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## **Transformation and Redesign at the White House Communications Agency** by March Laree Jacques

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### **Abstract**

This article describes an organizational transformation effort undertaken at the White House Communications Agency. It shares the Agency's efforts through the period of 1992-1998, beginning with a Deming-based approach to continuous quality improvement through implementation of a total organizational redesign using systems thinking precepts. It describes the obstacles to implementing quality concepts in a high visibility, high security organization and examines the influence of Agency's organizational culture on quality performance and improvement. The discussion examines the applicability of several broadly accepted quality concepts to the "ultimate command-and-control" organization. It concludes by suggesting the need for further investigation into the factors that affect the transferability of quality and systems thinking concepts between commercial and guardian organizations.

### **Key words**

Ackoff, continuous quality improvement, Deming, idealized design, interactive planning, fear in the workplace, participative management, organizational design, organizational psychology, systems approach, systems thinking.

## **Transformation and Redesign at the White House Communications Agency**

by March Laree Jacques

### **Introduction**

Among the symbols of American democracy, like the Flag, the Liberty Bell, the Constitution, the Declaration of Independence, one symbol — the White House — is an organization. Like the others, the White House is a very visible, physical representation of American ideals. Unlike the others, the 18-acre White House complex is a human network, home to the numerous interrelated agencies and services that support the Office of the President of the United States. The complex is headquarters to, among others, the Secret Service, a medical office, food service, and an 800-person communications agency. The White House, symbol of freedom and democracy, is also the ultimate command-and-control organization.

In 1992, the first organizational transformation effort in the history of the White House began when the White House Communications Agency (WHCA) hired Dr. J. Gerald Suárez to establish an office of organization and process improvement. Late December that year, Suárez became the archetypical lone ranger. A civilian with a PhD in industrial-organizational psychology and a background in research, Suárez was cast in a fast-paced, high tech, military organization. Today, Suárez's business card still reads "Director, Presidential Quality Management, White House Communications Agency," and the Agency's office of Presidential Quality/Organization and Process Improvement has grown to eight people. It is still charged with helping the Agency improve. Significantly, the Agency has made enough progress over the last six years to be willing now to talk about its transformational efforts. The journey has taken the Agency from continual process improvement initiatives, following an approach espoused by Dr. W. Edwards Deming, through the implementation of a total organizational redesign, using systems thinking precepts championed by Dr. Russell Ackoff.

For practitioners, the Agency's story shares numerous insights about how one organization met and dissolved obstructions to organizational transformation. The barriers that the Agency met will be especially familiar to change agents who work with skilled, high tech workforces, as well as those who work in government agencies or in any organizational environment that is top heavy in terms of managerial hierarchy, or that serves critical customers, or that makes decisions which are highly visible to the public. For researchers, the Agency's story suggests a need for further study into the relationship between social systems theory and quality management, especially as related to discontinuous improvement. It also suggests a need for further investigation into the factors that affect the transferability of quality improvement and organizational design concepts between commercial and guardian organizations.

### **Meet WHCA**

The White House Communications Agency (WHCA, pronounced "walk-a") is the unit of the Federal government responsible for fulfilling the communication needs of the President and Presidential staff. From relatively mundane, nonsecure phone calls, to highly visible public speeches, to unique, high security encrypted messages, the Agency supports the Office of the President by fulfilling all aspects of communications, instantaneously. This includes an enormous amount of detail that citizens take for granted.

For example, when the President gets a phone call, wherever he may be, someone in WHCA makes the connection. (Imagine disconnecting Gorbachev or asking Yeltsin to hold!) When the President takes the Presidential limo through the streets of Washington, someone from the WHCA checks the mobile phones. When the President gets top secret telecommunications aboard Air Force One, WHCA is at work. When the President gives a speech in Afghanistan — or any where else in the world — WHCA provides public address systems, videotaping, photographic processing, audio and video editing and archiving, cable distribution, audio and video distribution, teleprompting support, plus an official, Presidential lectern, and much, much more. Moreover, if the Vice President or First Lady acts in official capacity as an emissary of the President, WHCA's responsibilities extend to them as well. Radio frequency systems, information systems, and network infrastructure all fall within the Agency's domain.

In the narrowest sense, the Agency's customers are the President, Vice President, and First Lady of the United States. But it also supports the Chief of Staff, the Office of Administration, National Security Council (NSC), Defense Information Systems Agency (DISA), the U.S. Secret Service and the Presidential Staff and "others as directed." In the broadest sense, the Agency's customers are the citizens of the United States and the free world.

Organizationally, the Agency is part of the Department of Defense. Established in 1942 as the White House Signal Detachment, its mission during the Roosevelt Administration was to provide normal and emergency communications to support the President. The Detachment's first jobs were to provide mobile radio, teletype, telephone and cryptographic services in the White House and Camp David (then known as Shangri-La). In 1954, during the Eisenhower Administration, the Detachment was reorganized under the Army Signal Corps and renamed the White House Army Signal Agency. In 1962, it was transferred to the Defense Communications Agency and took its current name. The Agency is under operational control of the White House Military Office (WHMO), with administrative oversight provided by the Defense Information Systems Agency (DISA). Agency personnel come from all branches of the Armed Forces. The Agency commander is a one-star flag officer.

### **Setting the stage**

By the late 1980s, quality management was making inroads into government. The Reagan Administration created a Federal Quality Institute and an annual quality award — the President's Quality Award — that used a modified version of the Baldrige Award Criteria. Many of the early success stories came from the Department of Defense (DoD), which also garnered by many of the Presidential Quality Awards. The Defense Department tended to see quality much the way its contractors did, as a valuable management philosophy and a set of quantitative tools and techniques that should be widely disseminated. In the late 1980s, the Department committed resources and internal expertise to provide management directives and guidance, self-assessment processes and training materials to DoD organizations wanting to start down the quality path (Hyde, 1997). Also in the 1980s, the Defense Department began to send personnel to Deming's seminars and had Deming present his famous Four Day Seminar at the Pentagon. According to one participant, Del Nelson, Project Officer, 1983-1990, for the Pacer Share U.S. Civil Service Demonstration Project conducted at McClellan Air Force Base, Deming's seminars and subsequent advice to project leaders at McClellan were pivotal in shaping the Pacer Share Project, which in turn became part of the torrent of influences that eventually became Vice President Gore's Federal reform initiative. (Nelson, 1998)

By the late 1980s and early 1990s, quality was in the air. Synchronous quality initiatives were underway in private telecommunications companies, a happenstance that encouraged benchmarking and sharing of best practices with their counterparts in the public sector. The U.S. General Accounting Office conducted a study of quality in government which concluded that by

1992 quality management in some form had been introduced into most Federal agencies. The study also indicated, however, that direct worker participation was significantly smaller with just 17 percent of the workforce directly involved in quality activities. (Hyde, 1997) The 1992 Presidential election ushered Bill Clinton into the Presidency. With him came promising reports about a history of quality management initiatives in state government during his term as governor of Arkansas. Later, expectations about the future of federal quality initiatives increased again with Clinton's choice of cabinet members like Robert Reich and Donna Shalala (Jacques, 1993a, 1993b). Then, came the Vice President's Gore initiative to reinvent government. Quality, it seemed, was poised for a big step forward.

### **Enter the change agent**

In December 1992, as the White House Military Office was preparing for a new President, a hiring process which had started at WHCA during the latter days of the Bush Administration was winding down. The Agency finished culling through more than 125 candidates to find the person who would be tasked with establishing an office of process improvement for the Agency. On Christmas eve, they offered the job Dr. J. Gerald Suárez. On paper, his selection sounds at first like a mismatch: The Agency is a military command. Suárez is one of only four civilians employed in the 800-person Agency. Suárez has a PhD. The Agency has an environment in which a doctoral degree is often seen as "academic" (interesting but irrelevant). At the time he was hired, Suárez had no experience in telecommunications, yet WHCA was, and is, overwhelmingly staffed with communication professionals whose work language is peppered with high tech jargon. For those who hold to the theory that a change agent should offer an outside view, Suárez had the right stuff.

In reality, the fit was better than it sounds. Suárez had worked extensively with military personnel, specifically with the Department of the Navy (DoN). While in graduate school at the University of Puerto Rico, where he earned both his masters and PhD in industrial and organizational psychology, Suárez had the opportunity in the summers of 1984 and 1985, to work with the research staff of the Navy Personnel Research and Development Center (NPRDC) in San Diego, CA. There he got his first introduction to quality when he was assigned to read *Quality, Productivity, and Competitive Position* (Deming, 1982b). He recalls the book and others by Deming as having a powerful, but confusing impact on his intellectual progress. "Here were ideas that were almost the exact opposite of what I had been taught in industrial-organizational psychology. To give you an example, Deming said in essence, 'Get rid of performance appraisals' (Deming, 1982a) — I was learning how to design them!"

In 1987, Suárez joined the center full-time as a personnel research psychologist and as an instructor and consultant for both the Navy and the DoD. There, he did research related to developing educational strategies and training plans for Total Quality Leadership (TQL), the Navy's approach to quality improvement. In 1991, he joined the Office of the Under Secretary of the Navy's TQL Office as a technical advisor, researcher, and instructor. He was a member of the faculty responsible for training the Navy's TQL specialists and the instructors of the Navy's "Senior Leaders Seminar" series. A 1992 report, Suárez prepared for the Navy's TQL Office, provides an in-depth comparison of the approaches expounded by three of the most prominent quality gurus of the day: Crosby, Deming and Juran. The textbook-quality report, entitled "Three Experts on Quality Management" (Suárez, 1992), is noteworthy for its concise but detailed examination of the similarities and differences among their philosophies. As part of his investigation, Suárez attended Crosby's Quality College, Juran Institute seminars, and Deming's Four Day Seminar.

In studying the Deming approach, he became intrigued with Deming's admonition to "drive out fear" in the workplace. From a psychological point of view, Suárez understood that

absence of all fear would be a sign of pathology, much like absence of all stress. To understand how fear manifests itself in the workplace and how it affects performance, he began to research the kinds of fear and their impact from a psychological point of view — social psychology, clinical psychology, industrial-organizational psychology. His conclusions appear in “Managing Fear in the Workplace” (Suárez, 1993), a free Navy publication that offers guidelines for dealing with fear in the work environment. The work also is the basis for a three-volume video series (Suárez, 1996). In both he argues that fear cannot be eliminated, but must be understood, coped with, managed, and channeled. He discusses several types of fear and behaviors associated with them: fear of failure, fear of reprisal or of receiving poor appraisals, fear of change, fear of success, fear of math, fear of speaking up, fear of not making a mark on one’s watch.

The research would prove valuable at WHCA. On his first day with the Agency, a long-time employee predicted, “When you leave the White House, you will be a young man with a promising past. If you do the right things right while you are here, you will have a promising future. But, while you are here, you will know intimidation, fear, and pain.”

### **Understanding the culture**

The organizational culture into which Suárez had stepped was unpredictable and pressure filled. He sometimes describes the White House as a clock, “hermetically sealed with an internal structure and precise movements and interactions that affect us all,” a place “where the monumental and the mundane co-exist.” Yet, as he would learn, there are no typical days at the White House. It is always unpredictable and dynamic. Nonetheless, it is also rigidly structured. There is a plan, a back-up plan and a contingency for everything. It is, Suárez says, “the ultimate military command structure.”

Cast as the change agent, Suárez set out to understand organization, but his “outsider” credentials distanced him from other people in the Agency, making it difficult to develop trusting relationships. Typically, people bond with the familiar. “For example,” Suárez explains, “if you are Army and I am Army, we bond because we have Army in common. Or I’m Navy, you’re Navy. Or you are a communicator, I am a communicator. Or I have a masters in engineering, you have a masters in engineering. Well, I had none of that. I had to build coalitions. I had to bring people together. I had to trust people and they didn’t trust me. So, it was challenging, just to get that portion of it going.” Even Suárez’s natural wit and easy, gregarious style did not mesh at first with the stiff, intense Agency environment. Then, too, there was the security issue. After all, this was the White House. “I felt paranoid at first,” he recalls. “They briefed me on so many things — if you do this, this will happen. I had this feeling that — I think they are watching me — and of course they were. From a quality perspective, that was a barrier. You need to have an openness. You need to have a dialogue and ‘invite people in.’ It was hard to develop synergy in work.”

Suárez began by observing and by interviewing people, especially those with ten years or more with the Agency. Later, he did a formal climate survey, but first he did lots of lunches and had lots of talks with old timers. They all seemed to agree; to understand the Agency, he needed to go on the road with the President. He needed to do the work and feel the pressure. “Altogether probably my first 18 months were spent learning to understand the Agency,” he says. “Every time I would think, ‘aha, I’ve got it,’ another window would open. My first presidential trip, my first this, my first that, you hang around here for two or three years and there just is no typical day. So it took a long time to really understand the business environment. Yet, within a month or so, I was ignorant enough to write a memo saying these are the things that need to happen.”

“Looking back on it now, I think it was one of my earliest mistakes. I tried to make an impact too soon. I started to shake some trees that I should have left alone until I knew exactly why they were doing things that way. I was very proactive. People come here to survive it. They don’t come here to make it better. I came here to make it better and that was a big challenge.”

Memo in hand, new employee Suárez learned that the Agency was not ready to have some civilian PhD tell them how to do business. Today, many of his first recommendations have been implemented, but early in 1993 the Agency was not ready for those kinds of changes. Suárez remembers that the commander at the time, Colonel Thomas Hawes, USAF, had a “strange look in his eyes” when he finished reading the memo. “I asked him, ‘Sir, is everything OK?’ He said, ‘Where did you get that information?’ I said, ‘Well, I’ve been here observing and this is what I perceive.’ And he said, ‘But it’s been less than a month, and you already know too much about what is wrong with the Agency.’ Coming from the outside, I could see room for improvement all over the place. They were so close to it, they were used to it. They were coping with it. It had become their way of life. Then here I come saying, your way of life is not good enough. They resented that and said, essentially, ‘it’s not good enough but it *is* our way of life and you’ve got to learn it if you want to be part of us.’”

Eventually, he would understand. The old timers had predicted that traveling with the President was the key to the Agency mentality so Suárez took his show on the road. He went on lots of trips. He did communications work and discovered first-hand what it was like to have a razor-thin margin for error. It was different than teaching the win-win concept, which he was doing about the same time. His wake-up call came in Spain. One day in Madrid, something went wrong. Things were not working. Pressure built and it was Suárez who transformed in front of everyone, pounding the table and throwing win-win out the window. “I was almost yelling, ‘This how it’s got to be done. We’ve got to do this. There is no time ...’ Everyone cracked up and someone said, ‘you are finally one of us. You broke the code.’ And even though it was a good thing — I was in, I had the secret handshake — it was a bad thing. I thought, this is scary. If I am getting like you are, then I won’t be effective. And the story spread. Pretty soon, everyone knew about it because it was so out of character. I was so autocratic and emotional. When I reflected on that, I realized that if I continue to do this, I won’t be able to do what I came here to do.”

Suárez refocused. Today, he believes he has a solid appreciation for the traditional Agency point of view and is functioning in a way that feels very comfortable and effective. The stories of his first change memo and his own change in Spain echo a principle of social systems theory articulated below by Jamshid Gharajedaghi:

“Open (living) systems, not only preserve their common properties but jealously guard their individualities. ...the cultural code becomes the social equivalent of biological DNA, those hidden assumptions deeply anchored at the very core of our collective memory. Left to be self-organized, these internal codes, by default, act as organizing principles that invariably reproduce the existing order.” (Gharajedaghi, 1999)

In hindsight, the incidents foreshadowed the likelihood that it would take more than training and more than process improvement to achieve breakthrough organizational improvement at WHCA. Although Suárez got past his culture shock, the Agency’s distinctive cultural traits continue to impact the transformation effort.

### **Key cultural influences**

Fear of making a mistake The Agency’s environment demands constant, high-level performance. Pressure for perfection permeates the atmosphere. A huge percentage of the decisions made at the White House have national and international implications. Mishandling a phone call or having an open microphone at the wrong moment can create an international incident. On high security tasks, the margin for error is thinner yet. People try to conceal mistakes.

Constant public scrutiny and hoopla The press have a permanent encampment on the White House lawn. Reports from White House (especially of mistakes) are on the news within minutes

— or live. The hoopla that constantly swirls around the White House is a distraction for the work of improvement.

Lack of democratic processes The White House is run autocratically. Introducing participative teamwork is a contradiction.

Military synergy WHCA personnel are military people. Their first loyalty is to their own branch of the service. Loyalty to WHCA must be encouraged and nurtured.

Mobility of personnel The average tour of duty is four years. WHCA has requirements and specifications that its people may never have use for again. The Agency must find ways to provide people with experience that will be useful to them after they leave.

Pride Agency personnel take considerable pride in the words “presidential quality” because their work supports what they call the “ultimate customer, the leader of the free world.” Within the Agency, “presidential quality” means providing the highest product and service possible to enable the President to lead the nation.

Lack of bottom line incentives Unlike commercial organizations, Agency improvement efforts are not driven by financial considerations. WHCA supports the President and, by extension, the free world; ergo, the Agency gets what it needs to accomplish the job. In any trade-off between effective and efficient, effective wins. The Agency is subsidized by the DoD. What Suárez calls “the fallacy of the third party which pays for everything” is a mixed blessing for improvement work.

Access to top people The Agency has the luxury of being able to access the top people in any field. This includes top communication experts and top management consultants.

## **Getting started**

The transformational effort underway at WHCA is one which would move the Agency from an autocratic organization — which it is — to an democratic social system — which it is not. The Agency’s organizational culture presents huge challenges, but also huge opportunities. Major among them is the opportunity to work with world-class people in all areas, including the areas of quality and organizational development. In the course of its journey, WHCA first explored Deming’s approach to continuous improvement, engaging several of Deming’s prominent associates as consultants and trainers, and then explored Ackoff’s approach to organizational design, engaging his associates and Ackoff himself as a consultant and mentor.

Total organizational redesign was not what WHCA had in mind originally. Like much of the Federal government in the early 1990s, the Agency was feeling pressure to optimize its processes. Prior to hiring Suárez, WHCA engaged external consultants to help start a process improvement initiative, but the nature of the Agency limited the effect an external consultant could have. There were spotty success stories of improvement, an administrative process here, a personnel process there, but not systemic improvement. Suárez talked with a consultant from Process Management Institute (PMI) who had worked with WHCA on process improvement prior to 1992, and learned that he had not had the security clearance necessary to impact critical operations. Suárez explains, “Most of our key processes by nature are sensitive or classified. He literally could not get to things that would fundamentally change how we do business. To be effective, you have to have access. That is what generated a need for having an in-house person versus using an external consultant.”

## **Changing the system**

With the addition of an in-house quality and process improvement officer, the Agency had a resource that could help move quality methodology and concepts into its core business processes. It had teams, empowerment, improvement projects, just-in-time training and more. What it didn’t have was the effect it was looking for.

“Changing the *system* will change what people do. Changing what people do will not necessarily change the system.” (Scholtes, 1998)

By 1994, the Agency’s process improvement projects still were not having the impact they wanted. Every time WHCA made, or tried to make, an improvement, it had ripple effect. Suárez notes, “It is easy to say, from an academic point of view, that processes are cross-functional, but when you are actually working on improvements, you can literally see the boundary expanding. Every time that we would get better — make an improvement — it was like we also got worse because now we had a bigger problem. Now, we had to involve ‘those people’ and ‘you know how they are.’ The other thing was that we had fallen pretty much into what Brian Joiner calls ‘whack-a-mole’ behavior. (Joiner, 1994) We were just hitting at problems and they would go away but another one would pop up. We were burning a lot of energy, consuming our people like fuel. We were throwing people at problems.”

The Agency was growing rapidly and asking for still more people at a time when DoD was shrinking everything. Process improvement projects were not enough. The Agency’s traditional organizational structure (Figure 1) had too much complexity, too much redundancy. Technological changes meant it no longer made sense to have separate departments for AV, paging, and so on. The Agency needed a radical transformation, a fundamental change in the way it operated. Suárez began to talk with the Agency’s leaders about social systems theories and radical redesign. He says they thought it was impossible: “We just couldn’t make a phone and say, ‘Mr President, can you please stay in town? Don’t go any where; we’re going to redesign.’ I continued making presentations on systems thinking and over time a small group of people came to believe it made sense. But how could we do it? We needed help.”

[ Figure 1. Organizational Diagram. ]

### **Organizational redesign**

In the fall of 1994, the Republicans took Congress. At WHCA the budget-chopping attitude in Congress added clout to the case for changing the Agency’s structure. For the redesign effort, the Agency chose to use the interactive planning and idealized design concepts articulated by Dr. Russell Ackoff (Ackoff, 1981, 1994). Dr. Suárez and the Office of Process Improvement facilitated the redesign team; Ackoff and his associates, including John Pourdehnad and Jamshid Gharajedaghi, mentored the Agency and provided strategic advice. The new structure, however, was created by the people within the Agency. According to Suárez, “We guided them to the realization that an ideal-seeking system is better than an optimal system.” The theory behind WHCA’s the change effort focused on the use of

- synthesis as a way of thinking about the organization,
- democracy and participation,
- interactive planning, and
- the board structure.

Ackoff’s concept of interactive planning begins with formulation of the “mess,” the complex system of interacting problems that constitute the future that the organization already is in if it does nothing. Formulation of the mess includes *systems analysis* to provide a detailed picture of the current organizational processes, structure, culture and relationship with its environment; *obstruction analysis* to surface obstructions or barriers to organizational development; and *reference projections* to generate plausible projections about future performance. Figure 2 is an interrelationship diagram that depicts some aspects of the WHCA “mess” as the Agency began its interactive planning.

[Figure 2. Interrelationship Diagram of WHCA Issues.]

The redesign team used surveys, off-site sessions with all unit commanders, and numerous one-on-one conversations to gather information, formulate the mess, and lay a foundation for the redesign work. An internal document describes the Agency's approach to redesign. It echoes Ackoff's writings.

“An idealized design of a system is the design its stakeholders would have *right now* if they could have any system they wanted. The design is subject to only two constraints: it must be technologically feasible (no science fiction), and it must be operationally viable (capable of surviving in the current environment if it came into existence, with or without modification). The design has one requirement: it must be capable of rapid and effective learning and adaptation, and therefore be able to change. It is called idealized because it is the best ideal-seeking systems its designers could imagine at the time, recognizing that they and others may be able to imagine a better one in the future.” (WHCA, 1996)

The redesign effort did not alter the Agency's traditional mission in any fundamental way, but the Agency did revisit the mission statement and reword it as part of the redesign effort. Working on the mission statement helped generate commitment and direction for the redesign. It also provided an opportunity to introduce synthesis as a way of thinking about the organization as a system. The old mission statement reflected an analytical approach to thinking about the organization. According to Suárez, thinking that way translates to structuring the organization that way. Hence organizations create divisions and functional boundaries. The boundaries, he adds, are where fear develops. The old mission statement literally broke the Agency into parts.

“The WHCA provides telecommunications and related support to the President, Vice President, White House Senior Staff, National Security Council, USSS [United States Secret Service], and others as directed by the White House Military Office. WHCA operates, installs and maintains networks, voice, and data communications equipment and technology. Our support to the POTUS [President of the United States] includes non-secure voice, secure voice, record communications, audiovisual services, automated data processing support and photographic and drafting services both in Washington, DC and on trip sites worldwide.”

The systems approach, which the Agency was striving for, called for synthesis to be used to develop the mission statement. Synthesis asks: what are we part of? WHCA is part of the Presidency. What is the Presidency part of? The Presidency is part of the nation. The new mission statement focuses on both:

“The White House Communications Agency's mission is to provide premier communications systems that enable the President and the Presidential staff to lead the nation effectively.”

The refocused mission statement provided direction and focus for a systemic way of looking at the organization. (Figure 3)

[ Figure 3. WHCA Viewed as an Extended System. ]

WHCA's redesigned structure (Figure 4) is led by the Agency commander and the executive office. It is organized into eight directorates, each with its own specialized mission that

supports the Agency's overall mission. The directorates are divided by inputs (skills/functions), outputs (products/services) and markets (customers/users). Input units are mission support services. Output units are mission fulfilling units. Market units are customer support units. Agency materials describe the new structure is the "foundation for coordination and integration of WHCA as a whole. It is through this structure that the Agency executes its operational tasks and achieves its mission. It is through our participative management style that we will deliberately and continuously improve the overall WHCA system." (WHCA, 1997)

[Figure 4. WHCA's Interactive Structure.]

### **Board structure and participation**

The concept of participative management is not compatible with the traditional style of military management, which continues to be a key characteristic of WHCA's culture. That the Agency, in 1997, could talk about having a participative management style is an indication of how far it had come since 1992. Some of that progress must be assumed to be the result of the ongoing continuous quality improvement initiative. Some of the progress also must be attributed to the realities connected with leading well-educated, skilled workers who do specialized high tech work. Nonetheless, without an organizational mechanism to support participative management, it would be consistent with systems theory to predict that the Agency might not hold this progress against an ingrained command-and-control culture. To provide such a mechanism in its redesign, the Agency incorporated the board structure, prescribed in Ackoff's concept of the circular organization (Ackoff, 1994).

In the circular organization, each person in a position of authority is provided with a board. At WHCA each Agency supervisor has a board that includes himself, his immediate supervisor, and each of his immediate subordinates. (Figure 5) The board structure assures that supervisors interact with two levels of management above them, their own level, and two levels below. In this way the board structure opens and strengthens communication and supports interactions between levels. Boards set policy, conduct planning, and provide coordination and integration of plans and policies. The people at the top still make decisions, but people at all levels set policy. According to Suárez, people in the lower ranks of the Agency have used the boards to change policies and procedures, including some activities which had existed since 1942 when the Agency was established. He credits the board structure with assuring that those at the top are subject to the collective opinion of those at the bottom.

[ Figure 5. The Branch Chief's Board. ]

The boards, he explains, "include your immediate subordinates, your peers, your boss. This provides vertical and horizontal integration. Boards can do whatever they want so long as it doesn't affect anyone else's job. Boards determine whether an issue needs to be addressed at another level." Initially, people tended to think that the number of boards would increase the number of meetings a person must attend to an impossible level. In practice the board structure reduced the number of meetings, as well as the number of memos, emails and miscommunications. Suárez says, "Team skills are necessary, but not sufficient, to manage interactions. The boards are how the Agency manages interactions."

### **Results**

In an October 1998 interview, Dr. Suárez says the implementation of the redesign is approximately eighty percent complete, though he quickly adds that it will never be finished, but will always be subject to adaptation and learning. The Office of Organization and Process Improvement, which he established in 1992, now houses a resource center and the Agency's principal technical advisers on organizational development, strategic planning, team building, process improvement and redesign. It facilitates the Agency's strategic planning process, monitors the quality of work life, assists in benchmarking activities, designs and delivers training courses,

and applies quantitative and qualitative instruments to assess the organization from a systems perspective.

Suárez speaks vaguely about the Agency's quality metrics. He says that a survey, prior to 1994, using Baldrige criteria revealed that the Agency was weak in the results area. He notes that by mid-1997, they had completed the first customer survey in the history of the White House, and says it provided useful insights for improvement. His reticence to talk more specifically could be attributable to the Agency's sensitive mission. This after all is a man who pointedly jokes: "You don't want me to tell you too much because, if I do, then I have to kill you." His lack of interest in discussing the Agency's results in terms of specific metrics also illustrates what he calls a relatively recent change in his point of view about the value of measuring results. An observer might speculate that it constitutes something of a paradigm shift for a research academic now engaged in a world driven by practical application.

As preface to his changed view, Suárez points out that he teaches tools and methods in basic statistics, and was a student of the Deming approach, accustomed to Deming's often repeated question: "How could they know?" So, when the Agency had finished its redesign, he began to query Ackoff. "I said, 'we have a multidimensional design now. How do we know we are better off? We need to measure it. I need to show progress somewhere so I can say to everyone, *look.*' [Ackoff] looked at me and said, 'if you really need to measure to know how much progress you've made, then you have made no progress.'"

"It's true," Suárez continues. "Progress should be obvious. It should be evident. People should feel good. They should talk about it. You should see it in their interactions." Today, he says he hears the voice of progress in the language of the Agency. He sees it in the people's interactions. Now, when there is an issue to be addressed, the board structure gives them a way of knowing who they need to interact with to address it. "This does not mean that we are flying without looking at the instrument panel," he emphasizes. "It means that not everything that counts can be quantified. Not everything that counts can be counted." He briefly mentions that they have reduced the number of meetings by forty percent, that they have customer surveys and internal customer surveys, and that they are developing additional metrics, but he emphasizes that their measurements are used to enhance the process, not drive it.

### **Other changes**

Customer support The redesign created a Customer Support Directorate to provide two-way liaison between the Agency's customers and WHCA personnel. Creation of the directorate provides a centralized, proactive approach to understanding and fulfilling customer requirements.

Personnel evaluations The Agency uses its board structure as a mechanism for performance evaluation, both up and down. Each year subordinate members of the boards meet to determine what their immediate supervisors can do that will enable them to do their jobs better. They prioritize the suggestions and present them to their supervisors who may agree, disagree but give reasons, or ask for more time to consider the matter. The process also works in reverse with the same three options. Feedback from clients is also factored into personnel evaluations. (In the new structure, workers have one boss and multiple clients.)

Training In the previous structure, someone who was good at a job could become locked into it. If someone was good at the switchboard or the teleprompter, for example, a boss could "secure" him in that job. The one-boss-multiple-clients structure changed that. Now, client feedback identifies skill gaps and triggers the Agency's just-in-time approach to training. During the redesign, the Agency also came to grips with the issue of how to deliver training to people who were constantly on the road. The result has been new instructional design packages that take the learning environment to the people wherever they are. The new emphasis on training and development, Suárez says, is helping make the WHCA a good tour of duty.

Fee for service One change which, at the time of this writing, is still meeting considerable resistance is an initiative to “bill” the multiple internal clients a fee for service. The controversial effort is an attempt to challenge the “fallacy of the third party” who pays for everything.

Newcomers orientation The Agency now has a newcomer orientation program to introduce new personnel both to the information systems and to the Agency’s mode of interacting and participative management. The orientation also serves as a bridge to help new people extent their existing loyalty to their branch of military service to include a loyalty to the Agency.

## **Managing Fear**

Today, newcomers to the Agency do not know they are entering a redesigned organization. The structure they meet during orientation is simply the way the Agency works. Initially, however, the redesign left people feeling disenfranchised from their previous departments and operating units. Over time, loyalties have shifted from the parts to the whole, and that, Suárez says, is one of the big benefits of the new design. “In the new structure, problems no longer exist in isolation,” he says. “It’s not just AV’s problem if the lights on the president are wrong.” This attitude of shared responsibility helps the Agency manage the negative impact associated with the fear of making a mistake that still permeates the Agency’s culture. WHCA’s margin for error is just as razor-thin as ever, but the changes at the Agency make it a little easier for people to acknowledge mistakes and get past them.

Dr. Suárez argues that it is impossible to eliminate fear completely. Drive out one fear, he says, and another will take its place like weeds in a garden. Someone running a teleprompter, for example, may be master that job to the point of being very comfortable with it, but given a different responsibility will find the fear of making an error returns at a different level. In the context of the White House, Americans probably would prefer that the people who work there to have some fear of making a mistake. The problem lies in too much fear, too much pressure for perfection, and the corresponding pressure to conceal mistakes. To manage the negative impacts of fear, WHCA puts emphasis on building trust: trust in competencies and trust that mistakes will not be used to embarrass or persecute people.

The first way leaders build trust, Suárez says, is by providing the technology, training, and education that workers need and then putting them in responsible positions that allow them to use their competencies. This continual investment in human development builds the workers’ confidence and demonstrates the leaders’ trust. The next step is creating an environment in which it is safe to admit to a mistake. To do this, the Agency tries to allow the people who made a mistake to be the ones to correct it, share the learning from the mistake without mentioning who did it, and reverse the direction in which bad news travels.

At the White House, attempts to conceal mistakes are futile. “We are going to find out anyway,” Suárez says. “If they didn’t tell us, there is a gap in the trust.” If someone does attempt to conceal a mistake, the psychology of rumor can take over. Say a glitch takes place during a Presidential trip. The President is unhappy. He tells the White House Chief of Staff who tells the executive officer in the Presidential Office of Administration who tells someone within WHCA. By the time the Agency tracks down the error, the soldier who made the mistake is devastated. It went all the way down from the President to him.

WHCA’s current commander, Brigadier General Select Joseph J. Simmons IV, has been adamant about changing that. He has made it well known within the Agency that he wants to be the first one to hear about something that goes wrong for the key customers. He has let everyone know that as soon as a glitch occurs, whoever is on site is to proactively report the problem and take action. This allows information to pass up the chain so that when the President says “I was unhappy with this,” the Chief of Staff can say “Yes sir, we are aware of it and this is what we have done.” It reverses the order in which the bad news travels.

## **Role of leader**

In an interoffice memo announcing the implementation of the redesign, Simmons described himself as “committed to creating an environment conducive to cooperation, teamwork, joy, and pride in work.” ( WHCA, 1996) Apparently, it was not just talk. The Agency’s previous commander was supportive, Suárez says, but Simmons is beyond supportive; he drives the transformation effort.

Yes, he does talk the talk. He says things Suárez did not hear when he first came to the Agency. For example, Simmons talks about the importance of being proactive and “managing the interactions vs managing the actions.” More important, Suárez says that Simmons “deploys that the values we agreed we stood for, the integrity, the trust, honesty, speaking truth to power. He lectures you on speaking truth to power. You see him actually protecting people from the heat that comes from the House. When people see that, it’s inspiring. In the past we were running for cover and then pointing fingers. Now, it’s different. If AV went down, we all went down. And, if any one receives high praise, we all celebrate!”

## **Holding the gains**

It is hardly surprising to learn that, after accomplishing a total organizational redesign, WHCA is still engaged in continual process improvement activities, especially as related to standardizing its newer processes. More than thirty years ago, Dr. Joseph M. Juran wrote that an “unvarying sequence” underlies all human progress, and that control is the inevitable final step occurring both during and after attainment of a breakthrough in performance or a breakthrough in a cultural pattern. “All managerial activity is directed at either Breakthrough or Control. Managers are busy doing both these things, and nothing else. There is nothing inconsistent about a manager conducting both of these activities simultaneously.” (Juran, 1964) So the Agency continues to improve its processes and to reach ever higher. An internal benchmarking study revealed that people loved being on the road because of the cohesiveness of everyone pulling together. One goal then is discover how to maintain that synergy and cohesiveness when people are at headquarters. The bigger challenge, however, is to hold the gains the Agency already has made and, possibly, to expand the initiative to the Agency’s containing system, the White House Military Office.

For some time, the big question has been what would happen when Simmons moved on. According to Suárez, there have been only two other examples of a redesign of this type in military organizations, one at an Army base in Germany and the other at a Naval base in Pensacola. Both floundered when the number one person left. The other efforts, he says, were not as advanced as WHCA’s but nonetheless rotation of leadership has been a major concern. In November, however, Simmons moved, but not out. He was appointed deputy assistant to the President and director of the White House Military Office. As such, he will select his own replacement at WHCA and continue to influence its direction. (At the time of this writing, a new Agency commander has not yet been appointed.)

WHCA has made what appear to be very fundamental system changes, and Suárez is optimistic about the future. “The board structure has given a voice to the people. We have given people democracy. In a military structure, that is a profound shift. Initially, people were very skeptical because they lost their own power. Now they see that no one can ‘back door’ them by getting the commander’s ear and having him approve a policy.” If someone wants a change, that person must make a presentation to the appropriate board. Policy changes require consensus, in practice not in principle, that the change supports the common good. This, he says, has reduced “maneuvering” and turf battles. The board structure, he says, makes people focus on what is good for the agency, not what is good for their units.

“People have seen their ideas implemented. They’ve had a taste of democracy.” That,

Suárez believes, is one thing that will help keep the transformation alive. “Another thing is the indoctrination to the newcomers which is very strong. When they arrive, they have two weeks of orientation which includes boards training and training in Covey’s seven habits. (Covey, 1989) So that should help too.” He hesitates, “Will it survive over time? I don’t know. Ackoff says, even if it fails, there will be a great many lessons learned. I think anyone reading our story will see how much potential there is. If it dies, maybe a future WHCA director will read our story and revive it. Maybe that never happens. Maybe it never dies.” For now, the work goes on.

### **Further study**

What will happen at WHCA over the next several years? With an average tour of duty of four years, the Agency seems a good place to examine theories related to the impact of changing the system versus the impact of changing the people, and especially the impact of a change in leadership. It would be interesting to compare the Agency’s experiences with those of other organizations which have taken a similar path, moving from an emphasis on continuous quality improvement via the Deming approach to a total organizational redesign via Ackoff. What commonalities exist? Do they support an argument that there exists a natural progression in participative management practices? How has it been different for the commercial organizations that followed the same path?

As for Suarez, WHCA’s redesign raised still more questions about how to further improve the Agency. The issues he and the Agency identified suggest several areas where research data would be useful to practitioners who are working to improve their organizations.

#### Organizational design

What are the organizational conditions and attributes that encourage people to document and share ideas?

What factors positively and negatively impact the design and use of organization-wide incentives to stimulate the documentation and sharing of ideas?

What are the conditions and infrastructure that stimulate the interactive flow of relevant data, information, and knowledge through a organization?

What organizational design elements facilitate the development of a knowledge culture or knowledge community within the organization?

What metrics and methodologies are useful in assessing an organization's collective wisdom?

What are the indicators that anticipate an inability on the part of an organization to develop stability and/or flexibility.

What actions are useful in removing systemic blocks that prevent organizations from developing stability and flexibility?

What organizational design structures promote stability and flexibility?

#### Organizational psychology

What planned, intentional activities or structures are useful in building trust between people within an organization? Between the people in the organization and the organization as an entity?

What characteristics and behaviors identify various levels of trust?

How do various levels of trust impact organizational synergy and the sharing of ideas?

How do various levels of trust affect a group's capacity to achieve consensus ?

Is resistance to change a function of: personality? Of perceived likely effects? Of whether or not the change is imposed or voluntary? Is resistance to change an inherent human trait?

What planned, intentional actions and/or structures are effective in enabling an organization manage interactions in ways that deflect, disarm and defuse resistance to change?

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