

Modelling organisational change in the international olympic committee

James Skinner and Allan Edwards

Griffith University, School of Education and Professional Studies, Queensland, Australia

The International Olympic Committee (IOC) as the founding and governing body of the Olympic movement is one of the earliest international non-governmental organisations to come into existence. Its beginnings late in the 19th Century place it as one of the few organisations to bridge three centuries. From its small beginnings in the 19th Century it continues to govern and guide the Olympic movement in a world that has changed considerably. This growth of the Olympic movement has had a significant impact on all facets of the Olympic Games, however, the ideals of the Olympic Movement have not varied widely from those Pierre de Coubertin established at the end of the 19th Century. We find these principles expressed in the Charter of the IOC and evident in much of the organisational structure, management and processes of the current IOC operation. Recently however, the environmental turbulence attached to Salt Lake City ethics scandal and subsequent IOC and government inquiries has resulted in a critical examination of the operational procedures of the IOC. This examination is due to the revelation of business practices that are at odds with the principles that are meant to reflect the very essence of the Olympic movement. These circumstances have created conjecture about how the IOC can continue with a mix of values, principles and processes into the 21st Century that are at odds with its operational procedures. Consequently, at the beginning of the twenty-first century the modern Olympic movement is marked by rapid change. To understand how organisational change has been historically embraced or rejected by the IOC this paper will apply Laughlin's (1991) model of organisational change to determine if it can illuminate our understanding of the differing impacts of environmental disturbances on the IOC.

Theoretical Background

Laughlin (1991) suggested that organisational change can be appropriately explained by reference to organisational sub-systems, design archetypes, and an amalgam of interpretive schemes. He suggested the sub-systems of an organisation are the tangible elements, such as buildings, people, machines, and the behaviours and natures of these elements. The design archetype and interpretive schemes are the less tangible dimensions which are responsible for giving direction and meaning, providing the interconnection to these more tangible elements. Hence Laughlin suggested that particular structural designs are supported by the values and beliefs of the organisational members, thus they have a common purpose and resulting pattern and coherence. Laughlin pointed out that an ideal organisation is one that is in equilibrium. That is, the interpretive schemes, design archetype and sub-systems are at any point of time, in some dynamic balance. It is the impact of an environmental disturbance that can consequently cause an organisation to temporarily move out of equilibrium. Furthermore, he suggested that the organisation will either absorb the disturbance and maintain its previous equilibrium or, as a result of a shift in design archetype, sub-system elements and interpretive schemes develop a new equilibrium. This forms the basis of his attempt to provide a typology that refines and develops the complexity of organisational change.

Laughlin's Typology

Laughlin's (1991) suggested that an organisation will only change when disturbed, kicked, or forced into doing something. Once the organisation undergoes an environmental disturbance the type of change can either be first or second order change (see Table 1). Here he draws on the work of Smith (1982) and Robb (1988) to put forward the notion that change can be typified as morphostasis (first order), or morphogenesis (second order) change.

Table One: Laughlin's (1991) typology of organisational change.

No Change		"Inertia"
First Order Change (Morphostatic)	(1) (2)	"Rebuttal" "Reorientation"
Second Order Change (Morphogenetic)	(1) (2)	"Colonisation" "Evolution"

Adapted from Gray, Walters, Bebbington and Thompson (1995)

Gray et al. (1995) however, in their application of Laughlin's (1991) model of organisational change noted that the major shortcomings of the model are its rigidity and limited ability to fully explain the shifting processes of organisational change in practice. To overcome this they applied Llewellyn's (1994) explanations of boundary management. According to Gray et al. Llewellyn's conceptualisation offered a postmodern interpretation of an organisation. This implies that organisations are essentially fluid, increasingly transparent and with shifting boundaries. They suggested that this view of an organisation when laid across Laughlin's model provided a rich, and multi-layered conception of the process of organisational change. However, we believe that this interpretation of boundary management only fine tunes Laughlin's model and does not address the messiness and contradictions of organisational change, for example, how change is accepted or rejected throughout the organisation. This type of analysis is necessary in a critical postmodern interpretation of the change process. Consequently, although Laughlin's model of organisational change provides a solid foundation for understanding the differing impacts of environmental disturbances we believe it tends to simplify the complex phenomena of organisational change. To overcome this tendency this paper expands on the work of Gray et al. and applies a critical postmodern framework to Laughlin's model. This application will provide a sharper insight into the process of organisational change occurring within the IOC.

Overview of the Change Process in the IOC

During the majority of its existence, the IOC operated in a situation where it chose to ignore, declare itself above, or state that it was actively dealing with a number of external changes and disturbances. As a consequence it maintained a relative state of inertia for a good part of its existence. The amateur ethos the IOC embraced for sport and itself left it financially and organisationally unable to fundamentally change in response to numerous, significant environmental pressures. Its organisational culture provided a boundary maintenance mechanism to resist these pressures. As Llewellyn (1994) suggests, organisations displaying these characteristics are relatively impermeable to their surrounding environment.

Two periods provide an understanding of first order change faced by the IOC. First, rebuttal occurred until the early 1980s in response to a general increase in the commercialisation of sport. As a result, these forces had no major impact on the stability and fundamental amateur principles by which the IOC managed the Olympic Games and as a consequence, the IOC was able to maintain the state of inertia that existed prior to this disturbance. Second, a reorientation response arose as a consequence of the election of Juan Antonio Samaranch as president in 1980 and more significantly to the 1984 Los Angeles Games. The Los Angeles Games ushered in a new era of corporate financing and full-blown commercialism at the Olympics. With television rights fetching ever-larger sums, some critics felt that the Games, once a festival for amateur sport, had become over commercialised. In 1985 the contractual arrangements with International Sport and Leisure ushered in a new era of IOC led commercialisation. This led to serious internal conflicts in the IOC as the amateur values that underpinned the Games and therefore the culture of the IOC were in conflict with the new reality.

It is clear from the above description that the IOC in the mid 1980s at least understood the importance of adaptation between the organisation and its commercial environment. This period highlighted the growing response of the IOC to commercial environmental disturbances, but these disturbances did not lead to second order change. However, as the 20th Century closed the IOC also experienced second order change. Colonisation, an undesired form of second order change, was forced

upon the IOC as a result of the 1999 ethics scandal that erupted with revelations that bribery and favouritism played a role in the awarding of the 2002 Winter Olympic Games to Salt Lake City, Utah, and in the selection of some earlier venues. As a result, the IOC instituted a number of reforms including the nature and selection of IOC members and a significant revamping of the Games host city bidding and selection processes. The ethical crisis created for the IOC gave further momentum to its shift from a semi structured designed archetype with limited formalisation of roles and accountability, to a structured design archetype with a more distinct formalisation of roles and accountability. This allowed a greater ability to manage ethical concerns, which in turn resulted in the development of new interpretive schemes within the IOC.

The above scenarios indicate that the IOC has undergone a series of first and second order changes of differing intensity. This has culminated in the implementation of an evolutionary change process presently occurring at the IOC. The environmental disturbances of 1999 were in the first instance, resisted, but the strength of the disturbance forced the IOC to change significantly. However, the process did not end there, as the impetus created an environment within the IOC that resulted in rational discussion about the IOC's new purpose. The change process, in Laughlin's (1991) terms, became more evolutionary as there was a general consensus about the direction change should take. Although there were pockets of resistance throughout the organisation, a new underlying ethos emerged. However, by reshaping the design archetype and sub-systems, and realigning them with the IOC's newly chosen purpose, this ethos has led to a state of flux throughout the IOC organisational hierarchy.

Ambiguity of Change

Laughlin (1991) raised our consciousness, created awareness, and explained why organisations change, but in doing so he only provided a convenient way of putting particular changes into conceptual categories or compartments. This idealised form of organisational change can illuminate the change process and give an historical representation of change in sporting organisations through a number of eras. It fails however, to deal with the fussiness and untidiness around the perimeters of these compartments and the subsequent ambiguity in distinguishing between them. It does not allow for a blurring of the distinction between compartments. The danger in Laughlin's model of organisational change is that it creates a naive acceptance and understanding of how organisational change occurs by failing to accommodate for internal conflict and contradictions resulting from the change process. A postmodern approach argues that organisational change is difficult to neatly categorise since organisations are usually fragmented, often in conflict, and sometimes even projecting different visions and values. The data indicated this is clearly the case within the IOC. The acceptance of new interpretive schemes throughout the IOC is varied and therefore the type of change occurring becomes difficult to define. The data indicates that organisational values can change and the IOC is developing a new organisational purpose. At the same time, it is proposed that some elements of the IOC are slipping back to the old value system. The data therefore indicated that Laughlin's model of organisational change has failed to explain the fragmentation that exists in component parts of sporting organisations and reduces these complex phenomena to a simple explanation encapsulated in an idealised typology.

Concluding Comments

It is clear from the outcomes of the change process within the IOC, that the direction and processes of change desired at the "governance" level has not filtered throughout the whole organisation. Although critical approaches such as Laughlin's encourage us to constantly challenge our own understandings and assumptions about organisational change, the test of their success lies in the extent to which they accurately represent sporting organisations undergoing change, and whether they can reveal and predict the real nature of this change. We believe that a hybrid model which links Laughlin's (1991) typology with a postmodern interpretation of organisation change, can provide a valuable insight into the changes currently taking place in the IOC. Additionally, the authors believe the application of this hybrid model to other similar sporting organisations could further enhance our understanding of the complex phenomena of organisational change.

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Contact co-ordinates author

Dr. James Skinner
School of Education and Professional Studies
Griffith University
Gold Coast Campus
Private Mail Bag 50
Gold Coast Mail Centre
9726
Qld Australia
e-mail: j.skinner@griffith.edu.au