6
Organisational Change: Evaluating Systems Thinking in the UK Housing Sector – A Work in Progress

Joe Marshall

One approach to organisation and business improvement has been systems thinking (ST) and there is some recent evidence that systems thinking interventions in the service and housing sectors have made some significant improvements (Jackson, 2007 et al.; ODPM, 2005; McQuade, 2008; Seddon, 2007).

The purpose of this chapter is to report on the work in progress of a three year research project investigating the impact and sustainability of systems thinking on service performance in the UK housing sector. The research explores a number of ST interventions taking place in one of the largest housing associations in England, using an in-depth, real-time case study. The research proposes an evaluation framework and the key factors considered critical to the implementation, spread, and sustainability of systems thinking. Evaluation data collected during and beyond the formal ST intervention periods are presented and the chapter concludes that there are a number of quantitative and measurable organisational improvements and other benefits linked directly to the interventions.

Introduction

The list of approaches, methods, and models that purport to lead to organisation change and business improvement is a long one. Most approaches to organisational change to improve organisational
performance have been evaluated in one form or another but often without convincing conclusions.

It is claimed that most organisational change programmes fail to achieve their objectives (Beer and Nhoria, 2000; Balogen and Hailey, 2004; Salaman, 2005). Armenakis and Harris (2009) cite a recent global survey of businesses that report that only one-third of organisational change efforts were considered successful by their leaders and the question is why?

The conceptual and prescriptive nature of change and improvement methods and models have been debated at some length and often critiqued as visionary and idealistic. It has been difficult to consistently confirm that particular methods and their implementation have led to improved organisational performance (Pettigrew et al. 1997). One of the problems is the confounding nature and number of organisational variables when looking for cause (a change intervention) and effect (organisational performance) relationships. Another problem has been the paucity of robust measures and evaluation criteria of successful change and its sustainability. Evaluation is difficult at the best of times and the process often contested, depending on whose data and opinions are sought, and even corrupted by the ‘Macnamara Fallacy’ (Butler, Scott and Edwards, 2003).

One approach to improve organisational and business performance has been the use of ‘systems thinking’. Systems thinking interventions of one kind or another have been used in the UK public sector, health services, and elsewhere for some time and there is some recent evidence that systems thinking interventions in the UK housing sector have made some significant improvements (Jackson et al. 2007; ODPM, 2005; McQuade, 2008).

The particular systems thinking approach under investigation and reported in this research has been developed by Seddon (2003, 2008) and incorporates the work of systems thinkers (Deming 1982, 1994; Ackoff, 1999; Senge, 1990) and intervention theory (Argyris, 1993) in tandem with learning from Ohno’s (1998) Toyota Production System (TPS) adapted for service organisations.

The purpose of this research is to examine and evaluate the systems thinking interventions taking place at a major social housing business in the UK in terms of the key factors that are believed to influence their overall success and sustainability (Buchanan et al. 2007).

This chapter begins by outlining the national and local context of the UK housing sector, and the case organisation. A review of key themes, concepts, and the literature that underpin organisational change and