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# **THE MANAGEMENT OF PLANNED CHANGE IN LOCAL GOVERNMENT: THE CASE OF PALO ALTO**

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In the last decade change has become an often used word. Change is inevitable and ubiquitous. Nowhere are the effects and consequences of change more evident than in the public sector. Managers and employees are spending considerable time and resources dealing with change and its consequences---employment growth, insatiable appetites for service, increasing complexity and number of problems, eroding public confidence, shrinking resources, and taxpayer revolts.

Historically, public sector change theory, processes, technology, and experience upon which the manager or consultant might draw for assistance have been limited. The planned organizational change field has made few inroads into the public sector. Of those programs attempted, only a handful have been reported. Most efforts, particularly in municipalities, have been confined to one-shot, technique-oriented team-building

sessions for top managers and policy-makers.

This article is a contribution to the limited supply of available literature on planned organizational change in the public sector. Descriptive, exploratory, and evaluative in nature, the case study chronicles a very rich change experience accumulated over a ten-year period in the government of a medium-sized California city. The story is told from the perspective of the chief executive of the organization (the City Manager) and two internal consultants.

### **CASE STUDY**

#### Setting the Scene

The City of Palo Alto, California is a San Francisco Bay Area community of 60,000 people with fine residential areas, major shopping facilities, and 65,000 jobs in professional, scientific, and technical fields. Stanford University is located adjacent to the city. Noted for providing a broad range of high quality traditional services to the public, Palo Alto has recently moved into such social programs as child care, transportation for the elderly and handicapped, low-moderate income housing, and senior citizen activities. Historically, there have been ample financial resources available to provide the services desired by the community.

Since 1950 the city has had a Council-Manager form of government. A nine-member City Council elected at large for four-year staggered terms appoints a professional City Manager who administers a \$50 million budget, eight departments, and 750 employees.

Palo Alto's community environment is stimulating and challenging. Like other university communities, its citizens are active, sophisticated, and demanding when it comes to their government.

The Palo Alto planned change program went through

an evolutionary development which can be divided into three phases: a pre-commitment phase from 1969 to 1972; an external consultant phase from 1972 to 1975; and an internal consultant phase extending from mid-1975 to the present.

### Phase 1: Pre-Commitment---1969-1972

Pressure for organizational change grew in the late sixties with student/radical demonstrations, greater environmental awareness, increased traffic, rising crime problems, drug abuse, and a housing shortage. More specifically, the community was undergoing political change which manifested itself in demands for more openness and responsiveness from government and greater control over physical development.

Faced with these environmental pressures, the city administration identified six organizational problems: (1) over-centralization of decision-making by a small group; (2) limited interpersonal and public contact skills by department managers; (3) homogeneity in age, experience, and education of department managers; (4) lack of cooperation to solve important problems; (5) limited communication within the organization; and (6) substantial backlog of work.

To deal with these problems, the City Manager at the time, George E. Morgan, did two major things. First, he hired one of the authors as Assistant City Manager to be a catalyst for change---to "shake the tree" as he put it. Then, the city retained a management consultant to reevaluate existing departmental responsibilities and reporting relationships and to devise a management development program for top and middle managers.

Major structural changes were recommended and implemented between 1968 and 1971 in four areas: (1) utilities, where three departments were merged into

a super department; (2) police, where two additional management levels were created; (3) staff services, where several disparate functions were consolidated under one head; and (4) leisure services, where several departments were likewise grouped under a single manager.

These reorganizations were accompanied by work in the management development area. Career guides were prepared for 20 key managers. This activity, coupled with the reorganization, natural attrition, and the creation of several new specialty positions, began to rejuvenate the management group.

Behavioral science techniques also were introduced during this phase. Three departments---police utilities, and fire---embarked upon team-building programs with the aid of external consultants.

Movement to phase 2 resulted from a major change in the City Council's political philosophy at the 1971 election (from moderate to liberal), the subsequent resignation of the City Manager, and the appointment of George A. Sipel to that post.

### Phase 2: External Consultation---1972-1975

Buoyed by its newly-acquired power, the Council majority set its sights on making major changes in city policy. The Council articulated several expectations of the new City Manager: (1) respond to the needs of all Council members, not individuals or factions; (2) facilitate opportunities for two-way communication between Council and staff; (3) be open and accessible to the public; (4) be more aggressive in meeting environmental and social program needs; and (5) resolve several specific personnel problems quickly. Together with the earlier administration's diagnosis of organizational ills, this Council's position produced substantial impetus for change in the system.

The City Manager moved quickly, identifying priorities and planning an implementation strategy. First, top management was reorganized to place capable, trusted assistants in areas considered vulnerable either because of poor administrative performance or pressure from the environment. Second, the Council and top staff were encouraged to communicate directly. Heretofore, most communication between the two was routed through the City Manager. Third, on a gradual basis, top managers were encouraged to make decisions falling within their functional areas and were given more responsibilities and exposure with the Council. To reinforce this objective, department managers were asked to sign all communications to the Council along with the City Manager and to present items at City Council meetings.

As a way to improve the effectiveness of top managers, the City Council began to hold weekly staff meetings. Sensing that discussions could be freer, cooperation greater, and efforts to support each other more frequent, the City Manager was struck with the idea of team-building. He made several inquiries and was directed to an organization development consultant at Saga Foods Corporation.

The association with the external consultant led to four top management retreats between 1972 and 1975 at six to nine-month intervals. Most of the retreats were designed to improve interpersonal relations, to deal with problems generated by departmental problem-solving sessions, and to develop action plans for change. One retreat was devoted exclusively to life planning.

At the first retreat, judged a success by participants, it was agreed to move the change effort to the departmental level using either team-building or job enrichment techniques. Between 1972 and 1975, 125

people were involved in these activities.

By the Fall of 1973, concerns had grown among management employees regarding the top management team, job security, the change effort, and treatment of senior employees. The management team decided to conduct an attitude survey of all management employees. Ninety employees participated and, based on the data, major problems appeared to be in the area of organizational priority-setting, non-involvement of lower and mid-level managers in important organizational decisions, and communications. Action plans at the organizational and departmental levels were developed by members to respond to the most important concerns.

Ways of doing business and results began to change. Departments began to function on their own. Intervention from the City Manager's office was the exception rather than the rule. More employees had an impact on setting priorities and making decisions. Council and community confidence in the administrative staff had increased.

As time passed, however, the program's nature and direction changed. Efforts were generally reactive; there were few resources and no overall direction.

### Phase 3: Internal Consultation---1975 to Present

Major events in 1975 removed the change effort from an ad hoc, sporadic, management-oriented program toward one which was better organized, more consistent, and involved rank and file employees. Two specific events, critical to these changes, were the hiring of an internal consultant and the organization's response to a 23-day employee strike, the first in the history of Palo Alto city government.

The decision to employ an internal consultant grew

out of a top management team discussion on the goals and objectives of the OD program. Electing to hire two half-time persons, two experienced internal consultants came on the scene in mid-1975.

The conditions under which the internal consultants began their work were less than ideal. Substantial changes had taken place in the composition and philosophy of the City Council resulting in a strained relationship between the Council and City Manager. On July 1, 1975, 350 employees (all except public safety and management) began a 23-day strike which exposed organizational problems associated with blue collar employees including low morale, lack of communication, internal rivalries, and friction with supervisors.

Reviewing possible interventions to deal with perceived blue collar problems, the internal consultant adapted Beckhard's "confrontation meeting" technique and tried it in a 30-person work unit. (Beckhard, 1972) All employees were asked to propose changes in working conditions, facilities, policies, or procedures. Management then responded to the requests on the spot. The workshop and its follow-up activity were successful in bringing about positive changes in the work unit. As a result, the technique was extended to three other blue collar divisions comprising 150 employees in parks, water-gas-sewer, and electric.

A second major area of intervention was the police department where team-building and process consultation began with the management staff. Similar interventions commenced with the planning and community development department and the top management staff. During this period, the external consultant gradually withdrew from the organization.

Both internal consultants were active in assisting conflict resolution at all organizational levels:

employee vs. employee, employee vs. supervisor, work group vs. work group, and management team member vs. City Manager. While the consultants were responsible to the City Manager, all employees had access to the consultants and confidentiality was respected.

Increasingly, the OD program developed a closer relationship to the employee development program which had been formulated in 1976 through an organization-wide effort. The consultants initiated a human relations skills training program. In several instances, people who attended requested that the internal consultants provide more specific training to their work groups. This led to additional interventions at lower levels.

Over the first five years of the OD program, several unsuccessful attempts had been made to establish goals and objectives. Finally in 1977, the internal consultants succeeded in getting the top management team to agree to goals, objectives, and implementation plans.

With an increasing tempo of involvement, the top management team elected to collect data to evaluate progress. A second management survey nearly identical to the earlier one was administered in 1977. The results indicated that management perceived a number of changes, including improvement in understanding organizational objectives, internal communications, lower level involvement in decision-making, more feedback on performance, and a greater feeling of job security.

The final 18 months of the case study period were full of turmoil for the organization. Proposition 13's passage necessitated lower funding levels and created anxiety among employees regarding possible layoffs. A second factor was the uncertainty of the City Manager's tenure. He had taken a six-month leave of

absence from January to June, 1978, causing changes in leadership and giving rise to speculation that he would leave the organization permanently.

Despite the environmental threat posed by Proposition 13 and uncertainty of leadership at the top, the OD effort matured during 1978-79. Ownership of the effort moved from a small group of people to the broader organization. All major departments were involved in some kind of OD activities. The internal consultants had substantially more work than they could handle. Interventions were oriented toward problem-solving; line managers and other employees began to perceive OD as a way to help them do their jobs better. By July, 1979 the OD effort had involved 80% of the city's employees and, significantly, the internal consultants had escaped the Proposition 13 knife.

## DISCUSSION AND ANALYSIS

### City Manager Perspective

Changes over time have been grouped under nine organizational change variables and each will be discussed below.

General change strategy. General change strategies are the habitual ways through which organizations change and are based on the assumptions that key organizational members have about people. (Bennis, Benne, Chin, and Corey, 1976) An organization which believes people are rational and will follow their self-interest once it is revealed to them subscribes to a rational-empirical general change strategy. A second possible general change strategy, normative-reeducative, is derived from a different view of people---one in which they are rational and intelligent but heavily influenced by commitments to socio-cultural norms. A power-coercive general change strategy assumes people are compliant. Those with less power accede to those with more.

During the case study period, there was a movement away from a power-coercive strategy, common in the public sector, and a rational-empirical strategy. The early stages saw heavy use of expert consultants to make recommendations (a rational-empirical strategy) and the City Manager's use of a power-coercive strategy to impose changes when resistance occurred. Gradually, the City Manager developed an awareness that this mix of strategies yielded ineffective results and the move toward changes in habits, norms, and attitudes was started. Initially, it took the form of team-building activities. Later in the period, additional OD techniques were utilized and there was greater participation by other management employees in developing and implementing change.

Management behavior. Over the period, the City Manager became more aware of how much his behavior influenced the direction of social change. His behavior became more compatible with the goals of the OD program---greater openness, trust, participation, and collaboration. In the early portion of the case study period, the City Manager articulated the need to be more open and participative and behaved as a control-and-power-oriented manager, giving a mixed message to his staff. Through the team-building sessions, he learned of this ambiguity, became more aware of his behavior, and began to model behavior more consistent with the OD effort. This set a new tone for the organization and enhanced the work going on within the OD program.

Change program. The change program began as an elitist toy---centered on top management with some filtering down to other management levels after three years. By 1979, however, about 600 employees (or 80% of the organization) had been directly involved in the change activities. Gradually, ownership of the change effort moved from the City Manager to a broad cross section of managers. Program comprehensiveness was

enhanced in 1977 by the adoption of goals, objectives, and action plans. As the internal consultants became established, there was a greater use of valid knowledge from data collected in the organization and a stronger behavioral science orientation. There was no substitute for on-premise expertise and experience in applied behavioral science.

Change targets. Initial change targets were structural. Reorganization was the watchword. As it became obvious to the City Manager that this was not effective, the target became behavior change. To initiate changes in behavioral norms, several top managers were replaced and then the process of organization-wide behavioral change through a normative-reeducative strategy was adopted. By 1978-79, change targets were viewed on a contingency basis. Sometimes structure or technology was changed, followed by behavioral change. At other times, behavioral change led to structural-or-technological change.

Change techniques. First, the trend in techniques was in general away from a structural orientation (reorganization) to team-building with an interpersonal emphasis. With the arrival of the internal consultants, the approach was diversified. Now, most major OD technology has been utilized as appropriate in the past three to four years. Team-building, while it is still used heavily, now has more of a task-oriented orientation.

Support from the top. From the inception of the program, the City Manager was a strong supporter. In the external consultant phase, the policy-making body, the City Council, was also very supportive. As the effort progressed, the nature of the City Manager's support changed from aggressive advocacy within the organization to provision of necessary resources and protection from the political arena. From phase 2 to

phase 3, there was a substantial change in City Council composition which resulted in less support for a number of programs sponsored by top management, including the OD programs. A growing involvement by other organizational managers also contributed to the support for the program.

Organizational readiness. Tremendous pressure for change existed during early stages of the change effort---created by the external environment, a new City Council, and a new City Manager. Later, the tension switched to lower organizational levels particularly at the time of an employee strike in 1975. Readiness for change was also aggressively promoted through a comprehensive employee training and development program, particularly in the area of human relations skills development. In fact, a number of the program's most successful interventions stemmed from employee development courses. Even the earlier training in team-building (during the pre-commitment phase) which was marginally successful served the very positive purpose of creating a readiness for change.

Resistance to change. Over the case study period, there was a growing realization that resistance to change needed to be dealt with in a positive manner rather than being ignored or overridden by power. The two-way flow of timely information about problems and proposed changes increased after 1974 via greater use of open forums and development of a management newsletter. Several important problems were solved through the efforts of a broad cross section of employees thus assisting in lowering resistance. Finally, while there was still an historical perception that people would be hurt by change, it had diminished by 1979.

Program management. At the inception of the change effort, program management was centralized with the

City Manager and was highly directive. Gradually, as the program moved into phases 2 and 3, it became less directive and more collegial. In phase 2, management was sporadic since the program was an "add-on" to other duties. With the arrival of the internal consultants, the program received full-time management from people who were fully committed to the change effort. They provided a central focus which had been lacking. Linkups were developed with the personnel system, particularly in the areas of training, salary administration, and affirmative action as well as with other programs such as project management and productivity improvement. These linkups were mutually reinforcing.

#### Internal Consultant Perspective

Structure of the consulting role. The structure of the consulting role merits attention as a key factor in the development of the program. The position, OD coordinator, was designed as a shared job (two people filling one position as two part-time employees). The position reports directly to the City Manager's office in a non-traditional relationship. The job description and the psychological contract between consultant and City Manager delineate substantial autonomy relative to selection of clients, intervention strategies, and the management of information. This unique relationship has also been communicated to clients within the organization, both in written form and through modeling behavior of the City Manager and consultants.

It took considerable effort to differentiate between support from the top and "sent from the top." To facilitate program evaluation and performance appraisal for the consultants, the City Manager receives systematic updates on the range of interventions, departments involved in activities, use of consultants' time, and an overall progress report on the program relative to the goals established.

This structure allows the consultants to maintain a limited private consulting practice in addition to their half-time city responsibility. An opportunity is provided for a flow of new ideas and information from other settings to be used creatively within the organization.

This unique arrangement helped to bridge the dilemmas inherent in either the external or the internal consultant role. The consultants in Palo Alto seem to have acquired the legitimacy ascribed to those what are "in the system" without losing the special credibility afforded to those who "come from outside."

The boundaries for consultant intervention were broadly defined and somewhat flexible, especially early in the effort when the consultants were attempting to establish themselves as consultants to the total system. To maintain the desired program scope and thrust, the consultants found themselves constantly reexamining the relationship between day-to-day activity and their overall program goals. The dynamics of internal work are extremely seductive and in some ways strike a parallel to Bennis' "unconscious conspiracy." (Bennis, 1976) There are constant forces which could transform the consultant into a counselor, fire fighter in crisis situations, personnel manager, affirmative action officer, therapist, and, most provocatively, the surrogate and shadow division manager. Continuous priority-setting and collaboration, activities which become time-consuming and hard to find time for, are imperative in order to keep focus.

In addition, sometimes there are identity conflicts arising out of the combined role of salaried management employee and consultant. One is simultaneously observing, monitoring, and reshaping political infrastructures from a participant-observer posture.

Interventions. The consultants have operated within the same value structures and models as external consultants. Their interactions with a client department parallels the classic intervention model described by Kolb and Frohman (1970) including: scouting, contracting, data gathering, data feedback and interpretation diagnosis, collaborative planning and designing, interviewing, monitoring and evaluation, recycling, and developing client capabilities. Of course, internal consultants don't actually terminate; most often, they move to a new level or change the nature of their involvement.

The consultants' general framework has been to work simultaneously at two levels: (1) to build long-term relationships with departments or work units and engage them in a variety of activities which help to improve productivity and job satisfaction. These activities include: problem-solving meetings, work design, training, counseling, third-party and one-to-one consultation, goal setting, performance appraisal, and a broad spectrum of planned, formal, and informal developmental activities.

Consultants also seek: (2) to identify the need and opportunities for systems linkages at the organization level and take the initiative to facilitate interdepartmental planning, coordination, and resource-sharing. At this level, they are also providing consultation to top management in defining mission, future direction, and interface with the external environment. As consultants, they also engage in their own collaborative process that helps to identify bridges between the two levels of operation as well as look for congruence and inconsistencies in goals and activities.

To illustrate the involvement of the consultants in the system, an example of a recent intervention is provided.

Electric Division Intervention. In this illustration,

the internal consultant was utilized to impact a significant and sticky issue in the area of worker safety and accident rate in the electric division. Prior to the intervention, the accident rate in the electric division was higher than the national average. Management was concerned about the issue but past efforts had made minimal impact. The department's staff assistant assigned to the problem came to the internal consultant for help. A strategy was designed which involved the following steps:

1. Development of a contract with division management regarding willingness to take a hard look at the issues based on data gathered in individual interviews conducted with all crew members. This meeting included both the staff assistant and the internal consultant;
2. A crew meeting which explained the interview process and secured agreement by all division crew members to participate in the interview;
3. Individual interviewing with members of all crews (about 30 persons);
4. Collation of data into key themes with the percentage of people concurring on the issues and concerns raised;
5. A series of meetings facilitated by the internal consultant in which the data was fed back and clarified. This process included meetings of small work groups to look at "their" information in more depth and come up with their specific recommendations to management;
6. Contracts between management and crews on issues with which they would deal and time frames in which actions would be completed;
7. The formation of an inter-crew safety committee

with representatives of all sections of the division as well as one supervisor and one management representative. The staff assistant---who is also the Utilities Department employee development representative---was asked by the workers to serve as a resource person and member of the committee as well. The responsibility of this committee was to oversee the progress on the actions agreed to, to provide a channel for further ideas and action regarding safety improvements, and to organize regular safety meetings on issues selected by workers. These safety meetings were also intended to provide the vehicle for on-going follow-up on the joint commitments regarding needed changes in equipment, personnel, training, and safety policy; and

8. Periodic follow-up between the internal consultant and electric division members as well as ongoing "shadow consultations" to the staff assistant involved in the project.

The following data suggest that the intervention has had a significant impact on the safety record in the division within the last year. Lost-time accidents have dropped by more than 50 percent, and the average accident rate has decreased by two-thirds.

While this dramatic decrease may be due to the "Hawthorne effect" or other unrecorded variables, the verbal assessment of managers and workers has been positive. The following are representative.

People can impact things that affect them. There is more hope.

It didn't only affect safety. We found out about the problems that other sections are having and how to solve them.

It helped us care about each other in our daily work---people now socialize more---even off the job.

We don't care about the statistics---we care about feeling good on the job. But if the statistics say

we're getting better, then we're really getting better in safety, because before we had the meetings and the committee, people wouldn't report an accident unless it was really bad because people would think you were a crybaby. Now we're not afraid to say when we are hurt because we know the other crew members care and the statistics are still down.

We know now that talking about it can get results---  
We can do something and get results.

A final observation with respect to intervention strategies with public sector field personnel is useful. Individual interviews, costly as they may seem (since there are always more people at the bottom than at the top of the system), are crucial to effective trust-building and realistic problem-sensing. These employees are generally not accustomed to large group meetings and need assistance in articulating issues and concerns. The individual interviews serve to articulate and focus the issues. Then small group problem-solving activities and full crew meetings can be extremely useful.

In the work of the internal consultants throughout the city at all levels, but especially among the field personnel, they found that the use of the term OD is not helpful to the goals the consultants are trying to achieve. The consultants seek to get employees to focus on improved job effectiveness as opposed to participation in an activity which is apart from their daily worklife and is labeled OD. This brings the consultants a giant step closer to institutionalizing a more effective problem-solving process and improving the quality of worklife.

Measurement and Evaluation. The internal consultants' work in the City of Palo Alto has again affirmed the difficulty of measuring the impact of change. Most OD practitioners agree that this difficulty stems primarily from the complexity of organizational environment or climate. This phenomenon becomes even more complex in a public-service oriented

organization. It is also important to keep in mind that in this particular case study the activities which are specifically designated under the umbrella of organization development are blended into a multitude of other innovations that include technical, structural, and human forms.

There has not been a systematic, comprehensive approach to evaluating the effectiveness of the OD effort in Palo Alto. Numerous small scale quantitative assessments have been made. There also have been several variations of assessments, all of which indicate an improved organizational climate.

In the early phase of the program, the consultants developed an organizational climate survey which was administered to employees in major field operations. In one of the units included in this study, post-testing after two years showed improvements in the climate. (1) Administering climate surveys give consultants the capability to retest the entire population at any time for comparative purposes.

Soft data, of course, is more readily available. In 1979, cross-sectional random sample interviews showed the OD program to be a necessary and cost-saving part of the organization. Managers, who have worked in the organization for the duration of the case study, have identified significant positive changes. Similar positive observations have also come from the external environment.

## **CONCLUSIONS AND LEARNINGS**

### **What Went Right/What Went Wrong: City Manager's Perspective**

In a general sense, the change effort was very successful. Based on a variety of instruments and personal interviews, management employees perceived improvement in openness, trust levels,

communications, opportunities to participate in decision-making, establishment of a collaborative, problem-solving climate, and ownership of organizational objectives. Top managers perceived a change in organizational character from a production/control-oriented organization in 1972 to one which was more supportive and adaptive five years later.

There are strong indications that organizational effectiveness improved between 1972 and 1979. During this period, the organization added or expanded 23 programs, the number of employees was reduced from 735 to 714 and the budget increased 13% (allowing for inflation). It appears that the organization is now accomplishing substantially more with fewer employees at a cost modestly greater than in 1972. Perceptions of managers support this conclusion.

In viewing the relationship between the planned change and organizational effectiveness, the City Manager and other managers perceived the value of OD as a facilitative mechanism. It speeded up changes, gave managers skills, tools, and processes consistent with an open, participative style, brought people together, aided self-awareness, and helped reduce problems between individuals.

More specifically, there were a number of key things that went right:

1. Well-qualified, capable internal and external consultants were involved. Their position was a shared one which allowed for a mix of talents, flexibility, and greater energy output than might have occurred if one person had occupied the job.
2. The City Manager's seven-year tenure allowed the effort to become established and to become part of the organizational mainstream.
3. The City Manager was able to protect the

- effort from major political interference.
4. The change effort melded with and supported other organizational programs and activities such as employee training, affirmative action, and productivity improvement.

While the overall success level of the change effort was high, there were opportunities for improvement. The most significant are:

1. With the exception of one attempt at team-building with the City Council and several briefings, the policy-making body was not involved directly in the change effort.
2. The change effort lacked comprehensiveness until 1977. Better planning, earlier involvement of lower level employees and more emphasis on evaluation would have been helpful.
3. There was too much emphasis on team-building particularly seeking to improve interpersonal relationships and, therefore, in phase 2 and the early part of phase 3, some employees did not perceive OD as being helpful on their jobs. Earlier use of task-oriented interventions would have helped.
4. Insufficient emphasis was placed on individual skill-building for department managers.

#### Learnings: Internal Consultant Perspective

Scope. The ten-year history of the OD effort in Palo Alto provides fertile ground for learning about planned change in the public sector. It also challenges the capacity of consultants to tailor the technology which consultants use to meet the character and needs of the organization. The Palo Alto experience reaffirms the importance of long-range commitment to change--- not just with top management, but with the whole organization. Within the last five years, the program has reached directly into the field level---sewer

workers, electrical employees, maintenance personnel, firefighters, and police officers. In the opinion of these consultants, it is only this broad, long-range, continuing, and systematic follow-up which can ultimately impact the quality of working life for the majority of employees in a significant way.

Advocacy. The issue of "advocacy" in consulting can be especially sensitive as these consultants work down the system, with an increasing number of participants being members of unions and employee associations. The contracts with department managers specify that, while management retains its traditional prerogatives, these consultants are prepared to help field workers articulate their needs, to gain specific commitments from management regarding changes they are prepared to support, and to push systematically for the fulfillment of commitments made to employees within realistic time frames.

In their initial discussions, these consultants stress that there needs to be equal commitment by all involved in advance. These agreements are discussed with both workers and management together in joint meetings before beginning the interventions. Clear role boundaries, and expectations defined in advance have allowed these consultants considerable flexibility in advocating specific types of interventions and in actively pursuing follow-up commitments on the part of everyone involved. There have been times that these consultants have found it necessary to restate the fact that their personal integrity is on the line since field personnel have, in part, chosen to participate in joint problem-solving in areas such as safety management and occupational health on the assurance of these consultants that management was prepared to work toward meaningful change.

Labor relations and the planned change effort. There are three union affiliations among Palo Alto city

employees: Police, Fire, and Service International Union. The relationship between the OD effort and organized labor has been quite congenial and, perhaps, critical to the progress described by the authors. The key to the relationship has been clear and timely communication and mutual respect for boundaries. Labor and management have many common goals and both have viewed the relationship as complementary rather than competitive.

OD---a management responsibility. The experiences in Palo Alto have affirmed once again that OD as we know it (a discipline, a set of values, prescribed behavior, tools) is most effective when viewed as an approach or orientation to the management responsibility within the organization. In those situations where managers and supervisors have incorporated the skills and philosophy into their leadership style and daily performance, these consultants have seen the most significant growth.

Value of visibility. If one can't be omnipotent, one must pay close attention to visibility. The internal consultants have learned a lot about the effect of presence in working within an organization. Participation over a period of years gives them credibility, especially if they are flexible, spontaneous, risk-taking, and, most important, able to follow through and effect change. Meanwhile, the interpersonal dynamics of an operation sometimes change very quickly; the internal consultants have learned to stay in touch with their clients by paying particular attention to the on-going need to obtain feedback from all levels with some degree of consistency.

The need for exposure and access is facilitated in this particular model by the strategy of having a consultant concentrate her efforts in a designated number of departments; overlap is discouraged in the normal operations of the internal consultants.

Training as an intervention. Repeatedly, the internal consultants have found that training is a very good entree into a department. Individual training often helps the client identify the need for a much broader range of change activities. As an introduction to developing people and processes, training seems to meet with less resistance than other problem-solving activities. When an experiential approach to training is used, day to day needs and problems usually surface, allowing the unit to make a conscious decision to seek additional assistance or to ignore it.

### NOTES

1. The concept of climate, adapted and tested in this case, embodies the nine factors identified by Campbell, *et. al.* (1970): individual responsibility, feelings of autonomy, feelings of competence, general satisfaction, degree of challenge, goal accomplishment, role perception, impact of change, and significant improvements.

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