/blaming response from other employees
- Corporately: staff can ask that initiatives for consideration be viewed from a perspective of trail & error. These initiatives can be framed as learning probes or experiements.
- Individually: Staff take responsibility to avoid attitudes/activities that contribute to a blaming culture.
- An organizational risk-taking workshop will be implemented by the end of 2002. Dwight will arrange this event
- Bigger celebrations of success will occur.
- A more detailed code of interactions will be developed – volunteer needed

Name:				
9 WAYS TO INCREASE THE CONTINUAL LEARNING/RISK TAKING CHARACTER OF OFE				
		Usually	Sometimes	Rarely
9	Promotes the collective mission of OFE by supporting its various initiatives.			
8	Takes ownership of OFE by providing ideas/creativity.			
7	Supports the expression of ideas/opinions by actively listening, requesting clarification, and seeking to understand the perspectives of other staff.			
6	Avoids criticizing/judging other staff members' ideas unless it is asked for/receive permission.			
5	Refrains from the use of sarcastic humor which "puts down" other staff members or their ideas.			
4	Refrains from engaging in and supporting gossiping activities.			
3	Refrains from speaking about OFE clients/staff in a manner that other staff may find discouraging.			
2	When interrupting other staff, follow-up to ensure that the method of approach was appropriate for that person. If not, ask what method he or she would prefer.			
1	When appropriate (utilizing I statements), express the personal impact of other staff members' actions/language directly to them in confidence. If needed, utilize leadership as mediators.			

**Interview Guide**

## Interview Guide

### Section 1 - Relates to the implementation of the ACT at OFE

- 1.0 There was an organizational change process that you recently went through at OFE. It involved the application of a theory called “contingency theory”. People would define “contingency theory” in different ways. What would be your definition of “contingency theory”?
- 1.1 Do you think that this theory is based on facts?
- 1.2 How relevant is this theory for an organization like OFE?
- 1.3a There were four specific steps related to the process that was implemented. Were you involved in all the steps?
- 1.3b If not, which ones were you involved with?
- 1.4a What were the results of the organizational change process?
- 1.4b What were the benefits?
- 1.4c What were the costs?

### Section 2 - Concentrates on staff response to the ACT at OFE.

- 2.0 We want to leave the implementation of the change process and talk about staff response to the model. How do you feel about the ACT at OFE?
- 2.1 How satisfied were you with the process?
- 2.2 How suitable is the ACT at OFE?
- 2.3 How satisfied were you with the group decisions?
- 2.4 Were some staff more satisfied than others?
- 2.5 Describe any unexpected benefits that the ACT at OFE had on staff satisfaction.
- 2.6 Describe any negative side effects that the ACT at OFE had on staff satisfaction.
- 2.7a Did you make changes in your behaviour because of the ACT at OFE?
- 2.7b If no, why not?
- 2.7c If yes, what were they?

### Section 3 – Describe the benefits and consequences of the ACT at OFE.

- 3.0 This is the final section that includes just a few more questions. Can you describe any unexpected benefits on the organization from the ACT at OFE?

- 3.1 Describe any adverse side effects on the organization.
- 3.2 Describe the level of staff satisfaction with the organization since the ACT at OFE.
- 3.3 Describe your perception of how the different OFE sub-groups (administration, employment consultants, and management) view the ACT at OFE.
- 3.4 What were the strengths of Dwight's role in this process?
- 3.5 What were the weaknesses of Dwight's role in this process?
- 3.6 What suggestions for improvement would you have for Dwight?
- 3.7 Are there any questions not asked which you think should have been asked?
- 3.8 Is there any further information you would like to share with the researcher?

Thank you for your participation. It has been helpful.

## Survey Cover Sheet

### Application of Contingency Theory at OFE

The reason for this survey is to collect information concerning the application of contingency theory that occurred at OFE in 2001. This information will be used to analyze the implementation and possible impact that this implementation had on OFE. Summary findings will be made available to all staff in the hope that the organization will benefit from this research. All staff are being asked to complete the survey by using a pencil to circle the number on the paper copy that best reflects their opinion and typing in their remarks in the comments sections on the computer copy. Please print out the computer copy and mail it with the circled copy in the self-addressed stamped envelope. The computerized structure of this survey protects your anonymity. Please see Mitch if you have any computer problems. Leadership staff have committed themselves to avoid the process of trying to identify which staff person filled out what survey. After you have completed the survey you can delete it from your computer and recycle bin.

The survey has three sections. Section one covers the implementation of the ACT at OFE. Section two focuses on staff response to the model. Finally, section three looks at benefits and consequences of the organizational change process. Please answer all questions and utilize your perception unless specially noted to do otherwise. Please circle the number that best identifies your choice. Feel free to make comments and suggestions in the appropriate sections by typing them in on the computer.

**Thank you for contributing positively to OFE's organizational change process.**

### ACT at OFE Survey

Please help us to evaluate the ACT at OFE by filling out this short survey. Your honest input is important to us. Thank you!

#### Section A

Please answer the questions below using this five-point scale: 1=Strongly Disagree, 2=Somewhat Disagree, 3=Neutral, 4=Somewhat Agree, 5=Strongly Agree

Please rate your level of agreement or disagreement with the following statements. Assume that questions 2-6 expect you to view the statements from an organizational versus personal perspective. (Please mark the appropriate number.)

	Strongly Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Strongly Agree
1. Contingency theory is based on truth	1	2	3	4	5
2. Contingency theory is a relevant theory for OFE to utilize	1	2	3	4	5
3. The discussions concerning the suitability of contingency theory were helpful	1	2	3	4	5
4. The discussions concerning the rate of change in OFE's external environment were helpful	1	2	3	4	5
5. The discussions concerning what changes OFE needs to make in order to reach environmental congruence were helpful	1	2	3	4	5
6. The development of the plan of action to reach environmental congruence was helpful	1	2	3	4	5
7. The organizational change process was helpful	1	2	3	4	5
8. There were organizational benefits from engaging in the above process	1	2	3	4	5
9. There were adverse side effects from engaging in the above processes	1	2	3	4	5

Feel free to make comments/suggestions by typing them in on the computer:

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**Section B**

Please answer the questions below using this five-point scale: 1=Very Dissatisfied, 2=Somewhat Dissatisfied, 3=Neutral, 4=Somewhat Satisfied, 5=Very Satisfied

How satisfied are you with each of the activities listed below? Please speak from your own perspective. (Please mark the appropriate number.)

	<b>Very</b>	<b>Somewhat</b>	<b>Neutral</b>	<b>Somewhat</b>	<b>Very</b>
	<b>Dissatisfied</b>	<b>Dissatisfied</b>		<b>Satisfied</b>	<b>Satisfied</b>
1. The discussions concerning the suitability of Contingency Theory	1	2	3	4	5
2. The discussions concerning the rate of change in OFE's external environment	1	2	3	4	5
3. The discussions concerning what changes OFE needs to make in order to reach environmental congruence	1	2	3	4	5
4. The development of a plan of action to reach to reach environmental congruence	1	2	3	4	5
5. The overall application of contingency theory	1	2	3	4	5

Feel free to make comments/suggestions by typing them in on the computer:

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**Section C**

Please answer the questions below using this five-point scale: 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

Please rate your level of agreement or disagreement with the following statements. (Please indicate the appropriate number.)

	<b>Strongly Disagree</b>	<b>Somewhat Disagree</b>	<b>Neutral</b>	<b>Somewhat Agree</b>	<b>Strongly Agree</b>
1. There have been benefits for OFE from the ACT	1	2	3	4	5
2. There have been adverse side effects from the new organizational structure	1	2	3	4	5
3. Staff made positive individual changes to their behaviour	1	2	3	4	5
4. There have been benefits concerning staff satisfaction with OFE since the ACT	1	2	3	4	5
5. There have been adverse side effects concerning staff satisfaction since the ACT	1	2	3	4	5

What were the strengths of Dwight's role in this process?

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What were the weaknesses of Dwight's role in this process?

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What suggestions for improvement would you have for Dwight?

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Thank you for completing this survey. Feel free to make any additional comments/suggestions:

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### ACT at OFE Survey

Please help us to evaluate the ACT at OFE by filling out this short survey. Your honest input is important to us. Thank you!

#### Section A

Please answer the questions below using this five-point scale: 1=Strongly Disagree, 2=Somewhat Disagree, 3=Neutral, 4=Somewhat Agree, 5=Strongly Agree

Please rate your level of agreement or disagreement with the following statements. Assume that questions 2-6 expect you to view the statements from an organizational versus personal perspective. (Please circle the appropriate number.)

	Strongly Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Strongly Agree
1. Contingency theory is based on truth		1	3	11	1
2. Contingency theory is a relevant theory for OFE to utilize		1	2	9	3
3. The discussions concerning the suitability of contingency theory were helpful		1	4	8	2
4. The discussions concerning the rate of change in OFE's external environment were helpful			3	6	6
5. The discussions concerning what changes OFE needs to make in order to reach environmental congruence were helpful			1	10	4
6. The development of the plan of action to reach environmental congruence was helpful		1	3	7	3
7. The organizational change process was helpful		1	4	8	2
8. There were organizational benefits from engaging in the above process			3	8	4
9. There were adverse side effects from engaging in the above processes		4	2	6	5

Feel free to make comments/suggestions by typing them in on the computer:

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**Section B**

Please answer the questions below using this five-point scale: 1=Very Dissatisfied, 2=Somewhat Dissatisfied, 3=Neutral, 4=Somewhat Satisfied, 5=Very Satisfied

How satisfied are you with each of the activities listed below? Please speak from your own perspective. (Please circle the appropriate number.)

	Very Dissatisfied	Somewhat Dissatisfied	Neutral	Somewhat Satisfied	Very Satisfied
1. The discussions concerning the suitability of Contingency Theory		2	4	7	1
2. The discussions concerning the rate of change in OFE's external environment			3	10	2
3. The discussions concerning what changes OFE needs to make in order to reach environmental congruence		1	1	12	1
4. The development of a plan of action to reach to reach environmental congruence			3	9	2
5. The overall application of contingency theory		3	2	8	2

Feel free to make comments/suggestions by typing them in on the computer:

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**Section C**

Please answer the questions below using this five-point scale: 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

Please rate your level of agreement or disagreement with the following statements. (Please circle the appropriate number.)

	<b>Strongly Disagree</b>	<b>Somewhat Disagree</b>	<b>Neutral</b>	<b>Somewhat Agree</b>	<b>Strongly Agree</b>
1. There have been benefits for OFE from the ACT				13	4
2. There have been adverse side effects from the new organizational structure	2	3	4	8	
3. Staff made positive individual changes to their behaviour			5	10	2
4. There have been benefits concerning staff satisfaction with OFE since the ACT		1	3	11	2
5. There have been adverse side effects concerning staff satisfaction since the ACT	2	2	3	9	1

What were the strengths of Dwight's role in this process?

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What were the weaknesses of Dwight's role in this process?

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What suggestions for improvement would you have for Dwight?

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Thank you for completing this survey. Feel free to make any additional comments/suggestions:

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