

**THE IMPACT OF ORGANISATIONAL CHANGE ON EMPLOYEES: A
STUDY OF SPAR ARUNDEL, A DIVISION OF INNSCOR
CORPORATE RETAIL, INNSCOR AFRICA PRIVATE LIMITED
(JANUARY 2011 to JULY 2012).**

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DEDICATION

I would like to dedicate this work to my son Tanaka and daughter Tinaye. I hope this work gives you the foundation and reason to excel.

DECLARATION

I, **Cuthbert Tsikira**, do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the acknowledgements, references and comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

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Student's Signature

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Date

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Supervisor's Signature

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Date

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ABSTRACT

The purpose of this research is to examine and ascertain the nature of the impact that the process of organisational change undertaken within Spar Arundel, a division of Inncor Corporate Retail- Inncor Africa limited, from January 2011 to July 2012 has had on employees. This study also examines the change management strategies used and how the change process impacted on the employees.

This study was based on a case study of Spar Arundel supermarket. The research was undertaken in the social world, and was theoretical in nature, gathering empirical data through questionnaires while using quantitative research paradigms as basis. A quantitative research approach was taken with respect to the employees and managers of Spar Arundel supermarket in order to assess the impact of change on the employees and to gauge employee satisfaction. A total of 112 respondents were secured out of 172 employees.

The critical success factors for successful implementation of a change process entail transparent employee involvement at every stage of the change process. In light of this, the outcome of the survey indicated that the change vision was not communicated while employee involvement was minimal. Analysis of the perceptions and attitudes of employees towards senior management revealed total mistrust. Furthermore, the analysis clearly indicated that the change impacted negatively on the employees.

The study does not aim at being statistically representative, the company which was selected, Spar Arundel supermarket, may not be a full representation of all Spar supermarkets under Inncor Corporate Retail.

Change management though not a new subject for Zimbabwean companies continues to be poorly implemented leading to employee unrest and lack of productivity. This study is a contribution to helping enterprises in finding the best approach as well as giving examples for academic studies on how the organisational change management process can be implemented efficiently and effectively.

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CHAPTER 1: INTRODUCTION

The announcement by Inncor Africa Limited in June 2010 that it was to embark on a strategic de-merger exercise that could result in the formation of at least four companies separately listed on the Zimbabwe Stock Exchange (ZSE), led to the formation of Inncor Corporate Retail, as head office for Spar Corporate supermarkets namely; Spar Village; The Bridge Spar; Avondale Quik Spar; Golden Stairs Spar; Nelson Mandela Spar; Letombo Spar and Spar Arundel, a division that is the subject of this study. The cautionary announcement, dated June 4, 2010 underwritten by Imara Corporate Finance, said: "The directors of Inncor Africa Limited advise all shareholders that the company is currently engaged in discussions that may result in a transaction that could impact on the value of the company's shares" (The Financial Gazette, Business Daily, Thursday, 24 June 2010). The effect of this de-merger implied the split into two of Spar Distribution Centre and Inncor Corporate Retail. After the split, Spar Distribution Centre "DC" was left with the wholesale and distribution function while Inncor Corporate Retail was given the retail function as head office for all the corporate Spar stores listed above. This split was meant to create sizeable, manageable and focused divisions.

1.1 BACKGROUND

Inncor Africa Limited "Inncor"s investment into Spar arises in two areas, the first being a controlling shareholding in the Spar Distribution Centre and secondly, controlling shareholdings into nine corporate retail stores. Spar Distribution Centre, "DC" is essentially a distribution centre for all Spar stores, either corporate or independent. The DC is responsible for the distribution of goods into Spar retail outlets in the eastern region of Zimbabwe. Corporate stores are those stores which belong to Inncor as the corporate body, whereas independent stores are owner managed stores operating under the Spar brand. The mandate of Spar Distribution Centre is stewardship of the Spar brand through monitoring the store standards of all the Spars, giving specialist advice on retail operations and sourcing products for supplying to the Spar stores only. Before the split, the DC also had the responsibility

of running Spar stores in which Inncor Africa Limited had a partnership with individual retailers on a partnership in which Inncor Africa Limited owned 51% and the managing partner 49%. These stores included Arundel Spar; Avondale Express Spar; Letombo Spar; The Bridge Spar; Golden stairs Spar, Village Spar; Greencroft Spar; Nelson Mandela Spar and Mutare Spar.

With the formation of Inncor Corporate Retail, Spar Distribution Centre's role with corporate stores was reduced to brand and standards monitoring and advisory while Inncor Corporate Retail assumed full accountability for the Spar corporate stores. The group's Spar Corporate Store retail operation experienced a poor trading result for the year to June 2011. The mandate of Inncor Corporate Retail was to revamp the operations of all the corporate stores, grow them to world class standards and ensure that they operate efficiently and profitably. According to a statement published in Inncor's audited financial statement, Inncor Corporate Retail had to ensure that, "financial operations have been centralised, store structures flattened to improve ownership and accountability, process and procedures streamlined, expenditure brought under tight control and incentive programmes introduced at all levels to create ownership in the company's performance by the team"(Inncor Africa Limited, Audited financial Results, June 30, 2011). In pursuit of these goals, Inncor Corporate Retail's supermarkets interface with Spar Distribution Centre as a distribution channel as well as adhering to the DC's dictates on brand specifications. However, both business units, Spar Distribution Centre and Inncor Corporate Retail report to Inncor Africa Limited.

The key priorities of Inncor Corporate Retail include amongst others: controlling store operations centrally through a head office; achievement of gross profit margins in each department; employee-job matching and placing; international skills recruitment; centralised and standardised operations such as in human resources management; purchasing; repairs and maintenance; financial control and marketing activities. The organisation structure of Inncor Corporate Retail as at 1 January 2011 was as follows: Group Chief Executive Officer; Financial Director; Group Human Resources manager; General Managers of stores; Assistant General

Managers or operations managers junior managers in store departments; supervisors in stores sections and operational staff.

The mandate of Innskor Corporate Retail to revamp the corporate stores and bring them to profitability meant serious and immediate changes to organisational structure and systems which staff members were unaccustomed to. The restructuring exercise saw the disposal of a number of the smaller stores namely with the group taking a move towards operating larger stores. In addition to Spar Arundel and Spar Letombo three new stores namely; Avondale Spar Express, Borrowdale Village Spar and Groombridge Spar were opened. There was also a wave of store closures and laying off, transferring and demotion of employees. November 2011 saw the closure of Nelson Mandela Savemor while in April 2012, Avondale Spar Express was also closed citing viability problems. The pressure for results continued to mount and staff witnessed the closure of some of the shops such as Nelson Mandela Savemor, and Avondale Quick Spar, which resulted in over 80 employees being retrenched and about 45 being relocated to other stores.

Management changes were also done in some stores such as the demotion of managing partners to just general managers of the same stores in which they had served as part owners. Spar Arundel and the Bridge Spar are cases in point.

The exercise of matching and placing of skills to positions which followed led to disillusionment, uncertainty, dissatisfaction and low morale among the staff whose opinion of Innskor Corporate Retail head office management team was now low and general suspicion on head office intention was high.

However, for Innskor Corporate Retail, the objective of the changes in manpower roles and duties was intended to rid of incompetent staff, reduce excess staff and ultimately improve efficiency and productivity. However there continued to be a mismatch between head office intention and what the staff perceived the intention of the process to be.

1.2 STATEMENT OF THE PROBLEM

Change management initiatives which are based on a prescriptive approach have always failed to succeed. Successful and functional change initiatives are those that are employee centred while management guided. Innskor Corporate Retail had to undergo a change process for it to achieve the goal of achieving performance measures that the shareholders expected and had set for the group. Although the changes were initiated at Innskor Corporate Retail as head office, all stores underwent the changes and hence this study focuses on Spar Arundel. The change management process was intended to address the following challenges:

- **Poor financial performance:** Corporate stores were posting losses and had to be revamped operationally to achieve this.
- **Weak accountability systems:** management accountability was weak as managing partners operated the stores as their own individual businesses with a free reign on recruitment, promotion, remuneration and terminations. This resulted in instances of over-employing, top heavy structures and at times promoting beyond levels of competency. Due to this, operational efficiency was compromised as there was no evidence of effectiveness and productivity in departments.
- **Low productivity:** when considered in relation to retail industry wide performance, productivity was low clearly as a result of low levels of education, experience and retail skills. Apart from this, low productivity arose from a top-heavy structure with staff members involved in duplicative administrative roles whereas the critical operative levels were lowly staffed.
- **Poorly remunerated and de-motivated staff members:** A de-motivating effect on staff members has been due to poor remuneration as compared to industry wide standard.
- **Professional ethos and work ethics:** due to the factors outlined above, staff generally had a poor work ethic and general lack of commitment. While some employees exhibited commitment to duty in spite of the poor conditions and de-motivation, the greatest number of workers showed inefficiency and lack of care.

- **Fear of change:** Change and the uncertainty of it have always posed a challenge for employees in organisations. In this instance, there was anxiety and resistance as employees were anxious for their future given that the preceding change process had left other employees jobless.

From the background to the research problem discussed above, the aim of this research is to ascertain whether the change management strategies effected by Inncor Corporate Retail in Spar Arundel adversely impacted on its employees.

1.3 RESEARCH OBJECTIVES

The research seeks to:

1. Analyse the forces of change in Spar Arundel.
2. Evaluate the level of employee satisfaction in Spar Arundel after the implementation of the changes.
3. Assess the impact of Spar Arundel's change process on employees
4. Identify strategies to reduce and manage resistance to change

1.4 RESEARCH QUESTIONS

The following investigative questions were asked in support of the research question:

1. What were the forces of change in Spar Arundel?
2. To what extent were the employees of Spar Arundel satisfied with their work?
3. How did the change process impact on employees?
4. What strategies could have been used to reduce and manage resistance to change?

1.5 RESEARCH PROPOSITION

The research proposition is that poor execution of a change management process impacts negatively on employees.

1.6 RESEARCH JUSTIFICATION

There has been little research conducted in Zimbabwe on the impact of

organisational change management processes on employees. Most studies in this regard have tended to focus on the benefits of change management to businesses without paying attention to impact on employees. This research endeavours to identify appropriate change management strategies for future change initiatives that Spar Arundel may undertake while also providing other companies within the retail industry solutions for successful change management initiatives. The study will also benefit academics particularly those in institutions that offer study degrees in retail management with a retail case study on ways to mitigate the impact of change management on employees. Finally, it is hoped that the study will benefit Government labour bodies in crafting relevant statutes that regulate companies when implementing change management processes so that the process does not impact negatively on employees.

1.7 SCOPE OF STUDY

This study is restricted to employees of Spar Arundel and by inference discussing Innsco Retail and the stores under it. The sample was drawn from employees of Spar Arundel.

1.8 LIMITATIONS/CONSTRAINTS

Due to time and financial constraints, the research was carried out on Spar Arundel supermarket only and not on all Innsco Retail Spar stores. The scope of the study was limited to staff members of Spar Arundel excluding those in other Innsco Retail stores although they underwent similar change processes. The responses to the questionnaire from the random sample may therefore not necessarily reflect the opinion or beliefs of the majority of staff working under Innsco Retail.

1.9 DISSERTATION OUTLINE

The outline of this dissertation is as follows:

- Chapter one introduces the research area and the organisation under study
- Chapter two reviews existing literature and theories on the subject of change management strategies.
- Chapter three focuses on the research methodology and tools used during the research.
- Chapter four gives the presentation of the research findings and data analysis
- Chapter five gives recommendations and conclusions on the subject and highlights suggested areas for further studies on how change management impacts on employees.

1.10 CONCLUSION

Chapter one looked at the general introduction of the research paper and the research problem. It also gave background information on Spar Arundel and Innscor Corporate Retail and detailed how the change process came about and explained the fundamental problem associated with the process. While being a synopsis of the dissertation, the chapter also lays the groundwork for chapter two in which literature relevant to change management is going to be reviewed.

CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

The current business environment in Zimbabwe and indeed the whole world, demands that companies continually engage in change initiatives in order to remain viable and competitive. One of the most challenging tasks of business leadership is to identify the need to for change and leading an organisation through a change process. This is the view that Kotter (1996: 3) takes in stating that, “by any objective measure, the amount of significant, often traumatic change in organisations has grown tremendously over the past two decades. Although most people predict that most of the re-engineering, re- strategising, mergers, downsizing, quality efforts, and cultural renewal projects will soon disappear, I think it is highly unlikely. Powerful macroeconomic forces are at work here, and these forces may grow even stronger over the next few decades. As a result, more organisations will be pushed to reduce costs, improve quality of products and services, locate new opportunities for growth, and increasing productivity”.

This chapter reviews literature on change management taking into account the view by Neuman (2006), that literature review is concerned with integrating and summarizing what is known in an area of study, demonstrating familiarity with a body of knowledge and establishing credibility of the research. The chapter unravels the intricacies of the management of change as well as impact on employees through an exposition of related models and theories.

2.2 DEFINITION OF ORGANISATIONAL CHANGE

Organisational change, according to Van de Ven and Poole (1995: 71), is “an empirical observation of difference in form, quality, or state over time in an organisational entity. The entity may be an individual’s job, a work group, an organisational strategy, a program, a product, or the overall organisation”. Lanning (2001) views change as either planned or emergent while Robbins (1998: 629) defines planned change as; “...change activities that are intentional and goal oriented”, and change as; “...making things different”. These views are

all summed up in the rather too simplistic definition by French and Bell (1999: 2) that “change means the new state of things is different from the old state of things”. Similarly Lewin, (1951) sees change as simply an event that is frozen, unfrozen and refrozen, while to Ford and Ford (1995: 543) consider change to be “the difference(s) between two (or more) successive conditions, states, or moments of time”.

2.3 FORCES OF CHANGE

2.3.1 The need for organisational change

It has been asserted that organisations must of necessity change and transform (Lanning, 2001) in order to survive and grow. They cannot survive if they are static (Kotter, 1996). While there are many reasons why organisations change, Longenecker and Pringle (1984)'s view that organisations are open systems which interact with and in turn influence and are influenced by their environments, seem to sum it up succinctly. This shows that organisations are subject to the constraints imposed by those environments (Longenecker and Pringle, 1984).

Organisations have to transform (Lanning, 2001). They cannot survive if they are static (Kotter, 1996). What causes organisations to change is usually not one special factor, but a convoluted web of forces of change (Lanning, 2001). Longenecker and Pringle (1984), states that organisations are open systems. This means that they interact with their respective environments and are subject to constraints imposed by those environments (Longenecker & Pringle, 1984). Burnes (2004: 264) states that the “open system school sees organisations as composed of a number of interconnected sub-systems”. It follows that any change to one part of the system will have an impact on other parts of the system, and in turn, on the overall performance (Scott, 1987).

Organisations, according to the open school of thought, championed by Burnes (2004) are not seen in isolation but as open systems which are open to and

interact with their external environment. They are also open internally in the sense that the various subsystems interact with each other. This implies that internal changes in one area affects other area and have an impact on the external environment, and vice versa.

According to Burnes (2004), change is also influenced by the “individual perspective school” and the “group dynamics school”. Burnes, (2004) argues that organisational transformation is often a response to internal and external pressures. By internal factors is meant issues that affect the organisation from within (Kotter, 1996) and the organisation has control of these issues and factors. External factors are outside the control of the organisation. Lanning (2001) identifies external factors to include regulators, competitors, customers, and technology whereas internal pressure may come from obsolete services and products, new market opportunities, new strategic directions, low performance, low satisfaction, new mission, new leadership, conflict and an increasingly diverse workforce.

To Pettinger (2002) however, change is ignited by change catalysts that trigger organisations to question the wider situation.

According to Nahavandi and Malekzadeh (1999), forces of change emanate from both the business environment as well as from the general environment. They consider general environment forces of change to include social issues, cultural, demographic, political, economic and technological.

Other scholars however, view change as structural in nature, (Bhengu, 2007). Structural change, they argue, emanates from developments in technology, the size of the business unit, changes in the environment as well as power shifts within the organisation. In concurring with Bhengu (2007) on structural change, Robbins (1990:588) identifies determinants of change as, “...change in objectives, purchase of new equipment, scarcity of labour, implementation of a sophisticated information-processing system, government regulations, the economy, unionisation, mergers and acquisitions, actions of

competitors, decline in employee morale, increase in turnover, internal and external turnover and decline in profits”.

There are also external influences of change. These external influences include globalisation, new technologies, power of markets, financial deregulation, changing political landscape and women in power (Sturges, 2007). In Lanning (2001) views organisational change which is robust, as primarily triggered by external pressure rather than an internal desire to change.

The various views discussed on change clearly point to the inevitability of change for any business. No business can avoid change as it emanates from a rapidly changing environment while its existence is dependent on the performance of other businesses (Surges, 2007). Burnes (2004) takes the view that an organisation can either instigate or submit to change, but either way, it has to change. Pendleburg, Grouard and Meston (1998) sum it up more succinctly by arguing that the transformation or revolution of the business environment is beyond the control of individual business entities.

2.3.2 How organisations change

Change occurs in various forms and with various levels of impact. Although change can be stressful, Kotter (1996) argues that this is manageable stress. Change that can lead to stress or resistance is change that is drastic. Gradual and programmed change is easier to manage (Nahavandi and Malekzadeh, 1999).

In recent times, scholars, Tsoukas and Chia (2002), Peters (1987), have advocated and argued for gradual or continuous change process as opposed to a sequence of step changes. In concurrence with this view, Peters (1987) postulates that change should be treated as a norm rather than a series of once-off exercises. Lanning (2001) posits that organisational transformation can be continuous or radical and that the continuous perspective can be deliberate controlled or managed.

2.4 PLANNED CHANGE MODELS

How organisations choose approaches to change mainly depends on the nature of change desired, the speed of the change, coupled with the context of the change, (Mabey, 2007). The four approaches around which change models are built include goal attainment, contingency, stakeholder and the multiple accountability models, (Mabey, 2007). Mabey (2007) also argues that without an overall framework, attempts to manage change in a direction can result in unsatisfactory outcomes such as; nothing happening, a cosmetic change being introduced but the underlying situation remaining unchanged or soon reverting to what it was before, and unanticipated negative consequences outweighing the benefits. Mabey (2007) advocates for the six step model as a model that takes the best and removes the worst of the four approaches.

2.4.1 Goal attainment model

The goal attainment model assumes that given a set of problems, or a specific problem, a solution can be found from sound data and careful analysis and that this solution is self evident to all and pursued energetically by all concerned, (Mabey 2007).

2.4.2 Contingency model.

According to Mabey (2007), the contingency model rejects a single approach and searches for change strategies that best fit the context and circumstances at hand. The success of the proposed changes depends on the closeness of this fit to the contextual sensitivity of the implementation. This model is usually underpinned by the systems view of organisations which posits that a set of given inputs is transformed by the enterprise into a series of products and services called outputs (Mabey, 2007).

2.4.3 Stakeholder model

The stakeholder model addresses and reconciles the competing values and often conflicting agendas of stakeholders as it adopts facilitative techniques.

2.4.4 Multiple accountability model

Mabey (2007) argues that stakeholder differences cannot be reconciled but aspects of accountability are required and brought into focus rather than remaining

intractable problems. Multiple accountability arises out of the realisation that the organisation is accountable to more than one interest group (Mabey, 2007).

2.4.5 Organisation development planned change and phase models

2.4.5.1 Organisational Development

Lanning (2007) views organisational development “OD” as a conceptual, organisation-wide effort to increase an organisation’s effectiveness and viability, a view that Burnes (2004) also shares. OD is defined as a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of an organisation so that it can adapt to new technologies, markets, challenges, and the rate of change itself.

According to Lewin (1958), organisational development is a unique organisational improvement strategy that emerged in the late 1950s and early 1960s. OD developed into a framework of theories capable of solving most of the important problems confronting the human side of organisations (Burns, 2004). Lewin (1958) argues that OD is about people and organisations and in organisations and how they function. To Burnes (2004), organisational development is about planned change and getting teams and organisations to function better.

The foundations of OD are in scientific management and it was spearheaded by Lewin (1946). It is founded on the human relations perspective. To French and Bell (1983:15), the approach is a “long range effort to improve an organisation’s problem solving and renewal process – with the assistance of change agent or catalyst and the use of the theory of technology of applied behavioural science”. This view is shared by Bennis and Tichy (2009:58) cited in Burnes 2001 who argue that OD is neither “anything done to better an organisation” nor is it “the training function of the organisation; it is a particular kind of change process design to bring about a particular kind of end result”.

The significant features of OD that French and Bell (1983) discuss are:

- goal is to improve the organisation’s health and effectiveness
- the focus on change effort is on the whole system (such as a division or

organisation)

- change is introduced systematically
- top- down strategies are applied. Change starts at the top of the organisation and is gradually implemented downwards throughout the organisation.
- All employees must be committed to the change
- Change is made slowly which allows for the assessment of the strategies.
- The change programmes is usually guided by specialist change agents
- Organisational development strategy is interdisciplinary.
- The approach works for both stable and unstable organisations

The process is a systematic approach to managing change and it involves “identifying the need for change, selecting the intervention technique, and gaining top management support, planning the change process, overcoming resistance to change and evaluating the change process” (Linstead, Fulop and Lilley, 2009:641)

Many criticisms of organisational development have been made. Some of these have been highlighted and discussed by French and Bell (1983). Palmer, Dunford and Akin (2009) criticise the approach for being explicitly normative which means it assumes that there is one best way to manage change that increases organisational effectiveness and simultaneously achieve the well being of employees. Burnes (2004) believe that planned change involves common sense, hard work and applied painstakingly diligently over time, a systematic goal oriented approach, and valid knowledge about organisational dynamics and how to change these dynamics.

Planned change is a deliberately designed movement occurring from one organisational state to another that has a commitment to producing a specified outcome (Linstead et al.,2009). Most planned organisational change is triggered by the need to respond to new challenges or opportunities presented by the external environment, or in anticipation of the need to cope with potential future problems (Burnes, 2004). Management of change involves the modification of behaviour of individuals within the organisation and improving the ability of the organisation to cope with changes in its environment (Linstead et al., 2009).

According to Lanning (2001) deliberate change is planned change. It can be fast or slow, it may affect many elements of the organisation or only a few (French and Bell, 1999). Planned change represents the intention to systematically improve the operational effectiveness of the organisation (French and Bell, 1999). Planned change can result in incremental change identified by minute fine-tuning, fixing of problems, adjustments and modification of processes do not necessarily result in fundamental changes in the organisation (Lanning, 2001). By contrast, there is also radical change, which results in robust and fundamental change. This change is also known as revolution, refocus, transformation, reorientation or turnaround (Buharist, 2000). In discussing phase models, the word “phase” is used deliberately to emphasise that different phases may overlap)(Lanning, 2001). The work “step” connotes discrete action; that is , step 1 is completed before step two can be taken(Burke 1994).

Lippitt et al. (2001), say that “planned change originates in a decision to make a deliberate effort to improve the system”. Consequently, the notion of planned change has led to different kinds models for carrying out the planning itself and the action following it. What these models have in common is that they all contain a sequence of phases (also referred as steps or stages) to be carried out (Lanning, 2001). These are accordingly called “phase models” for change (Lanning, 2001).

2.4.5.2 Lewin’s Three Step Model

According to Lewin (1951), an understanding of the critical steps in the change process increases the likelihood of a successful management of change. This came to be known as the three phase model of change. The phases in the change process are:

- **Unfreezing:** This stage entails the recognition and acknowledgement of the need to change. By taking action, existing attitudes and behaviour can be unfrozen. This is essential in order to support employees and minimise resistance to change (Linstead et al., 2009). To Lewin, the stability of human behaviour was based on a quasi-stationary equilibrium supported by a complex field driving and restraining

forces (Burnes, 2004).

- **Changing:** According to Schein (1992: 62), “unfreezing is not an end to itself, it creates a motivation to learn but does not necessarily control or predict the direction”. This echoes Lewin (1958), that any attempt to predict or identify a specific outcome from planned change is very difficult because of the complexity of the forces concerned (Burnes, 2004). Moving the organisation to the desired state involves actual implementation of new systems of operation. This may involve experimentation, modification of systems or patterns of behaviour, technology or systems; may also be where people need to leave or new people join the organisation as the full nature of transition emerges (Linstead, Fulop & Lilley, 2009). Once the change appears to have reached equilibrium once more, it is time for the next process.
- **Refreezing:** At this stage, desired outcomes and attitudes have been achieved, but have to be reinforced to internalise desired outcomes. This stage involves the positive reinforcement of desired outcomes. The change programme has to be appraised at this stage to ensure that the new way the new way of operating becomes a matter of habit not a regulation. In the opinion of Burnes (2004: 274), “refreezing seeks to stabilise the group at a new quasi-stationary equilibrium in order to ensure that the new behaviour is relatively safe from regression”.

The main criticism that Lewin (1958)’s model has attracted, is that it is too simplistic and hence offers little information for carrying out change, (Lanning, 2001).

2.4.5.3 Kotter’s eight step Model

The eight step model by Kotter (1995) develops from an in-depth study of different organisations that had undergone change. The eight step model according to Kotter (1985) is as follows:

- Increase urgency- make objectives as clear as possible so as to inspire and encourage people to work towards them.

- Build the guiding team- get the right people in place with the right emotional commitment, and the right mix of skills and levels.
- Have the vision right - prepare the team to develop a simple vision and strategy with focus on emotional as well as creative aspects that are necessary to drive service and efficiency.
- Get by-in through Communication - involve as many people as possible while communicating the essentials simply as well as to appeal and respond to people needs.
- Simplify and de-clutter communications - make technology work for you rather than against.
- Aim to empower action – eliminate obstacles while also enabling constructive feedback and support from leaders - rewarding and recognising progress and accomplishments.
- Create short-term wins - set achievable aims - in bite-size chunks.
- Maintain manageable number of initiatives - finish current stages before embarking new ones.
- Maintain control - build and encourage determination and persistence - ongoing change – insist on ongoing progress reporting - highlight achieved and future milestones.
- Let change stick - consolidate the value of successful change through recruitment, promotion, and involvement of change champions.

2.4.5.4 The six step Model

Mabey (2007) developed the six step model. This model develops from the best qualities of earlier models. Mabey (2007) modified the Kotter (1995), Dawson (1994) and Beckhard and Harris (1987) models to come up with the six step model of change. Mabey (2007: 15) warns of the danger of oversimplification in the model by stating that by “reducing change management into six steps, there is a danger of over- simplification and falling into a trap of seeing change as a linear unfolding process, with a beginning, middle and an end”. Thus the model is presented in a continuum. Consider the Figure 1 which illustrates the six step model.

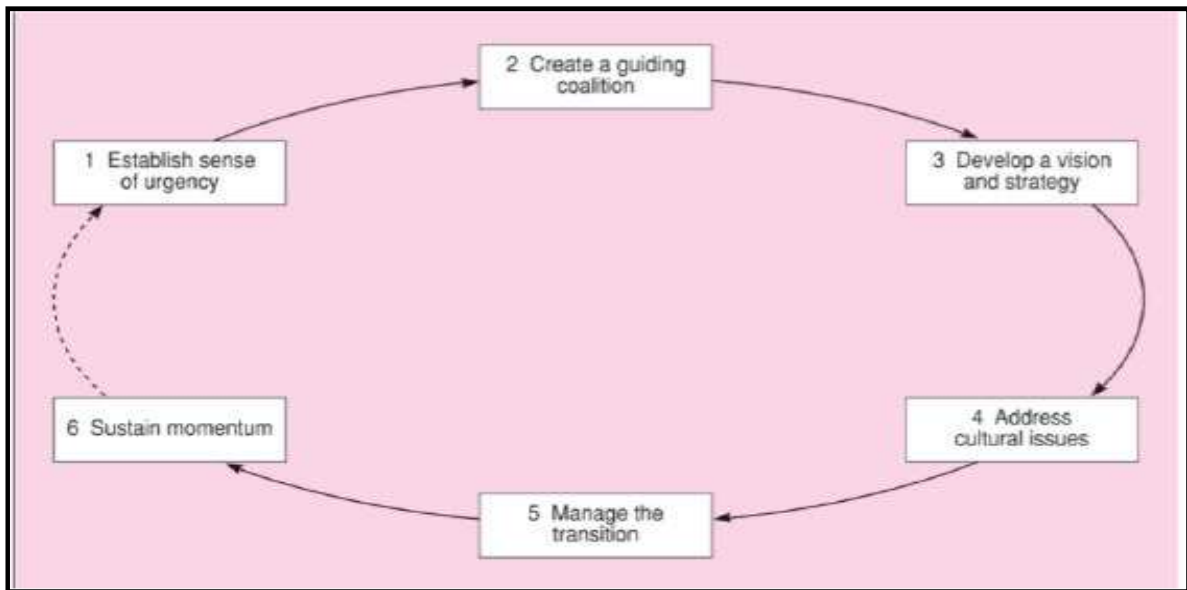


Figure 1: The Six Step Model of Change: Mabey (2007)

In explaining the six step model, Mabey (2007) the first step is to:

(1) Establish a sense of urgency: Mabey (2007), points out that the need for change is often overwhelmed by the sense of complacency or inertia. The stage “identifies potential threats and develops scenarios showing what could happen in the future, examines opportunities that should be, or could be, exploited. It also starts honest discussions, and gives dynamic and convincing reasons to get people talking and thinking, requests support from customers, outside stakeholders and industry people to strengthen change argument” (Mabey, 2007:16).

(2) Create a guiding coalition: To Mabey (2007), this stage convinces people that change is necessary. It takes strong leadership and visible support from key people within the organisation to champion the cause in their sections (Mabey, 2007). This often takes strong leadership and visible support from key people within an organisation. These individuals can then champion the cause in their sections (Mabey, 2007). Activities in this stage are; “identifying true leaders in an organisation, asking for an emotional commitment from these key people, working on team building within the change coalition, checking the team for weak areas, and ensure that there is a good mix of people from different departments and different levels within the organisation” (Mabey, 2007: 23).

(3) Develop a vision and strategy: The real value of defining the strategic purpose lies in the consultation process, that is, “articulating where the organisation is going and what it wants to achieve via genuine consensus building” (Mabey, 2007: 25). “It is one thing to have a clear statement of intent (which should mesh with the overall organisational mission and strategy), but it is another for this statement of intent to express a future vision or set of values that is meaningful and energising for the staff concerned” (Mabey,2007: 25).

(4) Address cultural issues: Often so much effort is expended on the first three stages of change that the later stages are neglected (Mabey, 2007). “Yet this is where many change interventions fail, insufficient effort is given to the prevailing attitudes and values (culture). Insufficient time is given to the special arrangements required by the change process (transition requirements)” (Mabey, 2007: 41). Insufficient energy is given to following through the changes, particularly amongst those staff most distant from the original initiative, but on whom its success depends (Mabey, 2007).

(5) Manage transition: Following all preparation work comes the difficult part of implementing, managing and consolidating the actual change process (Mabey, 2007). The transition state is typified by a number of problems. Mabey (2007: 46) adds that “there is invariably, confusion about roles, responsibilities and decision making channels as “steady-state” management is disrupted. Some people cope with ambiguity better than others, although the setting up of communication feedback mechanisms, periodic cross-functional meetings and temporary task team help”.

(6) Sustain momentum: Mabey (2007) states that at some point it is necessary to assess the impact of the various change initiatives that have been set in motion. The feedback of positive outcomes is an important aspect in giving momentum to the change programme, early success stories help to foster

expectancy among those yet to participate or to be affected by the change effort (Mabey, 2007). Mabey (2007: 53) further states that “where various initiatives are not working, some of the earlier steps in the six step model may need to be revisited. Whatever the situation, the changes `sponsor` need to be kept informed. His or her background lobbying and influence will be essential for ensuring the project enjoys high visibility and adequate resourcing”. Obviously the change agent and (where there is one) the change management team are well positioned to measure the impact of the changes in an informal manner since they will be in close contact with the implementation and outcomes (Mabey, 2007). However, it might also be helpful to augment this with more independent measures of the change to supplement and add credibility to this grapevine (Mabey, 2007). According to Mabey (2007: 43) “three measures can be used, namely: a climate survey or cultural audit, interviews and observer records”.

Although there are numerous other change models, the researcher has deliberately focused on the most recent ones as these have generally been improved on and can be looked at as alternatives to earlier models.

2.5 CULTURE CHANGE

Kreitner, Kinicki & Buelens (1999: 57) define organisational culture as the, “shared values and beliefs that underlie a company’s identity”. Johnson & Scholes (1999: 73) define the cultural web as a “representation of the taken for granted assumptions or paradigm of an organisation and the physical manifestation of organisational culture”.

Senior (1997: 67) defines culture as, “the collective programming of the human mind that distinguishes the members of one human group from those of another. Culture in this sense is a system of collectively held values”. Characteristics of a ‘subjective’ culture include shared values and beliefs among organisational members (Senior, 1997). Characteristics of ‘objective’ culture on the other hand, include artefacts in an organisation such as office locations, physical setting and office décor. Schein (1992) as cited by Schraeder and Self (2003:

512) described culture as “the solution to external and internal problems and posits that culture is multi level in nature, consisting at its deepest level of the most basic assumptions, values and artefacts. Cultures are typically an integral part of an organisation. Some say that culture is to an organisation what personality is to an individual”.

Cultures serve as forces that draw organisational members together, creating a sense of cohesion (French and Bell, 1999). “Culture formation is neither a random event nor an action dependent solely on the personalities of founders or current leaders, but it is to a significant degree, an internal reaction to external imperatives”. Schraeder and Self (2003: 512). Furthermore, change in the environment may necessitate a change in the culture, and goes as far as suggesting that these changes, which include new learning can also involve the need for new people (Johnson & Scholes, 1999). Kotter and Heskett (1992: 11) suggest that, “corporate culture can have a significant impact on a firm’s long term economic performance...will probably be an even more important factor in determining the success or failure of firms in the next decade...and cultures that inhibit strong long term financial performance are not rare; they develop easily, even in firms that are full of reasonable and intelligent people”.

2.5.1 The Cultural Web

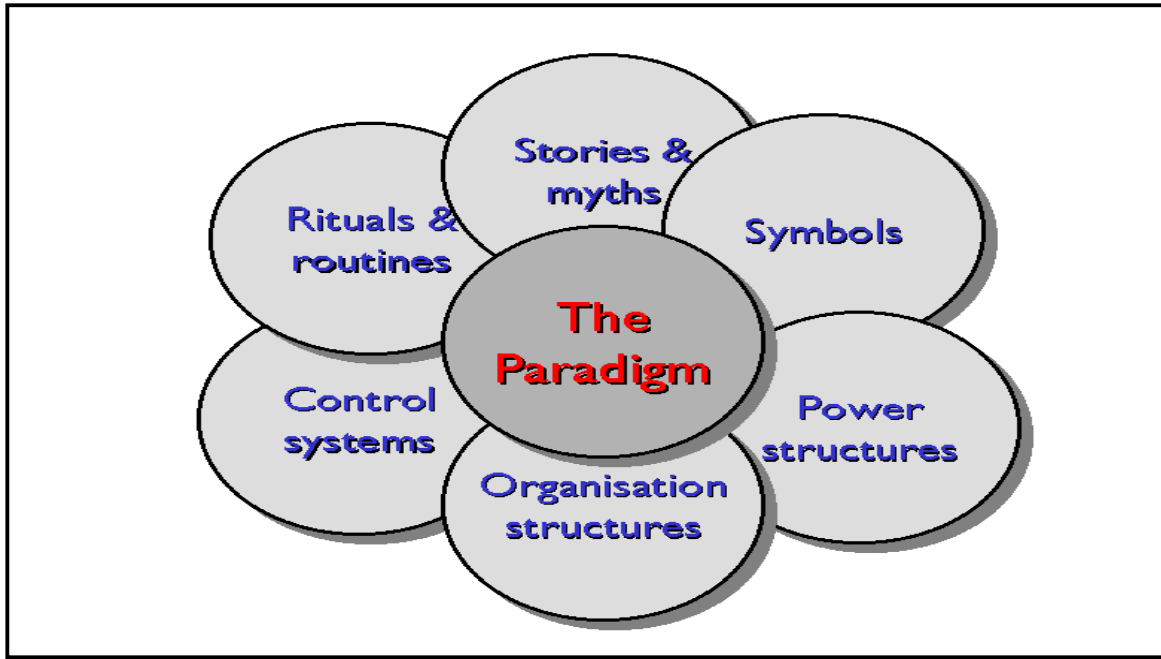


Figure 2: The Cultural Web of an Organisation (adapted from Johnson & Scholes, 1999)

The complexity of culture can be understood through a model of culture such as the one developed by Johnson (Seel, 2005). The paradigm in the centre is the set of core beliefs which result from the multiplicity of conversations and which maintains the unity of the culture (Seel, 2005). The 'petals' are the manifestations of culture which result from the influence of the paradigm. According to Linstead, Fullop and Lilley (2009: 742), the organisation is embedded in a "cultural web of stories and myths, rituals and routines, symbols, power structures, control systems and organisational structures, and all of these, together, shape a paradigm".

A paradigm is basically a formula for what the organisation is and what it does and what the people in the organisation think are the recipes for its success or

otherwise (Linstead, Fullop & Lilley 2009). Segal-Horn (2004) defines the paradigm as a core set of beliefs and assumptions held relatively commonly by managers while Seel (2005) defines paradigm as a self-consistent set of ideas and beliefs which acts as a filter, influencing perceptions. The paradigm is the heart of the web, and is sustained by its other elements (Linstead, Fullop & Lilley 2009)

The Cultural Web identifies six interrelated elements that help to make up what Johnson and Scholes (1999) call the "paradigm" – the pattern or model – of the work environment (Manktelow, 2011).

The six elements are:

- **Stories** – These are past events that people talked about inside and outside the company (Manktelow, 2011). Palmer, Dunford and Akin (2009: 139) states that “these are stories told by the organisation members that, as a form of oral history, communicate and reinforce core elements of the culture”. These include leadership styles, characteristics and how things used to be.
- **Rituals and routines** – These are daily behaviour and actions of people that signal acceptable behaviour (Manktelow, 2011). These determine what is expected to happen in given situations, and what is valued by management. Palmer, Dunford and Akin (2009: 139) define rituals and routines as, “...how organisational members treat each other, and perhaps more importantly, associated beliefs as to what is right and proper and valued”.
- **Symbols** – The visual representations of the company including logos, ambience the offices, and the formal or informal dress codes (Manktelow, 2011). Palmer, Dunford and Akin (2009: 139) discuss symbols such as “logos, office designs, dress style, and language use that convey aspects of culture as examples of cultural symbols”.
- **Organisational structure** - This includes both the structure defined by

the organisation chart, and the unwritten lines of power and influence that indicate whose contributions are most valued (Manktelow, 2011). Palmer, Dunford and Akin (2009) state that structures relate to the nature of the formal and informal differentiation and integration of tasks within the organisation. Examples of such structures include devolved branches, functional structures, hierarchical and autocratic.

- **Control systems** - The ways that the organisation is controlled. These include financial systems, quality systems, and rewards (including the way they are measured and distributed within the organisation) (Manktelow, 2011). Palmer, Dunford and Akin (2009:139) state that these “communicate what is valued by the organisation through what they measure and reward”.
- **Power structures** – These are the pockets of real power in the company. This may involve one or two key senior executives, a whole group of executives, or unions, or even a department (Manktelow, 2011). The key is that these people have the greatest amount of influence on decisions, operations, and strategic direction. (Manktelow, 2011). Palmer, Dunford and Akin (2009: 139) define this as “the most influential management groupings in the organisation”.

Johnson (1988) suggests such a paradigm shift demands a renewal of each and every related process and activity around the original paradigms as well as, the redevelopment of the new paradigm itself. Segal – Horn (2004) suggests that, in order for culture change to take place, all the six elements that are intertwined need to change simultaneously.

2.6 THE FORCE FIELD ANALYSIS

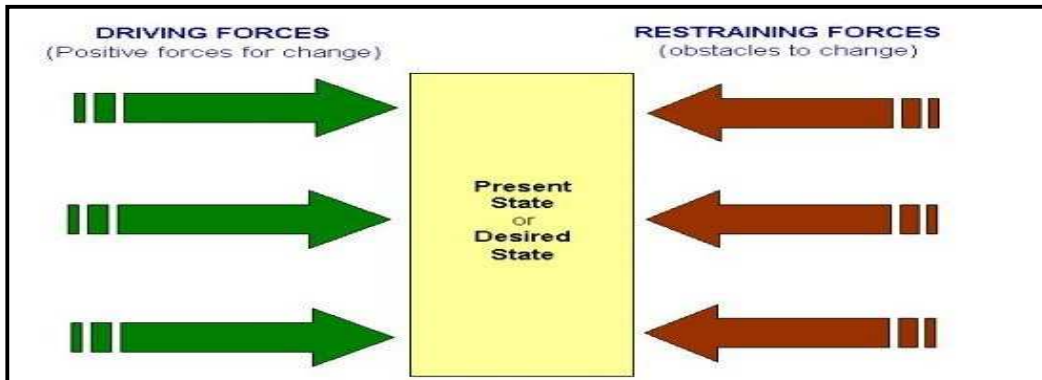


Figure 3: The force field diagram (Lewin, 1958)

Force field analysis is a diagnostic technique developed by Kurt Lewin (as cited in Linstead, Fullop & Lilley, 2009). Lewin (1958)'s model of organisational change highlights the importance of spotting and working with the force at play (Green, 2007). The forces pushing for change are driving forces while those working against change are called restraining forces. Lewin believed that the stability of human behaviour was based on a quasi-stationary equilibrium supported by a complex field driving and restraining forces (Burnes, 2004). Lewin's force field analysis states that there are two forces in operation in the social system, those driving change, and those attempting to maintain the status quo. If these forces are in "equilibrium, to bring about change, an organisation needs to either increase the strength of the driving forces, or decrease the strength of resisting forces or ideally work on both simultaneously" (Linstead, Fullop & Lilley, 2009: 641). If successful, the organisation moves to the next phase (Lanning, 2004).

2.7 CHANGE AGENTS

Changes within an organisation demand a catalyst (Connor & Lake, 1994). The persons who have the responsibility of managing the change process within an organisation and who act as catalysts are called 'change agents' (Fox, 2006). Change managers design, oversee and direct change (Connor & Lake, 1994). Change agents can come from within the organisation or be external consultants

(Nahavandi & Malekzadeh, 1999). Internal change agents are typically senior executives, managers, internal staff developers or powerful lower level employees (Connor & Lake, 1994). External change agents can be consultants brought in from outside the company and have more credibility since they are not involved in company politics (Nahavandi & Malekzadeh, 1999). Any manager may act as a change agent, although a change agent may also be a non-manager, a staff specialist or outside specialist whose area of expertise is in the implementation of change (Bhengu, 2007).

The characteristics or competencies of a change agent according to Buchanan & Boddy, as cited by (Senior, 1997) are:

Goals: Sensitive to changes in key personnel, top management perceptions, able to specify goals clearly, flexible in responding to changes.

Roles: Able team builder who can bring together stakeholders, skilled networker inside and outside the company, tolerant to ambiguity.

Communication: Able to transmit need for change effectively, excellent interpersonal skills, enthusiastic, able to motivate people.

Negotiation: Able to sell plans and ideas to others, finely tuned negotiator.

Managing up: Aware of internal company politics, skilled at influencing people to gain commitment, to take a broad perspective. Fox (2006: 160) states that "often in the event of any major organisational change, internal managers are inclined to hire the services of an outside specialist as consultant to provide advice and assistance. These outside experts are said to be able to present an objective perspective, as opposed to insiders. On the other hand, outsider specialists may be at a disadvantage because they do not have an adequate understanding of the culture, history, operating procedures and personnel of the organisation". Managing the kinds of changes encountered by, and instituted within, organisations requires an unusually broad and finely honed set of skills, chief among which are the following according to (Nickols, 2004),

Political Skills: Organisations are first and foremost social systems. Without people there can be no organisation. Lose sight of this fact and any would-be change agent will likely lose his or her head (Nickols, 2004). Organisations are hotly and intensely political. Change agents dare not join in this game but they should better understand it. This is one area where one must make one's own judgment and keep one's own counsel; no one can do it for the other (Senior, 1997).

All these six elements are critical for cultural change to take place, as they are in many respects, intertwined.

2.8 RESISTANCE TO CHANGE

Various authors have defined and explained resistance to change. Newstrom and Davis (1993: 276) explain resistance to change as, "employees resisting change because it threatens their needs for security, social interaction, status or self esteem. Kreitner, Kinicki and Buelens (1999: 594) define resistance to change as, "...emotional or behavioural response to real or imagined work changes".

Palmer, Dunford & Akin, (2009), believe that the perceived threat stemming from change may be real or imagined, intended or unintended, large or small. However, regardless of its nature, employees will try to protect themselves from effects of change. Strebler (1996: 139) explains the reason for employees resisting change, as, "...many employees see change as disruptive and intrusive". Fox (2006) suggest that older people tend to resist change more than younger people. This is because older people have generally invested more in the current system and, therefore, have more to sacrifice by adapting to change. Linstead, Fulop and Lilley (2009: 649) added that "hostility occurs when individuals or group of individuals fail to take on the change initiative, or some element of change programme, and actively work to frustrate it".

Karyn (2002: 138) states that "major organisational change or innovation can anticipate resistance, especially if proposed changes alter values and visions

related to the existing order”.

Senior (1997) as cited in Bhengu (2007: 42) explains that there are “forces ‘facilitating’ change and forces ‘acting against’ it. The forces that are acting against change are categorised into individual responses and company responses” as shown below:

2.8.1 Individual resistance

- Fear of the unknown.
- Dislike of the uncertainty and ambiguity surrounding change.
- Potential loss of power base.
- Potential loss of rewards.
- Perceived lack of skills for new situation.
- Potential loss of current skills.

2.8.2 Company resistance

- Inertia forces deriving from the systemic nature of companies.
- Interlocking aspects of structures, control systems, rituals and routines, signs and symbols.
- Inertial forces deriving from group norms.
- Potential loss of group power bases.
- Entrenched interest of stakeholders.
- Lack of company capability.
- Lack of resources.
- Threat to resource allocations.

Robbins (1998) proposes six ways to overcome resistance to change. The ways include education and communication, involvement and participation support and ,facilitation, negotiation and agreement, manipulation and co-optation: covert influence, explicit and implicit coercion. Linstead, Fulop and Lilley (2009: 649) state that “organisational and individual resistance needs to be worked out, not dismissed or defeated”. They further state that communicating the change often

and consistently is important but not enough, but change need to be supported with adequate resources, in order to make sure that the change is appropriate and sustainable.

2.9 PRINCIPAL CONSTRUCTS OF MEASUREMENT OF IMPACT

This section explored theories that will input into the development of questionnaires for this study. These theories are more inclined to the socio-psychological contract that measure the impact of organisational change to employees. Organisations, under pressure to make rapid and constant changes, have had to alter employment relationships and the psychological contracts that underlie them (Robinson,1996).

Any significant organisational change affects the employee's psychological contract. Thessen (2004) defines psychological contracts as the set of unwritten reciprocal expectations, beliefs or perceptions that characterise the relationship between employee and employer. Robinson (1996) states that psychological contracts refer to employees' perceptions of what they owe to their employers and what their employers owe to them. Rousseau (1995) defines the psychological contracts as an individual's beliefs about the terms and conditions of a reciprocal exchange agreement between that person and another party. These contracts are unwritten and often largely non verbal set of expectations and assumptions about the obligations that people ascribe to their organisations (Cullinane & Dundon, 2006). Theissen (2004: 10) states that psychological contract include "mutual responsibilities and expectations; but because it exists implicitly, it is deemed unofficial". The psychological contract is made up of attributes such as job security, the employee- employer relationship, trust, employer promises, loyalty, fairness of process, organisational commitment and the survivor syndrome (Theissen, 2004).

Morrison and Robinson (1997) state that psychological contracts are increasingly difficult to manage during a restructuring, downsizing, forced redundancies, the increasing use of temporary workers, the increasing use of specific performance based schemes, decreasing union power and diversity in

workplace, and foreign competition alter the more traditional underpinnings of these contracts.

Cooper and Rousseau (1994) suggest that the breaking of the psychological contract can occur with any organisational change where new policies and processes make statements that are at odds with the status quo. Morrison and Robinson (1997: 230) argue that “a breach in psychological contract is cognitive, that is, it involves perceived breach or failure on the part of an organisation to fulfil an obligation commensurate with one`s contribution”. This violation is considered by Linstead, Fullop and Lilley (2009) as the emotional or affective state or experience that can also accompany one`s belief that there has been a failure by the organisation to fulfil a psychological contract. Such violation creates “deep visceral feelings of disappointment, frustration and distress stemming from perceived failure to receive something that is both expected and desired” (Morrison & Robinson, 1997: 231).

Morrison and Robinson (1997) suggest that violation decreases trust that employees have in their organisation as well as satisfaction they have in their job, the organisation as a whole, obligations they feel towards their organisation and their intention to stay. Some possible outcomes of violating the psychological contract are “reduced contribution from the person violated, unwilling to take extra roles and, in the extreme, seeking retaliation, revenge, sabotage, theft or acts of aggressive behaviour” (Morrison & Robinson, 1997: 227). Guest (2007) states, that breach creates anger and disappointment that reduce commitment to organisation, job satisfaction, organisational citizenship and increase employee turnover.

2.10 CONCLUSION

Chapter 2 reviewed literature on the subject of change management. It has highlighted that organisational change management involves processes and tools for managing the ‘people side’ of the change at organisational level. The tools

include a structured approach that can be used to successfully facilitate the change process of groups or the organisation. The literature review addressed the key issues involved in a change process such as resistance to change and the impact thereof, culture of change, change models and most relevant to this study, the psychological contracts. Successful change, however, requires more than a new process. Successful change requires the engagement and participation of the people involved. Change management is a structured approach to change in individuals, teams, organisations and societies that enables the transition from a 'current state' to a 'desired future state'.

Chapter 3 describes the research design and methodology.

CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

This dissertation is based on research undertaken in the social world and is theoretical in nature using the quantitative research paradigms as basis. The quantitative strategies follow the positivism epistemology and the common methods are the survey and the experiments. The research method used is a survey design which falls under the field of descriptive surveys. In this chapter, the research survey design and methodology was discussed in detail. This chapter covers the limitations of the research, target population, survey design and also provides insight into the choice of sampling method.

In the business context, descriptive surveys may be used, for example, to ascertain attitudes to an organisation's products (Bearden et al., 1993) or attitudes of an organisation's workforce (Hartley & Barling, 1998). Such surveys may be undertaken, for example, to assess job satisfaction; motivation; moral and stress; employee grievances and the satisfactoriness of the means of dealing with them; and reaction to possible changes in working arrangements (Gill & Johnson, 2010).

A cross sectional study was conducted in this dissertation. Coldwell and Herbst (2004) states that a cross sectional study is a study that is conducted once and reveals a snapshot of one point in time. The cross sectional design is often called the social survey design and is closely connected with questionnaire and structured questions (Bryman & Bell, 2007). Bryman and Bell (2007) define a cross sectional design as a process of collecting data at a single point in time in order to collect a body of quantitative or quantifiable data in connection with two or more variables, which are often examined to detect patterns of association.

3.2 LIMITATIONS OF THE RESEARCH SURVEY

Bryman and Bell (2007), state that social surveys are mostly impacted by internal validity. Internal validity is concerned with the question of whether a conclusion that

incorporates a causal relationship between two variables holds water (Bryman & Bell, 2007).

The research survey was adversely impacted upon by the following aspects:

- The sampling frame of 112 employees is not necessarily a representative sample of the target population in terms of gender. According to Coldwell and Herbst (2004: 47) state it is difficult to access the proper number and type of people who are needed for a representative sample of the target population.
- Given that the study was conducted on respondents who were working for Spar Arundel as at 31 May 2012, it may not include all employees who were involved with the change process from the onset,
- The study was conducted on employees who remained with Spar Arundel after the change as a result some employees gave socially desirable responses in order to protect their jobs. Coldwell and Herbst (2004: 47) postulate that respondents tend to give socially desirable responses that make them look good or seem to be what the researcher is looking .
- Questionnaires were administered by departmental heads during working hours at tea or lunch breaks and some respondents failed to complete due to limited time or saw no priority in spending time on the questions or they respondents would influence each other on which information to provide.

3.3 THE TARGET POPULATION

A population is any group of people or objects which are similar in one or more ways, and which form the subject of study in a particular survey (Chisnall, 1986). Zikmund (2003) postulates that a population must be defined in very specific terms to include only those units with characteristics that are relevant to the problem. The population for this research envelopes all the employees working for Spar Arundel. Spar Arundel has a total of 137 employees. Dillon et al. (1990) defines sampling as the identification of a group of individuals or households who can be reached by mail, television or in person, and who possess the information relevant to

solving the research problem at hand; thus, it is a method of selecting individuals or items from a given population. The target sample for this research was drawn from randomly selected employees of all sections of Spar Arundel. A questionnaire was administered to these employees drawing 112 responses to 29 questions. The population sample was drawn from a headcount report by the human resources division as at 31 May 12.

3.4 THE CHOICE OF SAMPLING METHOD

The objective of sampling methods is to reduce and narrow the target population to manageable sizes on a geographical or other such basis so that by selecting only some of the elements in a population we may draw conclusions about the entire population. Trochim (2006) defines it as the process of selecting units (e.g., people, organizations) from a population of interest so that by studying the sample we may fairly generalize our results back to the population from which they were chosen (Trochim, 2006). The issues of generalisability in all quantitative studies are inevitably linked to the quality of the sample taken. A sampling frame is a list of all sampling units available for selection at a stage of the sampling process Moutinho et al (1998). A sampling frame in turn refers to a list or any other record of the population from which all the sampling units are drawn, for example, in a large company, one can have a list of all the employees and this list forms the sampling frame from which one can take a sample". The sampling frame in this research was a list of all Spar Arundel employees.

There are two typologies of sampling namely 'probability sampling' and 'non-probability sampling'. Probability sampling is where the researcher can in advance determine that each segment of the population will be represented in the sample while with non-probability sampling the researcher has no way of forecasting that each element will be represented in the sample (Harley & Barling, 1998). Probability sampling uses some form of random selection.

There are several methods that fall under probability sampling but according to Zikmund (2003) the more popular methods of probability sampling which can be used to select a sample, are random sampling, systematic sampling and stratified sampling.

The researcher made use of systematic random sampling technique which involved choosing the sample randomly from the existing employee population list or frame in all population groupings (Zikmund, 2003). According to Zikmund (2003), systematic sampling procedure is one in which an initial starting point is selected by a random process and every n^{th} number on the list is selected. In this instance, every second name on the list was selected. From a Database of names from the employee register, names were drawn systematically to make up the sample population.

In order to generalize from a random sample and avoid sampling errors or biases, a random sample needed to be of adequate size (Gill & Johnsons, 2010). Various articles indicate methods of calculating the sample size. Gill and Johnsons (2010) tabulated population size and sample sizes based on different desired degrees of accuracy. For a population of 137 a confidence level of 95% and margin of error of 5; Raosoft (2004) suggest a sample size of 112 employees. For this research, a sample of 112 employees was used due to practicality constraints.

The research limitations pertaining to this sampling is that the sample was a mixed bag of employees at the time of study irrespective length of service which meant that some employees may not have witnessed the change process from inception.

3.5 MEASUREMENT SCALES

The survey used the Likert scale for some questions that required the respondents to choose responses from a range of agreement choices. In order to choose response from a range of agreement choices the Likert scale was used and its advantages according to Emory & Cooper (1995) are:

- Quick and easy to construct.
- Each item meets an empirical test for discriminating ability.
- The Likert scale is reliable.
- The Likert scale is also treated as an interval scale.

The most important reason, however, for choosing the Likert scale in this research,

which is supported by Emory and Cooper (1995), is that the scale can be used in both respondent- centred (how responses differ between people) and stimulus-centred (how responses differ between various stimuli) studies, most appropriate to glean data in support of the research problem in question.

For section C; question 16 of the questionnaire and Section D: question 1, a semantic scale was used and data coded. This type of scale makes extensive use of words rather than numbers and respondents air their feelings or opinion about their work or environment (Coldwell & Herbst, 2004). Respondents had to outline the problems they experience in the Department and also describing if the change management strategies used by the management made them like the change process.

3.6 SURVEY DESIGN

A Research Design is a logical model of proof that allows the researcher to draw inferences concerning causal relations among variables under investigation (Nachmias & Nachimias, 1992). It is a blue print or plan on how data was collected, analysed and interpreted (Yin 2003). In essence, research design 'deals with a logical problem and not a logistical problem' (Yin, 1989: 29). This study employed a descriptive survey. According to Sapsford (2005:4), a survey is a research strategy that involves a systematic observation or interviewing and is a detailed and quantified description or precise measurement of a population.

The main purpose of a survey is to obtain information from, or about, a defined set of people, or population (Easterby-Smith et al, 2004). Generally, surveys are split into analytic survey and descriptive survey. Analytic surveys or explanatory surveys attempt to test a theory by taking the logic of the experiment out of a laboratory and into the field. They therefore identify the independent, dependent and extraneous variables. Descriptive surveys; in contrast to analytic surveys, are concerned primarily with addressing the particular characteristics of a specific population, either at a fixed point in time or at varying times for comparative purposes. Descriptive research is designed to

describe the characteristics or behaviours of a particular population in a systematic and accurate fashion. Particular care was taken to avoid bias in the formulation of the questions. The data collection method used in the survey, falls within the context of 'a survey' defined by Hussey and Hussey (1997: 68), as: "a sample of subjects being drawn from a population and studied to make inferences about the population".

More specifically, the survey conducted in this dissertation falls within the ambit of the 'descriptive survey' as defined by Ghauri, Grønhaug and Kristianslund (1995). The survey was conducted to collect 'primary data' using the 'questionnaire' method an approach which maps to accepted data collection methods as proposed by Remenyi, Money and Twite (1995) and Emory and Cooper, (1995). A combination of closed and open ended questions was used to design the questionnaire. The statements and questions within the survey were designed with the following principles in mind, according to (Coldwel & Herbst, 2004):

- Avoidance of double-barrelled questions and statements.
- Avoidance of double-negative questions and statements.
- Avoidance of prestige bias.
- Avoidance of leading questions and statements.
- Avoidance of the assumption of prior knowledge.

Accompanying the questionnaires was a letter of approval from the Group Human Resources Manager allowing the researcher to undertake this research within Inncor Corporate Retail. A cover letter was also attached to the questionnaire explaining explicitly the purpose of the survey and the research in general.

3.7 FEASIBILITY STUDY

A pilot, or feasibility study, is a small experiment designed to test logistics and gather information prior to a larger study, in order to improve the latter's quality and efficiency. A pilot study can reveal deficiencies in the design of a proposed experiment or procedure and these can then be addressed before time and resources are expended on large

scale studies. A good research strategy requires careful planning and a pilot study will often be a part of this strategy. Piloting is necessary as it is very difficult to predict how respondents will interpret and react to the questions (Coldwell & Herbst, 2004). Conducting a pilot before the main survey allows any potential problems into the pro forma of questionnaire to be identified and corrected (Gill & Johnsons, 2010). A group of experts selected from the sample had a test run on questionnaires and a number of issues needing the researcher's attention were highlighted and addressed. These experts were selected from each division from carefully selected employees with a certain level of research understanding.

3.8 SURVEY QUESTIONS

The questionnaire was posed to Spar Arundel employees. A list of questions posed to the employees is provided as appendix B.

3.9 DATA COLLECTION METHODS

A combination of methods was used to collect data for this research including structured questionnaire and documentation review. In this study the method of cross examination was employed and data was collected by quantitative techniques. Patton (1990) postulates that utilising a descriptive quantitative approach to collecting data within the multi-faceted process of change under study had the advantage of providing for greater attention to the nuances, settings, interdependencies, complexities, idiosyncrasies, and contexts found in the data providing for thick description that addresses the research questions posed. Since the conceptual framework of this project is grounded in symbolic interactions, attention to those factors outlined by Patton (1990) were important in exploring and more fully understanding the social interactions and attempts to make sense and create meaning about the change phenomena. The three methods of data collection utilised and allowed uncovering the impact of change are questionnaires, interviews and documentation review.

3.9.1 Questionnaires

The author collected data using self-administered (delivery and collection) questionnaires. A questionnaire, according to deVaus, 2002, is a term used to include all techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order. Questionnaires are a systematic way of data collection and ensure consistency by requiring that same questions are asked to employees of Spar Arundel. This method is highly applicable since information may be needed quickly from participants in a non-threatening way. The use of questionnaires helped the researcher to solicit information about the perceptions and attitudes of employees on the change process. The downside to this method is the general reluctance of employees to commit to written information for the fear of victimisation.

A covering letter (Appendix A) was sent together with the questionnaire to each potential respondent, explaining the aim of the study and confidentiality issues of the study. The questionnaire that was finally used (see appendix B), was modelled, in part modified, on the layout and aspects of the psychological contract inventory as developed by Rousseau (1995).

The questionnaire was constructed as follows:

Section A: Was designed for respondents to provide general and personal information about their department, level of at work, length of service with the organisation and the period in which they intend to work for the organisation.

Section B: Examines employee involvement in the change process.

Section C: Concerns current perception and attitude of employees towards their job and work in general.

Section D: Concerns strategies that can be used to manage resistance to change

3.9.2 Documentation review

Usually there is a large amount of data that has already been collected by others,

although it may not necessarily have been analysed or published (Zikmund, 2003). This data was collected and analysed. Locating these sources and retrieving the information is a good starting point in any data collection effort.

Amongst the documents reviewed were project implementation plans, strategic documents, annual reports and presentations. This documentation was made available to the researcher and was used as a supplement to the interview information already gained. As advocated by Yin (1994), the advantage of documentation is that it is stable and can be repeatedly reviewed. It is also un-obstructive in that the data was not created as a result of this study (Yin, 1994). The data is exact as it contains precise details of names, positions, figures and events (Yin, 1994).

3.10 RESPONSE RATE

The response rate is specific to the type of sampling used and the need to acquire sampling probability within such a population (Babbie & Mouton, 2006). Sometimes a sample design will use screening to find members of the sample that do not match the population studied and help increase the response rate (Watkins, 2006). This was not needed in this study, wherein all employees at work correspond to the reservation made for the sampling frame (Fowler, 2002).

Although there is no agreed standard of a minimum response rate, Fowler (2002) suggests that a common minimum should be in the region of 75%. In this study, the sample was drawn out of a population of 137 employees giving 112 responses and a response rate of 82%. Fowler (2002) further states that the effect of non-response on results creates a serious hazard for social research. This is because non-respondents are likely to be systematically different from those that do take the time to participate in surveys (Schutt, 2006). Furthermore, Fowler (2002) states that people who are particularly interested in the subject matter under investigation are more likely to participate, or return a questionnaire. This typically indicates the possibility of non respondents biasing estimates. If knowledge does exist about those within the sample that do not respond, it is important to present information about their

characteristics (Watkins, 2006). However, in light of the scope of this study and the risk of negative intervention, such information was not enquired in this study.

3.11 DATA ANALYSIS

The data collected was prepared and coded. Data preparation process ensured that the data was accurate and that it was converted from raw to a classified or reduced form for appropriate analysis and interpretation (Coldwell & Herbst, 2004). Data was further edited for accuracy, consistency, uniformity and arrangement. Coldwell and Herbst (2004) define data coding as a technique in which data is categorised or grouped into a number of classes. This allows for reduction in large number of responses to a few categories that contain critical information to enable efficient analysis (Coldwell & Herbst, 2004). The coding criteria used in this dissertation are referred by Coldwell and Herbst (2004: 96) as the “appropriateness to the research together with the exhaustiveness criteria”. These criteria allowed data to be grouped within age groups, work levels and gender groups in an exhaustive manner.

The coding procedure adopted on question 13 of Section C and Question 1 of Section D of the questionnaire was framed around the various work levels at Spar Arundel, namely Manager, Supervisor, Till Operator, Administration/Accounts Clerk, Merchandiser and Service Department Manufacturer. Responses are therefore grouped under each work level.

The statistical analysis technique used falls within the ambit of descriptive statistics. Coldwell and Herbst (2004: 92) states that “descriptive statistics indicate measure of tendency (percentages, frequencies and medians) and measures of variation”.

The researcher used various methods of data presentation. These include pie charts, graphs and tables to show a pictorial representation of the distribution of responses within each category. Percentages and numbers were then used to compare these different categories.

3.12 VALIDITY

Of major concern is the threat to internal validity (Zikmund, 2003). The change under investigation is in mid-process and unexpected changes can take place distorting the reliability of the conclusion. One major threat is that the researcher is also affected by the change process being an employee of Spar Arundel. The conclusion derived by the researcher may be subject to personal biases and frustrations. However, in light of the scope of this study and the risk of negative intervention, such information was not enquired in this study. Other validity issues are maturation, testing effects, selection and mortality (Fowler, 2002).

3.13 RELIABILITY

This research is of a social nature and findings are purely quantitative. These measures are highly subjective and conditional in that a different researcher may come up with a different set of conclusion (Gill & Johnsons, 2010). Threats prevalent to the survey research design are; measurement errors, non response rate, sampling frame and reactivity (Coldwell & Herbst, 2004).

3.14 ETHICAL CONSIDERATIONS

The researcher maintained ethical standards for the duration of the study. A high level of objectivity, integrity, sensitivity, anonymity of participants and confidentiality of information (where applicable) were maintained during the study (Fowler 2002). The respondents were assured that their responses would be kept confidential as the results were electronically collated.

The questionnaire was reviewed by the course tutor to check for appropriateness of questions. Permission to undertake the study and ethical clearance to circulate questionnaire and to use Spar Arundel in the study, was gained from the Group Human Resources Manager.

3.15 CONCLUSION

In this chapter the researcher detailed the research survey design and methodology.

This included the target population and choice of sampling method as well as information on respondent briefing, where necessary. In the Chapter that follows, the results of the research questionnaire were presented. The author discussed and analysed the responses to individual questions. The author also provided some insight to the reasons why respondents responded in a particular manner. A summary of the findings and overall interpretation was also included in Chapter 4.

CHAPTER 4: RESULTS AND DISCUSSION

4.1 INTRODUCTION

The findings from the survey undertaken are presented in this chapter. The data gathered is analysed using content analytic tables and graphs. The researcher analysed the data obtained from the questionnaires and provided an interpretation of the data obtained as well as provided deductions got from the results. A summary of the findings was also given.

4.2 ANALYSIS OF DATA

4.2.1 Responses and response rate

The sample drawn out of the population of 172 employees, comprised 137 employees. Of the total 137 questionnaires distributed in person, 112 were successfully returned. This represents a response rate of 82%. This is an exceptionally good and representative response rate, considering that Fowler (2002) recommends a minimum response rate of 75%. It is generally accepted that higher response rates assure more accurate survey results, Rea and Parker (1997); Aday (1996). The distribution of the 82% response rate is shown in Table 1.

Department	Response rate
Human Resources /Administration	5 %
Sales/Front End	43 %
Receiving/Buying	8 %
Accounts/IT	13 %
Service Department	31 %

Table 1: Distribution of respondents per work section

4.2.2 Section A - Questionnaire

4.2.2.1 Sample Demographics

The respondents in this survey were categorised according to the distributions of their positions at work; duration spent working for Spar Arundel and according to the duration they intend to spend with Spar Arundel.

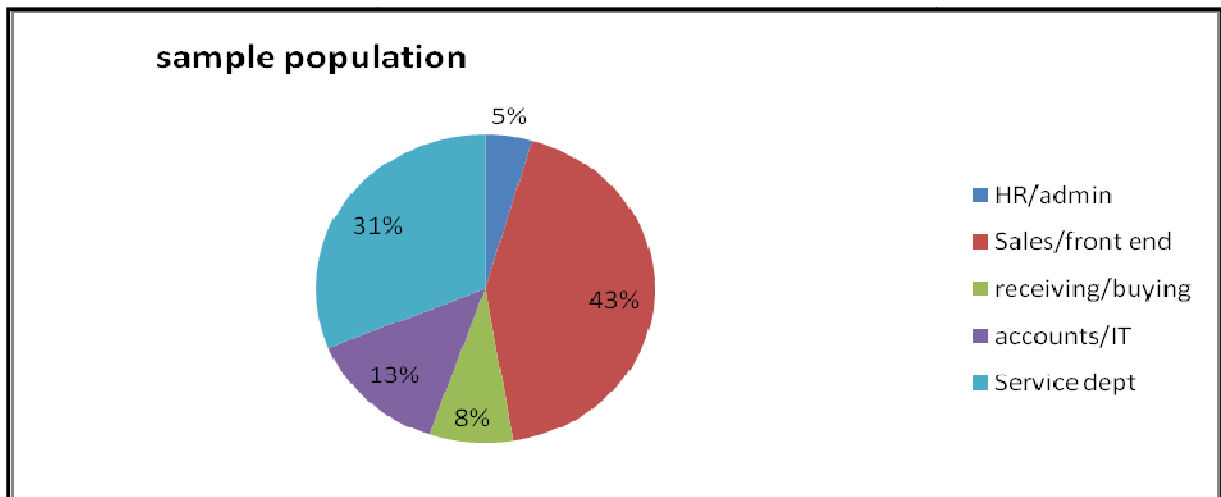


Figure 4: Distribution of Respondents per Work Section

4.2.2.2 Position at work

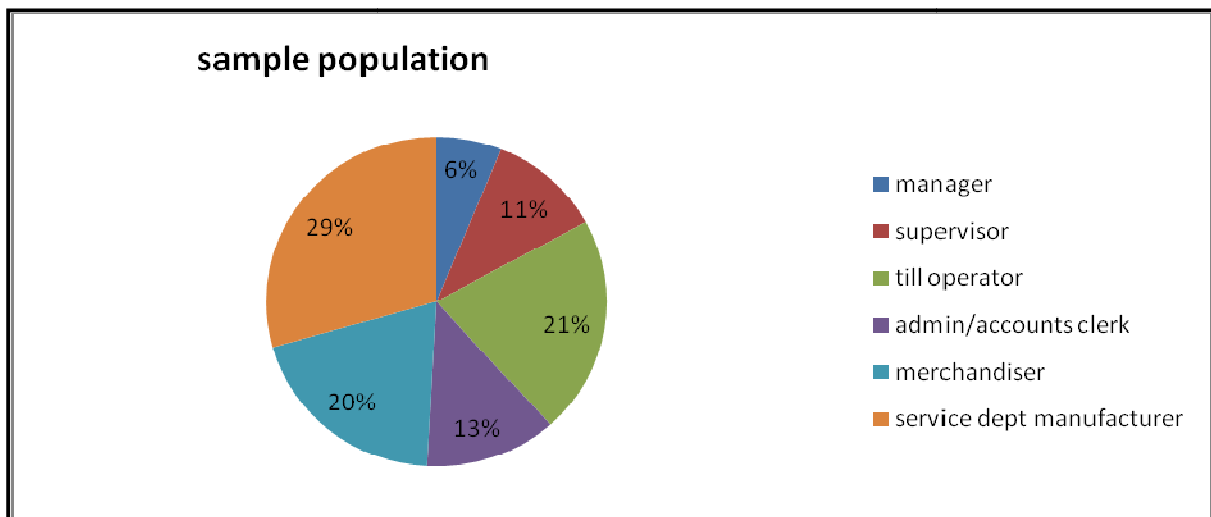


Figure 5: Distribution of respondents by work level

The distribution shows that 6% of the samples of 112 employees are managers which are the smallest chunk of the distribution. Service department employees constitute 29% of the sample. Service departments are manufacturing departments of the supermarket and thus labour intensive. It is consistent with the nature of work in these departments that they have many employees. Till operators also constitute a significant portion of the distribution at 21% which also fits with the nature of supermarket business where till operators are required in a large number to facilitate transactions. Administration and accounts represents 13% of the sample population. This is normal in this line of business because this group is support staff and the representation at 13% is commensurate with the high level of transactions that occur in a supermarket. Merchandisers or shelf packers also constitute a significant share of the distribution at 20% of the sample population. Supervisors constitute 11%, which is 12 of the sample population of 112 employees.

4.2.2.3 Duration Working for Spar Arundel

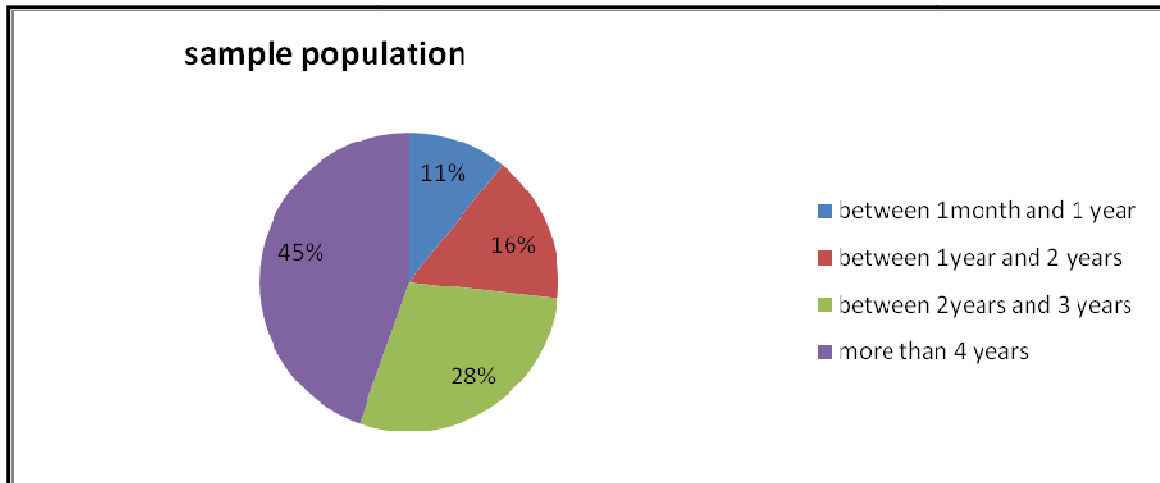


Figure 6: Distribution of respondents by number of years working for Spar Arundel.

Most of the employees, represented significantly at 45% of the sample population have been working for Spar Arundel for more than four years. In addition, 28% of the employees have been with the supermarket for 2 to 3 years. These two groups are

significant in that they represent a large number of employees that have seen a long time of the pre-change phase, the change phase and post change phase which augurs well with views of organisational change postulated by Van de Ven and Poole (1975). Put together, these groups represent 73% of the sample population. 16% of the 112 employee sample have been with Spar Arundel for between 1 year and 2 years and would have been with the company to witness the last quarter of the old system before the inception of the change process. The 11% of staff members who have been with the company for between 1 month and 1 year, show that the change process led to recruitments of new staff and obviously laying off some staff members.

4.2.2.4 Duration they intend to spend working for Spar Arundel.

The distribution of responses by number of years to be spent with the organisation is shown in figure below. The largest numbers of respondents/employees constituting 41% of sample population intend to serve Spar Arundel for between 2 to 5 years and not more. The second largest group of respondents of 37% do not want to be serve Spar Arundel beyond 2 years which shows their disgruntlement. A total of 22% put together, are respondents who are content to stay with Spar Arundel for more than 5 years. What is of concern is that a total of 78% (41% + 37%) do not want to be with Spar Arundel beyond 5 years. This shows potential high staff mobility which is a clear indication of dissatisfaction.

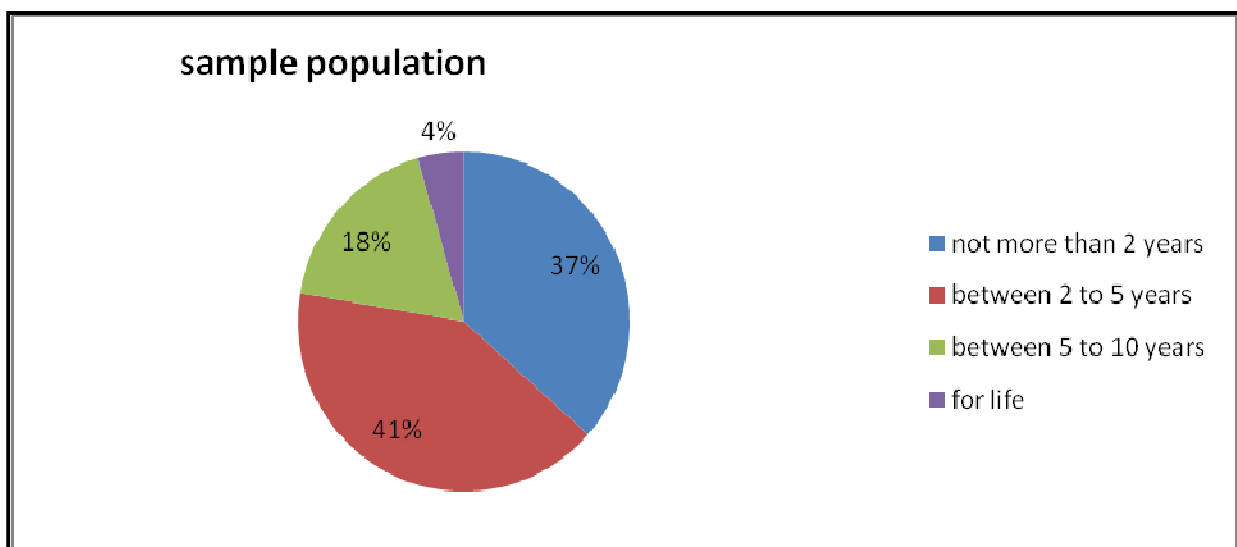


Figure 7: Distribution of respondents by number of years they intend to spend working for Spar Arundel.

4.2.3 Section B: Employee Involvement in the Change Process

The following analysis is based on the researcher’s interpretation of the respondents’ responses to questionnaire questions:

1. Are you aware with the term Change management and how it relates to change affecting people?

	Number	Percentage
Yes	97	87%
No	15	13%

Table 2: Distribution of responses on awareness of the term change management

The majority of respondents, 87%, are aware of what change management is and how it affects people. A small number of respondents, 13%, say they are not aware. This group of 13%, though small is significant enough to show that the company, Spar Arundel may have embarked on a change process which some of its employees new nothing about.

2. Are you aware that Spar Arundel went through some changes?

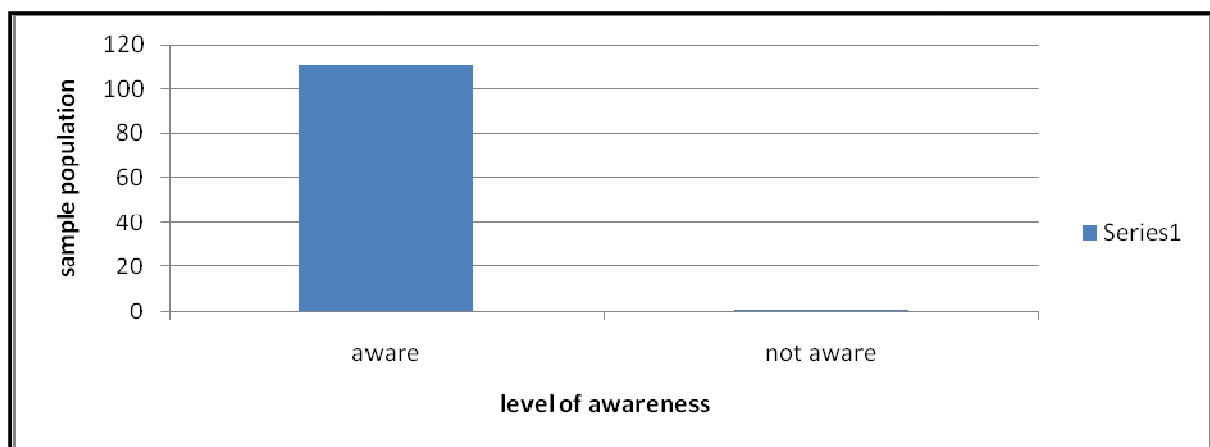


Figure 8: Distribution of responses on awareness of the term change management

The response shows that a total of 111 respondents out of 112 were aware that Spar Arundel underwent a change process. Only 1 respondent was not aware of the change. This respondent may have been a new recruit at Spar Arundel. The high level of awareness is consistent with the high positive response in question 1 where 87% said that they were aware of the term change management.

3. Are you aware of the reasons for the many changes that have taken place within the organisation at Spar Arundel?

Figure 9 shows the distribution of respondents according to work level on whether they were aware of the reasons why Spar Arundel underwent the change process.

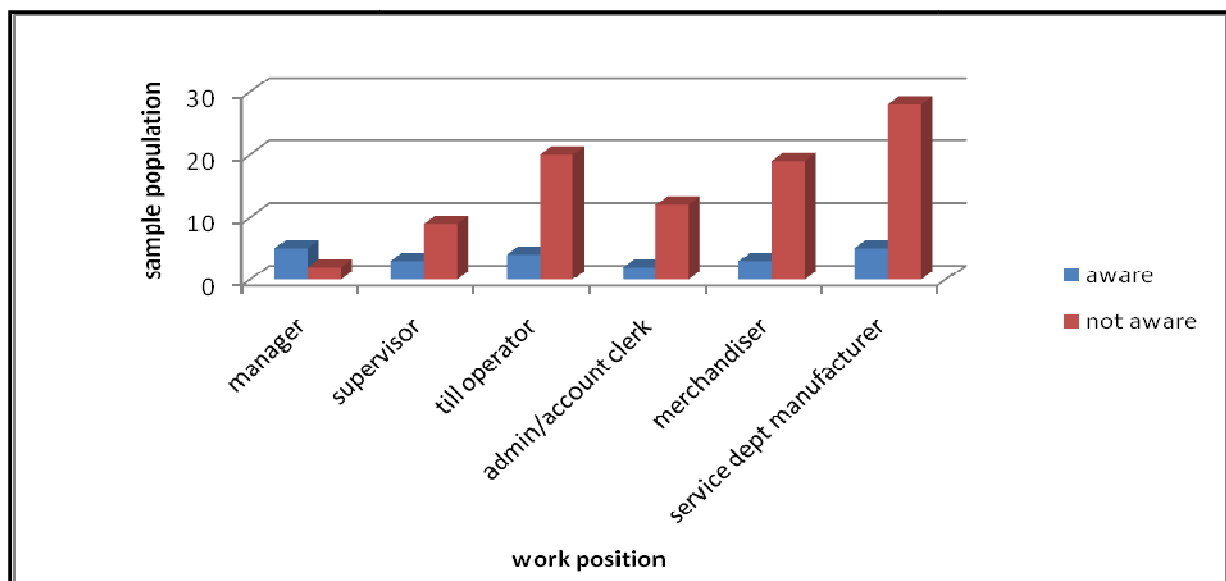


Figure 9: Distribution of responses on awareness of the reasons why Spar Arundel underwent a change process.

Of the 112 respondents, 90 respondents representing 80% of the sample indicated that they are not aware of the reasons why Spar Arundel had to undergo a change process, while only 22 respondents representing 20% of the sample of 112 indicated that they are not aware of the reasons for the change management process of Spar Arundel. The analysis indicates that only managers' responses show a positive

distribution with 4% awareness rate and 2% unaware of the reasons for change. However, the fact that even among managers, there is an indication (2%) of unawareness of the reasons why Spar Arundel had to undergo a change process is indicative of an ineffective change management process. The rest of the ranks, that is, supervisor; till operator; administration and accounts; merchandiser and service department manufacturers show a negative distribution indicating unawareness of the reasons for change. Higher levels of unawareness are among the lowest ranks as till operators with 18% (20 out of 112 respondents) not aware; merchandiser with 17% (19 out of 112 respondents) not aware and service department manufacturer with 25% (28 out of 112 respondents) not aware.

This indicates an ineffective change management process as clearly the dissemination of the reasons for the change process would not have been effectively rolled down the ranks. An adoption of Mabey, (2007)'s six step change model would have been helpful in this context.

4. Did the management communicate the vision for change?

Responses shown in figure 6 below, shows that 77% of the respondents said management did not communicate the vision for change while 23% of the 112 respondents said the vision for change was communicated. The high percentage of 77% who said the vision was not communicated is consistent with the 80% respondents in question 3 above who said they did not know the reasons for the change process. This indicates a flaw in the change management process.

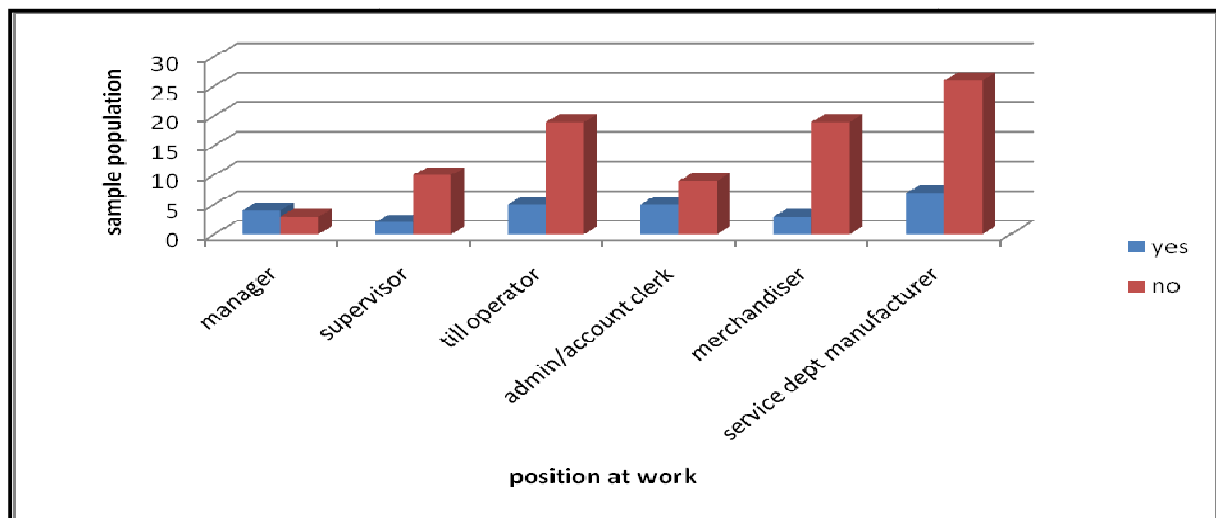


Figure 10: Distribution of responses on whether management communicated the vision for change.

The fact that responses of managers' show that 4% of the total 112 respondents say management communicated the vision for change and that 3% says management did not communicate, is significantly anomalous and shows the confusion in the change process. Managers are supposed to be a part of this change process and yet they exhibit uncertainty in a fundamental aspect of the change management process which is communicating the vision for change. The fact that some managers, 3% said that management, which they form part of, did not communicate the vision for change, shows that the whole change process might have been confined to senior management of Spar Arundel. Yet, according to Fox (2006), the managers are supposed to be change agents. This anomaly in management responses is consistent with a similar anomaly highlighted in question 3 of this section of the questionnaire where managers, 2% of the total respondents, indicated unawareness of the reasons for change. It is also notable that supervisors, who are a level of lower management, also exhibited a high rate negative response with 9% of the 112 respondents saying management did not communicate the vision for change. This holds true the view by Kotter, (1995)'s that change will succeed if managers can communicate for buy in and vice versa.

5. Has the change impacted negatively on your morale in the organisation?

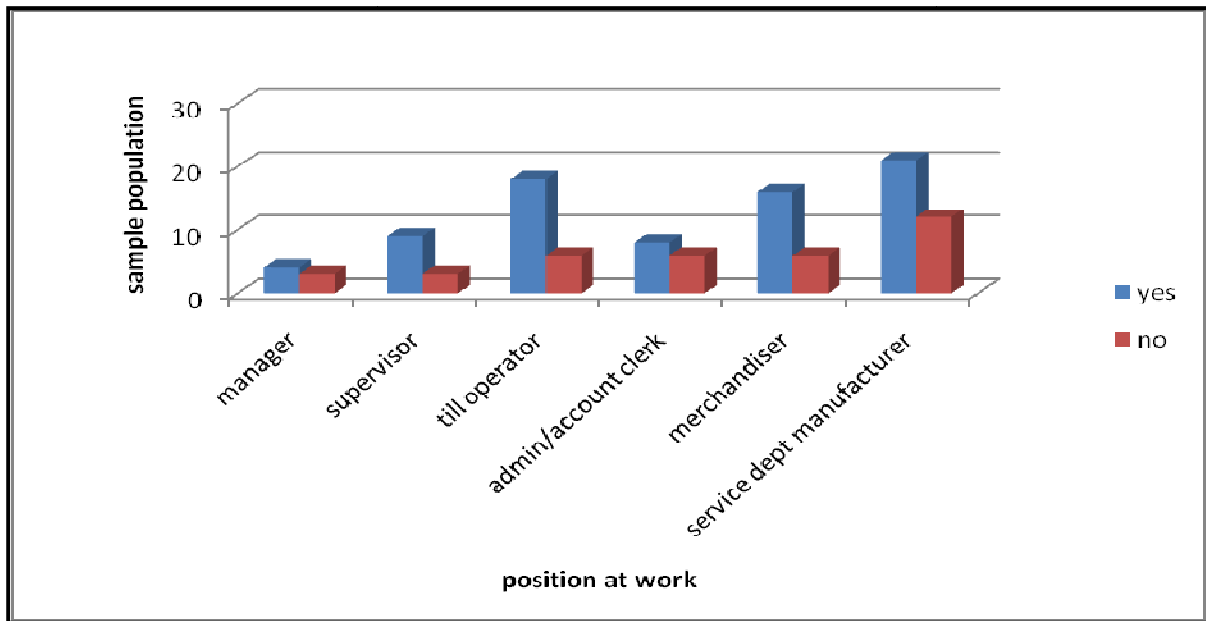


Figure 11: Distribution on how the Change has affected morale

68% of the 112 respondents said the change undertaken by Spar Arundel impacted negatively on them. More significantly is the unanimous agreement on all position levels from manager down to service department manufacturers that the change impacted negatively on them. 32% of the respondents said change did not impact negatively on them. Responses to question 6 below, exhibit similar responses to the analysis in question 5.

6. If given an opportunity would you leave Spar Arundel and seek employment elsewhere?

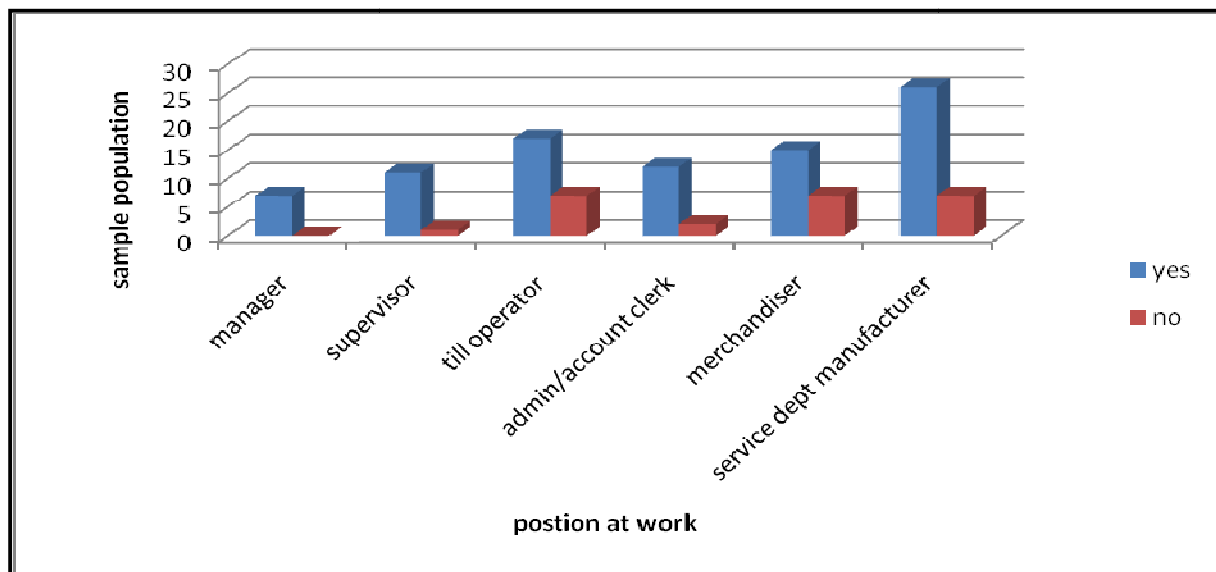


Figure 12: Distribution on whether respondents would want to seek employment elsewhere or not

It is an alarming statistic for the organisation that 79% (88 out of 112 respondents), said that if given an opportunity, they would leave Spar Arundel and seeks employment elsewhere. Only 21% (24 out of 112 respondents), said they would not leave Spar Arundel and seek employment elsewhere. This result is indicative of a level of discontentment or perhaps disillusionment with the change that was implemented. The change clearly had an affront on what Theissen, (2004) as well as Cullinane and Dundon (2006) refer to as the employees' psychological contracts. The high response of willingness to leave the organisation shows lake of identification and belonging to the new organisation after the change.

Level of employee involvement in the change process was also measured by the responses to question 7 below:

7. How many meetings did you attend during planning and implementation of change?

The responses in Figure 13 were gathered:

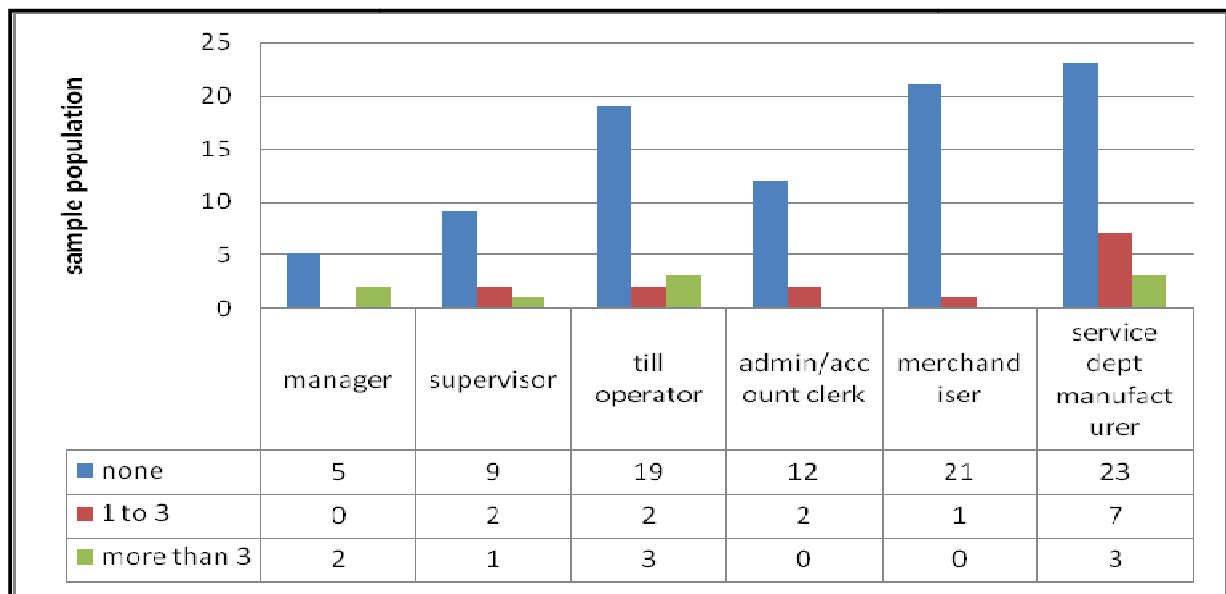


Figure 13: Distribution number of Meetings Attended during the planning and implementation stage

In all categories of employee work levels, the prevalence of responses indicating that the respondents attended none of the meetings during planning and implementation of change is the highest. This points to lack of a clear change implementation plan, where meetings might have been held but without clarity on the purpose. In such instance these would pass as any other meeting. without any definite distinguishing factor. A total of 89 out of 112 respondents, which is 79% of the sample population said they did not attend any meeting during the planning and implementation of change. This shows that there was a serious lack of employee involvement in the change process. The rest of the responses, that is 13% indicating that they attended 1 to 3 meetings and 8% indicating that they attended more than 3 meetings, are insignificant as to make any meaningful deductions out of them other than that these could be respondents giving perceived desirable responses without necessarily being truthful.

Overall, the responses in this section of the questionnaire showed that the level of employee involvement in the change management process was weak at best and nonexistent at worst. An adoption of Kotter's (1995) eight step change model or

Mabey(2007)'s six step model would have helped. However this assertion can be verified by considering it in relation to the analysis of responses to questions in section C of the questionnaire which sought to establish employees' perception and attitude after the change.

4.2.3 Section C: Current Perception and Attitude

1. I am comfortable in participating in this questionnaire and I am sure management is not going to use this against me.

Respondents were asked to indicate their opinions by indicating on a scale of 1 to 5, 1 being strongly agree and 5 being strongly disagree. Figure 13 indicates the responses.

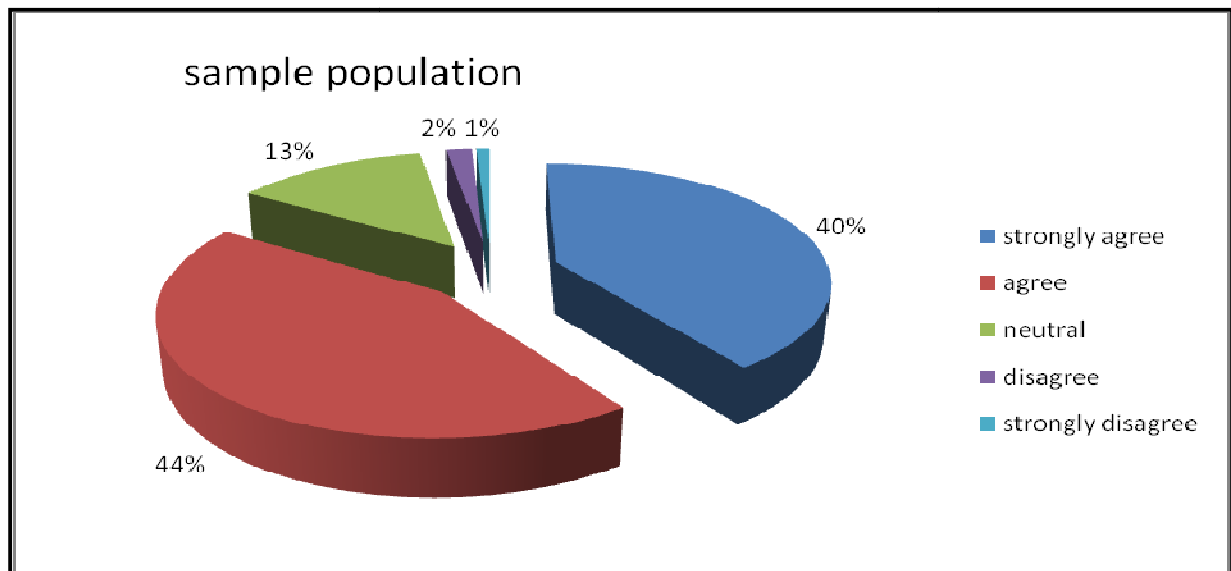


Figure 14: Distribution of Respondents on whether they were comfortable in participating in the questionnaire or not

Of the 112 respondents, 45 (40%) respondents strongly agreed that they were comfortable in taking part in the survey, and 49 (44%) respondents agreed that they were comfortable. Put together these two affirmative responses represent 84% (94 out of 112) respondents which shows that the majority of respondents had nothing to fear in

participating thus exhibiting to signs of suspicion or negative perception towards management. This conclusion cannot be affected by the 35 respondents who responded in the negative as the contribution is insignificant to change this conclusion.

2. Management in Spar Arundel place a high emphasis on employee satisfaction.

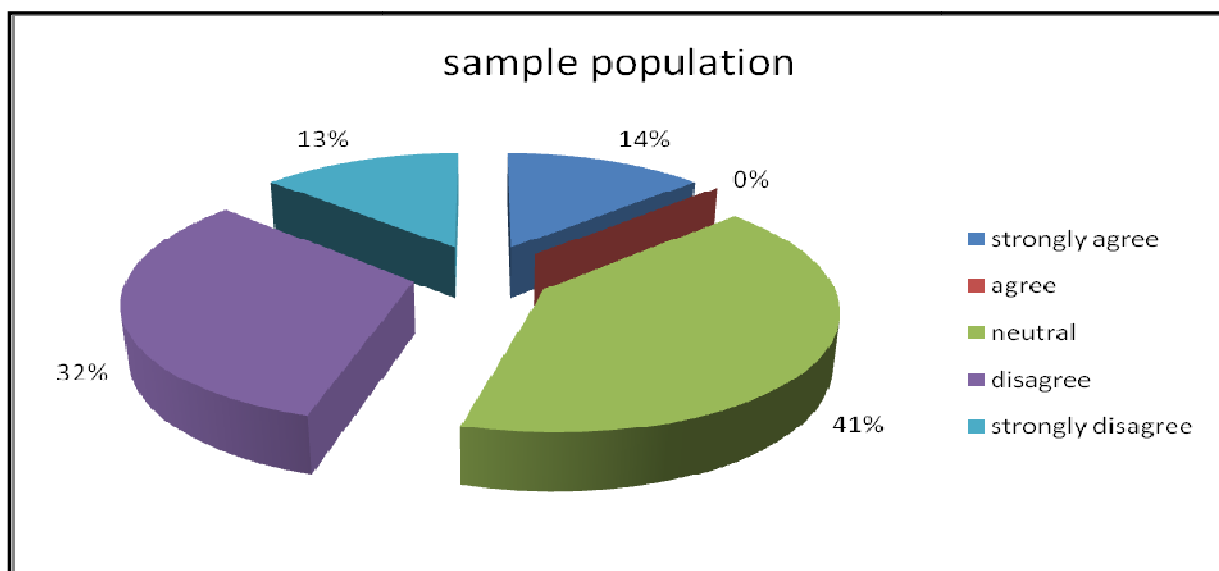


Figure 15: Perception and Attitudes of Respondents on management' emphasis on employee satisfaction

The highest response is “neutral” at 41% of respondents. This is rather a curious response because the question is a straight forward one which can require the ‘yes’ or ‘no’ response. It can therefore be concluded that the respondents who make this 41% are cautious not to pointedly say that management at Spar Arundel do not place a high emphasis on employee satisfaction as done by next highest responses of 32% who said they disagree and 13% who strongly disagreed that management at Spar Arundel place a high emphasis on employee satisfaction. Put together, these two responses make 73% which shows negative perception and attitude towards management. A small percentage of respondents at 14 % only, strongly agree that management places a high emphasis on employee satisfaction.

3. I do not mind spending a half hour extra past normal finishing work time, if I have to finish something that I have been working on.

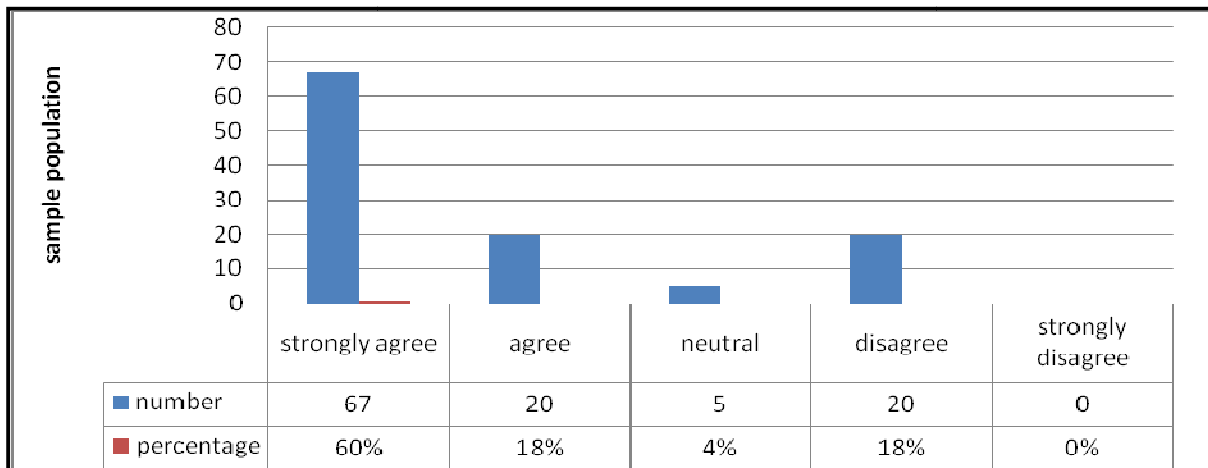


Figure 16: Distribution on how respondents feel about working late

The majority of employees ,60%,(67 out of 112) strongly agree that they do not mind spending a half hour extra past normal finishing work time if they had something that they have been working on. This shows that in spite of the discontentment with the way change was implemented as shown in earlier responses, employees still have some measure of dedication to duty and it is up to management to nurture and retain this residual positive attitude. An additional 18% (20 out of 112) respondents agree that they would not mind spending a half hour extra past normal time to finish what they had to do. Only 4% of respondents are neutral while 18% disagree that they would put in time beyond normal time.

4. The thought of waking up and going to work for Spar Arundel makes me sick.

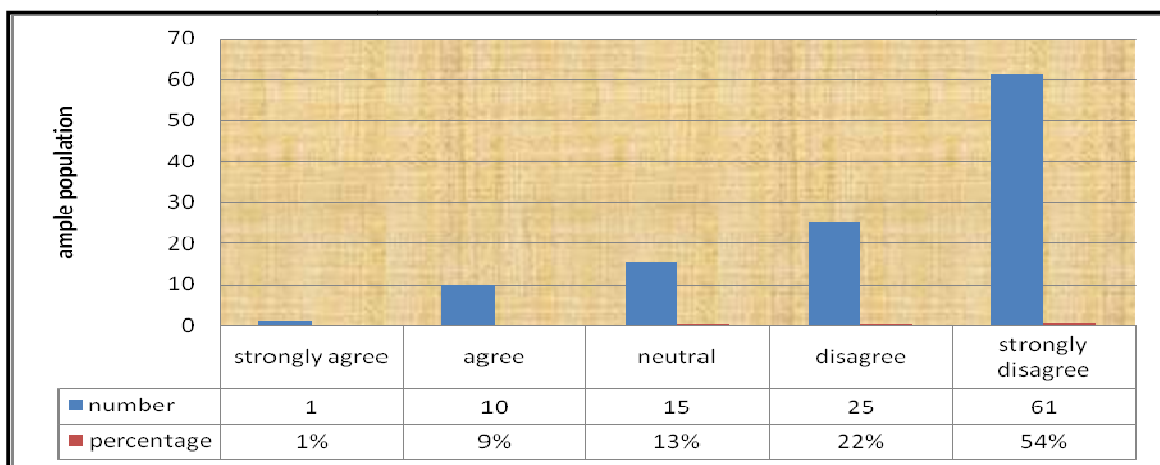


Figure 17: Responses on how participants feel about waking and going to work

Employees are clear that the thought of going to work does not make them sick. This is shown by a total of 76% respondents who “disagree” and “strongly disagree” that the thought of waking up and going to work for Spar Arundel makes them sick. This analysis shows that employees still have a good attitude towards their work.

5. If Spar Arundel had a family fun day and I had the choice between going to the organisation’s family day and staying home, I would probably stay home.

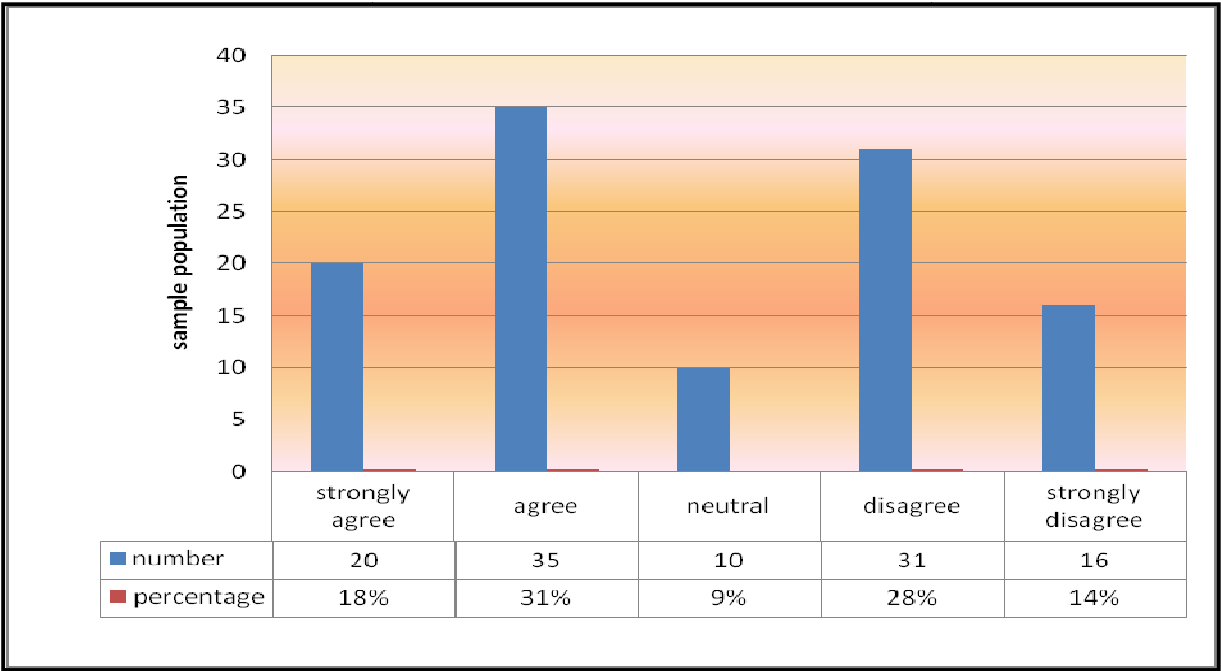


Figure 18: Perceptions and Attitudes on attending work functions

The responses in figure above shows that a total of 60% (28% agree and 32% strongly agree) respondents, which is 67 out of 112 respondents would go to attend a Spar Arundel fun day than stay at home which indicates a measure of loyalty to the organisation. However, the advent of more than a third (45 out of 112) of the respondents (20 strongly agree; 15 agree and 10 neutral) showing that they would rather stay at home than attend a company function shows lack of loyalty and sense of belonging to the organisation. This shows the attitude towards the company is not universally positive and that some employees have lost belief in the organisation.

6. I do only what my job requires, no more no less.

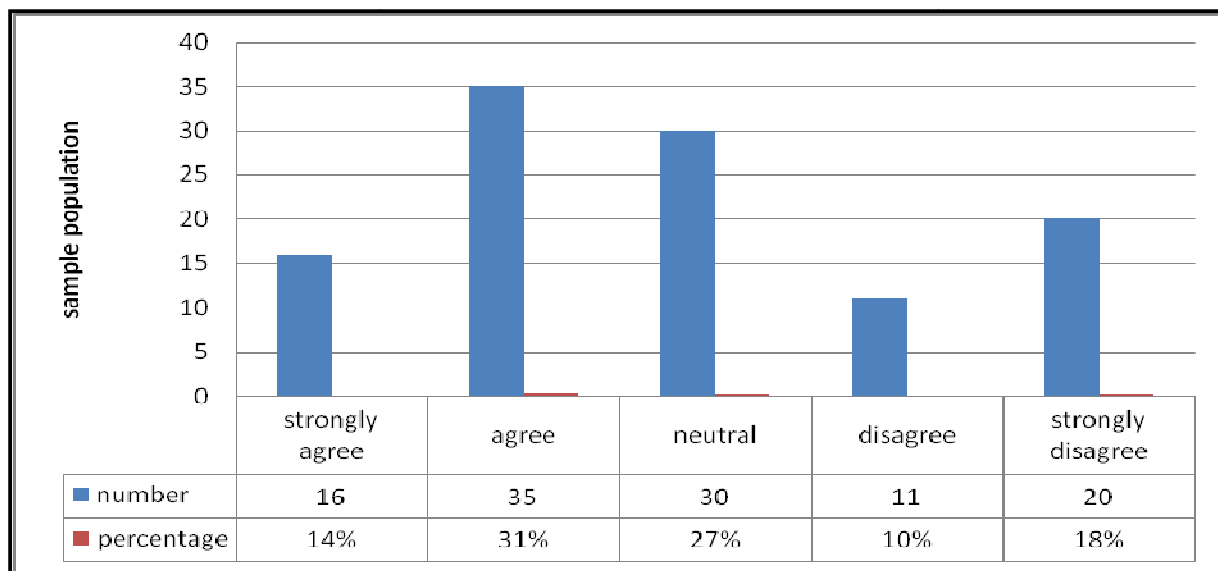


Figure 19: Perceptions and Attitudes on how much effort to put in work

Of the 112 respondents, 35 (31%) said the limit their effort to only the requirement of their jobs and do no more nor no less. 30 (27%) respondents are neutral while 16 (14%) strongly agree that they do only their job's requirements and nothing more. Altogether, 76% of the employees indicated that they do not go out of their way to do more. The company is clearly at risk as achievement of set targets and increased productivity depends on employees' ability to dedicate time and knowledge to tasks and to be willing to assist across departments. There is certainly disgruntlement among the employees. Only 31 employees out of 112 are willing to go the extra mile.

7. I would probably keep working even if I didn't need the money.

The responses in figure below shows that Spar Arundel employees are only at work because they have a monetary need to fulfil. There is no other reason for them to keep working as they do not have any other motivation. 41% strongly disagree that they would probably keep working even if they didn't need the money.

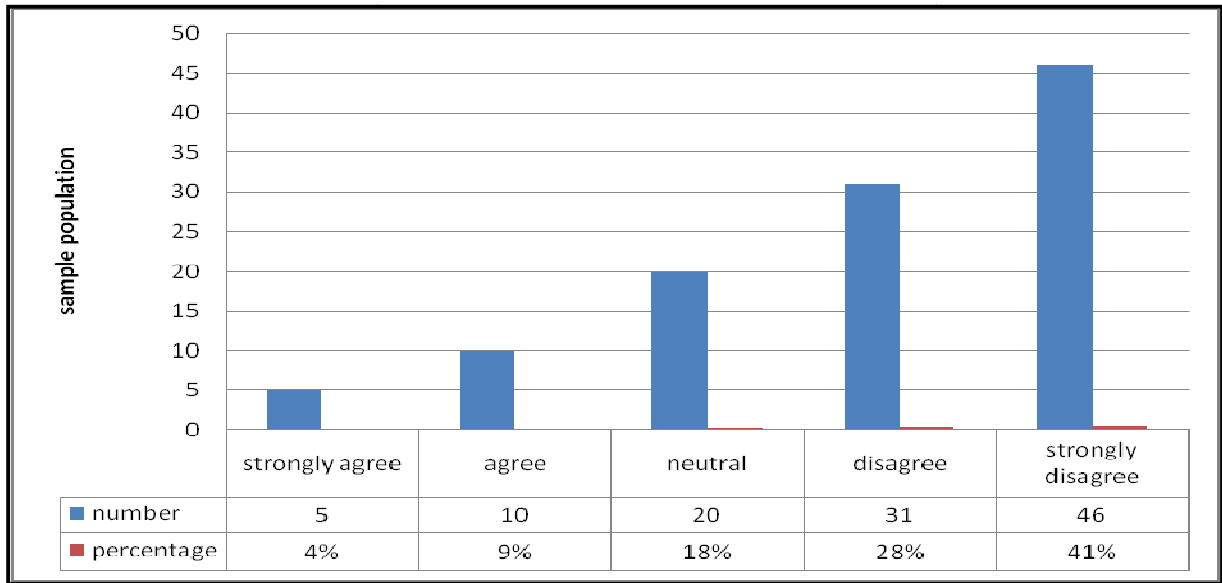


Figure 20: Responses on whether employees are motivated by intrinsic or extrinsic needs

Only 13% of the respondents (4%, strongly agree and 9% agree) responded in the affirmative while 18% gave a neutral response. The neutral response can be construed to mean that the respondents are scared to reveal their true opinion. However way its viewed, a clear position shown by the highest responses is that employees of Spar Arundel lack dedication and are basically motivated by money to keep working.

8. I am extremely glad that I chose this organisation to work for over the other places I was at the time I joined.

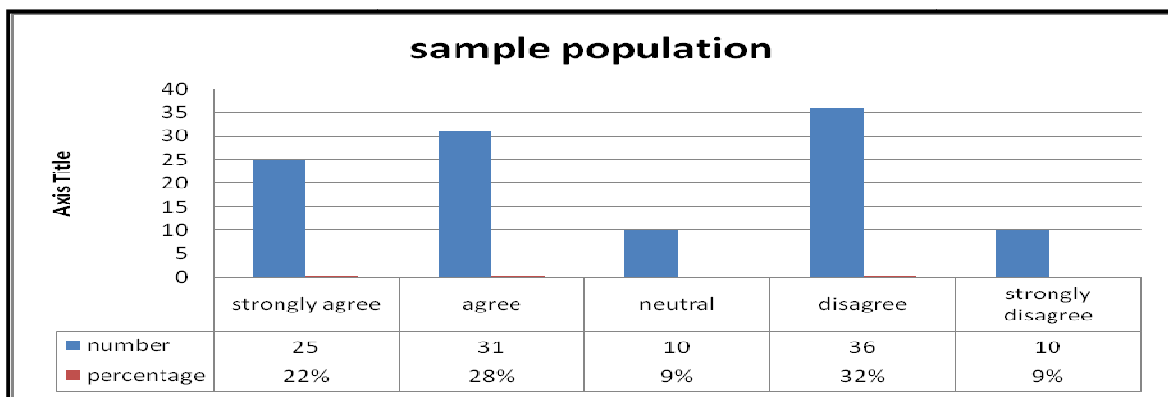


Figure 21: Distribution of Responses on Employee Satisfaction

Although 32% of the respondents disagree that they are extremely glad that they joined this organisation over other places they worked before, it is worth noting that a bigger percentage of the responses 50%, agreed that they are extremely glad that they chose Spar Arundel to work for.

9. This work environment really inspires the very best in me in the way of job performance.

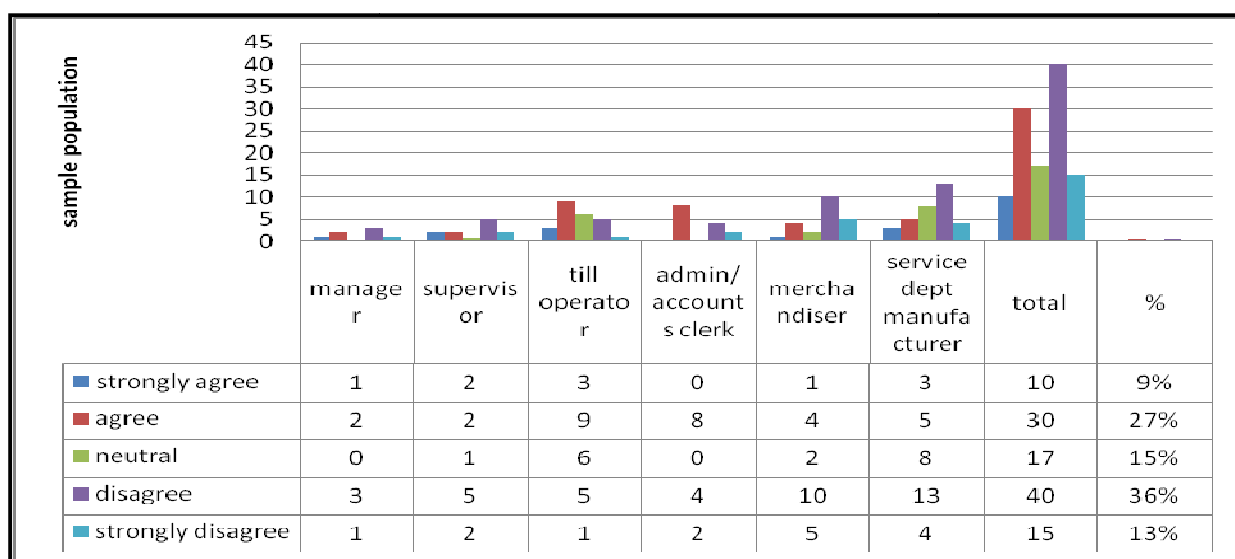


Figure 22: Perception and Attitude on the influence of the work environment

The responses in figure above show some interesting insights into the opinion of Spar Arundel employees. Overall, the employees disagree that the work environment really inspires the best out of them. This is shown by a response rate of 36% constituting 40 of the 112 respondents. The distribution also shows that senior employees disagree that this work environment inspires the very best out of them: that is 5 out of 12 supervisors and 3 out of 7 managers disagreed that that the work environment inspires them. It is worrying for an organisation to have drivers of performance as managers and supervisors having this negative opinion of the company. Merchandisers and Service department manufacturers who by number constitute the two biggest departments in the company with 22 and 33 employees respectively and in total constituting 49% of the total respondents, had high “disagree” responses: 10 out of 22 merchandisers and 13 out of 33 service department manufacturers disagree that the work environment inspires the

very best in them in the way of job performance. It is significant that only the two departments that involve computations in their job processes that is Till operators and Administration/Accounts had highest “agree” responses with 9 out of 24 and 8 out of 14 respectively. It is not clear whether they are inspired by the work environment of they are making reference to the challenge of their job processes. None the less, the overall analysis to this question show that the respondents do not find the work environment inspiring to bring the best out of them in terms of job performance.

10 . Employees do not feel secure at the work place because of fear of losing their jobs.

The responses to this question are so unanimously skewed towards the assertion that employees do not feel secure at work because of fear of losing their jobs. Figure below, demonstrates this:

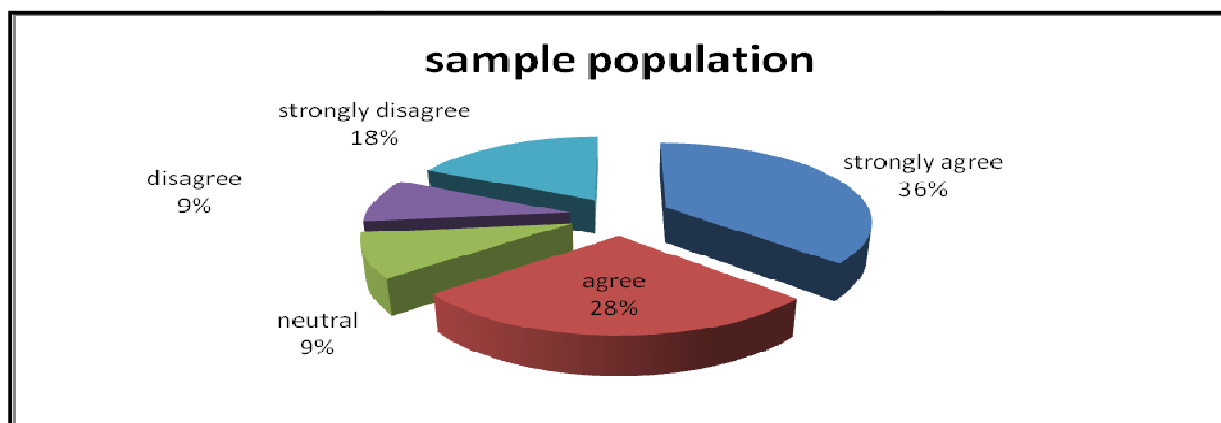


Figure 23: Perception and Attitude of Job Security

36% (41 out of 112 respondents) strongly agree that employees do not feel secure at the work place because of fear of losing their jobs while 28% (31 out of 112 respondents) agree as well. Only a small percentage 9% disagrees and 18% strongly disagrees that employees do not feel secure at the work place. 9% are neutral.

11. Senior managers are obsessed with office power.

The figure 24, clearly demonstrates the negative perception of senior managers that the employees of Spar Arundel have. A high “agree” response of 28% and an equally high “strongly agree” rate of 21% shows that the respondents’ opinion of senior managers is

negative. The managers are perceived as non value addition to the company as their pre-occupation is obsession with office power. The 28% respondents who are neutral about whether managers are obsessed with office power may be simply sitting the fence for fear of victimisation, not trusting the reassurances of anonymity in the questionnaire. Put together, only 23% of the respondents disagree and strongly disagree that senior managers are obsessed with office power .Responses to question 12 below show a similar pattern to the analysis in question 11.

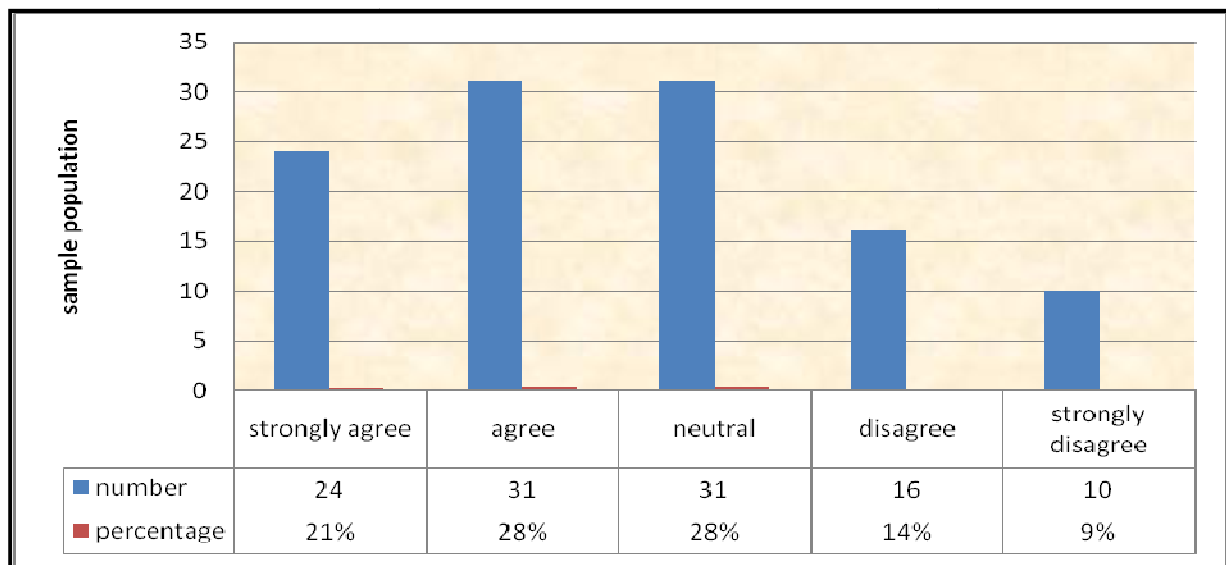


Figure 24: Perception and Attitudes on Senior Managers Obsession with office power

12. Management at Spar Arundel displays transparent leadership.

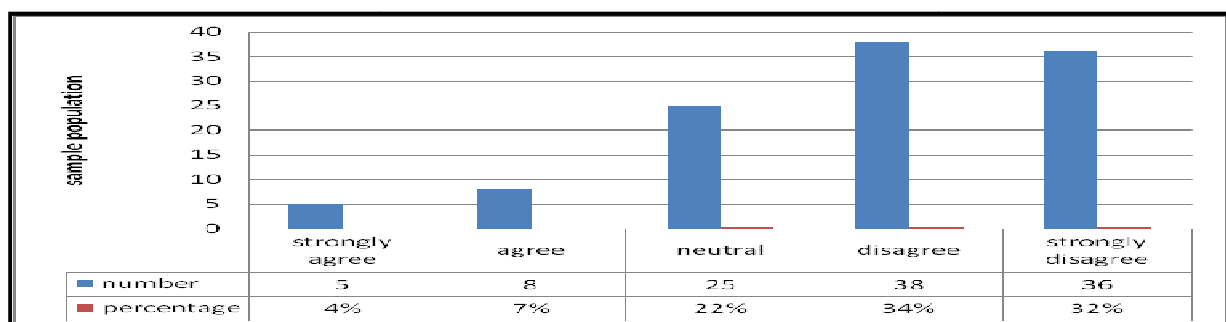


Figure 25: Perceptions and Attitudes on Managements display of transparent leadership

The distribution of responses to question 12 clearly shows that 68% or 74 out of 112 respondents disagree that management at Spar Arundel displays transparent leadership. This is a damning perception for management as only a mere 11% which is 13 out of 112 respondents agrees that management in Spar Arundel displays transparent leadership. For such a small proportion of respondents to have a positive opinion of managers while almost three quarters of respondents hold a negative perception, shows that the change management process achieve negative impact on employees. This negative impact is also demonstrated in figure in question 13 below:

13. I would never recommend anyone to work for Spar Arundel

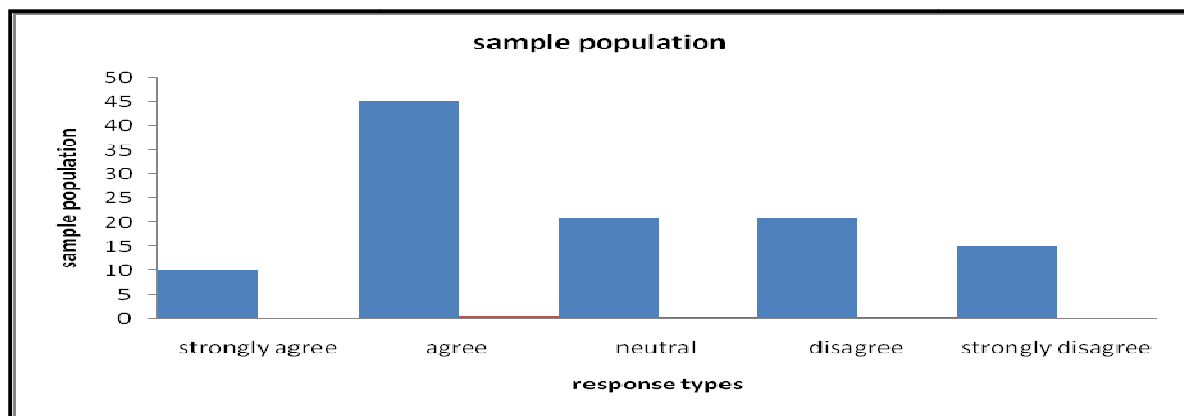


Figure 26: Distribution of Responses likely hood of respondents to recommend anyone to work for Spar Arundel

This distribution clearly shows that the change process had a negative impact on employees as they clearly resented their work place as an unpleasant place to be worth recommending someone else to work for. This is shown by the 45 out of 112 responses (40%) who agree that they would never recommend anyone to work for Spar Arundel and in addition 9 % strongly agree that they would never recommend anyone to work for Spar Arundel.

14. The changes made in Spar Arundel will be successful and will improve the performance of the company.

Responses to this question are shown in figure 27. The neutral responses of 34% representing 38 out of 112 respondents clearly show scepticism about the potential benefits of the change process that was undertaken at Spar Arundel. This position is further emphasised by the fact that 26% or 29 out of 112 respondents disagree that the changes will be successful and will improve the performance of the supermarket. These two highest ratings, neutral and disagree, capture the overall perception of the employees about the change process and is consistent with the responses given to questions covered above.

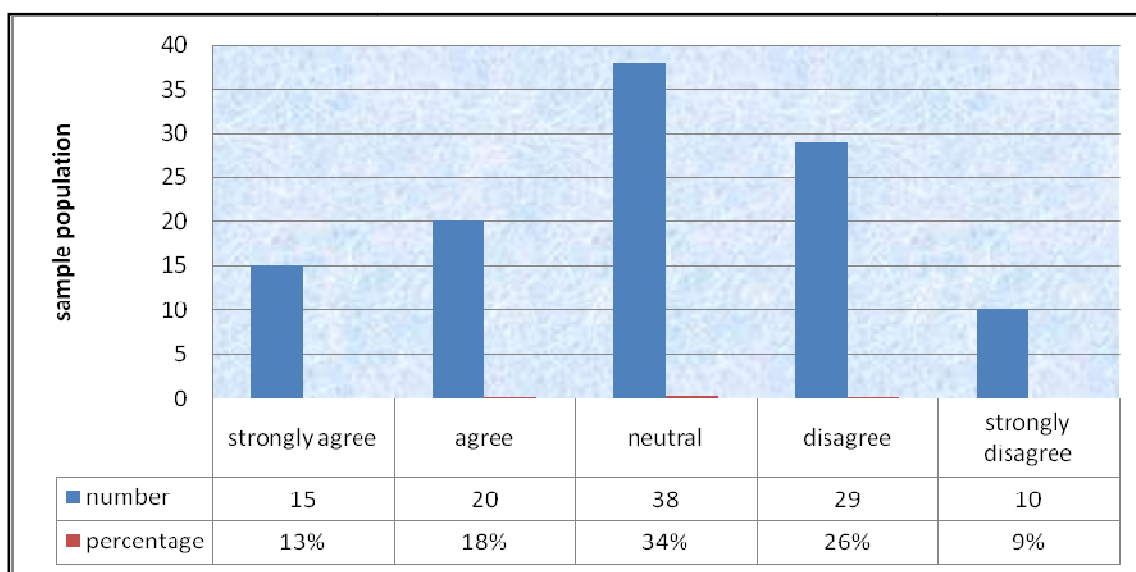


Figure 27: Perceptions and Attitudes on whether the change process improved the performance of the company or not

15. Feedback in Spar Arundel is given in an open and transparent manner.

Figure below, reflects from responses given that employees believe that feedback in Spar Arundel is not given in an open and transparent manner.

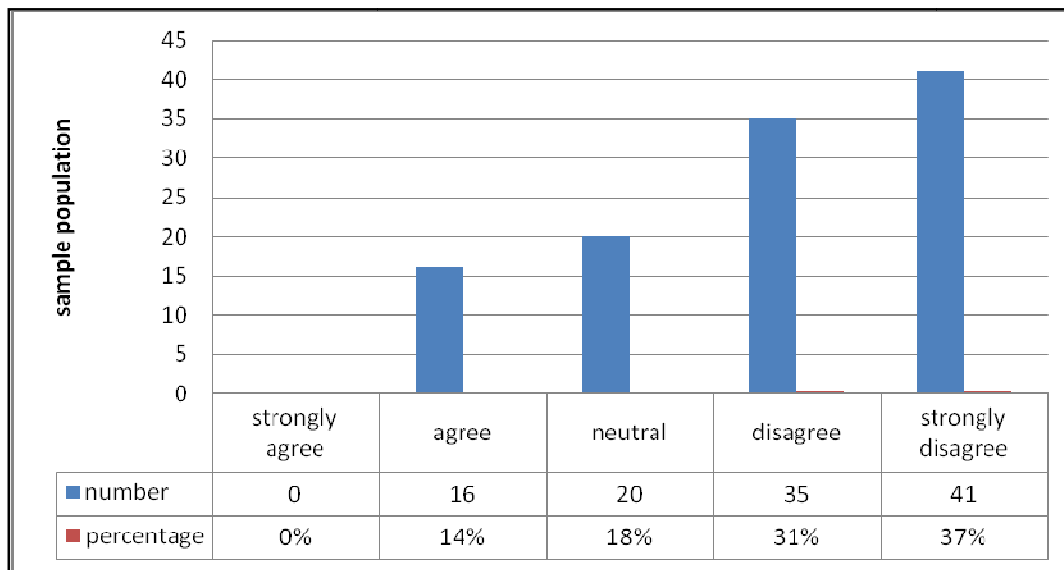


Figure 28: Perception on the Feedback Process at Arundel Spar

37% of the respondents indicated that they disagree that feedback is given in an open and transparent manner. The next rating according to number of rating is “disagree” at 31%, showing also that employees are suspicious of the way feedback is given as they do not think it is transparent .Only a small percentage of respondents, 14% believe feedback is given in a transparent manner. However this rating is overshadowed by the two highest ratings 31%-disagree and 37% strongly disagree that feedback in Spar Arundel is given in a transparent manner. The perception that feedback in Spar Arundel is not given in a transparent clearly shows the mistrust that the employees have in the system and in management. New change processes cannot be effective in an environment of mistrust and suspicion.

16. List any two problems you are experiencing in your department.

The two main problems that were pervasive in all the departments from the responses given were:

- i.) Job insecurity as many of the employees are contract workers working 3 months renewable contracts yet they have been with the company for more than a year.
- ii.) No appreciation for the effort they put at work.

These two points have generally been identified as a source of frustration for the employees. They did not feel appreciated for their effort. This point to the suspicion and mistrust that employees have after the change process.

4.2.4 Section D: Managing resistance to change

1. Please describe if the change management techniques used at Spar Arundel during the change process helped you to like the changes.

The overall response to this was that the techniques were not helpful to employees because the change brought so much uncertainty and fear of job losses or being transferred to other supermarkets that employees resented the change

2. Ranking change requirements in order of what they would most prefer

The most common response was that employees wanted to understand why change is happening and why it is necessary. Clearly employees value being involved and appraised.

4. 3 CONCLUSION

Chapter four was mainly research findings and discussion of data that was obtained through questionnaires. The findings were presented in the form of content analytical tables. The discussion was made linking the findings to literature. The following chapter presents conclusions, recommendations, study limitations and areas for further research.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter serves as a summary of the results that came out from the analysis of the data that was obtained from the study. The conclusions are drawn from the results in chapter Four. In this chapter, an attempt to give recommendations and areas for further study is made.

5.2 CONCLUSIONS

From the research findings in Chapter 4, the following conclusions can be made:

1. One of the most significant findings of this study was that the forces of change at Arundel Spar were senior managers and new operating systems. The change management process at Spar Arundel was thus fundamentally flawed as it sidelined employees who are a critical component of the change process. Employees indicated lack of clarity in organisational direction and do not have confidence in senior management. There was lack of leadership during the change process as there was no designated change agent to drive and facilitate the change process. In this respect, change emanated from senior management and hence this group and the material resources became the forces of change, leaving out employees.
2. A significant and ironic finding of the study was that middle managers and supervisors, like the rest of the employees, found the work environment unsatisfactory and were ready for opportunities elsewhere. Middle managers and supervisors indicated that they were alienated from the change process. This clearly shows that the change process was directed by senior managers and head office and thus alienated even the middle managers and supervisors who are supposed to be the drivers of the change process. Consequently, and to a large extent, employees were not satisfied with their work.
3. The research found out that the change process had a negative impact on the employees as characterised by employees' sense of insecurity, shown by their fear of further changes and indication that they are willing to find employment elsewhere. The other impact was that of lack of employee value to the organisation, a feeling that they do not belong. The study has shown that employee value was lost as a result of the

change process. This is shown through feelings of uncertainty and mistrust on what the company is doing, when and why it is doing it. The impact is that employees feel like just pawns in a big game and not active players.

4. The change management process of Spar Arundel was not effective because there was no change agent appointed to drive the change process; hence employees were unaware of the reasons for the change. Using the six step model for change and the 3-phase model for change would have been effective change strategies.

5.3 RECOMMENDATIONS

From the conclusions above, the following recommendations can be made:

1. When carrying out any future changes, Spar Arundel should appoint a change agent to manage the process. It is vital that a change agent be appointed to manage the change process (Mabey, 2007).
2. Communication is strongly recommended in any change process as it maybe the critical component between the success or failure of the change process.
3. Change needs to be managed in a way that accommodates people's fears and has reassurance processes as it develops.
4. Communication to handle the sensitive aspects change

5.4 STUDY LIMITATION AND AREAS FOR FURTHER STUDY

The major limitation of this research was that of time constraints. It was not possible to study all the Spar supermarkets under Innscor Corporate Retail to establish how the change management process affected employees in each store hence the focus on Spar Arundel. However, the findings of the study remain pertinent to Spar Arundel employees and in certain respects, relevant to the employees of the other Spar Stores operating under Innscor Corporate Retail.

An area that needs to be explored further is find out whether there was a relationship between the impact of change on employees and the financial performance of Spar Arundel. It can also be interesting to investigate the impact of organisational change, using a multi-case study of all the Spar Stores operating under Inncor Corporate Retail and offer conclusions and recommendations accordingly.

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Kentucky

APPENDIX A: LETTER TO RESPONDENTS

Dear Respondent

Re: MBA Research Project

The researcher is a final year student studying for a Masters of Business Administration degree (MBA) through the Graduate School of Management (GSM) of the University of Zimbabwe.

The researcher is conducting a research, which seeks to assess whether the process of organisational change at Spar Arundel has had an impact on employees and to establish the nature of this impact. The research paper is in line with the partial fulfilment of the requirements of an MBA degree.

You have been selected amongst the sample of employees and I now kindly request you to take 10 minutes of your time to complete this questionnaire. All the information given in response to the questionnaire will be treated with the utmost confidentiality and for **academic purposes only**. Please do not indicate your name.

The researcher is desirous of collecting your completed questionnaire by the 16th of July 2012.

Thank you for taking your time to participate in this research.

APPENDIX B: QUESTIONNAIRE

SECTION A: PERSONAL AND GENERAL INFORMATION

Please put an **X** in the appropriate block.

1. Please indicate the Department of Spar Arundel in which you work in;

HR / admin	
Sales / Front End	
Receiving / Buying	
Account / IT	
Service Dept	

2. What level at work are you? (Please select as applicable)

Manager	
Supervisor	
Till Operator	
Admin Clerk/accounts	
Merchandiser	
Service dept manufacturer	

3. How long have you been in this organisation?

Between 1month and 1	
Between 1year and 2	
Between 2years and	
More than 4 years	

4. How long do you intend to be in this organisation?

Not than 2 years	
Between 2 to 5 years	
Between 5 to 10 years	
For life	

SECTION B: EMPLOYEE INVOLVEMENT IN THE CHANGE PROCESS

1. Are you familiar with the term **Change Management** and how it relates to your work.

Yes	
No	

2. Are you aware that Spar Arundel went through some changes?

Yes	
No	

3. Are you aware of the reasons for the many changes that have taken place within Spar Arundel

Yes	
No	

4. Did management communicate the vision for change?

Yes	
No	

5. Has the change impacted negatively on your morale in the organisation?

Yes	
No	

6. If given an opportunity would you leave Spar Arundel and seek employment elsewhere?

Yes	
No	

7. How many meetings did you attend during planning and implementation of change?

None	
1-3	
More than 3	

SECTION C: CURRENT PERCEPTION AND ATTITUDE

Please consider the following statements and indicate to what degree you agree or disagree with each, circling the corresponding number.

1 = strongly agree, 2 = agree, 3 = neutral, 4 = disagree, 5 = strongly disagree.

1. I am comfortable in participating in this questionnaire and I am sure management is not going to use this against me

1	2	3	4	5
---	---	---	---	---

2. Management at Spar Arundel places a high emphasis on employee satisfaction

1	2	3	4	5
---	---	---	---	---

3. I do not mind spending a half hour extra past normal finishing work time, if I have to finish something that I have been working on.

1	2	3	4	5
---	---	---	---	---

4. The thought of waking up and going to work for Spar Arundel makes me sick

1	2	3	4	5
---	---	---	---	---

5. If Spar Arundel had a family fun day and I had the choice between going to the organisation's family day and staying home, I would probably stay home.

1	2	3	4	5
---	---	---	---	---

6. I do only what my job requires, no more no less

1	2	3	4	5
---	---	---	---	---

7. I would probably keep working even if I did not need the money.

1	2	3	4	5
---	---	---	---	---

8. I am extremely glad that I chose this organisation to work for, over the other places I was at the time I joined.

1	2	3	4	5
---	---	---	---	---

9. This work environment really inspires the very best in me in the way of job performance.

1	2	3	4	5

10. Employees do not feel secure at work because of fear of losing their jobs

1	2	3	4	5
---	---	---	---	---

11. Senior managers are obsessed with office power

1	2	3	4	5
---	---	---	---	---

12. Management in Spar Arundel displays transparent leadership

1	2	3	4	5
---	---	---	---	---

13. I would never recommend anyone to work for Spar Arundel.

1	2	3	4	5
---	---	---	---	---

14. The changes made in Spar Arundel will be successful and will improve the performance of the group.

1	2	3	4	5
---	---	---	---	---

15. Feedback in the Spar Arundel is given in an open and direct manner

1	2	3	4	5
---	---	---	---	---

16. List any two problems you are experiencing in your department

SECTION D: MANAGING RESISTANCE TO CHANGE

1. Please describe if the Change Management techniques used at Spar Arundel during the change process helped you like the changes

.....

2. Please rank these requirements about Change in order of Importance to you. from 1-9. (1= Least Important; 2 next in importance.... 9= Most Important) Each of these statements must be represented by a single number.

Being able to take ownership and influence details of the change	
Awareness of who is ultimately responsible for the project	
Understanding why change is happening and why it is necessary	
Having assistance from the project owners, project owners, project infrastructure, training specialist to create a supportive environment.	
Feeling that everyone is focused on the same goals and objectives	
Conscious that the key individuals are involved in the project	
Recognize the project is being implemented by people with it	
Knowing the project recognizes organization wide dependencies	
Appreciation of how the change will take place and be effective.	