



Evaluating Organization Change

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This article is the third in a series on organization effectiveness.* In the previous papers we demonstrated how to identify necessary changes in an organization's strategies, structures, and people processes by applying a gap analysis and a model of effectiveness. Then we looked at the process of change using a 3 phase change model originally developed by Kurt Lewin. Now that we have pinpointed what change(s) need to occur, and how to make those change, let's look at ways to measure the impact of those changes.

Purpose

The purpose of this article is to propose a taxonomy for measuring change initiatives in organizations. By combining Kilpatrick's 4 levels of change, with 4 methods of measuring change, leaders of change initiatives should be able to quickly propose, design and measure the impact of change in their organizations.

Quantitative and Qualitative

There are two sides to managing successful organization change. One is managing the process of change, the other is managing the people side of change. When evaluating the impact of change initiatives, it is best to consider two approaches as well – the quantitative and the qualitative approach. The quantitative approach looks at cause and effect relationships. It tries to measure the effects the change had on the system itself, typically by measuring the organization prior to the change, then again after the change is complete. While quantitative analysis is highly valued in the world of management science, it does have its drawbacks. First, how are we to know if

the intervention is the sole cause of the effects of the outcomes. Might there have been other causes? If so, then how do we isolate this change variable in order to determine whether this intervention alone was the determining cause of the change? Moreover, as every executives will tell you, change is not always linear. Many times the change process resembles a stock ticker on the S&P 500 – while progressing upward over time, there are many ups and downs along the way. This is why its so important to understand the phases of change.* Knowing where you are in the process, helps orient the change leader as he/she navigates the the change initiative as it ebbs and flows over times. The second way to measure change is through a qualitative method. This method helps describe the change effect on the organizations environment. For examples, how did the change target feel about the changes initiative in the organization? What behaviors are being performed differently from before. Typically, quantitative information deals with numbers, whereas, qualitative information deals with words. Both are appropriate when measuring planned change.

Methods of Measuring Change

Typically there are four ways to measure change: interviews, surveys or questionnaires, observations, and non-obtrusive measures. Interviews are some of the most commons ways to obtaining information. They can be highly adaptive, be a great source of "rich" data, and can build rapport with the interviewee. They also have their downside. They can be difficult to code and interpret, the interviewer can bias the data, and they can

*Go to philpconsulting.com to retrieve the first and second article, "Organizing for Effectiveness during a Recession" and "A Roadmap for Successful Organizational Change" respectively.

be expensive due to their time constraints. There are three types of interviews: highly structured, semi-structured, and non-structured interviews. The difference is whether the interviewer is asking the same questions to all participants in the study, or is asking different questions to each participant. Highly structured interviews would allow for only answers to predetermined questions with no allocation or opportunity to clarify those answers. Whereas, non-structured interviews would have no predetermined questions and therefore participants would be allowed to qualify their answers as much as they would like. Surveys or questionnaires, are probably the second most popular method for obtaining data in an organizational setting. This method provides for responses to be easily quantified and easily summarized. They can also be used with large populations and can be relatively inexpensive. There are three types of surveys: those containing a choice of responses on a continuum, perhaps from a scale of 1 to 5, or from never to always, called Likert scales, those obtaining written responses only, and those combining both. Typically surveys will ask the participants to respond to predetermined questions on a Likert scale, then also add a comments box under each section of the survey to provide for more in-depth data. Observations, while not the most rigorous method of obtaining data, can not be ruled out, especially when change leaders look around their organization and observe people performing new behaviors in line with their desired outcomes. The benefits of using observational methods of data are that they allow for direct data on behavior as opposed to self-reports. They also can be used in real-time (no delay for analyzing data as with surveys or interviews), and they can be adaptive to the need of the situation. Conversely, coding and interpreting observational data can be difficult, the observer can bias the outcomes, and they can be expensive

depending on the number of participants needing to be observed. The last method for measuring change is the non-obtrusive method. Non-obtrusive methods use existing data on an organization without actually entering the organization's environment. This may involve public records, policy manuals, or working through an industry organization to gather data. This method is non-reactive to response bias, has high face validity (meaning it appears valid to others observers), and is easily quantifiable. On the other side, non-obtrusive measures can be difficult to access, along with the coding and interpreting the results.

Kilpatrick's 4 Levels

Equally important to understanding the method used to measure change, is understanding "where" to measure change. Donald Kilpatrick is Professor Emeritus, at the University of Wisconsin. He first published his ideas of how to evaluate the outcomes of training back in 1959. Since then his model has been adapted to measure a great many things, including change initiatives. Kilpatrick's 4 Levels content areas to apply the four methods of measuring change described in the previous section. These include: reaction, learning, behavior, and results. Level one looks at the reaction the change targets felt about the change initiative. Learning, which is level two, looks at the increase in knowledge of the change process, and level 3, behavior, looks for the difference in behavior on the job due to the change. Finally, level 4, results, looks for the impact on the organization. This could include increased market share, less conflict in a work group, increased satisfaction from organizational members', or greater retention and less turnover. By combining Kilpatrick's 4 levels with the 4 methods of measuring change, a systematic approach can be applied to increasing the outcomes of change initiatives. For example, if we want to understand how the change target felt

about the changes that occurred in the organization, then we can use Kilpatrick's level one, reaction, as a content area and design either a survey, or interviews around this content. Or if we wanted to understand how the change impacted the behavior of the change targets, then we could use observations, surveys, or interviews, depending on the times constraints of gathering data and analyzing the results. See Appendix A for a complete description of the taxonomy.

Summary

By creating a taxonomy for measuring change, we can further substantiate our change efforts in our organizations, as well as the outcomes.

References

Kilpatrick, D. (1998) Evaluating Training Programs. 2nd Ed, Berrett-Koehler Publishers: New York.

Company Overview

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Appendix A

Measuring Change Taxonomy

Content Areas	Description	Methods
<i>Results</i>	Impact on organization	1. Non-obtrusive measure 2. Interview 3. Pre and post surveys
<i>Behavior</i>	Measure of different behavior on the job	1. Interview 2. Observation 3. Survey
<i>Learning</i>	Increase in knowledge of their organization and the change process	1. Observation 2. Interview 3. Pre and post surveys
<i>Reaction</i>	How the change targets felt about the changes	1. Feedback forms (happy sheets) 2. Interview 3. Post change surveys