

# Executive **EDGE**

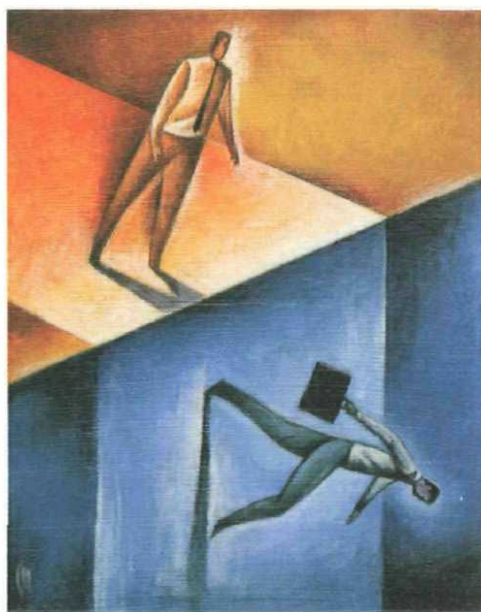
## CHANGE NEED NOT BE DESTRUCTIVE

“Change,” which became a business catchword in the 1990s, has not always been beneficial for the companies adopting it. Some firms are destroyed by change that proves to be explosive. Others falter because their work forces, fearful that change means losing their jobs, become paralyzed.

But genuinely successful change involves alternating major changes with smaller, less disruptive ones called *tinkering* and *kludging*. In tinkering, a company simply adapts existing assets to create a new product. In kludging, the company may need to acquire the needed assets, but it does so without upsetting internal operations. The goal of both tinkering and kludging is *dynamic stability*.

Companies that achieve dynamic stability tend to follow these guidelines:

- *Imitate Creatively* General Motors used to allow engineers for its different brands to work separately, producing striking car designs—but at a great cost in efficiency. In contrast, Booz-Allen & Hamilton, an international management consulting firm, has prospered by rewarding staff members for



their skill in putting existing expertise to new uses.

*Honor Corporate Memory* Sometimes faltering companies need to be reminded of what made them successful in the first place. Apple recently did this by bringing back Steve Jobs, its founder.

- *Tinker and Kludge Internally before Going Outside* Back in the 1970s and '80s, many U.S. firms borrowed the notion of “quality circles” from Japanese manufacturers, who were then the envy of the world. Unfortunately, quality circles did not translate well into our culture. The borrowing companies would have done better to experiment with participatory-management ideas of their own.

- *Treasure Generalists* Generalists are people like Sony’s Marty Homlish, who, because he gets bored easily, moves from one company job to another, picking up various skills along the way. Homlish can diagnose and solve a wide range of problems, which makes him a valuable part of his company’s dynamic stability.

*From Eric Abrahamson, “Change without Pain,” Harvard Business Review, July-August 2000, pp. 75-79.*

## “OFFICE-SPACE SCHOLARS” REDESIGN WORK ENVIRONMENTS

Workplace consultants are giving a whole new look to office design. Described as “part clinical psychologist and part Big Brother,” these consultants design offices to fit work habits and help companies save money. Some call the consultants “office-space scholars.”

Workplace consultants survey employees to determine corporate culture and monitor their behaviors to see how they spend their time at work. Results may indicate, for example, that only a few employees are in the office at any given time. For Deloitte & Touche this discovery led to the elimination of personal offices and the development of small “hotels”—shared rooms equipped with everything their employees may need—that could be used at any time.

Sun Microsystems asked its system designers what kind of office they wanted and found that most preferred to work from home. Sun’s director of workplace effectiveness, Ann Bamesburger, prefers working mostly from her car. To emphasize the Sun way of thinking, Scott McNealy, Sun’s CEO, shared with his clients an outrageous vision of a time when the workplace may be a series of poles on a parking lot on which employees work from their SUVs. They could pull into the lot, plug into the network through fully wired poles, and get to work, McNealy said.

Because transitions can be difficult, the architectural firm DEGW offers seven rules for redesigning the office:

- Make changes for a reason. Employees may feel stressed and resentful if they do not see a reason for change.

- Communicate with employees to dispel rumors.

- Test new office designs in a pilot program.

- Promote change at the top. Employees may complain less if the CEO is also affected by changes.

- Take risks. Allow employees to work from their cars if they prefer.

- Find out about work habits. Some people may require quiet while others may need interaction.

- Keep realistic expectations. A new office design will not solve all problems.

*From Lauren Goldstein, “Whatever Space Works for You,” Fortune, July 10, 2000, pp. 269-270.*