The Strategic balance in a Change Management Perspective

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The strategic balance in a change management perspective

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Abstract

Purpose – The purpose of this paper is to revisit and rationally reconstruct the role of planning, strategic management, and strategic balance, in a context of managing change. The general problem dealt with is: “When is it possible to design and manage a balanced strategic change process under conditions of rapid high-frequency change?”

Design/methodology/approach – The paper revisits the development of strategic management and contains a rational reconstruction of core assumptions relevant to managing change. In the first section, the historical origin of strategic management’s approach to change is rationally reconstructed. The next sections analyze and interpret core assumptions underlying the strategic management approach to planning and change. The next section explicates the conceptual strategic hierarchy showing that developments in strategy make theories of planning and control more abstract and complex, but nevertheless preserve the idea of planning and control as a demand for strategic balance. The last section inserts this discussion into a change management framework pointing to a practical paradox emerging and addressing a possible solution.

Findings – It is argued that a practical paradox emerges between the time horizon inscribed in concepts of strategic management and planning and the empirical demands to it under the pressures of high frequency change.

Originality/value – The paper directs attention to a new perspective on managing change as an experienced change/stability ratio, which may help dissolving the practical paradox managers faces in keeping up with strategy.

Keywords Strategic management, SWOT analysis, Change management, Business planning, Organizational change

Paper type Conceptual paper

The strategic balance – revisiting the development of strategic management

The traditional planning school in strategic management is driven by a conception of balance as a strategic balance between existing internal resources and external opportunities. The basic elements of the planning school are outlined by thinkers like Ansoff, Steiner, Andrews, and Humphrey (Ansoff, 1965; Steiner, 1969; Andrews, 1971). They were all affected by the work in the Stanford Research Institute’s (SRI) Strategic Intelligence Program, where the term stakeholder was coined in 1963 to define those who had a critical interest in the operation and success of an enterprise and where the strengths, weaknesses, opportunities, and threats (SWOT) analysis was also developed (SRI Timeline of innovations). Humphrey worked all of his life with managing planned change. He was part of the SRI’s program where the stakeholder analysis and SWOT analysis were invented. As a consultant he later synthesized his experience in the team action management model. There are few available publications by Humphrey, but in the SRI alumni newsletter from December 2005 there is a reprint of a paper where he describes how SWOT was invented in a research project running from 1960 to 1970.
The research was funded by the Fortune 500 companies to find out what had gone wrong with corporate planning and to create a new system for managing change. The research team interviewed 1,100 organizations over this period and asked 5,000 executives to fill out a 250 item questionnaire. The key research findings were never published as they were considered too controversial. The original analysis was a satisfactory, opportunity, fault, and threat (SOFT) analysis:

We started as the first step by asking “What’s good and bad about the operation?” Then we asked, “What is good and bad about the present and the future?” What is good in the present is satisfactory, good in the future is an opportunity; bad in the present is a Fault, and bad in the future is a Threat (Humphrey, 2005).

The SOFT analysis was oriented to change, and able to direct managerial attention to all the relevant issues within the categories: product – process – customer – distribution – finance – administration. It was the first step of a 17 step planning process in managing change in corporate long-range planning. The SOFT analysis was organized with time being operative through a distinction between present state and future state, and not organized as in the SWOT analysis, being operative in space through a systems theoretical distinction between internal system and external environment. Since time is the essence and analytic frame of change, something essential is lost in change management, giving the SWOT analysis a systems theoretical framing. What are lost are the concepts relative to time like timing, frequency, speed, acceleration, relativity, velocity, etc. The strategic balances focused on in the SRI study involved the balance of managerial attention to opportunities and threats in the future relative to the strength and failures in the base business. Another finding was that a company can be divided into the base business and the development business, which must be balanced, paying attention to the empirical result that the development business turns over every five to seven years (Humphrey, 2005). This point has also been emphasized by Senge (1990) and March (1991) as a balance between exploitation and exploration. The SOFT analysis becomes a SWOT analysis and the planning school evolves into strategic management which focuses more and more on objectives and the strategic balance of a firm to its environment. The SWOT analysis freezes the distinction between internal resources (S-W balance) and external opportunity (O-T balance). The strategic leader inheres from this period a responsibility to pay attention to and take responsibility for setting objectives and later keeping the strategic balance. The focus within strategic management accordingly shifts from organizing the organization, coordinating and integrating internally, to also looking ahead and outside the organization, creating vision, direction, meaning and motivation. Leadership and management are, e.g. often distinguished according to the internal-external distinction separating SW from OT, where leadership looks out and looks ahead (Kotter, 1990).

According to Andrews, economic strategy is seen as a match between qualifications and opportunity that positions a firm in its’ environment (Mintzberg, 1994, p. 36). In Ansoff’s view strategic planning is internally connected to the idea of managing planned change. He represents the view that strategy is designed to transform the firm from its’ present position to the position defined by the objectives formulated by the chief executive officer (CEO), thereby getting the most out of the potential and capability (Ansoff, 1965). Strategy brings a firm from a present state to a conceived (or designed or planned) state which is envisioned and considered to be better in the sense of more
profitable or more efficient. This is probably why Mintzberg has termed the strategic balance thinkers as the planning school and the design school (Mintzberg et al., 1998).

In more advanced versions of the planning school the strategic balance is defined more dynamically as potential resources or capabilities that can be invented, acquired, or learned, balanced with the potential opportunities which can be identified by seeking out new possibilities in a market or new markets to enter. These approaches look beyond the actual and into the potential strengths and weaknesses, opportunities, and threats of the organization (Ansoff, 1978, 1980, p. 146; Wesley and Levinthal, 1990; Mintzberg and Westley, 1992; Teece et al., 1997). The planning ideal is fundamental and is interwoven with the essence of strategic management, keeping a strategic balance, which is to get the most out of the currently controlled resources (people, technology, organization, leadership, knowledge, human resources, social network, stakeholder relations, brand-value, etc.) relative to the identified possibilities of engaging in rewarding activities and profitable business. The planning school undergoes a parallel development in contingency theory because there is a shared strategic assumption of environmental challenges and opportunities, change and strategic fit (Donaldson, 2001). The first explicit assumption, often guiding contingency theory, is that there is no one best way to organize; the second is that any way of organizing is not equally effective under all conditions (Galbraith, 1973, p. 2). The first statement is a critique of prescribing one single generic management solution to all organizations; the other statement argues that management must be fitted to the situation. The contingency strategy suggested by Galbraith asserts that, in order to be most effective, organizational structures should be appropriate to the work performed and/or to the changing environmental conditions facing the organization. In contingency theory the relationship between environment (contingencies) and organization is seen as bi-variant, that is, determined by a third factor, that is in the case of strategy, fitness of organizational strategy, i.e. ability to solve new problems and adapt to changing circumstances. Furthermore, Donaldson (2001) says:

Organizations are seen as adapting over time to fit their changing contingencies so that effectiveness is maintained. Thus, contingency theory contains the concept of fit that affects performance, which, in turn impels adaptive organizational change.

To wit, the contingency approach emphasizes the need for strategic balance as well.

**Core assumptions in the planning and achievement of strategic balance**

The planning school of thought is founded in and on some basic assumptions:

- That planning can be rational, that it is meaningful, and creates unity in the managed organization, making it possible to treat it as a coordinated and socially integrated complete entity, e.g. as a whole.

- That the distinction between the internal organizational resources and the external environment and opportunities is clear cut and possible to make as a meaningful distinction, as in systems theory.

- That the environment and the relation to it can be observed or predicted and accordingly controlled at least to a certain extent, by adaption via internal strategy making, that is, by creating strategic balance.

- It is normative (or prescriptive) in its’ approach – it constructs and defines objectives based on analysis and interpretations of situations, resources, and opportunities.
• The planning school demands a strategic balance, dynamic fit, consistency, match, harmony, alignment, or makes similar demands to balance in strategy between organizational resources and external opportunities – often using a SWOT matrix to capture and cope with these.

• That the relationship between internal organization and the external environment is stable and change is episodic or relatively infrequent, e.g. can be observed and taken responsibility for by a single CEO or a few leaders or strategists.

Ad 1. The rationality assumption. The idea of creating unity and wholeness is the essence of rationality as it is conceived by, e.g. Plato, Aristotle, and Immanuel Kant. Reason provides humans with a unified understanding of the world. Rationality integrates beliefs and interpretations into knowledge and understanding. The corresponding idea of a coordinated and socially integrated organization can be found in the concept of vertical integration distinguished from horizontal integration (Chandler, 1962; Lawrence and Lorsch, 1967), in the mechanic and organic integration, as well as in Parsons’ structural functionalistic goal-attainment, adaption, integration, and latency (GAIL)-scheme, where GAIL, that is cultural pattern maintenance, are seen as necessary social functions in any action system, e.g. organization. Adaption and latency are external functions, whereas goal attainment and integration are internal functions. Adaption and latency are seen as long-range processes and goal attainment and integration are seen as short-range processes in the reproduction of social systems (Parsons, 1951). In a whole chapter Parsons (1951, pp. 323-59) discusses processes of change within social systems, and points out the difficulty when lacking complete knowledge to understand system-dynamics. The functionalist GAIL scheme was a precursor and an inspirational ground for the later SWOT analysis.

Ad 2. The systems theoretical assumption. The idea that we may distinguish internal from external is intuitively phenomenological, since we have limited resources of attention and perception, but is also essential to systems theory. The environment is by definition larger than and different from any social system. The internal-external distinction is easy to uphold in a slowly changing world with few and controllable exchange relations, which are not boundary spanning. But when the complexity increases the controllability may be reduced, just like social networks, diffusion of knowledge, and actions taken by latent stakeholders may span the boundaries – or make them inefficient as frames or membranes. Open systems must constantly recreate their stability or homoeostasis to stay systems, like cells needs active membranes to stay functional. As Scott (1987) has pointed out the development in organization theory can be described as a development going from closed to more open systems. Even sensitive processes like innovation may span the organizational boundaries (Hippel, 1988; Chesbrough, 2003). To conclude, internal dynamics as well as external complexity may challenge the systems theoretical division.

Ad 3. The controllability assumption. To most economists the free market is as little controllable by the individual actor as evolution is controllable by the individual species or person. Evolutionary theory as we know it from Darwin (1864) and the planning school takes changes in the environment, especially in the economy, as a reason to adapt, as a triggering event or driver for change. Fast adaption is supposed to be more successful than slow adaption to environmental changes (Ansoff, 1980; Gould, 1978). This is why speed or pace of change matters in organizations and flexibility,
adaptability, learning, etc. is valued and the strategy making or reaction matters whether an organization is unresponsive, passive, reactive, active, proactive, or hypersensitive in coping with changes, independently of whether the drivers for change are internal or external in their origin. We may distinguish between situations where the organization can cope with challenges of adaption and change given their resources and capabilities, and situations where they cannot. In the first case, the organizational reaction to change will be quasi-automatic and demand minor or incremental changes. In the second case, the demand for change is outside the organization’s scope and capability to cope, and a demand for innovation, new problem-solving, and radical change will occur. This is a point made by Scott (1961), who understands balance as an adapting or stabilizing mechanism that works as an equilibrating mechanism whereby the various parts of the system are maintained in a harmoniously structured relationship to each other.

Ad 4. The prescriptive conception of objectives assumption. The planning school assumes that the first step of strategic planning is analyzing the situation and conceptualizing a strategy, which can answer the questions, and solve the identified problems. The objectives, ends or later visions for the future direction and development are normative in their nature, that is, about what ought to be the case. In strategic management in the planning school the normative answer to the question “Where do we want to go?” overrules the empirical questions “Where are we now?,” and “How do we get there?” about what is the case. Setting objectives or envisioning desirable futures is a normative foundation of planning. It is assumed that the objectives or visions are known and knowable, and already formulated. This assumption has been criticized by March since 1958 for missing the concept that we may learn or develop the goals in social processes (Simon and March, 1958). It has also been criticized by Quinn (1980) and by Mintzberg who argues that often the final ends are not deliberately intended but are patterns emerging in processes more than given objectives and finalities (Mintzberg and Waters, 1985). The planning school gives priority to the normative over the empirical, which has given contingency theorists reason to criticize such strategic normativity for its’ universality and for not being situation-bound and rich enough in description, and not realizing that organizations are often muddling through strategic challenges where success is dependent on the situation and the unique empirical case. The early planning school gives priority to the instrumental means-end conceptualizations regarding objectives (or formal mission) over a non-instrumental managerial vision setting the stage in a different language which is often more abstract and informal.

Ad 5. The strategic balance assumption. We have seen the built in balance assumption in the SWOT conception. According to Porras and Silvers (1991, p. 54) organization development was until recently synonymous with the term planned change (p. 52) [...] and is defined as:

1. a set of behavioral science theories, values, strategies and techniques 2. aimed at the planned change of organizational work settings [...] 4. creating a better fit between the organizations capabilities and its current environmental demands, or 5. promoting changes that help the organization to better fit predicted future environments.

The planned approach goes hand in hand with a demand for strategic balance or fit (Venkatraman, 1989).

Ad 6. The episodic change assumption. Even though the text may begin with something like [...] we live in a turbulent world with shifting environments and have to adapt to rapid change [...] the strategic management theory implicitly assumes that
strategies do not have to be reformulated and changed every day. Actually, most writers of strategy, even the contingency school, presuppose that the strategic effort has long-term validity. The strategic balance, found by analyzing the resources and matching those to the opportunities, works best when changes are episodic and rare events, for the whole strategic approach to be meaningful. I have come across strategic management literature suggesting fast adaption, fast innovation, fast scanning, and reaction, but no literature suggests that we speed up the strategy-processes and change strategy and strategy-formulation every day. But I have seen clear warnings not to choose a zigzag course. This is explainable by the fact that strategic management has its’ historical roots in long-range planning.

The generic planning process and the management of change
Leavitt suggested a trip-partite problem-solving model consisting of problem finding, problem solving and solution implementing. He distinguished among:

- the process of identifying problems;
- the process of solving them once we have identified them; and
- methods for implementing the solutions.

According to Leavitt (1975, p. 12): “Managers (good ones) (1) think up problems, (2) find solutions (or make decisions or whatever), and (3) try to get things done through people.” Lewin (1947, p. 35) broke the social change process down into three stages:

1. (1) unfreeze;
2. (2) move to a new level; and
3. (3) (re-)freeze the changes.

The planning and design school uses a similar generic and circular model:

- prepare (analyze the situation, the business-problem, and resources available);
- plan (long-range, medium-range, short-range: objectives, goals, purposes, strategies, policies, etc.);
- implement (organize, and act to realize the plan, and solve the problem);
- evaluate (review results); and
- revise (plans and analysis) – repeat the planning process.

A similar logic of planning change based on: analyze the business problem – find a shared solution captured by a vision – implement it – is used by Beer et al. (1990). Even Kotter’s (1990, 1995, 1996) popular theory of successful change relies on this strategic planning logic. It is often assumed that structure, functions and processes follow and are consistent with the overall strategy (Mintzberg, 1994, p. 39). And it is often assumed that the translation and implementation of the conceptions can be done by logical decomposition, that is, by breaking the main strategy down into a hierarchy of sub-strategies (Steiner, 1969, 1979). In the planning school a division of labor is a consequence of the CEO normatively creating the vision and others empirically implementing it. Nevertheless, there is something generic to planning which we cannot remove from strategic management without losing it as a meaningful discipline. Strategy making which is a kind of planning is the intermediary factor creating adaption
and balance between environment (opportunity/threats, and contingencies) and the organization (SW, capabilities). In practice we also see that students of business schools do learn and remember the SWOT analysis and that consultants often use it in some form. Even though the main body of the literature has criticized the rational decision making and the planning approach, most practitioners are still planning and making decisions – because they cannot avoid it. Organizational change is after all formed and informed by strategy. It is part of taking organizational responsibility and of being rational even when it is limited, bounded, situation-dependent, made abstract, etc.

The conceptual strategic hierarchy
A convincing and desirable vision creates an urge towards the attainment of an end realized in imagination but not in fact. In Alfred North Whitehead’s sense it is human use of reason within evolution (Whitehead, 1929, p. 5), an observation also inspiring Ansoff (1980). A vision may be defined as a set of guiding beliefs (Porras and Silvers, 1991, p. 53). The demand for external strategic balance between internal resources and external opportunities is often supplemented with internal demands for internal consistency or vertical fit between:

- different conceptual levels of strategic planning in the conceptual hierarchy of strategy (vision, mission, strategies, tactics, operations, actions); corresponding to
- strategic actions taken in the real organizational hierarchy at different levels (meaning, structure, functions, processes, operations – in top, middle, or bottom).

Strategic management communication is mainly suggested as the method to translate and implement the normative and conceptual ideas into practice (Hofer and Schendel, 1978; Bordum and Hansen, 2005).

In strategic management, there is a more or less explicit conceptual hierarchy of abstraction at work. A company vision may be defined as an envisioned desirable future state formulated in a non-instrumental way. Vision and mission are accessing two sides of the same reality – as an instrumental and a non-instrumental way of picturing the desired direction for change and development. The fact that the vision is non-instrumental often makes people think of visions as stories, metaphors or informal ways of managing strategy. Both function as a second order mechanism for managing the managerial processes (organized as strategies, which are governing tactics, which are governing operations, which are governing actions). The vision and mission conceptually integrates the strategies, tactics, and operations guiding the actions taken, by creating consistency, meaning, and direction. The mission inheres the same meaning as the vision, but is formulated in an instrumental way by referring to ends and objectives. The vision and mission need to be formulated with a high degree of abstraction or generality to set a strategic direction for the whole organization, that is, to cover maximum scope of relevance in managing the managerial processes found in multiple operative strategies. Vision and mission is an abstract answer to the question – “where do we want to go?” guiding the strategies, tactics, operations, and action. Vision has its’ etymological root in the Latin “visio” “onis” which means to look ahead, to see into the future. It has the longest possible time-perspective. The mission accordingly rephrases the vision in an instrumental language by defining the overall objectives. The vision and mission are supposed to provide to strategic management
the longest time-perspective, the highest degree of abstraction and broadest strategic scope in the organization. Vision and mission get their validity from the fact that they may depict a formerly not conceptualized desirable state or future position (Figure 1). Figure 1 shows the internal conceptual hierarchy in strategic management. Strategic planning provides long-term direction for development, a sense of purpose and identity, control over organizational resources, and is supposed to provide the organization with efficiency and competitive power. The ideal organization is not merely doing the right things, but is also doing things right. Even though the planning model is built on the generic distinctions of instrumental rationality (means to ends) and of problem-solving (solution to problem) (Leavitt, 1975) giving it strength, it is obvious that the model within itself contains possible internal problems, uncontrollable dynamics, and inconsistencies. How is the validity of the analysis and interpretation of the environment ensured? How are long-term, medium-term and short-term objectives made consistent? What measures are used to motivate, monitor, and evaluate the implementation of the plan? Are these all consistent with the overall purpose or vision of the organization? Not to mention all the problems that may occur in attempting to create consistency between levels in the strategic hierarchy and translating these into the real empirical organization. The strategic management planning model is generic but does not provide any analytic solutions to the real life planning and management problems. Nor are the values justifying the desirability of the vision derivable empirically or analytically. The models are generic but not analytic and deductively helpful[1]. These models provide a language and a frame, but someone has to interpret it and fill it out giving it content and empirical substance. How can it be assured that this is done well and is valid? Whatever the challenges and practical paradoxes facing leaders are, they are attributed responsibility for adaption and creating a strategic

Figure 1.
The conceptual hierarchy of strategic management
balance in response to the resources available or to perceived threats and opportunities in the environment. They are responsible for strategy – regardless of whether it is based on planning, defining objectives, creating a vision giving direction or, for that sake, creating a shared vision (Senge, 1990). By abstraction the vision substitutes the planning and objectives in the earlier strategic management, but preserves the idea of planning and control in the demand for strategic balance.

Conceptions of change and strategic management
The strategic management model assumes that the changes in the organization can be captured by one or a few objectives (Thompson and McEwen, 1958). But what if the change-process involves multiple changes simultaneously? This question leads the discussion into a path discussing hierarchies of objectives or complexity. Therefore, it is often assumed that the strategic management effort solves a single business problem or situational challenge. In most modern theories of managing change, the goal-setting and objectives have been substituted by the vision as a driver for planned change. The vision plays a central role in modern change management as an abstract organizing and driving force creating meaning and motivation in the change process (Kotter, 1990, 1995, 1996; Beer et al., 1990; Li, 2005; Kaplan and Norton, 2007). But even though we may have changed language from talking about objectives and planning to talking about vision – the vision’s role in the strategic hierarchy as well as its’ role in substituting the plan in the generic planning process, it is still tied to the core assumptions in the planning and achievement of strategic balance. Strategic management and now leadership cannot live without it. The concept of vision encompasses the critique of the rationality assumption in planning given by Simon (bounded rationality), March and Olsen (garbage can, organized anarchy), Charles Lindblom (muddling through), Quinn (logical incrementalism), etc. by taking planning and control to a level of higher abstraction – without giving it up. The planning assumption has been criticized on almost every aspect, but is still there as a foundation because of the strong links to the concept of strategic balance and managerial control. If the strategic balance is given up, then the idea of strategic management is given up – and in consequence managerial control and responsibility are given up. Who would dare to suggest that we stop planning when making strategy? I would not suggest that. But I will point out that the conception of change does challenge the concepts of strategic planning and strategic balance, creating a practical paradox that the purpose of strategy is to gain control and planned intended leadership, but the modern conceptions of strategy and of change often contradict or reduce the possibility of planning and control.

The discourse on change suggests, although expressed in many ways as illustrated below, that there is a generic difference between incremental changes on the one hand and major or radical changes on the other hand. Combined schematically as independent dichotomized variables with the discussion of whether change is continuous/episodic or discontinuous as suggested, e.g. by phrases like “change never starts because it never stops,” “change is never off (Weick and Quinn, 1999),” and “everything changes all the time (Ford and Ford, 1984),” we can derive four basic ways of understanding change. If we look at these four basic ways of understanding organizational change we can see the practical paradox challenge to the strategic balance assumption and planning when the demand for strategic change is more frequent than the strategic ability to plan and implement change strategy. The faster the change cycle runs and the frequency raises,
the more paradoxical strategic planning and managing intentional change processes becomes, since we cannot change vision, mission, and strategies too often without making the strategic efforts meaningless.

I believe we can find some inspiration towards dissolving or coping with the practical paradox of keeping up with strategy if we turn to the theory of evolution. The theory of punctuated equilibrium is a theory in biology stating that evolution follows a trend of long periods of stasis and stability, with brief periods of explosive speciation. The environmental pressure of natural selection drives evolution, but becomes a conservative force once a species has adapted successfully (Gould, 1978). It is in the last part that I find the inspiration.

Change may, as in shown in Table I, be understood relative to its’ frequency (how often does change occur), and its’ intensity (is it minor, incremental, stepwise, or major, radical). The intensity may be subdivided into whether the change is continuous, evolutionary, development, or is discontinuous, revolutionary, or transformational. But change should also be understood relative to its’ degree of successfulness – how much time does it contribute to survival and sustainability by creating periods of relative stability. A company responding to external pressure may respond by designing a leadership solution or by innovating a product or service which produces abnormal profits or rents, as defined by Ludwig Von Mises, thereby stepping out of or reducing the pressure of competition for a period of time. As Darwin (1864, p. 273) once said, “Species once lost do not reappear.” This perspective misses the other side – the life of the successful adapters, as well as the individual, e.g. organizations’ reflective awareness of selection and competition. Since external pressures of selection, whether in evolution or in markets, are experienced by species and organizations relative to their ability to compete and cope, experienced periods of stability may be used to measure success. The awareness of the pressures of selection is captured by Drucker (2002, Ch. 7) in his phrase “innovate or die” and by Nohria and Beer (2000) in the phrase “change or die.”

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<th>Low intensity (minor steps/change)</th>
<th>High intensity (major steps/change)</th>
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<tr>
<td>Low change frequency (change is rare)</td>
<td>Lewin (1947)</td>
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<td>Humphrey (2005)</td>
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<td></td>
<td>“Episodic change”</td>
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<td>“Adaption – when needed”</td>
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<td>“e.g., Strategic Management”</td>
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<td>High change frequency (change is constant)</td>
<td>“Evolution – constant adaption”</td>
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Table I. Four basic understandings of organizational change
The experienced change/stability ratio could be seen as not merely an external condition but also an internal measure of relative success. Translated by analogy into a theory of organizational change, punctuated equilibrium states that even though the competitive pressure for change is constant, the successful organizational strategic adaption and innovative solutions may be radical in character and, therefore, take the pressure off the organization for a period of time, thus creating a situation of relative experienced stability. In such cases, the pressure of competition may in consequence become a conservative power – favoring the strongest or the strategically fittest. If this is taken seriously we should create strategic change and measure it by the relative perceived stability it produces for the organization. In this perspective neither change nor stability is a normative a priori goal, but an a posteriori, empirical relationship. This way we may bridge the gap between the normative in planning and generic strategy, with the empirical and the challenge of managing change. Taken seriously – the experienced change/stability ratio then becomes an important part of planning, evaluating and reviewing a successful planned strategic balance. The answer to the question – “When is it possible to design and manage a balanced strategic change process under conditions of rapid high-frequency change?” – is then that it is possible when the leaders have success in creating a strategic balance such that the organization experiences being on top of the competition and coping well with the experienced change/stability ratio, that is when the leaders are keeping up with strategy.

Note
1. This is also the case for the standard models often guiding the preparation phase, e.g. Brainstorm, SWOT analysis, political, economic, social, technological, legal, and environmental analysis, Scenario analysis, etc.

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**Further reading**


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**About the author**
Anders Bordum is currently working as an Associate Professor at the University of Southern Denmark. He holds a Masters degree in Political Science from the University of Copenhagen, and received his PhD with a distinction from Copenhagen Business School, where he was employed from 1993 to 2005. He is currently researching leadership in change processes and has published books and articles on strategic management communication, trust and management, discourse ethics, innovation and knowledge management. Anders Bordum can be contacted at: Bordum@sdu.dk

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