



Thought Paper:

Organizational Choice, Strategy, and Change

Determining what needs to change within an organization at any time is a matter of choice on the part of organizational leaders. The ultimate objective of any change should be to improve performance or outcomes; however, these objectives should stem from organizational strategy, the ultimate objective of which is to align or realign the organization with its environment (Burnes, 1997).

Leaders and managers exercise their right and responsibility to choose between alternatives on a daily basis, but few recognize that the choices they make, however small, can have a direct impact upon the company's "trajectory" – the path the organization is taking toward its future success. In its simplest terms, change within any organization is the result of **choice management**. Leaders of the best organizations recognize that these **choices need to be aligned internally** if organizational vision and objectives are to be achieved.

The following model describes in broad terms the three processes that leaders must manage – **choice, strategy, and change**. Each of these processes involves three dimensions, the last of which leads to the next process. The "choice" process begins with the context in which the organization operates, i.e., the external environment, the markets, and the key stakeholders the organization serves. Leaders must define the organization's focus within this context from which the master strategy is determined, i.e., how and where will the organization perform. These choices lead to the "strategy" process whereby the leader defines the vision and the strategies the organization will pursue, from which the changes that need to be made are determined.



Changes defined within the "strategy" process are detailed within the "change" process that follows. Each change must be planned according to the objectives to be met as well as the available and required resources. This model can help leaders see "past changes" to "shape an organization's current choices" that "drive current changes" (Burnes, 1997, p. 754).

Adapted from The choice management-change management model (Figure 1).
Burnes, B . (1997). Organizational choice and organizational change.
Management Decision, 35(1), 753-759.

This model represents the emerging view of strategy as an evolutionary process rather than the classical approach where organizational change was seen as an outcome of some pre-ordained plan (Burnes, 1997). Change and strategy are critical processes within any organization, but both processes are poorly managed by many organizational leaders.

According to Andrews (2003), corporate strategy is:

The pattern of decisions in a company that determines and reveals [the company's] objectives, purposes, or goals, produces the principal policies and plans for achieving those goals, and defines the range of business the company is to pursue, the kind of economic and human organization it is or intends to be, and the nature of economic and non-economic contribution it intends to make to its shareholders, employees, customers, and communities. (p. 72).

This definition demonstrates that various contexts are involved in any business, each of which will drive a different choice and subsequent strategy. Understanding the impact of these choices upon the eventual objectives to be achieved, and the people who are expected to execute actions toward those objectives, is a critical aspect of leadership that must not be overlooked or given short shrift.

How well is your organizational choice process aligned? For more information about how to achieve an integrated alignment of critical organizational changes with strategic choices, contact GuideStar, Inc., at (630) 301-9646 or (312) 371-1095.

References

- Andrews, K. R. (2003). The concept of corporate strategy. In H. Mintzberg, J. Lampel, J. B. Quinn, and S. Ghoshal (Eds.), *The strategy process: Concepts, contexts, cases*. (pp. 72-87). Upper Saddle River, NJ: Prentice Hall.
- Burnes, B. (1997). Organizational choice and organizational change. *Management Decision*, 35(10), 753-759.