The Burke-Litwin Model

Idea In Short

Leaders and consultants managing organizational change should use the Burke-Litwin model as their diagnostic and planning framework before initiating any transformation program. W. Warner Burke and George H. Litwin published the model in the Journal of Management in 1992, offering the field its first structured causal account of how internal and external factors drive organizational performance. The model's core value is its insistence on cause and effect. It does not merely list what matters in organizations — it explains how the factors relate, which ones drive the others and in what sequence change must be addressed. For any board member, senior executive or transformation lead who wants to know where to intervene, what to sequence and what risks to anticipate, this model provides the analytical architecture to do that work with precision.

Burke and Litwin 1 built their model on three intellectual pillars:

1. open systems theory
2. organizational climate research, and
3. decades of consulting practice

Open systems theory, which views organizations as entities dependent on their external environment for inputs, throughputs and outputs, provides the model's foundational logic: change begins outside the organization and flows inward. Litwin had conducted organizational climate research at Harvard in the late 1960s; Burke brought decades of organizational development [OD] consulting experience. The 1992 paper formalized what years of practice had produced: a framework that connected the external environment to leadership, strategy, culture, structure, management systems and ultimately individual performance — not as a descriptive inventory but as a causal chain.

The model went through iterative development before its 1992 publication. Burke had tested earlier versions in consulting engagements through the 1980s, most notably in

organizational work conducted following deregulation in the airline industry2. That empirical grounding — models tested in practice before formalization in theory — gives the Burke-Litwin framework a practical credibility that purely theoretical change models often lack. The 1992 journal article remains the primary source: Burke and Litwin describe it as a mechanism that portrays3:

> the primary variables that need to be considered in any attempt to predict and explain the total behaviour output of an organisation, the most important interactions between these variables and how they affect change

The Twelve Dimensions

The Burke-Litwin model organizes twelve organizational dimensions across four levels: the external environment, transformational factors, transactional factors and performance output. The model is not a flat list. Each level influences the levels below it and the performance output at the bottom feeds back into the external environment at the top — creating a closed feedback loop that mirrors how organizations actually function.

The twelve dimensions are:

- External environment
- Mission and strategy
- Leadership
- Organizational culture
- Structure
- Management practices
- Systems (policies and procedures)
- Work unit climate
- Task and individual skills
- Individual needs and values
- Motivation
- Individual and organizational performance

Each dimension is defined with precision. External environment covers any forces or

conditions outside the organization that affect its processes — regulatory shifts, competitive dynamics, macroeconomic conditions and technological disruption. Mission and strategy captures what the organization exists to do and how it intends to compete. Leadership refers specifically to the behavior of senior executives and how they create conditions — conscious or not — for change or resistance.

Organizational culture sits alongside mission and strategy in the transformational tier, representing the collection of "overt and covert rules, values and principles that guide organisational behaviour". Below these transformational factors, the transactional dimensions — structure, management practices, systems and work unit climate — represent the operational mechanisms through which strategy and culture express themselves in daily organizational life. Individual needs and values, task and individual skills and motivation occupy the bottom of the causal chain before reaching the final output dimension: individual and organizational performance.

Transformational vs. Transactional Factors

The model's most analytically productive distinction is the separation between transformational and transactional factors. Burke and Litwin use these terms with precise, non-interchangeable meanings. Transformational change occurs in response to the external environment and directly alters mission and strategy, leadership behavior and organizational culture. These shifts are discontinuous — they require the organization to change what it is, not just what it does.

Transactional change operates at the level of structure, management practices, systems and climate. It modifies how the organization executes within an existing strategic and cultural frame. Transactional change produces incremental performance improvement. Transformational change produces strategic repositioning. The practical implication is significant: leaders who apply transactional interventions — restructuring, process redesign, system upgrades — to transformational challenges will not get the outcomes they are seeking. The model makes this failure mode visible before investment is committed.

The causal sequence runs top-down in the model but the feedback runs in both directions. Changes in the transformational tier cascade into the transactional tier. Changes in the transactional tier influence individual motivation and skills. Individual performance feeds back upward into organizational performance, which in turn sends signals into the external

environment and affects how external stakeholders engage with the organization. No other widely used change management framework maps this bidirectionality with comparable granularity.

The Role of External Environment

The external environment is the model's entry point and its most frequently under-managed variable. Burke and Litwin place it outside and above all other dimensions, reflecting their view that the primary trigger for significant organizational change is external rather than internal. Regulatory change, competitive disruption, technological shifts and macroeconomic stress all originate in this tier. They press downward on mission and strategy first, then on leadership behavior and culture.

This open systems logic has immediate diagnostic relevance. When an organization's performance declines or stalls, the first diagnostic question the Burke-Litwin model asks is external: what has changed in the environment? Leaders who begin their diagnosis internally — restructuring, personnel changes, process improvements — often solve the wrong problem, because the root cause sits one level up in the causal chain. The model disciplines leaders to interrogate the external context before touching internal variables.

The feedback loop from individual and organizational performance back to the external environment is equally important. An organization's performance — its market position, financial outputs, reputation and stakeholder relationships — actively shapes the external conditions it faces. A deteriorating competitive position invites new entrants. A strong performance record attracts talent and capital. Leaders who treat the external environment as a fixed input rather than a dynamic output of their own organizational behavior miss this reciprocal dynamic.

Organizational Diagnosis in Practice

Burke and Litwin designed the model for two distinct applications: diagnosing an existing performance problem and planning a deliberate change program. In diagnostic use, the practitioner identifies which group of factors — external, transformational or transactional — contains the primary source of the performance problem and then traces the causal pathway from that source to the visible symptom. This approach prevents the common consulting error of treating symptoms rather than causes.

In a 2009 study published in the South African Journal of Human Resource Management [SAJHRM], researchers tested the Burke-Litwin model as a diagnostic framework across a cross-cultural organizational setting. The study confirmed the model's utility in identifying the specific factors affecting organizational effectiveness and in distinguishing between transformational and transactional drivers of performance variance4. A 2019 study published in the International Journal of Educational Management applied path analysis to test the model's causal structure and confirmed statistically significant relationships between transformational factors and organizational performance.

In planned change applications, the practitioner identifies where the change is originating — external environment, strategy, leadership or culture — and then maps every downstream dimension that the change will affect. This discipline prevents the common failure mode in large-scale transformation programs: organizations that redesign structure and systems without aligning culture and leadership with the new direction. Burke and Litwin's model makes this misalignment visible at the planning stage, before costly misalignment becomes a post-implementation discovery.

The British Airways Application

The British Airways [BA] transformation of the 1980s, under chief executive Colin Marshall, is the most frequently cited application of the Burke-Litwin model in published literature. Burke himself used the BA case extensively to illustrate how transformational change works in practice. When BA moved from government ownership to privatization in 1987, the transformational factors — external environment, mission and strategy, leadership and culture — required simultaneous and aligned change. The airline faced a hostile competitive environment, a public mandate for financial viability and an internal culture built around the priorities of a state utility rather than a market competitor.

Marshall's team addressed all four transformational dimensions in sequence, beginning with external environment analysis, then redefining mission and strategy, then visibly changing leadership behavior and finally undertaking a sustained culture change program. The transactional dimensions — structure, systems and management practices — were redesigned only after the transformational alignment was in place. The sequencing was not accidental — it reflected the causal logic the Burke-Litwin model prescribes. Changing structure and systems before culture and leadership had changed would have produced a reorganized entity with the same underlying dysfunctions.

The BA case also illustrates the model's bidirectional feedback mechanism. As performance improved through the 1990s, BA's strengthened market position altered the competitive landscape it faced — attracting new low-cost entrants, shifting customer expectations and creating a new set of external pressures that required the transformational cycle to begin again. No change initiative, in the Burke-Litwin framework, is ever truly complete.

Deploying the Model Effectively

Organizations apply Burke-Litwin most effectively when they use it as a structured diagnostic instrument before designing any change intervention. The first step is an audit of all twelve dimensions — using surveys, interviews, document analysis and performance data — to establish a baseline picture of the organization's current state across each factor. The second step is identifying which dimensions show the greatest gap between current state and desired state and whether those gaps are located in the transformational or transactional tier. That classification determines the type and sequence of intervention required.

The model does not prescribe how to execute change within any specific dimension — it prescribes how to think about which dimensions need changing and in what order. This makes it a meta-framework rather than an implementation playbook. In practice, it works most productively alongside more specific change methodologies: Kotter's eight-step model for the execution sequencing, the OSKAR model for individual behavioral change at the performance tier and climate survey instruments for measuring work unit climate over time.

The critical discipline the model imposes on practitioners is one that most change programs resist: patience with sequencing. Transformational change that does not begin at the external environment and leadership levels — and that does not allow those changes to settle before moving into transactional redesign — will consume investment and generate resistance without producing aligned, durable performance improvement. Burke and Litwin's causal chain is not a suggestion. It is a description of how organizations actually change.

- 1A Causal Model Of Organizational Performance And Change
- 2Organization Change: Theory And Practice — Chapter 11. Culture Change: British Airways
- 3A Causal Model Of Organizational Performance And Change; Journal Of Management, 18(3), 523–545

- 4Applying The Burke-Litwin Model As A Diagnostic Framework For Assessing Organisational Effectiveness; SA Journal Of Human Resource Management. (2009)

Summary

The Burke-Litwin model, published in the Journal of Management in 1992, is a twelve-dimension causal framework linking external environment, transformational factors — mission, leadership and culture — transactional factors and performance. It distinguishes between transformational and transactional change, maps bidirectional causal flows and provides the diagnostic architecture for sequencing organizational change interventions effectively.