

ORGANIZATIONAL CHANGE AND INNOVATION

Psychological perspectives and
practices in Europe

Edited by
Dian Marie Hosking
and Neil Anderson

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**DIAN MARIE HOSKING AND
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Preface

This volume has its origins in the Fourth West European Congress of Work and Organizational Psychology, held in Cambridge, England in March 1989. The theme we chose for the Congress was 'Working with Change'. The chapters in this text were selected from the many excellent presentations on the Congress theme; there were others which we would like to have included but sadly could not. Since our initial selection, we have worked closely with the authors to produce a coherent set of chapters, each of which has developed enormously since the first draft. We would like to thank the authors for being so willing to work with our requests and suggestions, particularly when working in a language which was not their own. It is to their credit that the chapter contributions presented here are now exactly that; it is to our debit as editors that the reader must attribute any omissions, inconsistencies, or *non sequiturs*.

From the very start is was our desire to provide a state of the art review of European psychological perspectives on change, innovation, and organization. Innovation and change have become increasingly important themes in work and organization (W/O) psychology in recent years. This is perhaps not surprising, given the extensive and often radical changes in European economic, social, political and environmental systems in the last decade. As a part of this change, W/O psychologists increasingly have been building their understandings and developing their competencies across Europe. In recent years, we have seen the growth of pan-European networks, conferences, research programmes, consulting practices, and organizational change efforts.

The story of the West European Congress is one which reflects these patterns. The Cambridge Congress was the fourth in a series which began as a result of a small number of persons, from W/O networks in different European countries, agreeing that it would be good to organize a European congress. Originally this was called the West European Congress, in order to avoid the 'imperialist' claim that all Europe was participating. The first

congress came out of collaboration between representatives of the British Psychological Society (BPS) Occupational Section, and W/O associations from the Netherlands (NIP), West Germany (BDP) and Belgium (VOCAP). Each partner made a financial commitment and contributed through a European Congress Committee. Over the years, the organizing committee grew. It did so by embracing new networks and associations who also were able to contribute to the costs and financial risks. Further informal and organic growth also occurred by welcoming 'liaison' persons from countries where relevant networks, at that time, did not exist. By the time of the fourth congress in Cambridge, the congress committee combined contributions from the UK, Netherlands, Belgium, West Germany, Spain, Italy, France, Switzerland and Austria.

As the congress grew and flourished, so too did mutual understanding and a sense of communality. We came increasingly to recognize the need to create and support many different ways of connecting with one another, and to do so in ways which would enable anyone in W/O psychology to help and be helped.

In 1991, after many years of building the necessary knowledge and trust, we were able to create the European Association of Work and Organizational Psychology (EAWOP) – an association which any individual or network of W/O psychologists in Europe may join. The challenge now is to give our association a truly European outlook, to be fully European in its membership (not just West European), facilitate local networks and activities, and help interchange and collaboration amongst European W/O psychologists. Perhaps this collection may contain some lessons for us – helping us to build EAWOP as a relational setting which will enable W/O psychologists better to help others.

Whilst speaking of help, there are many whose contributions we would like most gratefully to acknowledge. We can begin with the Fourth European Congress – from which came the contributions in this volume. This congress followed meetings in Nijmegen, Aachen and Antwerp. For the fourth congress, Dian Marie Hosking (BPS Section representative to the congress committee) was asked to take on the job of president and to obtain the assistance of the BPS Occupational Section to form a British Organizing Committee. This committee was composed of Dian-Marie Hosking, Chris Brotherton, Neil Anderson, Sandra Simpson, Phil Leather and Colin Fraser. Our colleagues deserve all our thanks for making the Cambridge congress such a huge success. Thanks must go also to those at the head office of the BPS who, as always, were such a pleasure to work with. Last, W/O psychology in Europe owes an enormous debt to the unstinting generosity of those who, over the years, have given so much of

their time to the European Congress Organizing Committee and, more recently, to the founding of EAWOP.

As we stated earlier, it was always our intention that this text should present a state-of-the-art review of European psychological perspectives on change and innovation at work. It is our sincere hope for the future that the challenges which this text poses for European W/O psychology are acknowledged, embraced, and acted upon by both academic researchers and practising organizational psychologists.

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1 Organizing change and innovation

Challenges for European work and organizational psychology

Dian Marie Hosking and Neil Anderson

THE CHANGING CONTEXT OF EUROPEAN WORK AND ORGANIZATION PSYCHOLOGY

The emergence of organizational change and innovation as issues for concern among academics and practitioners alike has been noted in several quarters of late (British Psychology Society 1988; Arnold, Robertson and Cooper 1991; Hollway 1991). Separate literatures have emerged on innovation and on change, although the nature of this distinction has been seldom theorized. Given the tumultuous political and socio-economic developments in Eastern Europe, and given the derestriction of the labour market within the European Community, it is not surprising that work and organization (W/O) psychologists are recognizing organizational change as an emergent theme of enormous importance.

It is therefore timely to take stock of our current understanding of organizational change and innovation within European W/O psychology. Regrettably, the literatures confuse innovation and change. For this reason, when we speak here of change we include innovation; although we would argue that talk of innovation must imply change for the better (Hosking and Morley 1991; Anderson and King 1991).

On examining the literature, some quite fundamental issues and shortcomings quickly became apparent. These key issues resurfaced time and time again throughout the editorial process of this volume. European W/O psychology lacks theoretical integration, validated models and modes of action, and even appropriately tested methods of research and intervention to tackle the multifaceted, multi level of analysis and multi-perspective nature of organizational change and innovation. In summary, we fall far short of Roe and Ten Horn's (1991) call for the development of generic theories and integrated models in organizational psychology capable of explaining observed similarities and differences across national and cultural contexts. More serious, in our view, is that there is a clear need for

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radical and fundamental changes in the ways we theorize, understand, and research organizational change.

It is our intention that this volume should be integrative in two ways: first, by providing a state-of-the-art review of knowledge in the areas of strategic change, innovation, technological change and work organization, and change methods and methodologies – accordingly the text is divided into four sections; second, by highlighting the crucial themes which emerge from the individual chapter contributions – to some extent in the section editorials, but more importantly in this overview editorial chapter – we intend to present a distinct but constructively controversial challenge to the established orthodoxy within W/O psychology. We argue that there is a demonstrable need for W/O psychology to develop new perspectives on person and organization, and thus on organizational change.

CHALLENGES TO EUROPEAN W/O PSYCHOLOGY

The topic of change has become increasingly popular in the literatures on management and organization. A major reason for this lies in the common assumption that organizations today must deal with environmental changes of a speed and complexity never before experienced. Given this assumption, it is argued that management and organizations must innovate, for example by creating new and better products, and must be able to change – preferably in a planned and strategic manner (see for example Peters and Waterman 1982; Kanter 1983, 1990; Nystrom 1990; and chapter 2 in this volume).

The fields of W/O psychology have long contributed to the understanding of change ‘in’ and ‘of’ organizations. These contributions, of necessity, are grounded in certain understandings about the relationship between person and organization; often these are left implicit. We will outline the implicit understandings which seem to characterize W/O psychology’s treatments of change and organization. We will do so in order to expose the ways change has been understood in relation to organization and to highlight perspectives and issues which have been neglected.

The ‘challenges’ which we refer to in the title of this chapter emerge from these neglected issues and dimensions of change. In essence, we argue that there are four central challenges to be addressed:

- 1 To generate new perspectives of the person–organization relationship.
- 2 To retheorize relational processes in ways which do not rely on the traditional input–output model of organizations as entities.
- 3 To recognize the intrinsically political qualities of organizing and change.

- 4 To develop alternative methodologies and to foster reflexivity in our methodological assumptions toward organization change processes.

Overviewing challenges

First, we discuss the ways in which W/O psychology typically has understood the relationship between person and organization. Discussions of change in relation to organization have tended to reflect a very particular and restrictive view of this relationship. We outline this perspective, placing particular emphasis on epistemological arguments. W/O psychology, and treatments of change in these literatures, has been dominated by relational assumptions grounded in subject-object differentiation, in methodological individualism, and in an emphasis on 'objective reality'.

Challenge One is to develop a new perspective of the person-organization relationship – which is 'generative' (Gergen 1982) and which offers new ways to understand change and organization. We are especially keen to develop a perspective which focuses not on what is seen as objective fact but on the relational processes involved in creating reality when the underlying assumption is subject-subject, not subject-object (see Dachler and Hosking, 1991). Our discussion in this chapter reflects our first small steps in this direction.

Our 'small steps' are taken by examining selected features of the literatures on change, identifying themes which have resulted from the traditional perspective on person-organization relations. Our second theme – deriving from the first – concerns the common assumption that powerful individuals, or dominant coalitions, can design changes in organizations (from conception to implementation) in ways which, in principle, are predictable. Illustrations are given to show how popular this view has been in W/O psychology, but equally how inaccurate it is as a view of change – an anomaly we term 'the illusion of manageability'.

Challenge Two is to retheorize relational processes in ways which do not rely on the traditional input-output model of organizations as entities. In particular, it will be necessary to theorize the reflexive and emergent qualities of these processes. From this perspective – and in contrast to the traditional perspective – what emerges is, in principle, not predictable or designable.

Third – and again building on earlier arguments – we suggest that W/O psychology usually has ignored or has trivialized political processes. Treatments of person-organization relationships have been such that the political qualities of change could not be recognized except in very limited ways. Organizational politics have been individualized – viewed as self-serving 'behaviours' of individuals, rather than as being inherent in the processes

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of organizing and change. Here then is Challenge Three: to give due recognition to the political qualities of organizing and change – not as behaviours of individuals, but as qualities of the relational processes which characterize organizing. Clearly this will depend on achievements with respect to the first two challenges.

Developing these themes leads to our fourth challenge, which follows on from and reflects the previous three. Challenge Four is to encourage reflexivity in the practices of W/O psychology as a profession, particularly in relation to methodological assumptions over, and methods used to research into, organization change. So, for example, we would like to see more critical examination of 'how we do' W/O psychology, the issues we do and do not address, our valuational stances, normative arguments and the ethical aspects of these. Notice, however, that such a 'critical examination' looks very different when conducted from a subject–subject perspective, as compared with a subject–object perspective. We examine this issue as an integral part of Challenge Four, and conclude by highlighting some of the professional and ethical issues involved.

Challenge One: to generate new perspectives of the person–organization relationship

Perhaps the first text to name the area of organizational psychology was the one bearing that name, published by Edgar Schein in 1965. He rightly noted that, to understand organizational psychology, it is necessary to understand something about organizations. We would add that for organizational psychology to contribute to an understanding of innovation and change, the same also is true. How then does W/O psychology understand 'organizations'? More precisely, given that psychology deals with 'questions that involve human beings' (Schein 1980: 3), how does organizational psychology understand the relationship between person and organization?

The answer seems to be that person and organization usually are categorically distinguished and set apart from one another. That is, relations between person and organization are understood as subject–object relations. Depending on the particular interests of the researcher, persons may be treated as subjects or objects; the same is true of organizations. To illustrate, persons are treated as objects when they are understood to be manipulated by the objective realities of their contexts; this is the 'culturalist fallacy' in which agency is located in the context, not the person – indeed when this perspective is adopted, the contributions of persons often are ignored (Hosking and Morley 1991; see also Chapter 2 in this volume). Interestingly, it most usually is organizational members who are studied as objects, rather than top management. An example directly relevant to

change and organization is found in the perspective which characterizes human resource management. More narrowly, W/O psychologists have studied, for example: change strategies as they might more or less successfully influence the values, competencies, actions, and commitment of organizational members; training techniques; quality of working life (QWL); participation; organizational development; and the restructuring of work organization (see for example Guest 1984; Porras and Silvers 1991).

Subject-object differentiation can be the 'other way round', so to speak: persons may be treated as subjects. Here it is persons who are understood to manipulate, they who are viewed as agents, separate from and independent of their contexts; dominant over and able to manipulate those contexts. This perspective is reflected in treatment of change in which persons (often top managers or change agents) are viewed as the architects of organization and change: captains of their own managerial or leadership styles, the architects of organization structures, the designers of strategies and organization-environment relationships. Typical accounts in this vein are to be found in the literatures of strategic choice and organizational change (e.g. Child 1972, 1984; Pettigrew 1985, 1988). We will say more about these literatures and alternative treatments of change in the development of our second theme – the manageability of change.

We have defined subject-object differentiation as being the key element of the predominant perspective in W/O psychology. We also have noted that the focus on the person as subject usually is adopted in relation to senior management. When speaking of the person as the agent or creator (subject), Schein (1980) refers to 'the manager . . . acting on behalf of the organization'. He goes on to say that this is a 'kind of "organizational" perspective, but should not be construed to mean that the organization acts as an abstract entity; rather, it acts through the individual behaviour of certain key members in crucial managerial or leadership roles' (Schein 1980: 4).

Schein's language is revealing. The subject-object differentiation of which we speak goes together with a methodological individualism which treats organizational wholes as made up of aggregates of individual properties – values, competencies, attitudes and the like. It is understood that decisions, development and change of individuals cause organizations to change: through training, organizational development, mobilizing power, innovating in their work roles, imposing their visions of the organization upon other less powerful actors, and the like (French and Bell 1984; Peters and Waterman 1982; Glendon in this volume).

The subject-object perspective we have outlined pays little attention to the processes by which realities are created. Instead, the focus is on the objects of creation (structures, cultures, resistance to change, learning

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climate, etc.). Yet it is through these processes that the 'objects' are understood (Dachler and Hosking 1991). This subject-object perspective makes it impossible to view the subject as an integral part of that which is created; yet this is precisely the understanding we would like to see developed.

This brings us to our first challenge. We would like to see W/O psychology take up the challenge of exploring a new perspective on organization and change – one which focuses on the relational processes through which realities are created when a subject-subject perspective is taken. This is a very different way of understanding the relationship between a person and their context – be the context considered as other persons, procedures, rules, hierarchy, environmental complexity, pollution, or whatever. The process of reality creation in subject-subject relations is a process of mutual creation: a process of co-construction where each to some extent makes the other. Our subsequent discussion of related challenges will develop this theme, and explore exactly what is meant by W/O psychology moving toward a subject-subject perspective of organizational change.

Challenge Two: to retheorize relational processes which do not rely on the traditional input-output model of organizations as entities

We have argued that W/O psychology traditionally has understood the relationships between person and organization as a subject-object relationship. One expression of this lies in the treatment of persons as active subjects: subjects able to design and manage objects – the 'objects' of interest here being organizations. Many examples of this perspective can be found in the discussions of change and organization (e.g. Kanter 1983; Van de Ven, Angle and Poole 1989). The ubiquitous assumption across these literatures is that change processes are actually under the direct control of the dominant coalitions within organizations. Their ability to instigate, plan and direct all forms of organizational change has been taken for granted, creating a present-day misinterpretation appropriately termed 'the illusion of manageability'. By this we mean that the extent to which managers are able to direct or predict change processes is overestimated, and the way in which they might contribute to change is fundamentally misconceived.

It is possible to trace the origins of this illusion to the seminal writings on organization development in the 1950s and 1960s (e.g. Lewin 1951; Leavitt 1965; Bennis, Benne and Chin 1969). In principle, organizational change was depicted as an orderly journey from point A to point B, the process being couched in terms of planned shifts in the 'quasi-stationary equilibrium' (Lewin 1951), which were to be enacted through a series of discrete, linear stages (e.g. unfreeze-move-refreeze). Crucially, the entire process was at all times seen as being under the control and direction of

management. Resistance from interest groups affected by the change was to be expected, but a proliferation of strategies and techniques to 'overcome resistance to change' was proffered (e.g. Coch and French 1948; Lawrence 1954; Watson 1966; Zaltman, Duncan and Holbek 1973).

More recently there has been a resurgence of practitioner interest in 'how to manage change' – at least if one is to judge from the popularity of texts in this vein published in the USA in the 1980s (e.g. Kanter 1983, Peters and Waterman 1982). The underlying assumptions remain basically unaltered: that change is manageable, its outcomes predictable, and capable of being directly influenced by those possessing organizational authority. Nonetheless, there exists a considerable volume of evidence to suggest that change processes may be far from managerial control, and can at best be influenced only to a limited extent (Sauer and Anderson 1992; Pool and Van de Ven 1989; Angle and Van de Ven 1989; Nicholson, Rees and Brooks-Rooney 1990).

In this volume, two chapters in particular cast pertinent doubts over the management of change. In Chapter 2, Crouch, Sinclair and Hintz explode what they call the 'myths' of managing change, arguing that a common response to environmental change was for managers in their study to initiate endogenous changes within their own organizations, which often resulted in pleasant feelings of coping with anxiety-provoking events.

In Chapter 14 Erneq presents results which typify the experiences of managers and change agents involved in OD interventions, showing that the actual intention of the intervention often is usurped by outcomes which were neither expected nor intended. We would argue that the 'illusion of manageability' has flourished precisely because W/O psychologists have understood relationships between person and organization from a subject-object perspective. European W/O psychology needs to incorporate a subject-subject perspective of change processes; a prerequisite will be to jettison the traditional view of organizing processes as causal links between inputs and outputs (see Challenge Four). A W/O psychology which reflects a subject-subject perspective is one which sees reality construction as a process of mutual creation in which person and organization each to some extent makes the other. Relational processes, when understood in this way, are assumed to reflect the connection, rather than the separation, of the subject-object perspective. The challenge can now be seen to lie in finding new ways to theorize relational processes of reality construction – ways which do not rely on the traditional input-output model of relationships.

In the traditional perspective the subject is understood to form the object. Therefore a further relational assumption is that the causal model, however else it is developed, is in principle fundamentally understood from subject to object. Arguments about feedback loops and non-linearity of

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effect are simply variations on the same theme and do not alter the fundamental relational assumptions. Importantly the implication of this for the understanding of change is that the processual qualities are lost in that change is understood to be revealed in the new form of the object and understood to be produced by the characteristics of the subject. That is, interest is restricted to the content characteristics of inputs and outcomes.

The challenge for W/O psychology is to consider how change might be understood when the processes of reality construction are located in subject–subject relations which, in turn, are understood as relations of mutual creation. These processes, in principle, have a reciprocal quality (Hosking and Morley 1991); put crudely they are circular rather than (primarily and in principle) one-way. The quality of mutual creation or mutual influence means that relational processes have an intrinsically emergent quality. Note that from a subject–subject perspective the meaning and significance of ‘emergent’ process is very different from that implied in a subject–object perspective in that, in contrast to the traditional perspective, what emerges in relational processes is neither predictable nor designable.

We know of little work in W/O psychology which takes this perspective and considers its implications for the ways change and organization may be understood. We are particularly struck by the enormity of the implications of a subject–subject perspective for research methods and methodologies of intervention (these implications are examined further under Challenge Four). Potentially important contributions come from, for example, developments in theories of organizing (Weick 1979; Hosking and Morley 1991), in constructivism (e.g. Watzlawick, Weakland and Fisch 1974; Watzlawick 1984) and in the emerging area of relational theory (Dachler, 1991).

Challenge Three: to recognize the intrinsically political qualities of organizing and change

In our introduction we noted that W/O psychology has tended to ignore political issues – however politics is defined. More narrowly, politics as we wish to define them – as processes, as texture intrinsic to organization and change – are entirely ignored (see Hosking and Fineman 1990; Hosking and Morley 1991). On the rare occasions when political issues are mentioned, they are understood in the context of the subject–object perspective we have outlined. For example, it has been common to focus on the ‘outcomes’ of strategic decision-making. These, typically, are treated as if they were politically neutral. Of course, describing outcomes in terms of performance against objectives, quality criteria, and the like as ‘organizational’ properties is a very good way to sanitize what otherwise would have to be

linked with the valuations of particular individuals or groups. Studies of strategic decision making often take for granted that it is actually possible to measure the quality of a strategic decision *as a property of the decision (object) itself*. In this way, the underlying model is understood to have normative value for management – helping them to manipulate decision processes so they may make ‘better’ strategic decisions (e.g. Child 1972; Hickson *et al.* 1986; Johnson 1987).

Recently, some authors have expressed disenchantment with the intrinsically apolitical treatment of change processes found within much of these literatures (Anderson 1990; Anderson and King 1991; Hollway 1991; also Thompson and McHugh 1990). Although there is certainly room for studies taking an explicitly radical Marxist or labour process perspective, or which discuss the different interest groups affecting and affected by organization change processes (Anderson and King 1991), such approaches remain within a subject–object perspective. It is necessary for European W/O psychology to make a quantum leap in its conceptualization of the politics of change to reframe the meaning of politics within a subject–subject perspective. But what would this mean in practice? Some have argued that W/O psychology has been essentially apolitical because the prevailing concept of person has treated the latter as fundamentally passive, in need of being activated, motivated, led, and so on. They have argued that a political model follows from the recognition of persons as fundamentally active, self-determining actors (see e.g. Lee and Lawrence 1985). However, this argument continues to rest on the subject–object differentiation with which we are familiar; people are argued to behave more or less rationally and change processes are understood in the context of input–outcome relationships between persons and context (Kipnis, Schmidt and Wilkinson 1980). In other words, an adequate political perspective requires not just the assumption of activity, but also the assumption of subject–subject relations.

In the pluralist perspective, individuals and groups are understood to mobilize power (with varying degrees of success) in order to further their own individualistic interests. Politics is understood in relation to the traditional concept of power within a subject–object perspective. Politics is power, persuasion, dominance and exchange – a view which makes sense only within a perspective which separates subject and object (see Dachler and Hosking 1991). Why then do we claim that W/O psychology is intrinsically apolitical? Our arguments lie in our earlier account of the predominant perspective on relations between person and organization and the emphasis on persons as subjects who structure their (objectified) settings. A political perspective, however defined, has been lacking because of the focus on individuals and groups, and the reliance on methodological individualism. More generally, the reasons lie with the

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prevailing epistemology, which takes for granted that what is important is the treatment of organizations as objects which 'exist in their own right', independently of the subjective appreciations and actions of humans.

We are arguing for more attention to be given to political aspects of organization and change. However, by now it should be clear that we take the term 'political' to mean something quite special. We take the view that the 'assumption of activity', described above, makes most sense when set in the perspective which understands the relationship between person and context as a subject-subject relation. As we have said, this relationship must be seen to be one of mutual creation. An important part of what this means is that relational processes are processes in which realities are created through processes of co-construction. We shall develop our argument on processes of co-construction initially by describing how we see intersubjective understandings being created, and then by explaining the notion of political texture and its implications for our reconceptualization of power and politics in organization change.

Realities are co-constructed and reflected in a person's cognitions, that is 'appreciations' (Vickers 1968); realities may be more or less widely agreed upon as intersubjective understandings; realities are co-constructed through dialogues and multilogues, through social action and social processes of interaction, or, more generally, in the social practices of social cultures. The relational processes through which realities are constructed are understandable as a 'process of ongoing negotiation about who shall be whom and what order shall obtain' (Gerson 1976: 796).

This brings us to the point where we can explain what it means to us, in the context of a subject-subject perspective, to say that relational processes have a political texture. The relational processes of reality co-construction are performed by persons who differ in their relationships with their context; who work with different people – and therefore construct with different people; who perform different tasks, have different personal histories, and so on. This is of considerable significance. First, it means that actors also differ in their 'appreciations' (Vickers 1968), that is, in their constructions of objective reality. Individuals and groups will differ in how they 'see' things and in the realities they enact. Second, their different relationships with their contexts mean that actors differ in their views about what is important, what they wish to change, and why they may wish to stay the same and what they are able to do about it. But remember, these arguments must be understood, and their significance grounded in connection, not separation. This is our third challenge to W/O psychology: to find ways to reconceptualize power and politics in the context of a relational perspective.

To summarize, we have sketched the main themes of subject-object and subject-subject perspectives of the relations between person and organization. At the risk of oversimplification, we have suggested the former sharply separates person and organization, treating them as relatively stable and distinct entities. Each entity then is only related at the level of implicit assumptions through methodological individualism. In contrast, the relatively undeveloped subject-subject perspective adopts a very different set of relational assumptions in which person and organization are understood to 'co-construct' each other. This perspective places the process of co-construction at the centre of person-organization relationships. This means that change also is centred, rather than being treated as a deviation from the stable norm.

We develop this latter point in our fourth and final challenge. The last challenge we wish to pose ourselves, and all W/O psychologists, is to explore the implications of a subject-subject perspective in terms of how we conduct research or interventions into organization change processes.

Challenge Four: to develop alternative methodologies for research/intervention and to foster reflexivity in our methodological assumptions toward organizational change processes

Embracing a subject-subject perspective has major implications for research and practice: for the way we understand reflexivity, for the methods we employ, for the ways we understand and conduct our relationships with our clients (broadly defined) and for our understanding of ethical concerns. This is not the place for an extended discussion of these issues. Further, we have found very little in the literature which helps us in thinking about them. Our intention here is not to offer prescriptions, but rather to highlight the series of questions we believe to be critically important.

It was argued under Challenge Two that organizations commonly have been understood within a subject-object perspective. This view of organizations has shaped the methods utilized to study organizations and, therefore, organization change. Facets of organizations have been operationalized as variables interacting with one another; the aim of much research has been to evaluate and quantify the strength of hypothesized linear relations between variables or clusters of variables. Change *per se* has been treated largely as aberration from the 'normal' smooth running of the system – as an interruption to the ongoing productive process of transforming inputs into outputs (physical, social, or cultural), and as such a diversion from the real process of the organizational entity. In essence, change in W/O psychology has been depicted in subject-object relation terms, only the contents being of concern.

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We are struck by the shortcomings of our traditional methodologies, and the ways they have been employed and interpreted almost exclusively in the context of a subject-object perspective. Process typically has been reduced to content: the content of change being revealed in the altered form of the object (e.g. organization, structure, climate, etc.) as a result of the actions of the subject. In contrast, in a subject-subject perspective it is in the process of forming that organization and change are located. These, as we have argued, are processes of co-construction.

But, assuming W/O psychology does develop a subject-subject perspective, what methodological assumptions and research methods are to replace traditional approaches? We have implied that research methods and intervention strategies will need to focus not upon the content of change, but upon the process as change. By conceiving of change as endemic to organizations it follows that our research methodologies and methods need to facilitate understanding of construction processes as they characterize organizing processes. But how are we to reflect processes of co-construction in our accounts? How can we appreciate the complexities of person-organization relationships, and how are we to do justice to their multi-faceted, multi-level nature in our research reports? We must find the means to reveal political textures as we have defined them here.

In discussing this fourth and final challenge to European W/O psychology we hope to stimulate discourse amongst colleagues, and – as our wording of Challenge Four states – ‘to develop alternative methodologies of research into organization change processes’.

CONCLUDING COMMENTS

In conclusion, we wish to place these four critical challenges firmly on the agenda of European W/O psychology. As issues concerned with organization change become increasingly prevalent within W/O psychology, so it becomes important to retheorize the predominant notions of person-organization relations from merely subject-object, as presently seems to be the case, to subject-subject relations as described in this chapter. The extent to which we are successful in contributing towards an understanding of change processes will be fundamentally determined by our responses to these challenges. The deconstruction of meanings, critical examination of theories and concepts, dissection of methodological assumptions and concomitant methods as practised/employed are in our view, necessary precursors to overcoming the narrow and one-sided subject-object perspective of organizational change which is predominant within the wider management and psychology literatures, and which threatens to engulf W/O psychology.

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Part I

Strategic change