

CAN ORGANIZATIONAL CHANGE BE PLANNED AND CONTROLLED? EVIDENCE FROM RUSSIAN COMPANIES

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Abstract: This study explores limits of applicability of a planned change approach in Russian companies. Data on change management programs in 59 Russian companies of various industries, regions and sizes was gathered with the help of questionnaires filled by management consultants. The research showed that resulting changes often did not coincide with initial plans of change agents. Two groups of organizational elements were identified; 'uncontrollable' elements (those that changed without deliberate planning), and 'unmanageable' elements (those that did not change despite deliberate efforts for it). The findings also indicate that whether the change program plans were executed or not has no influence on the efficiency of the change program.

These results suggest that the applicability of a planned change approach depends on the organizational elements targeted by change interventions and that change content has to be incorporated into contingency models of change as one of the primary organizational contingencies.

Key words: planned change model, contingency approach, Russia, empirical data

Today a number of factors force organizations to change constantly: globalization, constantly changing or even disappearing boundaries between industries, intensively changing technologies, knowledge (as it takes a leading role among the driving forces of competition), the appearance of new organizational forms, mass mergers and acquisitions. Both academics and company leaders agree that a company's capability to change efficiently, following environmental changes or anticipating them, provides a significant contribution to its successful development in the long run. Following this logic, contemporary management literature offers numerous recommendations for managers on how to manage organizational change the best way. Many of them are based on the planned change model that was formalized several decades ago (Lewin 1951), and still dominates international practically-oriented management literature on change (Kotter 1995; Duck 2001; etc.). However, a number of recent writings criticize it and challenge its universal applicability (Marshak 1993; Burnes 1996; Hendry 1996; Weick and Quinn 1999).

For Russian companies, the problem of managing change is doubly relevant. On the one hand, the transition to market economy urged most Russian organizations to adapt to new environmental challenges. On the other hand, most of the literature on change management

that could help Russian managers to cope with this complex challenge is based on approaches developed abroad, which, in many cases, are being criticized in the countries where they originated. Moreover, the scope of their applicability in Russia has not yet been clearly determined. This is especially true for the planned change model; it is widely cited in contemporary Russian management literature, and is used for the development of recommendations for Russian managers without any mention of the limits of its applicability in the Russian context.

This is why we believe that Russian companies can serve as a fertile ground for the study of applicability of the planned change model. This paper presents findings on this problem based on our research on change management in Russian companies. We start with an overview of the key assumptions of the planned change model and its criticism, followed by a discussion of the current situation with change management in Russia, and the formulation of our research hypotheses. Further on, we present our research strategy, including data collection methods and sample characteristics. Then we turn to research findings and conclude the paper with their discussion and implications for further research and management practice, both in Russia and world-wide.

THEORETICAL GROUNDS AND HYPOTHESES

Ideas about planning and controlling change in management literature. Change management as a separate field of study is usually said to have begun around 60 years ago, with what we know now as the planned change model, or Lewin's model. Despite being chronologically one of the first in the field, this model still remains extremely influential. Many authors claim that Lewinian understanding of the organizational change process has dominated organizational science for the past several decades (Burnes 1996; Hendry 1996; Weick and Quinn 1999), and still remains the most widely cited strategy for implementing change, especially among business periodicals (e.g. Sevier 2003).

Planned change model is rooted in Kurt Lewin's work, where he offered a three-step model for implementing change successfully: unfreezing, moving and refreezing (Lewin 1951). Later on, this idea became one of the cornerstones of the concept of Organization Development (Blake and Mouton 1969; French and Bell 1995) and was widely used by various authors to develop recommendations for managers on how to implement change (e.g. Lippitt *et al.* 1958; Cummings and Huse 1989; Kotter 1995; Armenakis and Bedeian 1999). The writings within this school of thought are based on the assumption that '... an organization exists in different states at different times and that planned movement can occur from one state to another' (Cummings and Huse 1989:51). In other words, this means that a company leader or a change agent possess enough power and influence to make their plans a reality. Another assumption, concerning the role of change leaders within the change process, entails from the previous premise: change leaders are seen as rational individuals capable of analyzing and foreseeing future consequences of their decisions and developing thorough plans for the implementation of these decisions.

Other conceptual models of organizational change were later developed. For instance, the organization life cycle model (Greiner 1972) and punctuated equilibrium model (Tushman *et al.* 1986). These models focused on macro-level issues rather than the planned change model, trying to explain why organizations undergo transformations. But micro-, implementation-level recommendations of these models are based on a similar assumption about the possibility to foresee and plan changes, and to control for exact implementation of these plans. For example, Tushman *et al.* offer two approaches - for the implementation of revolutionary and evolutionary changes, but both of them still rely on the assumption of the possibility of pre-planned action implementation (Tushman *et al.* 1986).

Despite remaining very influential, the planned change model has been criticized in academic literature since the 1980s. One of the key critiques against this model concerns its assumption that organizations operate under stable conditions and can move from one stable state to another in a pre-planned manner (Burnes 1996; Weick and Quinn 1999). This view of organizational change as of a planned or at least sufficiently predictable process, which is controlled to a great extent by the company leader, is claimed to fail in a contemporary fast-changing, chaotic world. The assumption about the crucial role of managers and change agents as rational and powerful planners is also heavily challenged in light of the current view of organizations as complex systems (Dooley and Van de Ven 1999). Another critique of the planned change model concerns the shortage of substantial empirical data to support its recommendations (Hendry 1996), which is surprising, taking into account the model's age and the number of its proponents in professional literature.

Based on these criticisms, a new wave of publications on organizational change has emerged over the past fifteen years, introducing a notion of incomplete predictability and controllability of change (Marshak 1993; Van de Ven and Poole 1995; Weick 1998; Palmer and Dunford 2002; Huy and Mintzberg 2003). A number of new concepts have been developed, like the emergent change model (Weick and Quinn 1999) and self-organization / chaos model (Thietart and Forgues 1995; Lichtenstein 2000). These models argue that managers' capability to plan and control change is very restricted and thus call for completely different practices of change management. Yet the number of empirical studies within this stream is also in short supply, and probably it is for this reason it has been poorly reflected in practical books for managers. The latter still advocate assumptions of the planned change model (e.g. Duck 2001).

So, upon what concepts can managers rely, designing change management programs in their organizations? The need for more empirical data that could inform their choice is evident. However, we consider it pointless to make an attempt to prove empirically which of the models is 'correct'. In fact, organizational change writings usually assume that the approach to change management they propose fits all organizations under all circumstances (Burnes 1996). We believe that this universalistic focus of many change management recommendations is one of the reasons for the frequently reported failures of change programs (e.g. Beer *et al.* 1990). Thus, we agree with contingency approach to change management, which claims that the efficiency of certain change management practices depends on the situation they are applied to (Stace and Dunphy 1991; Berger 1992; Marshak 1993). That is why we suggest that instead of seeking to prove the planned change model, or reject it as irrelevant for modern organizations, it is more productive to discuss the limits of its applicability.

A wide range of factors can be considered as potential contingencies that may influence the applicability and efficiency of certain change management practices; from national culture and industry situation, to the company's culture, management style, etc. (e.g. Stace and Dunphy 1991; Marshak 1993; Michailova 2000). In this paper, we will focus on country-specific issues, taking Russian context as an example.

Russian premises for organizational change. All organizations under certain circumstances face the need for organizational change, but, evidently, this issue becomes more topical for organizations that are challenged by fast and dramatically changing environments. That is why a lot of research on organizational change is focused around such environments, with transition economies among them (e.g., Michailova 2000; Alas and Sharifi 2002; Uhlenbruck *et al.* 2003).

Russia, as a transitional country represents a fertile field for this branch of research. Russia's environment has been challenging Russian companies by its instability, both politically and economically, since the end of the 1980s (Kets de Vries 2000; Aron 2002).

While the general political and economic situation has stabilized in the 2000s, recent years brought new challenges, like intensification of competition in many industries or accession to the WTO (Rutherford and Tarr 2005). Thus, Russian companies have been facing a strong need for internal changes in order to adapt to external transformations (Khait *et al.* 1996; Growth Management 2001). In the beginning, the burden of this task for Russian managers was doubled by the fact that most of them were unfamiliar with such situation after the stable years of planned economy and had to gain knowledge and skills in change management. What approaches to change management have they been adopting?

We suggest that some initial insights into change management problems facing Russian companies and practices applied by Russian managers can be provided by change management literature currently available in Russian. On the one hand, this literature has served as a key initial source of knowledge on organizational change for Russian managers, being the most accessible knowledge tool for leaders of organizations of different regions, sizes and financial states. On the other hand, it reflects the most common and topical problems and attitudes to change management in Russian companies. So, let us present a brief review of Russian publications on change management during the last decades. This analysis includes key Russian business and management journals, both practitioner-oriented and academic.

At the beginning of the 1990s, due to overall economic crisis and tough situations in many companies, most change-related discussion was focused on issues of anti-crisis management and restructuring, or, in other words, on the question ‘what needs to be changed?’ (change content). Such debates concentrated more around macro-economic or financial management issues, thus being quite far from the common stream of change management topic, as it is usually understood. At that time, change implementation (change process) issues faded into the background.

As we have found, the interest towards the managerial aspect of organizational change and its implementation arose only at the end of the 1990s. We believe that this rise can be linked to the Russian economic crisis of August, 1998, which forced many companies to implement dramatic organizational transformations. At this time, practitioner-oriented business magazines started to publish intensively on change management; few international books on managing change in organizations were translated into Russian (e.g. Gouillart and Kelly 1995; Duck 2001 were published in Russian in 2000 and 2002 respectively), and training programs on the subject started to spring up in the curricula of business schools and management training companies. Organizational change has become one of the ‘a-la mode’ topics in Russian business press and still remains popular today.

The planned change model dominates heavily this wave of change management discussion in Russia. It is widely promoted as the best way to implement change in organizations, with K. Lewin (Lewin 1951) and J. Kotter (Kotter 1995) being among its mostly cited proponents. In fact, the issue of planning in management in general has been very topical during the last decade in Russia. Some authors claim that Russian leaders did not exercise enough or proper planning, or focused only on short-term planning (e.g. Khait *et al.* 1996; Growth Management 2001). This was explained either by managers’ feeling of ‘helplessness’ and their desire for somebody else to make important decisions – attitudes learned during the times of planned economy (Kets de Vries 2000), or by the harsh and turbulent environment of the 1990s that forced Russian leaders to concentrate exclusively on short-term survival issues and made planning seem totally irrelevant, as things changed too fast (Khait *et al.* 1996). Thus, a lot of publications on management issues in Russia have been calling for the implementation of planning procedures in all company activities. The planned change model approach fits very well into this trend.

Despite the current abundance of Russian publications on change management, we believe that most of them are subject to several important limitations. First of all, many of them present a limited number of ideas that are borrowed from international publications, without discussion of their applicability in Russian environment or any adaptation to it. For example, the most discussed topic has been personnel resistance to change (one of the key issues within planned change approach) - we found out that it was covered in over 30 per cent of publications on organizational change in major Russian management and business magazines between 1992 and 2004. Despite their large number, most of these writings repeated the same idea - that the key problem with change implementation was the company's personnel that always resisted change - but without offering practical solutions, or, in some cases, proposing very generic ones.

Secondly, this wave of discussion focuses heavily on change implementation issues, paying little attention to the interconnection between change content and change process. Recommendations for managers typically assume that a proposed change implementation approach will work for any type of organizational change. This may be one of the consequences of a more generic problem we see in these publications; the majority of them promote universalistic approach to change (in fact, following the world-wide trend that we have mentioned above), insisting that the model of organizational change they propose fits all Russian organizations irrespective of their contingencies. The last but not the least criticism concerning current Russian publications on change management is the lack of Russian empirical data to support their ideas. Only a few domestic studies of the problem have been reported so far (Andreeva 2001; Burmistrov 2003; Shirokova 2003). Some empirical data, though still limited, and mostly case-based, on change management in Russian companies comes from international researchers (e.g., Michailova 2000), but it has not been widely published in Russia and thus has not been used for the development of empirically-grounded recommendations for Russian managers.

This situation raises important question: Do Western change management practices apply to the Russian context? Or, more specifically, can planned change approach work in Russian companies? The latter formula is more focused, but we believe it is highly relevant, taking into account the enormous popularity of this concept in Russian business press. While some research has been done on the applicability of Western management practices in Russia in general (Ardichvili *et al.* 1998; Elenkov 1998; Fey and Denison 2003; May *et al.* 2005), only a few of them discuss the application of change management practices (Michailova, 2000). Interestingly, Michailova discovered that Western managers had problems with executing change plans in Russian companies - due to various reasons, from cultural differences to unpredictable environment. While culture problems are specific to the cases of cross-cultural collaboration, environmental issues are valid for any organization and manager functioning in Russia. These findings are highly relevant to our discussion of applicability of planned change model in Russia and support the call for empirical research on this issue.

Research goals and hypotheses. Our analysis identified the need for empirical research on the applicability of the planned change model, and, more specifically, on its applicability in the Russian context. To address this need, our goal was to explore whether the underlying assumption of the planned change approach - the idea that organizational change can be planned and controlled for execution of plans, worked in Russian companies. For this purpose, we have formulated the following hypothesis:

Hypothesis 1. A certain part of organizational change does not follow change agents' plans. The degree of uncontrollability varies depending on the particular content of change.

But even if this hypothesis would be proven, it would not be enough for the evaluation of planned change model applicability, as one can argue that despite the fact that not everything happens according to plans, planned change interventions increase the

efficiency of change management programs. That is why we were interested in investigating whether companies with different degrees of change plans' execution differ in terms of change management efficiency. Taking into account the discussed above criticisms of the planned change model, we hypothesized the following:

Hypothesis 2. The degree of change plans' execution does not influence the efficiency of change management programs.

RESEARCH STRATEGY

We explored these hypotheses within the research project that was conducted by the author in 2004 and covered a wide range of questions on change management in Russian companies. In this section we will introduce research methodology issues that are relevant to the above hypotheses.

Research parameters. To study change content, i.e. to explore what organization elements change program was focused on, we compiled a list of key organizational elements, basing on literature analysis (Greiner 1972; Hannan and Freeman 1984; Tushman *et al.* 1986; Burke and Litwin 1992; Romanelli and Tushman 1994). This list included the following 11 elements (conventional codes for each element used in the article for the sake of brevity of presentation are given in brackets):

- corporate mission, ideology (a1)
- business strategy (a2)
- organizational structure (a3)
- distribution of power and authority in the company (a4)
- organizational culture, key values (a5)
- management system as a whole (a6)
- key personnel in the organization (a7)
- qualitative structure of the staff (skills, knowledge, etc.) (a8)
- production technology (a9)
- operational rules and procedures (a10)
- functional systems (i.e. production, sales and marketing, finance, human resources management systems) (a11)

Following our hypothesis, we looked to identify what organizational elements leaders most often planned to change, as well as what changes actually happened as a result of the implementation of these plans. For this purpose, we used Palmer and Dunford's classification of change results into 'planned', 'partly planned' and 'unplanned' (Palmer and Dunford 2002). Combining it with two additional options for plans (an element was 'planned to change' or 'not planned to change'), we received six-dimensional categorization of the correspondence between change plans and results (an element was 'planned to change – changed as planned', 'planned to change – changed partly as planned', etc.). To measure the degree of a change plans' execution, we calculated the share of organizational elements that changed in accordance with the plans among all organizational elements under evaluation. For this purpose, we considered two of the above six categories (an element was 'planned to change – changed as planned' and 'not planned to change – did not change') as exact plan execution, and the other four - as deviations from plans.

To measure the efficiency of change, we used a multifactor qualitative expert evaluation model. The efficiency of change was measured by two factors; the degree to which the goals of change program had been achieved, and the ratio between expenditure for change implementation program and the benefits gained from it.

Research procedures. We developed a questionnaire for gathering data on our hypotheses. It primarily involved closed multiple choice questions and covered issues on change content (plans and results), change implementation process, and change program efficiency, as well as company and situational characteristics. The questionnaire was pilot-

tested with a number of experts. The follow-up interviews with these experts indicated that the multiple choice questions included all potential options and suggested some minor improvements in questions' wordings and format to ensure that they will be properly understood. The samples of the questions from our questionnaire are provided in Table 1.

Insert Table 1 around here

Our informants within this research were management consultants. We chose this 'indirect' group of respondents, as we found out that potential direct experts (company leaders and/or change agents) were reluctant to disclose information on organizational change programs due to its confidential nature. The informants were asked a series of questions designed to elicit a description of the change program in a company in which they had witnessed changes and about which they had sufficient knowledge, keeping the companies' names and spheres of activities anonymous. Therefore, our research involved two samples – one of the experts, and that of the companies. Let us present them briefly.

Experts' sample. 59 experts from various regions of Russia participated in our research, with 18 per cent of them residing in Moscow, 43 per cent in St. Petersburg, and the rest - in various Russian cities from Arkhangelsk to Vladivostok and Novorossiysk. The majority of experts had been working for more than three years as management consultants, thus we assume that they possessed sufficient experience to objectively assess the situation in the company. 83 per cent of the experts held a position external to the organization they described, which means they are quite independent and unprejudiced in their assessment.

Companies' sample. Despite the companies' anonymity, we are able to track a series of their characteristics. Companies with Russian capital (76 per cent) and Russian management (98 per cent) dominate our sample. The companies in the sample vary greatly in their size, the three largest groups being companies employing 100 to 500 people (36 per cent), 30 to 100 people (22 per cent) and 1,000 to 5,000 people (18 per cent). As to industry sectors, companies providing services and production companies are almost equally represented. 'Young' companies founded after perestroika make up 61 per cent of the sample, and companies of 6 to 10 years old and over 20 years represent the largest age distribution groups. In our opinion, this corresponds to the dynamics of launching enterprises in Russia over the past decades, with the majority of new entrepreneurial companies founded in the period between the 1991-1992 and 1998 crises.

One limitation of our sample lies in the fact that the majority of companies have in some way used the services of management consultants. We believe that companies using consultants' services do not possess any common organizational features. First, the demand for consulting services is large today, which is determined to a great extent by a specialized economy where it is cheaper to buy specialists' services for short-term projects to solve specific problems, than to employ them on a permanent basis. Second, consultants' services available on the market vary greatly in their content and price, which makes them attractive and accessible to a wide range of companies. For instance, the price of the same services offered by consulting companies and independent consultants may differ ten-fold or more. Moreover, there is a whole range of programs funded by international organizations (TACIS, TERF, BAS and others), which cover a considerable part of the client's expenditure for management consulting. Thus, Russian companies from all industry branches, large and small, successful and not so successful, solvent and insolvent, resort today to consultants (Krashenko, 2004). We therefore believe that this limitation of our sample does not substantially affect the validity of our conclusions.

RESEARCH FINDINGS

Change content - plans and results. When testing our hypothesis, we were interested to discover; (1) what organization elements were targeted by the change programs

(plans), (2) what changes actually took place (results), and (3) what the difference was between (1) and (2). Fig.1 presents some of the answers to these questions. As one can see, in the majority of cases (76 per cent), companies' leaders were mostly interested in changing the functional systems (a11), which comprise marketing, sales, finance, HR management systems, and so on. An additional qualitative analysis has shown that among functional systems Russian managers focused on transforming marketing, sales and finance management functions. The changes in organization structure (a3), strategy (a2) and management system as a whole (a6) come next (in 50-60 per cent of cases). Organizational culture (a5) and technology (a9) are the elements which the leaders were least interested in changing.

Insert Figure 1 around here

Turning to changes that actually happened, one can see that the actual change is greater than planned for the majority of organizational elements. This means that for many companies certain changes were an unlooked-for surprise. For instance, changes in organizational culture (a5), distribution of power and authority (a4) and key personnel (a7) came as a surprise to more than 30 per cent of companies (differences between bars on Figure 1). To make this comparison more vivid, we calculated the ratio between plans and resulting changes. Changes in distribution of power and authority (a4), key personnel (a7) and technology (a9) took place more than two times more often than planned. Organizational culture (a5) leads this list, having changed 2.8 times more often than planned. Interestingly, it is organizational culture that enjoyed little notice at the change planning stage (only in 20 per cent of change programs studied, as seen at Fig.1).

Despite providing some interesting insights, the comparison presented at Fig.1 evaluates all the companies together, without taking into account each individual company's dynamics. That is why we carried out a more detailed analysis, incorporating the dynamics of change plans and results of each company studied. This is presented in Fig.2. Of the six degrees of correspondence between planned and actual change, the first two from the left on Fig.2 demonstrate a complete match of planned and resulted change ('not planned to change – not changed' or 'planned to change - changed exactly as planned'). Everything farther to the right represents a degree of divergence (for better visualization we have used darker colors for this group in Fig.2).

Insert Figure 2 around here

Fig.2 shows that distribution of power and authority (a4), organizational culture (a5) and key personnel (a7) deviated from leader's change plans most often (categories 3-6 all together, 'dark' part of the figure) – in over 50 per cent of all the cases we have studied. Mission (a1), technology (a9) and strategy (a2) proved to be the opposite (in descending order): these changes coincided with leaders' plans in 70 – 80 per cent of cases.

Now let us explore in detail different options of deviations from plans. We consider category 3 ('changed partly as planned') as a 'light' degree of discrepancy and thus of less interest for our research purposes. Cases from category 6 ('planned to change – changed totally not as planned') were very rare in our sample, so we omit them from further discussion and focus on categories 4 ('planned to change – did not change') and 5 ('not planned to change - but changed'). Functional systems (a11) are prominent among the elements which did not change despite plans (category 4) (16,9 per cent of cases). They are followed by organization structure and strategy, which remained unchanged in 13,6 per cent and 10,2 per cent of cases respectively. This means that these elements did not change, despite receiving leader's attention from the very beginning of the change intervention, or, in other words, despite managers intentions. This might have happened either because priorities and goals had changed, (but our analysis showed that such cases were infrequent) or, what is

more upsetting for change agents, because the efforts they made failed to bring about the desired results. This is why we labeled this group of organizational elements ‘unmanageable’.

The foremost organizational elements, which were not initially meant to change but have changed ‘on their own’ (category 5, presented in black) are organizational culture (a5, 42,7 per cent of cases), power and authority distribution (a4, 40,7 per cent) and key personnel (a7, 39 per cent). Qualitative structure of the staff (a8, 30,5 per cent) and operational rules and procedures (a10, 30,5 per cent) come next. An example from this category might be: some time after having initiated certain changes and counting on certain results, a company’s leader discovers that several key people have decided to quit, or begun to resist changes so much that he/she him/herself has no choice but to discharge them, despite the fact that the successful outcome of the initiated change program depends on these people. We labeled this group of organizational elements ‘uncontrollable’. We suggest that it represents the greatest potential ‘danger’ for change agents among the potential types of deviations from plans, as it includes elements completely beyond their attention.

All these findings support our hypothesis 1 by demonstrating that organizational change programs, at least within our sample, are often not predisposed to planning and control.

Change plans’ execution and change efficiency. For sound evaluation of this conclusion, it is necessary to understand whether the degree to which change plans were executed influenced somehow the efficiency of change programs. Within our data, we have not discovered any correlations between the degree of change plans’ execution and the two parameters that we employed to evaluate change program efficiency: the level of achievement of change program goals, and cost/benefits ratio. Hence, hypothesis 2 is also supported within our research sample.

Furthermore, we have found that in cases where organizational culture had changed as a result of change program implementation, the change efficiency received a higher assessment along both parameters, than in the programs where no change in organizational culture was witnessed. In our opinion, this can be explained by the fact that organizational culture is a ‘linking’ organizational element, which changing synchronously with other organizational elements, ensures good effort coordination and therefore improves results.

DISCUSSION AND IMPLICATIONS

In this section, we first discuss potential explanations of our findings within Russian context and propose some implications for the improvement of change management practices in Russia. Next, we try to apply our findings to the international context and pose a number of future research questions.

Implications for change management in Russia. An analysis of our research data has shown that results of organizational change programs deviate from initial plans of change agents very often, with some of the organizational elements targeted to change being sometimes ‘unmanageable’ and others being frequently ‘uncontrollable’. Moreover, we discovered that whether the change program plans were achieved, or not, does not matter for change program efficiency. Thus, our research results suggest that one of underlying assumptions of planned change model may be invalid for the Russian companies we studied. What factors may serve as potential explanations of such situation with change management in Russian companies? If there are any specific economic, cultural or other factors that can explain our findings?

One explanation is related to the unstable and unpredictable environment Russian companies operate in. In such situation, a manager’s capability to formulate realistic plans and control for their exact execution might be limited by external forces. Another reasoning might be linked to the very low level of change management skills among Russian managers,

due to the lack of special education or experience in change management. Yet our experts' evaluations of the efficiency of the change programs they described, and of the adequateness of decisions made by managers do not suggest such an interpretation.

Can our results be explained by the specifics of Russian culture? We suggest that among Hofstede's cultural dimensions (Hofstede 2001), it is uncertainty avoidance that influences problems of planning and control. Some authors claim that Russia is 'high' on this index (e.g. Elenkov 1998), meaning that Russians fear uncertainty and ambiguity and strive to decrease them by all possible means. From this standpoint, the interpretation of our findings is somewhat ambiguous. On the one hand, high uncertainty avoidance might mean that Russian change agents are very focused on planning as it reduces uncertainty. So one can say that change plans and results are so discrepant in our sample, not due to the low level of plans' execution but rather due to superfluous planning that is too ambitious to be realistic. But, on the other hand, one can expect that in aiming to decrease uncertainty, Russian managers strive to control the execution of their plans, and thus will not allow significant deviations from change plans.

Another cultural dimension may also be relevant to our discussion. If we consider OD and the planned change model as its cornerstone as having American roots, then we may claim that it is based on the belief in an individual's power to control a situation, common for American management concepts (Boyacigiller and Adler 1991). Russian managers are claimed to rely on the opposite idiosyncrasy, often feeling incapable of control over the implementation of their decisions (Kets de Vries 2000). If so, one would not expect to see in our data that a high level of planning comparing to the achieved results – as plans do not make much sense if a planner does not believe in his/her capability to implement them. To summarize, this discussion suggests that cultural factors do not account for our findings, at least, not fully.

Turning to the situation with planning and controlling change in particular organizational elements, we have witnessed that 'soft', human-factor related organizational elements happen to be the least 'controllable' in Russian companies. One of the explanations for this can be derived from our findings; as they demonstrate that Russian managers do not pay sufficient attention to such organizational elements in the change planning phase. For example, our findings suggest that Russian managers tend to underestimate organizational culture as one of the essential elements of organization and its close interdependence with other organizational elements. So it is not surprising that it is the transformation of exactly these elements that takes further a course of changes unforeseen for change agents. Here the next question arises: why these 'soft' issues are of so little interest to managers? Some authors claim that environmental pressures force Russian managers to focus on the short-term tangible results (Fey *et al.* 1999). Probably, it is for this reason human-related issues fall out of their managerial priorities, as outcomes of such efforts are less evident and more distant in time. Another explanation of 'uncontrollability' of 'soft' change issues might lie in their own nature: it is very hard to guarantee precise results when one deals with people.

We also have found that functional systems, organizational structure and strategy happen to be 'unmanageable' for Russian managers, though from the first glance on our list of organizational elements they seem to be among the most easily administered by company leaders. We suggest that this result is very consistent with our findings on 'uncontrollability' of 'soft' organizational issues. Neglecting the complex nature of organization where all elements are closely interrelated by underestimating the importance of human-related issues within the change program may lead to failures in exerting managerial power, even in the most 'technical' aspects of change efforts.

Our findings allow to formulate a number of recommendations for change agents functioning in Russian companies. We suggest that Russian managers need to acknowledge

the limitations of planned change model and allow for a more flexible and emergent approach. This remark might be also important for those who are in a position to evaluate results of change programs (for example, for company owners), as it means that exact change plan execution should not be used as a criterion for assessment of change agent's work, or, at least, it should not be the only one. On the other hand, we suggest that more planning, or, in other words, consideration should be given to 'soft' organizational elements during all stages of change intervention.

Implications for international change management theory and practice. Are the described above findings country-specific? We believe that with certain limitations they can be applied to a wider context. Environmental turbulence is not the sole privilege of Russia and other transitional economies; it is recognized as one of key challenges for many organizations world-wide. Moreover our research involved mostly 'internal' organizational elements that are in short-term less sensitive to environmental jolts. Thus environmental instability can not serve as Russia-specific explanation for the low level of change plans' execution in our data. We have demonstrated above that the lack of change management skills and cultural factors also cannot fully account for our results.

Thus we suggest that our findings can be treated as support for the idea of limited controllability of organizational change processes and, consequently, challenging the validity of the planned change model. On a wider conceptual level, our findings can be seen as refuting, to a large extent, the validity of a deterministic approach to the organization and control-based understanding of management, and backing recent ideas on improvisational and emergent approach to change management (see e.g. Weick 1998; Weick and Quinn 1999; Palmer and Dunford 2002).

Nevertheless, we are far from claiming that planned change approach is completely irrelevant in the modern world, or that planning is an obsolete function among change management activities. We rather suggest that managers and other change agents should not be over focused on change planning activities, as many issues emerge in unplanned way during change implementation process.

Further, based on our findings, we propose that the applicability of planned change approach depends on organizational elements at which change efforts are aimed at. Our research demonstrated that some organizational elements are more susceptible to planned change interventions than others. On a practical level this means that managers may apply either planned change model or other approaches, for example, an emergent change model (Weick and Quinn 1999), depending on the change content they are targeting at.

We believe that these findings are especially interesting in the light of two problematic issues in contemporary change management literature. First, current organizational change literature is very much focused on the change implementation process (McGuinness and Morgan 2003). Though implementation is important, we agree with Barnett and Carroll (Barnett and Carroll 1995) that such focus on process of change ('how to change something?') and lack of attention to related content of change ('what needs to change?') prevents a deep understanding of the complex phenomena of organizational change, and, respectively, from the development of valid recommendations for managers. Our research provides vivid evidence that change content matters and thus contributes to the call for a more balanced approach to change management research and practice.

Second, as we have mentioned above, organizational change literature suffers from the prescriptive tone of its recommendations, saying that this or that model is the best one, and has broad applicability to various situations, etc. (Burnes 1996). More sophisticated choice/contingency approaches (Stace and Dunphy 1991; Marshak 1993; Burnes 1997) have not gained much popularity yet, probably due to the lack of the empirical evidence. Our findings contribute to filling this gap by demonstrating that change content issues (the

question “what needs to be changed?”) have to be considered as one of the factors that influence informed choices of change implementation methods. Thus they support the contingency approach to change management. Moreover, we suggest that change content has to be incorporated into contingency models of change as one of the main organizational contingencies.

Yet our research should be considered only as a first empirical step towards defining limits of applicability of the planned change model and the development of more sophisticated contingency approach. Taking into account our sample size limitations, the data gathered does not yet allow us to arrive at an unambiguous conclusion as to what organizational elements are the most ‘controllable’ or ‘uncontrollable’. Moreover, we suppose that those organizational elements that are more or less susceptible to planned change interventions may differ depending on cultural and other contexts. Thus future research based on bigger samples of companies and involving companies functioning in different contexts (e.g. in different countries or industries) may contribute to a more comprehensive understanding of the planned change model limitations and, consequently, lead to more informed and efficient change management practices, both in Russia and internationally.

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TABLES AND PICTURES

Table 1. Samples of questions from our research questionnaire

E1. Please, indicate what changes have happened as a result of change program implementation and evaluate the degree of their 'intentionality':

<i>Was it intended? What was changed in fact?</i>	<i>Intended from the very beginning</i>	<i>Partially intended</i>	<i>Unintended</i>
corporate mission, ideology			
business strategy			
organizational structure			
distribution of power and authority in the company			
organizational culture, key values			
management system as a whole			
key personnel in the organization			
qualitative structure of the staff (skills, knowledge, etc.)			
production technology			
operational rules and procedures			
functional systems (like production, sales and marketing, finance, human resources management systems)			
Other (please, indicate what)			

E3. How could you evaluate the results of implemented change?

a) From the point of view of the achievement of goals, set for the change program by the company leader?

Goals are not achieved at all	0%	20%	40%	60%	80%	100%	Goals are fully achieved
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Figure 1. Planned and actual changes in various organizational elements

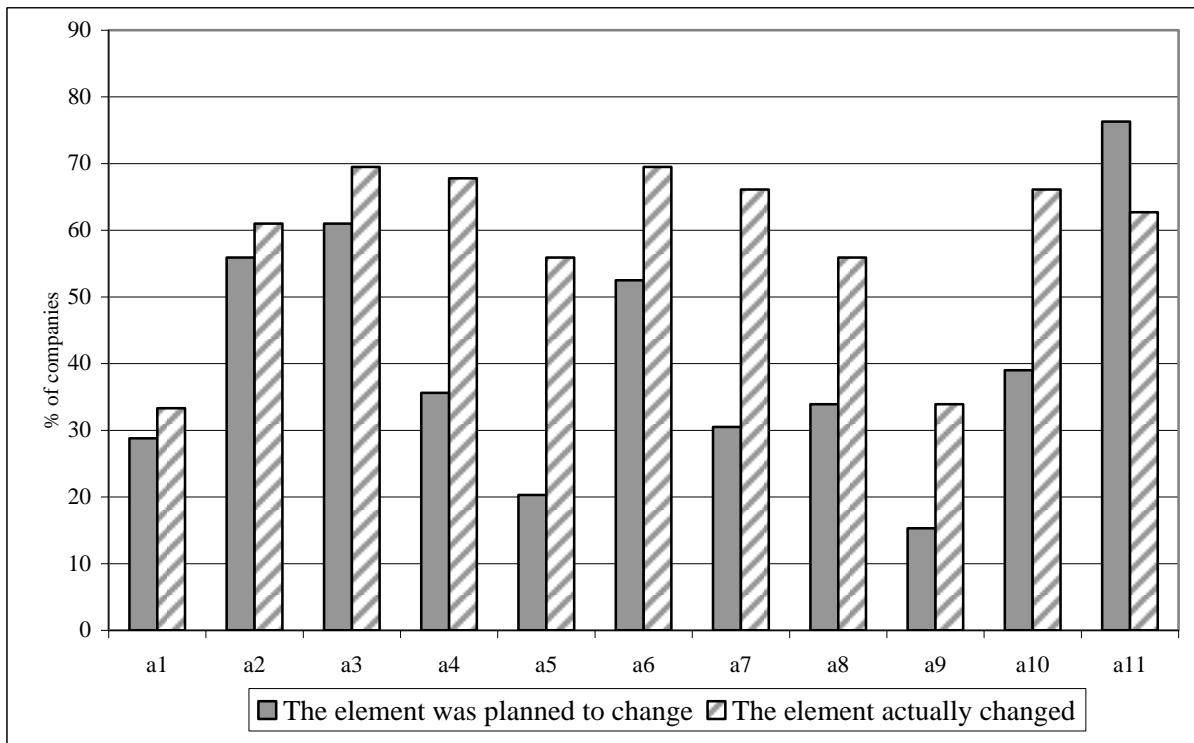


Figure 2. Correspondence between planned and actual changes

