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Article information:

To cite this document:

André de Waal, Ivo Heijtel, (2017) "Developing a change approach for the transition to a high performance organization", Measuring Business Excellence, Vol. 21 Issue: 2, pp.101-116, <https://doi.org/10.1108/MBE-03-2016-0015>

Permanent link to this document:

<https://doi.org/10.1108/MBE-03-2016-0015>

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Developing a change approach for the transition to a high performance organization

André de Waal and Ivo Heijtel

Summary

Purpose – The purpose of this study is to help managers in their constant quest to create and implement new sources of competitive advantage and ways to achieve sustainable high performance to become a high performance organization (HPO) – defined as an organization that achieves financial and non-financial results that are exceedingly better than those of its peer group over a period of five years or more to by focusing in a disciplined way on issues of genuine importance to the organization. One way to become an HPO is by applying the HPO Framework, which has been validated in multiple countries and shown to indeed help organizations to improve their performance. However, a change approach for implementing the HPO Framework that is valid in different contexts has not been developed to date. Such an approach is important as change initiatives suffer from a high failure rate.

Design/methodology/approach – The goal of this research was to identify an appropriate change approach for implementing the HPO Framework. A theoretical framework for an HPO change initiative was constructed, which subsequently was tested at an organization undergoing a transformation to become an HPO.

Findings – The results show that the theoretical approach in practice was indeed useful at the case company. A continuous rate of change is needed to implement a corporate-wide change strategy that will enable the organization to constantly adapt to the demands of its business environment. The scale of the transformation differs for each HPO change initiative, depending on the results of the HPO diagnosis. Directly after the HPO diagnosis and at the beginning of the HPO transformation, a planned approach predominates; conversely, while maintaining the HPO, the emergent approach predominates.

Research limitations/implications – This study is relevant by enabling managers to learn the essentials of a change approach for creating an HPO in the present-day business environment. Based on these essentials, managers can start to develop a change approach that is appropriate for creating their own HPO.

Originality/value – The theoretical relevance of this paper is that, although much literature exists concerning approaches for organizational change initiatives, no change approaches specifically designed for creating an HPO can be found in the literature. This paper provides such an approach.

Keywords HPO, High performance organization, Change approach, Categories of change

Paper type Research paper

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1. Introduction

Since the emergence of the so-called “new economy” in the 1990s, organizations have been facing high levels of change. Growing international competition, new and fast changing technologies, political changes and the recent financial and economic crises seem to be fundamentally reshaping the global business environment (Burnes, 2005; By, 2005; Strycharczyk and Elvin, 2014). For organizations to maintain their competitiveness and viability, they need to continuously adapt to the changing circumstances by initiating and implementing fundamental changes in the way they conduct business (Sackmann

Received 8 March 2016
Revised 9 August 2016
17 January 2017
Accepted 22 January 2017

et al., 2009). Ultimately, when organizations are not capable of adjusting, they run the risk of going out of business (Bharjoo, 2005; By, 2005). Consequently, the ability of managers to adapt to the dynamics of the business environment and practice successful management of change is seen as a core organizational competence (Turner *et al.*, 2009; Whelan-Berry and Somerville, 2010; Burnes, 2011; Schraub *et al.*, 2011). Thus, managers are constantly seeking to create and implement new sources of competitive advantage and ways to achieve sustainable high performance to thereby mitigate competitors' advantages (Biedenbach and Söderholm, 2008).

One of these methods is to apply the high performance organization (HPO) Framework (de Waal, 2012a, 2012b). An HPO is defined as "an organization that achieves financial and non-financial results that are exceedingly better than those of its peer group over a period of time of five years or more, by focusing in a disciplined way on that what really matters to the organization" (de Waal, 2012b, p. 5). The HPO Framework, developed and validated with data collected worldwide, comprises five factors and 35 underlying characteristics that have a direct positive relationship with an organization's competitive performance. An organization that focuses attention upon these factors will most likely be a higher performing organization compared to its peer group (de Waal, 2012b). The HPO Framework has, to date, been validated and shown to indeed help organizations to improve their performance in such diverse countries as Nepal (de Waal and Frijns, 2011), The Netherlands (de Waal, 2012b), The Philippines (de Waal and Haas, 2013), Vietnam (de Waal *et al.*, 2009), Thailand (de Waal *et al.*, 2014), the UK (de Waal, 2012b), the USA (de Waal, 2012b) and Zambia (de Waal *et al.*, 2015a, 2015b). Therefore, it is of utmost importance that organizations are able to implement the HPO Framework successfully and change themselves into HPOs, as this status conveys so many advantages. Unfortunately, the academic literature reports high failure rates of organizational change initiatives, because organizational change is a complex and challenging process (Young, 2009; Whelan-Berry and Somerville, 2010; Burnes, 2011). In this same literature over the past 20 years, there has been much debate over the best way to manage organizational change; as a logical consequence, the present academic literature provides a wide range of contradictory and sometimes confusing theories and approaches (Bamford, 2003; Burnes, 2005). The high failure rate of organizational change initiatives, however, seems to indicate that a generic valid framework for implementing organizational change is yet to be established (By, 2005). The development of such a change approach for implementing the HPO Framework successfully is essential; otherwise, organizations run the risk that this potentially valuable technique to achieve high performance cannot be used. The goal of this research, therefore, is to identify and test a change approach for implementing the HPO Framework and, thus, transforming an organization into an HPO. A theoretical framework for an HPO change approach will be constructed, which is subsequently tested at an organization undergoing a transformation to become an HPO.

The relevance of the study is that, although much literature exists concerning approaches for organizational change initiatives, no change approaches focusing specifically on creating an HPO can be found in the literature (Bamford, 2003; Burnes, 2005). This is illustrated by de Waal and Heijtel (2016), who discuss eight HPO approaches (Collins (2001); Joyce *et al.*, 2003; Gratton, 2004; Miller and Le Breton-Miller, 2005; McFarland, 2008; Keller and Price, 2011; de Waal, 2012b; Bendell, 2014) that do not contain a detailed change approach for the transformation of an organization into an HPO. As such, it is currently not known if and how the change approach for a transformation to an HPO differs from other change interventions undertaken in organizations. Thus, the research described in this paper will fill a gap in the current literature. The remainder of this paper is structured as follows. In Sections 2 and 3, the HPO Framework is described and a theoretical change approach for implementing the HPO Framework is developed. The case company at which the change approach was tested is then introduced. Subsequently, the research approach and research results are described and analyzed. The paper ends with the theoretical and

the practical implications of the research, the research limitations and opportunities for future research.

2. The high performance organization framework

To help managers in their quest for the elements that create sustainable high performance, the HPO Framework was developed, founded upon the characteristics that characterize excellent organizations worldwide and that can be directly influenced by managers. The research through which the HPO Framework was formulated comprised a descriptive literature review and an empirical study in which a worldwide questionnaire was used (de Waal, 2006 rev. 2010, 2012a, 2012b). In the descriptive literature study, 290 studies describing empirical research into high performance and excellence were evaluated with regard to potential HPO characteristics. This literature study initially yielded 189 potential characteristics that were given a “weighted importance” calculated by the number of times a characteristic occurred in the literature. The characteristics with the highest weighted importance were included in a questionnaire that was administered during courses, lectures, workshops and presentations given by the authors in Europe, North America, Asia, Africa and South America. The subject of these courses etc. was not always high performance; they also covered subjects such as performance management, budgeting and organizational behavior. There was therefore limited risk of bias in the respondent population. All respondents were working, some of them taking classes on the side, and no selection was made according to sex or age. The questionnaire, conducted in the period 2006-beginning of 2007 yielded 2015 responses of 1,470 organizations, which is an average of 1.4 respondents per organization. The respondents were asked to indicate how well their organization performed in relation to each of the potential HPO characteristics on a scale from 1 (very poor) to 10 (excellent) and also to report on how their organization’s results fared compared with those of its peer group. Two types of competitive performance were established (Matear *et al.*, 2004):

1. *Relative performance (RP) versus competitors*: $RP = 1 - ([RPT - RPW]/[RPT])$, in which RPT = total number of competitors and RPW = number of competitors with worse performance.
2. *Historic performance (HP)*: This was measured over the past five years (possible answers: worse, the same or better).

Using this subjective measure of organizational performance is generally accepted as being indicative of real organizational performance (Dawes, 1999; Heap and Bolton, 2004; Jing and Avery, 2008). The questionnaire yielded 2,015 responses of 1,470 organizations. With a statistical analysis (principal component analysis with oblimin rotation and non-parametric Mann–Whitney test) of the respondents data, the 35 characteristics which had the strongest positive correlation with organizational performance were extracted into five factors (Table I). In the Appendix the detailed HPO factors and characteristics are given.

Table I Correlation between potential HPO factors and competitive performance

HPO factors	Relative performance		Historic performance	
	Correlation	Significance	Correlation	Significance
Continuous improvement and renewal	0.212	0.000	0.299	0.000
Openness and action orientation	0.165	0.001	0.137	0.006
Management quality	0.248	0.000	0.289	0.000
Workforce quality	0.227	0.000	0.151	0.002
Long-term orientation	0.327	0.000	0.333	0.000

Source: de Waal (2012c)

An organization that pays more attention to these so-called HPO factors and HPO characteristics is more likely to be a high performing organization compared to other members of its peer group. Research into HPOs has shown that, on average, their revenue growth is 10 per cent higher, their profits are 29 per cent higher and total shareholder return is 23 per cent higher compared to companies that are not HPOs (de Waal, 2012b).

Because the HPO Framework encompasses both structural and behavioral aspects of organizational management, it provides a unique insight into the factors that combine to produce an excellent organization. Moreover, because the five HPO factors are interrelated, an organization that improves on one of these factors will also improve simultaneously in the other factors to a certain degree.

The first HPO factor is the quality of the management of the organization. This involves management that is trusted by employees and has integrity; serves as a role model for employees; applies fast decision-making and fast action-taking; coaches employees to achieve better results; focuses on achieving results and is very effective in that respect; applies strong leadership and is confident; and is decisive regarding non-performing employees. The second HPO factor concerns characteristics that not only create an open culture in the organization but also focus on using this openness to implement dedicated action to achieve results. These characteristics comprise management that frequently engages in dialogue with employees and involves them in important processes; employees that devote considerable time to dialogue, knowledge exchange and learning to thereby achieve higher performance; and management that welcomes change and allows mistakes to be made. The third HPO factor indicates that long-term commitment is far more important than short-term gain. The characteristics related to this factor are management and employees that have been with the company for a long time; the promotion of new management from within; an organization that maintains long-term relations with stakeholders and grows through partnerships; and an organization that aims to serve its customers in the best possible manner. The fourth HPO factor reflects a trend that has been extensively occupying organizations for the past two decades: continuous improvement and innovation. The characteristics related to this factor are the adoption of a strategy that clearly sets the organization apart; the continuous improvement, simplification and alignment of processes; reporting all information that matters to everybody within the organization; and continuous innovation in the organization's core competencies, products, processes and services. Complementary to the first factor "high management quality", the fifth HPO factor addresses employee quality: these employees want to always be held responsible for their results; want to be inspired to achieve extraordinary results; are resilient and flexible; are diverse and complementary; and are able to cooperate very effectively with suppliers and customers.

When an organization wants to establish if it is an HPO, it can perform an HPO diagnosis that identifies the organization's level in relation to each of the HPO characteristics. This diagnostic instrument involves a questionnaire that is distributed for completion among the organization's managers and employees. This questionnaire covers the 35 HPO characteristics, with possible answers on an absolute scale from 1 (very poor) to 10 (excellent). The individual scores are averaged to produce scores on the HPO factors for the complete organization. The organization's questionnaire scores are then compared to the average scores for organizations within the same industry and the score required to be considered an HPO. As HPO research has shown the existence of a positive relationship between the five HPO factors and competitive performance, higher scores on the HPO factors are correlated with better organizational results, while lower scores reflect lower competitive performance. The research has also shown that all HPO factors need to have equal scores, and that when an organization achieves an average score of 8.5 or higher on all the factors, it can be considered an HPO (de Waal,

2012b). The HPO diagnosis further identifies which HPO characteristics need to be changed to strengthen the organization.

3. Theoretical high performance organization change approach

According to Senior (2002), change initiatives are categorized by the rate of occurrence, the scale and the management of the changes. By (2005) adopted Senior's (2002) categories of change as a structure to which the dominant literature about organizational change could be linked. In this research, the structure formulated by Senior (2002) and the theories related to this structure that By (2005) proposed are used to describe three categories of an HPO change initiative.

3.1 Change initiatives characterized by rate of occurrence

The main theories about the rate of the occurrence of changes during change initiatives are the incremental, continuous and discontinuous rates of change occurrence (By, 2005). When the rate of occurrence of change is incremental, the organization deals separately with one change element and one transformation at a time. A variation on this type of change occurrence is a bumpy incremental change in which operational-level change is characterized by periods of relative serenity, followed by periods of acceleration in the pace of change. When the rate of occurrence of change is continuous, the organization transforms continuously to keep pace with the changes in its environment. This type of change occurrence involves monitoring, sensing and responding to alterations in the internal and external environment using small steps during a continuous process. A variation on this type of change occurrence is a bumpy continuous change in which organization-wide change is characterized by periods of relative serenity, followed by periods of acceleration in the pace of change. Finally, when the rate of occurrence of change is discontinuous, all the required changes are combined into a one-time event in which a specific change will be implemented through a large, all-encompassing initiative, which is followed by a long period of consolidation.

To become an HPO, an organization needs to strengthen the five HPO factors from an initially diagnosed present level to a required level, then sustain this level for at least five years. Using the HPO diagnosis demonstrates clearly which HPO factors and characteristics in the organization need to be strengthened to the required level and sustained there for multiple years. To strengthen the HPO factors, an organization needs to be able to adjust to its continuously evolving business environment, meaning it must be capable of adjusting its HPO change initiative when needed. Without these adaptations, the HPO change initiative could focus on the wrong HPO characteristics. Therefore, an incremental rate of occurrence of change is inappropriate for an HPO change initiative: when the individual parts of the organization deal separately from each other with one change in one characteristic at a time, the HPO factors will be strengthened too slowly in the rapidly changing business environment. In the same vein, a discontinuous rate of occurrence of change is not suitable, as during this type of change, there is a one-time, large, all-encompassing initiative, followed by a long period of consolidation. It is possible that these periods of consolidation may be disturbed by the changing environment, creating situations in which new changes are required to sustain high levels against each of the HPO factors. Therefore, the rate of occurrence of change for the transformation to an HPO is determined to be continuous.

3.2 Change initiatives characterized by scale

The main theories about the rate of change occurrence during change initiatives are fine-tuning, incremental adjustment, modular change and corporate change (By, 2005). On the scale of fine-tuning, elements of the organization are changed in a continuous process to ensure that they continue to match the structure, processes, people and strategy of the

organization. These changes are usually manifested at the group level of the organization. On the scale of incremental adjustment, changes involve distinct modifications to management processes and organizational strategies but do not include radical change. On the scale of modular change, changes comprise major shifts in one or several organizational units and, thus, focus on a part of the organization rather than on the organization as a whole. On the scale of corporate change, changes are organization-wide and characterized by radical alterations in the business strategy.

To transform to being an HPO, the scale of the changes will differ for each organization. This is because the HPO diagnosis determines, at the beginning of each HPO change initiative, the scale of the changes needed in specific elements of the organization. These changes can cover the complete organization if it fully participates in the HPO diagnosis, or alternatively, and just as effectively, can cover only one department when the diagnosis is limited thereto. In the same vein, radical changes might be needed when the difference between the measured average HPO score and the desired average score of 8.5 is large; alternatively, fine-tuning change might be needed when this difference is small. Thus, the rate of the scale of change in transforming into an HPO is not uniform, as it depends on the results of the HPO diagnosis.

3.3 Change initiatives characterized by the management of the change

The main theories about the management of change during change initiatives are the planned change approach and the emergent change approach (By, 2005). For the planned change approach, it is important to understand the different phases of change an organization must undergo and which activities must be implemented to initiate the move from an unsatisfactory state to an identified desired state (Cummings and Worley, 2008). These phases and activities need to be incorporated into a long-established and coherent change approach that makes rational project selection possible. In the planned perspective of change, projects are implemented top-down, pushed into the organization. According to Biedenbach and Söderholm (2008), the planned perspective of change makes the following assumptions: there is a stable and predictable environment; it is possible to identify the need for the organization to change; change moves from a stable start position to a stable end position via clear steps; and employees are willing to change. In the planned change approach, a manager needs to be effective at both task- and person-oriented skills (Battilana *et al.*, 2010). Task-oriented skills are those related to organizational structure, design and control tasks and to establishing routines to attain organizational goals and objectives. Person-oriented skills include behaviors that promote collaborative interaction among organization members, establish a supportive social climate and promote management practices that ensure equitable treatment of organization members.

In the emergent change approach, change is considered to be unpredictable and an open-ended and continuous process of adapting to an altering environment (Biedenbach and Söderholm, 2008). The emergent perspective stresses the unpredictable nature of change, because the individual parts of the organization can adapt separately from each other and incrementally to each alteration in their local business environment (Bamford, 2003; Burnes, 2005). An emergent change, thus, occurs when people incrementally and separately from each other deal with daily routines, contingencies, failures and opportunities and also continuously adapt and alter elements of the organization, producing fundamental changes without premeditation. Because these emergent changes are small, they often go unnoticed (Weick, 2000). The emergent change approach is a bottom-up approach in which the individual parts of the organization commence and implement the required changes themselves without direction from the top. In the emergent perspective, the manager needs to create a climate in which the individual parts of the organization are encouraged to experiment and to take risks to start implementing the

required changes. The manager has a controlling role in developing a common purpose, giving direction to the individual parts and making it possible to evaluate the proposed changes (Bamford, 2003).

For a transformation to HPO status, the management of change approach has to ensure that the organization moves from its current, generally unsatisfactory state to the desired level in relation to each of the HPO factors. For this purpose, all organizational members need to be informed about the results of the HPO diagnosis and the goals and approach of the HPO change initiative. In this respect, the planned approach is an appropriate change management approach for this communication from the top to the bottom of the organization. However, the planned approach is less appropriate in other respects, because it is based upon the assumption that there is a stable and predictable business environment: in reality, the unstable and unpredictable business environment tends to be the principal motivation for an organization's original decision to undertake an HPO change initiative. Such a dynamic business environment poses difficulties to the development of a structured action agenda. In addition, the planned approach assumes that organizational members are willing and committed to transform the organization's characteristics. However, lack of commitment is the most prevalent factor contributing to the large number of failed change projects (Herscovitch and Meyer, 2002). The emergent approach seems to be more appropriate for sustaining the required level of the HPO factors over the years than to enhancing the HPO factors within a given organization to the required levels during an HPO change initiative. This is because, in the emergent approach, the transformations in organizational elements generally are too slow and too small, as individual parts are incrementally and separately transformed in circumstances where the organization as a whole needs to transform more quickly to an HPO in preparation for forthcoming and ongoing challenging circumstances. Conversely, sustaining the high level of the HPO factors over multiple years requires the ability to constantly adapt to changes in the environment for which the emergent approach is well-suited (By, 2005).

Based on the preceding discussion, it seems that there is not simply one appropriate management approach for an HPO change initiative. Fortunately, researchers have found that using a combination of the emergent and planned approaches of change has great benefits (Biedenbach and Söderholm, 2008). As Burnes (2005, p. 899) remarked:

The planned and emergent change approaches are not competitors, with each one seeking to show that it is better than the other. Nor are they mutually exclusive or incapable of being used in combination. Rather they are allies, each one appropriate to a particular change situation but neither appropriate for all change situations.

Thus, the best way to manage an HPO change initiative might be a combination of the planned and emergent approaches of change management. After the results of the HPO diagnosis are available, these, in combination with the goals and the approach of the HPO change initiative, have to be communicated top-down, which can best be undertaken through the planned approach. Organization-wide HPO changes can then be executed using the planned approach, while changes at individual organizational levels can be executed with the emergent approach to tailor these changes to the local context. When the desired HPO level has been achieved, the emergent approach can be used organization-wide to sustain this level over time.

3.4 The high performance organization change approach

Table II provides a summary of the above discussion on the appropriate approach for an HPO change initiative. In the next section, the case company is introduced in which the findings in Table II have been tested in practice.

Table II The theoretical approach for an HPO change initiative

<i>Categories of change</i>	<i>Types</i>	<i>Appropriate for an HPO change initiative</i>
Rate of occurrence	Continuous Discontinuous Incremental Bumpy incremental Bumpy continuous	Continuous rate of change is needed to implement a corporate-wide change strategy that will enable the organization to constantly adapt to the demands of the business environment
Scale of change	Fine-tuning Incremental adjustment Modular transformation Corporate transformation	The scale of the transformation differs for each HPO change initiative, depending on the results of the HPO diagnosis
Managing change approach	Planned approach Emergent approach	Combined use of the planned and emergent approaches. Directly after the HPO diagnosis and at the beginning of the HPO transformation, the planned approach predominates; during the upkeep of an HPO, the emergent approach predominates

4. The case company

The case company originated from a merger between three regional media companies in The Netherlands (de Waal *et al.*, 2015a, 2015b). The company was a national provider of media and communication services to both consumers and businesses. The company's goal was to let its customers experience the utmost ease and fun in the field of information, communication and entertainment in a constantly changing world. As the merger did not proceed smoothly, the company had to invest significant effort into the integration of networks, administrations and call centers; as a logical consequence, a huge backlog arose in the processing of orders and the company suffered from poor accessibility for its clients and experienced many problems in processing changes of address for its customers. This caused much bad publicity for the company and created a crisis situation that only deteriorated over time. At that time, the case company could only be described as a low-performing organization that was not able to achieve set goals and targets, provided inadequate service and made too many mistakes. To arrest this downward spiral, a conscious effort was first made to improve the processes and accessibility of the call centers. Subsequently, with strong top-down steering, the company's operational base was finalized so that it could start to satisfy at least the basic expectations of its customers. When this was achieved, the company's management team formulated an ambition to continue to deploy organizational development activities to thereby increase the achieved levels of an average-performing organization to those of a high-performing organization. The management team decided to apply the HPO Framework to guide the company in its transition to the desired state of high performance. The subsequent HPO diagnosis showed an average HPO score for the company of 6.5, which was 2 points short of the desired HPO threshold level of 8.5. The management, therefore, decided to use the "attention points" identified in the original HPO diagnosis as the starting point for the company's HPO change program. Table III gives an overview of the change initiatives that were undertaken during the HPO change program (de Waal *et al.*, 2015a, 2015b).

5. Research methodology

Because no change approach has yet been developed specifically for an HPO change initiative, an exploratory research method was appropriate to deal with a new phenomenon in the research area of organizational change (Robson, 2002). A case study strategy was used to empirically investigate a change approach appropriate for an HPO change initiative (Saunders *et al.*, 2009). The case study strategy is often used when researchers want to explore development and change processes in-depth (Yin, 1994; Dubois and Gadde, 2002; Shih and Linné, 2016). The single-case study method uses data obtained

Table III Chronology of the change and improvement program at the case company

<i>Year</i>	<i>Intervention</i>
Spring 2010	Starting position for the change program formulated Selection of de Waal's HPO Framework as a guidance tool for the program
Fall 2010	Baseline measurement of the HPO level Design of the change and communication interventions program 120 HPO team awareness sessions (each team comprised one manager and several employees)
Spring 2011	120 HPO team Call2Action sessions, under the guidance of HPO coaches Baseline measurements of the levels of high performance of employees (HPI), managers (HPM), and partnerships with suppliers (HPP)
Fall 2011	Development of improvement programs for HPI, HPM and HPP Interim HPO diagnosis to measure progress
Fall 2011-2012	Continuation of team development sessions Execution of improvement programs for HPI, HPM and HPP
Fall 2012	Second HPO diagnosis
2012-2013	Continuation of team improvement sessions Continuation of improvement programs for HPI, HPM and HPP
Spring 2013	Embedding of HPO ideas and thinking in the organization

from one company through intensive data collection over time. As [Harrington and Velicer \(2015\)](#) stated, the advantages of using a single-case design is that it focuses on examining individual-level data, allowing for highly accurate estimates of within-subject variability and longitudinal trajectories of individuals' behavior in the case organization. Single-case designs thus provide an accurate assessment of the impact of interventions on individuals ([Velicer and Molenaar, 2013](#)). The choice for this particular case organization was basically a choice of convenience as the research needed an organization that had successfully completed a transformation to an HPO, and such organizations are generally not easy to find. Fortunately, the authors participated in just such a transformation, making it possible for them to collect the data for the research. Triangulation was used to evaluate the theoretical HPO change approach by interviewing experts in the subject and analyzing documents about the organization ([Cooper and Schindler, 2008](#)). The interviewees were chosen for their unique characteristics, experiences, attitudes and perceptions related to the development and management of the HPO change initiative ([Cooper and Schindler, 2008](#)). All the interviewees were members of the HPO Program Team responsible for the progress of the HPO change initiative at the case company; therefore, they were considered to be the most knowledgeable persons in the company about the change approach. The interviews were semi-structured and conducted face-to-face, dealing with questions about the developed theoretical HPO change approach. The goal of these questions was to gain empirical insights into the similarities and differences between the theoretical change approach and the change approach actually used at the case company. The average interview duration was 2 h and extensive notes were taken, as the interviewees specifically asked not to be recorded to protect their anonymity. Furthermore, documents containing primary data about the development and management of the change approach used at the case company were analyzed to gain deeper insights into the characteristics of this particular change approach. For example, project initiation documents were available that described a structured method for developing project documents on the management of the change approach. The insights that were derived from these documents were combined and integrated with the information from the interviewees.

6. Research results and analysis

This section describes the results of the analyses of the interviews and documents; it is structured according to [Senior's \(2002\)](#) characteristics of a change approach.

6.1 Rate of occurrence of change

The HPO diagnosis showed that the change initiative through which the case company planned to strengthen its HPO factors had to be both organization-wide and department-specific, as while the overall company was yet to achieve HPO status, individual departments were also found to have specific problems with certain HPO characteristics. Thus, members of a given department developed change initiatives that would transform the specific characteristics of their department within their local business environment, while the HPO Program Team focused on change initiatives to transform characteristics throughout the company. The rate of occurrence of change in the company for most of the initiatives could best be described as continuous. Some initiatives were characterized by periods of acceleration, followed by periods of relative calm, but, in general, most of the initiatives were worked upon continuously, resulting in sequential enhancements in the HPO factors.

6.2 Scale of change

The scale of the change was identified as most similar to fine-tuning, as the case company's strategy had not been modified for or by the changes; instead, the company worked in a continuous process upon the required improvements. In addition, the changes brought consistency between the work processes, the methods of working and the behaviors of the organizational members.

6.3 Management of the change

The change management approach for the HPO change initiative was identified as a combination of the planned and emergent approaches, as the approach as used in practice at the case company featured both planned and emergent aspects. During the first few months of the HPO change initiative, the focus was upon communicating the vision of the company to become an HPO. The HPO Program Team was responsible for developing a communication strategy; this task was completed even before the results of the HPO Diagnosis were known. Although the diagnosis results were supposed to define the scale of the required changes, knowledge about this scale seemed not to be important for the development of the communication strategy. The way in which this strategy was used in the company was characterized by aspects of the planned change approach: the organization's vision to transform itself into an HPO was developed at the top of the organization and subsequently communicated all the way down and throughout the organization; moreover, the vision was communicated through clearly defined change interventions. Subsequently, in the following months, the HPO Program Team developed several change interventions to facilitate the bottom-up creation of change initiatives through a combination of the planned and emergent change approaches. Related to the planned approach, a top-down system was used through which the organizational members developed transformation initiatives via clearly defined change interventions originating for the management team and the HPO Program Team. Conversely, and with regard to the emergent approach, a bottom-up methodology was used in which each department developed its own transformation initiatives to enhance specific HPO characteristics in a manner appropriate for the local business environment. Finally, the focus in the following half-year was to allow organizational members to adopt the required transformation initiatives. The change management approach for this part of the HPO change initiative was again characterized by a mix of both the planned and emergent approaches. The planned aspect was that the HPO Program Team facilitated organizational members' adoption of the transformation initiatives, with the support of centrally formulated change interventions comprising clearly defined steps. It transpired that this role of the HPO Program Team was crucial as many managers were reluctant to promote the implementation of certain change initiatives, mainly because they were so busy with day-to-day activities. Without the facilitation of the HPO Program Team, the continuous rate of transformations in the elements would not have been guaranteed. One emergent aspect was that the organizational members were

responsible for implementing the transformation initiatives that they had formulated themselves; at three-month intervals, each team had to review and, if needed, alter their change interventions based on changing circumstances, either in the environment or in the initiatives themselves.

7. Conclusion

In [Table IV](#), a comparison is made between the theoretical HPO change approach and the HPO approach used at the case company.

It is clear from [Table IV](#) that the theoretically developed change approach for an HPO change initiative has predominantly been validated at the case company. As predicted, the rate of occurrence of change during an HPO transformation is continuous, and an HPO change initiative should be managed through a combination of the planned and emergent approaches. It seems clear that the combination of the planned change approach, which creates commitment at the top of the organization as management is in “the driver seat” for this approach, and the emergent change approach, which creates commitment at lower levels of the organization as lower-level managers and employees have much influence on this approach, is ideal to rally all organizational levels behind the transformation of the organization into an HPO.

For this particular case company, the scale of the change was found to be fine-tuning. As such, the theoretical approach for an HPO change initiative has been validated at the case company. The effects of the chosen change approach and the accompanying change initiatives were evaluated by distributing a questionnaire among the organization’s managers and employees ([de Waal et al., 2015a, 2015b](#)). In this questionnaire, the respondents were required to indicate, for each intervention, whether it had been effective in the sense that they felt more closely involved and committed to the HPO transition and that the intervention had enticed them to start manifesting HPO behavior. The scores were converted into percentages of respondents who indicated they had experienced a positive effect of a specific intervention. When an intervention scored a percentage of less than 60 (e.g. less than 60 per cent of the respondents), it was deemed to be ineffective; with a percentage between 60 and 80, it was seen as effective; and with a percentage higher than 80, the intervention was recorded as highly effective. [Table V](#) gives an overview of the effectivity of the change and communication interventions at the case company. The effects of the interventions at the partners in the high performance of partnerships with suppliers program, and of long-term interventions (e.g. the manager and employee development programs), were not included, as these were yet to be measured at the time of this research. [Table V](#) shows that 80 per cent of the interventions were rated as “effective” to “highly effective”. Thereby, the managers were the most positively affected, probably because most of the interventions had been aimed at them.

8. Implications, limitations and future research

The theoretical implication of the study results is that the current gap in the literature, i.e. there is no literature on change approaches focused specifically on creating an HPO, is

Table IV Comparison between the theoretical and the empirical approaches for an HPO change initiative		
<i>Categories of change</i>	<i>Theoretical HPO change initiative approach</i>	<i>Empirical HPO change initiative approach</i>
Rate of occurrence	Continuous	Continuous
Scale of change	Differs for each HPO change initiative	Fine-tuning
Managing change approach	Combination of planned and emergent approaches	Mainly combination of planned and emergent approaches

Table V Overview of the effects of the change approach and accompanying interventions, per change target group

<i>Change target group</i>	<i>Change and communication intervention</i>	<i>Effect of intervention</i>
Organization	HPO diagnosis (measurement + interviews)	Effective
	Organization-wide development programs	<i>Not measured</i>
Teams	Awareness sessions	Very effective
	Call2Action sessions	Very effective
	GoHPO sessions	Effective
	Perspectives/Weather picture measurement	Effective
	Quarterly review and preview sessions	Effective
	"Peeking at the neighbors"	Effective
	Target books	Not very effective
	Team Development Plans and Team Statutes	<i>Not measured</i>
Managers	Real drives	Very effective
	PI Company 360 degrees	Effective
	Reflector test	Effective
	Management days	Very effective
	Coaching courses	Effective
	HPM Portfolio conversations	<i>Not measured</i>
	HPM monthly learning impulses	<i>Not measured</i>
	Management development programs	<i>Not measured</i>
Employees	Coaching sessions	Effective
	Logbook	Not very effective
	HPI development conversation	<i>Not measured</i>
	HPI monthly learning impulses	<i>Not measured</i>
	Employee development programs	<i>Not measured</i>
Partners	HPP diagnosis (= measurement + interviews)	<i>Not measured</i>
	Awareness sessions	
	Call2Action sessions	
	Improvement programs within the partnerships	
	Policy on working with partners	
All	Progress mails from the management team	Very effective
	HPO Intranet	Not very effective
	Reporters on the work floor ("Jackals")	Not very effective
	Employee lunches with management	Effective
	Films	Effective
	Year plan	<i>Not measured</i>
	Yearly regional meetings	<i>Not measured</i>

filled by the approach developed in this study. The research's practical implication is that managers now have at their disposal a change approach to create an HPO in the present-day business environment. Based on this approach, managers can develop a change approach that is appropriate and tailored to the particular context of their own organizations. Central to these approaches should be managers' ability to balance both central coordination of change initiatives during the transformation (tight control) and giving organizational members responsibility for local change initiatives (lose control). It is clear that in the current volatile business environment, managers cannot control every aspect of a change initiative; furthermore, organizational members will be much more committed to the HPO transformation when they are entrusted with formulating and implementing their own change interventions. Thus, the study results are of interest both to academics – who can use the HPO Framework as a basis for further research into the ways and means to successfully change organizations into high-performing entities – and to practitioners, who have access, herein, to a framework that has been validated and proven to actually help organizations to improve in a sustainable way.

This research has several limitations, the main one being that the theoretical HPO change approach has only been tested and validated at one organization. Therefore, the HPO change approach should be tested at more organizations, preferably in multiple industries, multiple countries and organizations of different sizes. It would be especially interesting to

evaluate whether this change approach also works in a non-profit or governmental setting. Another limitation is the number and type of interviewees. The number of interviews is quite limited for conclusions to be based upon: although these interviewees were experts engaged in the complete HPO change initiative at the case company, a larger number of interviewees could make the findings more robust and could also include the perspectives of non-experts, i.e. managers and employees of the case company. In addition, the interviewees could have been biased because they were the members of the HPO Program Team that developed and managed the change approach itself; consequently, they could have been negatively affected had the research shown negative results concerning their change approach.

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Appendix

Table A1 The HPO factors and related HPO characteristics

<i>HPO factor</i>	<i>No.</i>	<i>HPO characteristic</i>
Continuous improvement	1	The organization has adopted a strategy that sets it clearly apart from other organizations
Continuous improvement	2	In the organization, processes are continuously improved
Continuous improvement	3	In the organization, processes are continuously simplified
Continuous improvement	4	In the organization, processes are continuously aligned
Continuous improvement	5	In the organization, everything that matters to the organization's performance is explicitly reported
Continuous improvement	6	In the organization, both financial and non-financial information is reported to all employees
Continuous improvement	7	The organization continuously innovates its core competencies
Continuous improvement	8	The organization continuously innovates its products, processes, and services
Openness and action orientation	9	The management of the organization frequently engages in dialogue with all the employees
Openness and action orientation	10	All employees spend much time on communication, knowledge exchange, and learning
Openness and action orientation	11	All employees are involved in important processes
Openness and action orientation	12	The management of the organization allows mistakes to be made
Openness and action orientation	13	The management of the organization welcomes change
Openness and action orientation	14	The organization is performance-driven
Management quality	15	The management of the organization is trusted by all employees
Management quality	16	The management of the organization has integrity
Management quality	17	The management of the organization is a role model for all employees
Management quality	18	The management of the organization applies fast decision making
Management quality	19	The management of the organization applies fast action taking
Management quality	20	The management of the organization coaches employees to achieve better results
Management quality	21	The management of the organization focuses on achieving results
Management quality	22	The management of the organization is very effective
Management quality	23	The management of the organization applies strong leadership
Management quality	24	The management of the organization is confident
Management quality	25	The management of the organization is decisive with regard to non-performing employees
Management quality	26	The management of the organization always holds employees responsible for their results
Employee quality	27	The management of the organization inspires employees to accomplish extraordinary results
Employee quality	28	All employees are trained to be resilient and flexible
Employee quality	29	The organization has a diverse and complementary workforce
Employee quality	30	The organization grows through partnerships with suppliers and/or customers
Long-term orientation	31	The organization maintains good and long-term relationships with all stakeholders
Long-term orientation	32	The organization is aimed at servicing the customers in the best possible manner
Long-term orientation	33	The management of the organization has been with the company for a long time
Long-term orientation	34	New management is promoted from within the organization
Long-term orientation	35	The organization is a secure workplace for all employees

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