

Graduate School of Business

Employees' Perceptions as 'Recipients' of Change: A Case Study

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the award of the degree of Doctor of Philosophy
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Declaration

I certify that the research and the writing of this thesis has been undertaken solely by the author. No part has been previously submitted for a degree at this or any other university.

Signed:

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14th March 2003

Table of Contents

Chapter 1.	Introduction.....	1
1.1	Researching Employees' Perceptions.....	7
1.2	Thesis Structure	8
1.3	Conclusion	9
Chapter 2.	Literature Review	10
2.1	The Phenomenon Of Change	10
2.2	The Impetus of Organisational Change	12
2.3	Organisations and Theory	14
2.4	Organisations and Theories of Change.....	20
2.5	Reasons for Change and Types of Change.....	25
2.6	Models for Change	28
2.7	Strategies for Change	32
2.8	Implementation.....	35
2.9	The Impact of Change on Organisations	38
2.10	Resistance to Change.....	40
2.11	Employees as Recipients of Change.....	44
2.12	Concluding Comments.....	53
Chapter 3.	Methodology.....	58
3.1	Research Objectives	58
3.2	Paradigm Definition	59
3.3	Paradigm Choice	64
3.4	The Research Strategy.....	66
3.5	Sociological and Organisational Theory Relevance	67
3.6	Research Strategy Choice	76
3.7	Grounded Theory Principles	77
3.8	Case Studies.....	81
3.9	The Research Design.....	84
3.10	Data Collection.....	91
3.11	Focus Groups.....	93
3.12	Construction of a Qualitative Individual In-depth Interview Guide.....	95
3.13	A Detailed Description of the Interview Process	96
3.14	Triangulation	99
3.15	Data Management.....	99
3.16	Method of Data Analysis	100
3.17	Steps in Analysis	102
3.18	Establishing Codes	103
3.19	Quality Criteria for Rigour.....	109
3.20	The Ethical Protocol.....	113
3.21	Conclusion	113

Chapter 4.	Local Government - The Case Study Environment	115
4.1	The Role of Local Government	115
4.2	Pressures for Change	118
4.3	The Hilmer Enquiry into Competition.....	120
4.4	Competition Policy.....	121
4.5	The Purpose of Competition Policy at a State-Government Level	123
4.6	The Role of Competition Policy at a Local Government Level in Western Australia.....	126
4.7	Additional Forces of Change Across Local Government	129
Chapter 5.	Findings	132
5.1	Focus Group Findings	132
5.2	LG1 Focus Group Findings.....	133
5.3	LG1 Emergent Construct Development from Focus Group Interviews	134
5.4	LG2 Focus Group Findings.....	140
5.5	LG2 Emergent Constructs from the Focus Group Interviews	141
5.6	A Summary of the Focus Interviews at LG1 and LG2	146
5.7	LG1 Interview Findings	147
5.8	Analysis of LG1 Findings	166
5.9	LG1 <i>Emerging Phenomena</i>	171
5.10	Summary: LG1 Findings.....	173
5.11	LG2 Interview Findings	174
5.12	The <i>In Action</i> and <i>Employees' Proposed Methods</i> Findings	178
5.13	Change Process/Change In Action	179
5.14	Communication/In Action.....	180
5.15	Executive/In Action.....	180
5.16	Change Strategist/In Action	180
5.17	Managers/In Action.....	181
5.18	Employees/In Action.....	182
5.19	The <i>Skills and Abilities</i> Findings	184
5.20	The <i>Reaction to and Impact on Employees</i> Findings.....	185
5.21	The <i>Change Design</i> Findings.....	186
5.22	The <i>Employee Expectations</i> and <i>What They Would Do</i> Findings	187
5.23	Analysis of LG2 Findings	191
5.24	Summary: LG2 Findings.....	194
5.25	Triangulated Findings	194
5.26	Theoretical Coding and Theory Generation: LG1 and LG2	197
5.27	Conclusion	203

Chapter 6.	Discussion.....	205
6.1	The Research Objectives.....	208
6.2	Identifying Change Strategies Being Implemented.....	209
6.3	Identifying Change Strategists' Expectations of Employees in the Change Process.....	2144
6.4	Identifying the Employee Role in the Change Process.....	217
6.5	Identifying Employee Involvement in the Change Process.....	221
6.6	Identifying Employees' Expectations of the Change Process	227
6.7	The Analysis of Employees' Expectations With a View to Developing a Significant Guide to Effective Implementation Strategies.....	249
6.8	The Research Questions.....	251
6.9	Summary.....	2544
6.10	Future Research Agenda	255
References	256
Appendix 1:	LG1: List of Focus group Categories and Constructs.....	276
Appendix 2:	LG2: List of Focus group Categories and Constructs.....	278
Appendix 3:	Guide for Individual In-depth Interviews.....	281
Appendix 4:	LG1: List of all Categories, Subconstructs and Constructs	283
Appendix 5:	LG1: <i>In-Action</i> Subconstructs.....	294
Appendix 6:	LG1: <i>Employees' Proposed Methods</i> Subconstructs	298
Appendix 7:	LG1: <i>Employee Expectation</i> Subconstructs	299
Appendix 8:	LG1: <i>What They Would Do</i> Subconstructs.....	300
Appendix 9:	LG1: Executive-Analysis Table.....	301
Appendix 10:	LG2: All <i>In-Action</i> Subconstructs	303
Appendix 11:	LG2: <i>Employee Expectation</i> Subconstructs	308
Appendix 12:	LG2: <i>What They Would Do</i> Subconstructs.....	309

Table of Figures

Figure 2.1:	Stacey's complexity framework	17
Figure 2.2:	Cyclical change model.....	55
Figure 3.1:	Sociological paradigms and organisational analysis	67
Figure 3.2:	A research framework for research sequences.....	90
Figure 3.3:	The data collection process.....	93
Figure 3.4:	Steps in data analysis	102
Figure 3.5:	The data analysis procedure	107
Figure 5.1:	Thirty randomly selected categories.....	133
Figure 5.2:	Twelve constructs emerging from the 79 categories	134
Figure 5.3:	Thirty randomly selected categories.....	140
Figure 5.4:	Twelve-constructs emerging from the 94 categories.	141
Figure 5.5:	The raw data coding structure	148
Figure 5.6:	Coding demonstration one.....	151
Figure 5.7:	Coding demonstration two.....	151
Figure 5.8:	Analytical process with coded data	153
Figure 5.9:	A demonstration of the constant comparison process	167
Figure 5.10:	An example of stage 1: Single-construct data mapping – Executives/In Action.....	168
Figure 5.11:	An example of stage 2: Data mapping with a single construct and associated subconstructs – Executives / In Action and Executives / Employees Expectations.....	169
Figure 5.12:	An example of stage 3: data mapping with category linking – Executives / In Action and Executives / Employees' Expectations.....	169
Figure 5.13:	An example of stage 4: Construct data mapping and linking of all associated categories – Executives / In Action, Executives / Employees' Expectations and Executives / What they would do	170
Figure 5.14:	The analytical process with coded data.....	177
Figure 5.15:	The employee expectations framework (EEF)	203
Figure 6.1:	The employee expectations framework (EEF)	207

Table of Tables

Table 2.1:	Organisational components	15
Table 2.2:	Scales of change and leadership styles.....	30
Table 2.3:	Change strategies and conditions of use	31
Table 3.1:	Basic beliefs of alternative enquiry paradigms	62
Table 3.2:	Paradigm choice assumptions.....	64
Table 3.3:	Qualitative and quantitative methods.....	65
Table 3.4:	Network of basic assumptions characterising the subjective– objective debate within social science.....	77
Table 3.5:	Case study purposes.....	82
Table 3.6:	Research design processes and procedures.....	87
Table 3.7:	Further research design processes and procedures	88
Table 3.8:	Further research design processes and procedures	89
Table 3.9:	A summary of analysis procedures	103
Table 4.1:	Competitive Neutrality Principle CN.4.....	128
Table 4.2:	Structural Reform of Public Monopolies Principle SR.3 (abridged)	128
Table 4.3:	Legislation Review Principle LR.1	128
Table 5.1:	Summary of focus group constructs.....	147
Table 5.2:	Early, individual, in-depth emergent constructs for LG1	149
Table 5.3:	Final coding numbers LG1	151
Table 5.4:	<i>Emerging Phenomena</i> Constructs/categories	172
Table 5.5:	Early individual in-depth emergent constructs for LG2	175
Table 5.6:	Final coding numbers LG2.....	176
Table 5.7:	<i>Emerging Phenomena</i> constructs, subconstructs and categories	193
Table 5.8:	LG1 and LG2 emergent theoretical concepts	200
Table 5.9:	LG1 and LG2 Emergent ‘Emerging Phenomena/Relationship’ construct	200

Abstract

This research investigated employees' perceptions as 'recipients' of change. It did so by seeking to understand and represent their views regarding what influences effective change processes. The significance of this research was the focus on employee perceptions and not those of management. It was research conducted at a grass-roots level seeking to provide a voice for those least often heard or asked. The research was conducted using participants from two case study organisations in the local government sector of Western Australia employing approximately 200 staff each. Both organisations were metropolitan and had been experiencing change within their organisations for some time.

Within this research it is recognised that the phenomenon of organisational change is by no means new. Since the early 1970s literature has emerged proposing that our world and the world of work, both internally and externally, are about to change. Management books and the history of management and organisational life have been filled for years with issues relating to change. These include changing management practices, new techniques for achieving change and dealing with threats of what non-change may bring.

As the research was seeking to interpret respondents' meaning relating to the phenomenon of organisational change, it was not concerned with quantification, but with understanding the phenomenon from the viewpoint of those experiencing the change. This research was based on the belief that human behaviour, unlike that of physical objects, cannot be understood without reference to the meanings and purposes attached by the human actors to their activities.

The ontological assumption of a socially constructed reality underpinned this study. The realities experienced were those as interpreted by employees. The epistemological assumption was that of interpretivism. The realities experienced by respondents were subjective and, accordingly, the research's findings were literally created as the investigation proceeded. The methodological assumption was of a qualitative framework for understanding how change impacts on employees. Both the researcher and the employees under investigation therefore interacted in the process of meaning construction and clarification.

The constructivist paradigm was therefore adopted as it emphasises a qualitative methodological approach. It was supported by theories of symbolic interactionism and phenomenology, which focus on the interpretation of the meaning of the employees' experiences within the phenomenon of organisational change.

Grounded theory principles were used within the constructivist paradigm to provide a framework for ensuring that data analysis remained interpretative and that all emergent categories earned their place through the practices of constant comparison, not the preconceptions of the researcher. To further enhance this method, a triangulated approach to data sources and data collection methods for analysis included documentation, change manager interviews, and the primary sources of focus group interviews and individual in-depth interviews with employees.

The findings are represented in a model identifying strategic efficiencies, organisational unity, skills and capabilities, humanistic application and relationship maintenance as the major factors as perceived by employees as influencing effective change. It presents both the *what* and the *how* of change as perceived by employees; i.e. *what* needs to be done and *how*. The model presented within this research is recognised as a tentative model dependent on further investigation and study. It provides a useful perception of what employees believe would create effective organisational change, and it demands close and careful consideration by strategists and practitioners. The model is unique in its structure and representative in regard to its information source.

Acknowledgements

As with all significant tasks I like to dream of the finish line, visualise the celebration and of course imagine the great speech that fluently and poetically flows at the most pertinent moment. This Ph.D. has been no exception to that.

I feel incredibly excited to be at this point, I have held off writing this ‘speech’ knowing that, in itself, it symbolises that the end is close. My dread, though, is not of the end, but more a fear of forgetting to thank somebody who in my heart I truly intended to. If I do, it is here that I give you full permission to remind as often as you wish and a promise to commit myself for as long as it takes to right the offence.

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Operational Definitions

For the purpose of this research, the following terms were operationally defined as follows:

Recipients of change

Recipients of change were viewed as those individuals employed by the case study organisations at an employee level (Kanter, Stein & Jick 1992).

Employees

Those individuals who reported to managers and were not responsible for the supervision or management of others.

Executives

This term was used to refer to the CEOs and those directors who report directly to the CEO.

Management

A general term used to encompass the CEOs, executives and all organisational members with staff supervisory or coordinating responsibilities. In summary, all levels above employees.

Change strategist

The person awarded the responsibility and authority of implementing the change initiative by the CEO.

Model

The terms *model* and *research model* are used to represent a basic framework of thinking regarding an approach or belief associated with the findings of this research.

Organisational change

Organisational change in this research is viewed as the management endorsed initiative being implemented by the change strategist and experienced by employees.

Chapter 1. Introduction

The title of this research is *Employees' Perceptions as 'Recipients' of Change: A Case Study*. The setting for the research is within the arena of organisational life, and as the title suggests, it seeks to decrease the difficulty in initiating a new order by unearthing employee perspectives, and launching their collective voices into the central debate of organisational change.

Within the title, the term *recipients of change* is borrowed from the work of Kanter, Stein and Jick (1992). While the term *recipient* may initially reflect a passive role, it is the purpose of this research to demonstrate that as recipients, employees are intrinsically involved in, and capable of, analysing the effectiveness of change processes. Whilst up to now, employees as recipients may have only been awarded limited inclusion in the development of organisational change practices (Clarke 1999), it has not necessarily hindered them in observing and formulating their own perceptions relating to best practice. On this basis, it is their perceptions that form the greater contribution to this research. The perceptions of employees as recipients contributes to the phenomenon of organisational change as a whole. Additionally, this research also provides a unique perspective from 'those least often asked' to contribute to the broader debate of what constitutes effective or ineffective change processes.

As a phenomenon, organisational change is a well documented feature of contemporary organisational life. The phenomenon itself has been well defined, and some areas have been extensively studied. Of the many well respected writers in the field, and those that follow are by no means fully representative, there are a range of slightly different emphases or perspectives. Semler (1993), for example, makes the case for dismissing the traditional manager–employee narrative in order to produce an organisation populated by entrepreneurs. Kanter, Stein and Jick (1992) and Kanter (1998) in common with Drucker (1995) and Limerick and Cunningham (1993) consider the nature of change and organisational development as a process driven activity. Senge (1990), over time, has developed the idea of change as learning, creating the proposition of the *learning organisation* (Senge, Carstedt & Porter 2001). Writers like Dunphy and Stace (1992) blend ideas on the role of the individual in the organisation

with models of organisational design that facilitate change based on a situational analysis of forces of change and leadership style requirements.

Traditionally, the emphasis in organisational change has been on creating stability and minimising change (Weisbord 1976, Stacey 1996). The underlying theory of this stability and somewhat prescribed approach has been guided by methods of scientific enquiry and rational theory development grounded in modernism (Rickards 1999). The absolutist view of modernism in the world of organisational life is most commonly represented by the eras referred to as *classical*, *Taylorist* and *Fordist* (Robbins 1993). The modern eras were characterised by “mechanistic and hierarchical structures based on the extreme division of labour, and control systems that suppress people’s emotions and minimise their scope for independent action” (Burnes 2000:153). Testimony to the prevalence of modernistic beliefs within the field of organisational change has been the domination of the top-down, rolled out, ‘programmatic’ approaches providing step-by-step guides for managers and change agents (Clarke 1999). Such beliefs have produced a decades long proliferation of structured organisational theories and strategies currently viewed by some as no longer suited to the more uncertain and unpredictable contemporary world (Turner 1999).

With an ever increasing pace of change in world markets and governments, the emphasis on the need for organisations to develop dynamic, competitive strategies has been ongoing (McHugh 1996). The call, though, from writers such as Rickards (1999), Turner (1999), and Lowendahl and Revange (1998) is for organisational strategists to go beyond examining how their external and internal organisational contexts interact, and look at the fundamental assumptions and systemic truths that are dictating organisational strategies. As Lowendahl and Revange state, “in this new context, researchers need to go beyond the theoretical lenses and paradigms they have been trained in to explore the implications of these changes at a more fundamental level ... researchers need to refocus attention on the underlying assumptions in order to explore their areas of applicability and the limits to the relevance” (1998:755).

This research attempts to address the problem of researchers not focussing on the employees’ perspective and the interactive elements of this perspective as social context.

In seeking to understand the phenomenon of change at a 'more fundamental level' and to present a view through a new 'theoretical lens', employees as recipients of organisational strategy are the focus of this research. The dimension of the research are partly generated from grounded data (Glaser & Strauss 1967, Whiteley 2000) and from research already conducted in the field. This research sought to represent employees' perceptions and to understand the applicability and the limits based on the employees' constructed realities as recipients of change.

From an employee's perspective, organisational change can impact both directly or indirectly. Its impact can be experienced through changed working conditions, benefits and future aspirations. Generally speaking, most employees have either experienced organisational change themselves, or have a close association with somebody who has. Anecdotal evidence from a wide number of employees, collected outside the parameters of this research suggests that, in the main, employee experiences as recipients of change have been difficult and that given 'half a chance they themselves could do it better'. Whilst current literature would characterise such views as bordering on employee negativity, almost paramount to resistance (Maurer 1998), this research is seeking to capture the very essence of that view based on a belief that maybe employees can contribute to 'doing it better'.

The motivation for this research is, simply put, to understand what employees believe could improve processes of organisational change. The aim is to investigate what employees perceive to be effective or ineffective strategies and actions throughout a management endorsed change event and to use this information to create a formative and flexible model that will inform future thinking on processes of change.

This research, as indicated by the title, sought to support the emergence of employees' perceptions as 'recipients' of change. In keeping with constructivist tradition (Schwandt 2000), interpretations of the change process by those undergoing change activities were gathered. The following research questions and objectives have been developed to further support that process in providing scope for employees to surface their own issues and expectations.

The resulting model that emerged is thus suitable to inform processes of change in a tentative form and provide a foundational basis for further studies. The findings are

presented as a dynamic framework, in contrast with traditional prescriptive models (Tichy 1983) that suggest that there is only 'one right way' to achieve change.

The research questions related to this research are:

- What are the perceived needs and strategies for the implementation of change from the employees' perspective?
- What are the 'ingredients for success' in implementing change as employees see it?
- What factors influence acceptance of a change event?

The guiding research objectives are to:

- identify change strategies being implemented;
- identify change strategists' expectations of employees in the change process;
- identify the employees' role in the change process;
- identify employees' involvement in the change process;
- identify employees' expectations of the change process;
- compare employees' involvement and expectations; and
- analyse employees' expectations with a view to developing a significant guide to effective implementation strategies.

Organisational change today almost defies definition as a single activity. Instead, it is more easily described as a social phenomenon. It is almost impossible to know where it starts or where it stops. For many, change is no longer based on small incremental alterations to daily practices, where making small changes to improve ongoing functions is the focus. Today, change is more a sea of discontinuous, radical reconstructions, building whole new configurations, new strategies, new work, new formal arrangements, all aimed at breaking with the past (Nadler & Tushman 1995).

Global markets have become more dynamic and volatile, while at the same time we are experiencing quantum changes in technologies and global communications, forcing ongoing organisational repositioning (Edgar 2001). The ongoing complexity of change is reflected in the increasing complexity of organisational life. Respected experts such as Michael Porter can state with some confidence that to create an advantage in today's business world we must create an environment where people expect change (Porter 1999). As we move from organisations and societies based on

traditional factors of production to a knowledge based society resulting from changes in science, technology and social innovation (Drucker 1995), the shape of organisational life has inescapably been subject to enormous change with no obvious end in sight.

The need to quickly implement far reaching and often complex strategic change has led many managers and change agents to search for simple solutions and the one right way. This is reflected in the current spate of buzzwords referring to change methodologies, each approach acclaimed by fervent disciples as the only and universally applicable change methodology. ... The appealing aspect of the promises held out for these types of change technologies is that they can absolve the manager from the onerous task of critically reviewing the full range of other competing approaches or devising a custom made change program. They cut through complexity. However, the offer is often illusory, for particular approaches usually apply to particular situations, and simple solutions sometimes ignore the complexity of real life (Stace & Dunphy 2001:5).

Whilst understanding organisational strategic change is important, the need to clearly recognise its role within the overall context of organisational life is imperative. The need to understand how the altering of existing frameworks impacts upon stakeholder relationships is what Lowendahl and Revange (1998) view as vital in developing a broader understanding of the change environment. The focus on the employee as a significant stakeholder is what separates this research from most other work reported in the literature (Toulmin 1996).

The focus of this research is to bring employee experiences, perceptions and constructed realities to the forefront and to use these to inform processes of change and studies in organisational development and management. The need for this in the Australian context is best highlighted in significant studies such as the Australian Government Public Service Industry Task Force's 1995 report on leadership and management skills, where it is noted that:

... without appropriately skilled managers who can adapt themselves and their organisations to change, it will continue to be difficult for

Australian enterprises to maintain their competitiveness. Nor is the current restructuring of global industry likely to be a temporary phenomenon. More likely, future waves of technological innovation and new competitive challenges will require our enterprises to recreate themselves on a more or less continuous basis. To do so, they will need multi-skilled managers with great capacity to learn and relearn both their own roles and the bases of their enterprises' competitive advantages (Karpin 1995).

This view is further supported by Appelbaum, St-Pierre & Glavas (1998) who reflect that throughout the history of change the need to understand competitive advantage has always been present. The drive to improve efficiency after the Second World War, based on a scientific approach to the management of organisations, was founded on competition, along with all subsequent management approaches. In the 1970s the market place expanded, and organisations were required to distinguish themselves from their competitors through some sort of excellence. This was further exacerbated by the increasing demand by customers for high quality products and services (Motley 2001).

The Australian example of infrastructural change has witnessed the move away from policies of tariff protection; the floating of the Australian dollar; a dramatic shift in the public sector towards a corporate model; privatised utilities and services; and changes aimed at promoting improved productivity, competition and target outcomes across all sectors (Edgar 2001).

Concepts, theories and cases regarding design, strategy, implementation and assessment to deal with organisational changes are plentiful. These can be traced back to early models of change as presented by Lewin in the 1940s: the *unfreeze*, *change* and *refreeze* concepts (Rickards 1999). Over the past thirty years the most dominant forms of organisational change have included the introduction of new technology, total quality management (Albrecht 1992) and re-engineering (Champy 1995), all "hailed as 'revolutionary' approaches improving performance and competitiveness" (Burnes 2000:252). Writers on theories of strategy have been predominately presented in a manner directed at managers. They characteristically come from a management perspective where the needs or views of employees are alluded to but are not as

important decision making stakeholders (Drucker 1995, Limerick & Cunningham 1993, Jaffe & Scott 2000).

For many, change in today's organisational climate is still viewed as a process of continually renewing the organisation's direction, structure, and capabilities to serve its ever changing needs (Moran & Avergun 1997). External forces, such as technological advances and shifts in market demand, continue to drive organisational change and direction. Crucial to this research is the view that leaders and consultants continue to develop change initiatives, without including as major stakeholders, the very people who will be charged with implementing them: the employees (White 2001). This research therefore sought to contribute a methodology for studying change from the employee's perspective as a further argument for the need to include their views within the debate of organisational change.

1.1 Researching Employees' Perceptions

Seeking to understand perceptions raises the question of how the social realities of employees within this research can be captured. For modernists, supporters of scientific methods and a positivist view of reality, there stands an endorsed view that:

... there is a 'real' reality 'out there,' apart from the flawed human apprehension of it. Further, that reality can be approached (approximated) only through the utilization of methods that prevent human contamination of its apprehension or comprehension (Lincoln & Guba 2000:176).

Constructivists, on the other hand, stand by the view that reality and truths arise from the relationship between stakeholders, as a result of dialogue and the "human flourishing goals of participatory and cooperative inquiry" (Lincoln & Guba 2000:178).

This research is seeking to understand meaning relating to the phenomenon of change as attributed by the employees. An objective is to understand employees' constructed realities. To achieve this objective, a constructivist's approach was adopted. It is not appropriate to be concerned with quantification, but instead with understanding the

phenomenon of change from the view of those experiencing the change based on the following assumptions.

First, the ontological assumption of a socially constructed reality underpinned this study. The realities experienced were those as interpreted by employees. The epistemological assumption was that of interpretivism. The realities experienced by respondents are subjective and accordingly, the research findings were created as the investigation proceeds. Second, the methodological assumption was of a qualitative framework for understanding how change impacted on employees (Guba & Lincoln 1998). Both the researcher and the employees under investigation interacted in the process of meaning construction and clarification (Schwandt 1994).

The constructivist paradigm was adopted, emphasising a qualitative methodological approach (Cassell & Symon 1994). It was supported by theories of symbolic interactionism (Woods 1992), phenomenology (Schwandt 1994, Haralambos & Holborn 1991) and ethnography (Atkinson 1994) focussed on the interpretation of the meaning of the employees' experiences within the phenomenon of organisational change (Creswell 1998). The research design targeted two large organisations with a focus on emergent findings based on grounded theory principles (Glaser & Strauss 1967). Grounded theory principles used within the constructivist paradigm provided a framework for ensuring that data analysis remains interpretative, and that all emergent categories earn their place through practices of constant comparison, and not the preconceptions of the researcher (Charmaz 2000). To further enhance this method, a triangulated approach (Jick 1984) of data sources and data collection methods for analysis included documentation, organisational change strategist interviews, focus group interviews and — the primary source — individual in-depth interviews with employees (Krueger 1994).

1.2 Thesis Structure

The thesis is comprised of six chapters. Each chapter charts the progress of the research and provides the reader with a logical and clear presentation of the phenomenon under study, the research strategy and the findings.

Chapter one provides an introduction to the research topic (employees' perceptions as 'recipients' of change) and an overview of the research's purpose and strategy.

Chapter two presents a literature review of past and current writings related to organisational change and the employees' role within that process. It demonstrates that employees feature most heavily as resisters to change within current writings, and that literature relating to their views regarding effective change strategies are limited.

Chapter three discusses the theories and principles that guided the research process. It presents a methodological structure based on a 'world view' that people within organisations are not cogs in a wheel, but active respondents in their own working lives.

As two large, local-government entities employing over 200 staff each were studied, chapter four provides a case study describing the forces of change impacting on local government in Australian. This chapter presents a historical and economic outline of why these organisations initiated their respective change programs.

Chapter five contains a detailed outline of all findings related to the research undertaken.

Chapter six concludes the thesis with a discussion of the findings, incorporating a second literature review guided by the findings.

1.3 Conclusion

This research considers that some keys to the potential effectiveness of change strategies lie in the perceptions of employees. Dimensions of received change need to be generated by employees and studied from the employee perspective so that change makers can combine both change processes that encompass the needs of employees as well as business strategies.

A qualitative approach is adopted, enabling the findings to emerge from the realities of participating employees, and the research works towards developing the findings in a manner that will resonate with many employees.

In order to frame employees' perceptions within a change framework, the case study's change strategist's perceptions were also gathered. These are used to support employee findings and to help keep employee findings within an overall strategic design process.

Chapter 2. Literature Review

Change can be expressed as the negotiation or the recognition of shared meaning about what is to be valued, believed in and aimed for. Organisational change constitutes a renewal of parts or even the whole of organisational culture, structure, processes and relationships with the outside environment (Whiteley 1995:34).

The objective of chapter two is to present an understanding of organisational change focussing on both the external and internal environments within which organisations operate. The literature review defines change; outlines types of change; presents models, steps and strategies; and focuses on employees as recipients in the past and current context of change. The chapter presents links between these issues and organisational theory, and discusses this in line with the research questions and objectives explained in chapter one. In keeping with the protocols of grounded research (Whiteley 2000), the initial literature review was conducted at a level sufficient to reach an in-depth understanding of change, allowing theoretical sensitivity, but not to the level of over contamination. Post-findings literature guided by the 'theories' of the respondents supports the discussion in chapter six.

2.1 The Phenomenon Of Change

The quotations below echo the sentiments of many management writers, who assert that the challenges facing organisations have changed.

The assumption that guided organisations in the past were (1) that they could control their own destinies and (2) that they operated in a relatively stable and predictable environment (Beckhard & Pritchard 1992:2).

The challenges we now face are different. A globalized economy is creating both more hazards and more opportunities for everyone, forcing firms to make dramatic improvements to not only compete and prosper but also to merely survive. Globalization, in turn, is being driven by a broad and powerful set of forces associated with technological change, international economic integration, domestic market maturation within

the more developed countries, and the collapse of worldwide communism. No one is immune to these forces. Even companies that sell only in small geographic regions can feel the impact of globalization. The influence route is sometimes indirect: Toyota beats GM, GM lays off employees, belt tightening employees demand cheaper services from the corner dry cleaner. In a similar way, school systems, hospitals, charities, and government agencies are being forced to try to improve. The problem is that most managers have no history or legacy to guide them through all this (Kotter 1996:18).

The phenomenon of change within organisational life is by no means new. Management books and literature on the history of management and organisational life have been filled with issues relating to change. These include changing management practices, developing new techniques for achieving change and dealing with threats of what non-change may bring. Since the early 1970s literature has emerged proposing that our world and the world of work, both internally and externally, are about to change (Toffler 1970, Emery 1975, Waterman 1987, Naisbitt & Aburdene 1990). Long before this, the desire to increase productivity and profits and to improve operational processes were seen to shape the emergence of new theories, trends and new practices.

Shifts from classical management views to the human relations management view — “man as an emotional rather than an economic-rational being” (Burnes 1992) — have acted as an obvious example of a historical shift in organisational thinking, affecting both external and internal organisational activity. Proving popular during the 1990s, new strategies and techniques aimed at achieving maximum performance have given birth to a wide range of organisational change models and theories. Some of these have proven to be fashionably inadequate, while others have given birth to ongoing models of organisational change, both successfully and unsuccessfully applied.

The most common practices are those known as total quality management (Albrecht 1992), benchmarking (Andersen & Pettersen 1996, Australian Society of CPAs 1998), decentralisation, reengineering (Champy 1995, Bennis & Mische 1997), work

redesign, change leadership (Drucker 1999) and team building (Parker 1990). All are aimed at obtaining what Porter deemed the 'competitive advantage' (Porter 1985).

2.2 The Impetus of Organisational Change

The watershed of the 1970s and 1980s changed the world economic environment. But its impact on Australian organizations was most profound in the 1980s and is still gaining momentum. Our protected and regulated marketplace had made our economic world seem stable and secure, but the stability and security protected us from full awareness of the need to change in order to survive (Dunphy & Stace 1992:25).

For most employed Australians, the period from the mid-1980s onwards appeared to be one continuous story of change. Balance-of-payment problems in Australia during this period formed a compelling argument for the intensification of free market and trade policies and a reduction in public expenditure, as practiced in America. As a result, the 1980s experienced the adoption of a series of policies designed to increase investment, 'free up' the financial markets (Bennett 1999) and introduce competition at an international level. Australia effectively entered this era of globalisation, dealing with a wide range of domestic issues focussing on industrial deregulation, severe recession, massive unemployment, rising and falling interest rates, and the increasing introduction of new production and information systems (Brewer 1995).

The opening of the Australian economy to international, national competition saw organisations change for a number of reasons including; responding to a changing environment, beginning a new venture, preparing for the future, improving performance (Gills 1999) and as a response to new legislation. From the perspective of Bennett (1999), organisational change was also based on the need to shift costs and/or risks, fight for market share and to maximise shareholder wealth. Whatever the reason for change, business leaders into the 1990s faced a rapidly moving and unforgiving global marketplace that was forcing them to seek every possible tool to sustain competitiveness (Nadler & Shaw 1995).

As a result, organisations witnessed single change events snowballing into a series of organisational change programs. These dealt with shifts in industry structures,

technological innovation, macroeconomic trends, regulatory and legal changes, market and competitive forces, and growth (Nadler & Shaw 1995). Promised efficiencies, new opportunities and projected high returns drove organisations to review current practices in order to secure their futures. New catch cries came down from top management to streamline procedures, flatten hierarchies, and get rid of bureaucratic waste (Zetlin 1997). Downsizing and outsourcing became modern management practices, with saving estimated in the billions across industry sectors such as human resource management (Kelley 1995, Shelgren 2001).

Technological advancement in automation and information technology (IT) were sought to redesign operational processes, reduce both costs and cycle times, and to improve output quality. Management information systems (MIS) were developed to help decision makers resolve complex problems, respond to crises and seize opportunities on a timely basis (Martinsons & Chong 1999). Major deregulation across the western world also saw economic and regulatory changes in the airline, trucking, rail, power generation, telecommunications and banking industries based on emerging competition policies (Hirshleifer et al. 1994). While opportunities seemed abundant and risk became an increasing factor in daily operations, the greatest challenge of all was organisational positioning in dealing effectively with these forces of change.

While these may be viewed as historical factors, the task of developing appropriate strategies for change continues today as the organisational challenge of the new millennium. Dealing with economic change, globalisation and new technology continues to demand an ongoing stream of strategic responses that appears never ending (McClelland 1997, Stace & Dunphy 2001, Kanter 1998, Drucker 1999).

Along with these issues relating to forces of external environmental change, internal aspects of organisational change and the development of appropriate implementation methods have also seen a plethora of emergent strategies. The focus of the strategies have been many, but one that attracted widespread attention was that of Semler (1993), who provided a popular case study demonstrating that shifting trends towards the elimination of 'top-down' strategies in organisational development and change processes were emerging. Semler demonstrated, over a 15 year period, how the process of change can be incorporated into the daily activities of the organisation and accepted as a dynamic operational tool capable of creating innovative outcomes at all

levels. Strategies of this nature can be similarly found in work published by Emery (1975, 1993), Argyris (1998) and Senge, Carstedt and Porter (2001) among others. Additionally, organisational change strategies in the area of implementation have further focussed not only on the elimination of 'top-down' strategies, but the development of guides for change agents and managers to shift whole organisations in a controlled and planned manner (Burnes 2000, Kanter, Stein & Jick 1992, Kotter 1996). The aim of such guides was to create effective change strategies that would result in the willing adoption of change and result in subsequent organisational success.

Generally today, most current organisational change literature is focussed on a wide range of external and internal forces that influence organisational responses and practices in the world in which they operate. Such literature generally focuses on a number of areas and, as cited by the Price Waterhouse Change Integration Team (1995), are most commonly recognised as:

- market and customers;
- product and services;
- business processes;
- people and reward systems;
- structure and facilities; and
- technologies.

Whether intended or emergent, such influences give birth to the challenges for organisations in developing effective responses to the need to move competitively forward (Mintzberg, Ahlstrand & Lampel 1998). These challenges are not only presented individually but also collectively. As change occurs in one area, the impact is most often felt across many other areas.

2.3 Organisations and Theory

Organizations, like people, are creatures of habit. For organizations, the habits are existing norms, systems, procedures, written and unwritten rules – 'the way we do things around here'. Over time these habits become embedded like rocks in a glacial moraine (Waterman 1987:17).

Organisations are made up of many differing parts, providing a range of interrelated and differing challenges to all members. The four major components of an organisation as outlined by Nadler and Tushman, (1995) are presented in a modified format below, in keeping with their view of a useful approach for describing organisations, for simplifying a complex phenomenon and identifying patterns. The table outlines a view supported by many authors that organisations are not simply about ‘the task’ but a range of formal and informal arrangements that are influenced by those that action them; the people.

People	Work
The individual's behaviour, knowledge, skills, needs, perceptions, expectancies, background, demographics and experiences that they bring to the workplace.	The basic and inherent tasks to be done by the organisation and its units. The activity in which the organisation is engaged, particularly in light of its strategy.
Informal organisational arrangements	Formal organisational arrangements
Implicit and unwritten arrangements (also known as ‘organisational culture’) sometimes complement formal organisational arrangements. Common values and beliefs and the relationships that develop within and between groups. Communication, influence, and political patterns that combine in the creation of the informal organisation.	Structure, systems, processes, methods and procedures formally developed to enable individuals to perform tasks consistent with organisational strategy. Mechanisms for control and coordination, human resource management, reward systems, job design and work environment

Table 2.1: Organisational components

From ideas by: Nadler, D. A. & Tushman, M. L. 1995, ‘Types of organizational change: From incremental improvement to discontinuous transformation’, in *Discontinuous Change*, eds. Nadler, D. A., Shaw, R. B., Walton, A. E. & Associates, Jossey-Bass, San Francisco.

Like Nadler and Tushman (1995), many others describe organisations in a component format. These are often represented by others as directly *formal* and *informal* structures (Maheshwari 1993). Formal components, as represented by work and ‘formal organisational arrangements’, and informal as represented by people and ‘informal organisational arrangements’. Other terms are also be represented as the *hard* (formal) and *soft* (informal) components (Ketterer & Chayes 1995).

Whichever terminology is used, it is Stacey’s 1996 view that best outlines the complexity of such components in operation. Stacey’s view of the organisation is one not so much focussed on the components, but on the ‘complex adaptive systems’ that

bring all these components into simultaneous action through the constant adaptation of individuals within and between organisational systems.

The organisational components as described by Stacey refer to 'legitimate and shadow networks'. Legitimate networks consist of the formal and intended organisational linkages that fall within the boundaries of such areas as hierarchy, bureaucracy and approved ideologies. These result in the formal and legitimated informal rules that govern how organisational members jointly carry out the primary tasks of the organisation.

In the shadow system, interactions take more diverse forms than is usual in the legitimate system: for example, added to flows of information, energy, and action are flows of emotion, friendship, trust, and other qualities. Shadow systems are characterized by varying degrees of uniformity and diversity, conformity and individuality (Stacey 1996:26).

The shadow network is the spontaneous and informal aspects that the organisational members establish themselves "during the course of interacting in the legitimate system" (Stacey 1996:26). These develop when individual organisational members develop their own local rules for interacting with each other. Some of those rules come to be shared in small groups or across the whole system, but are not part of the officially sanctioned culture or ideology. The shadow network and rules constitutes a "repertoire of thoughts, perceptions, and behaviours" (Stacey 1996:26) that are potentially available to the individual for the purposes of supporting or sabotaging the legitimate network.

Figure 2.1 (located on page 17) shows Stacey's suggested solutions to what he calls the 'vicious circle' of inflexible, rules-based organisations.

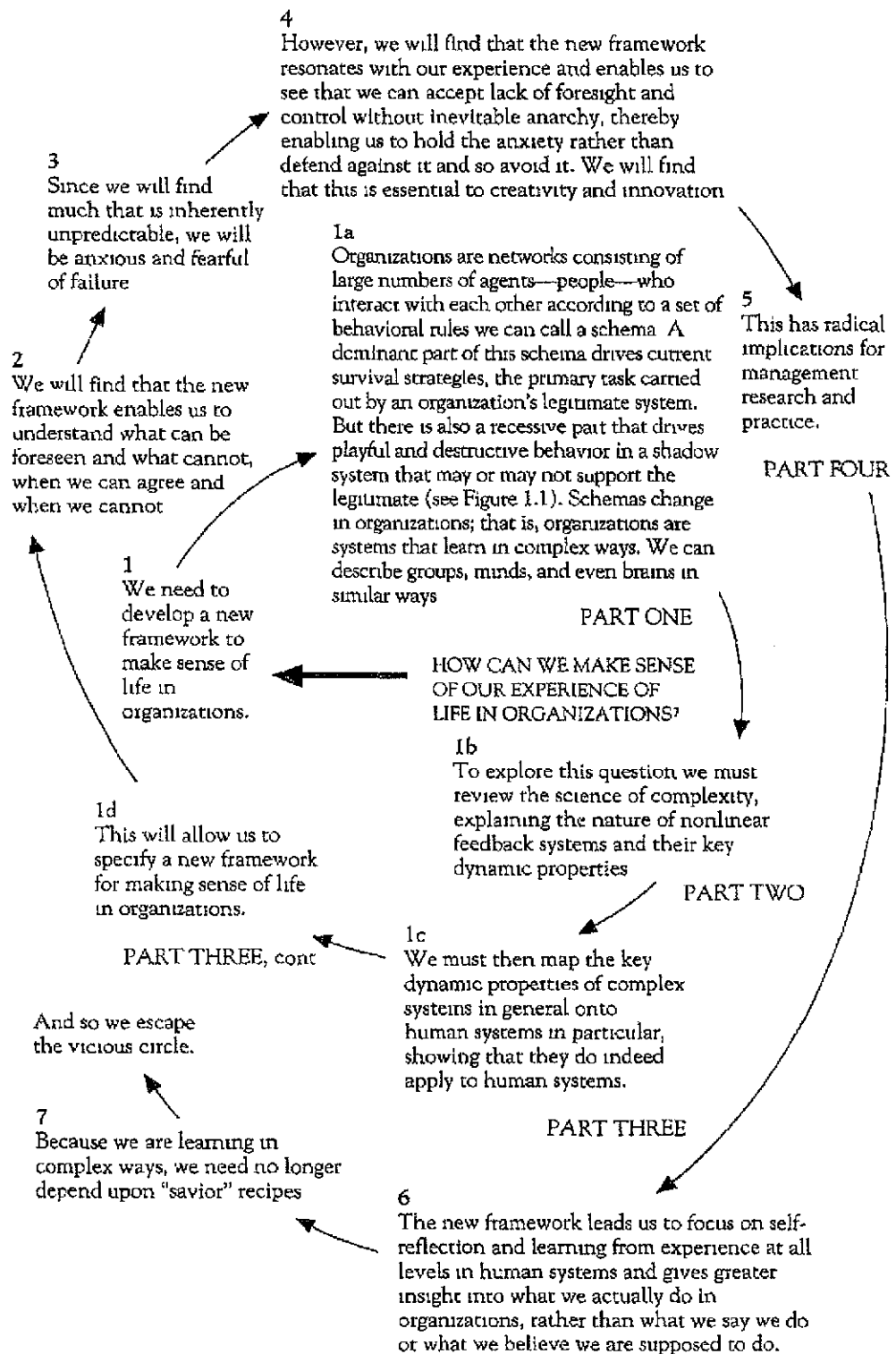


Figure 2.1: Stacey's complexity framework

Source: Stacey, R. D. 1996, *Complexity and Creativity in Organisations* Berrett-Koehler, San Francisco.

In summary, like Nadler and Tushman (1995), Stacey views organisations as being comprised of a number of very entwined components that become more complex as they interact. Nadler and Tushman (1995) view organisations in a more controlled manner than Stacey (1996) and, as a result, miss the opportunity to represent the highly complex whole that all components collectively represent. While this thought may be influenced by the symbolism of both authors' representations of the organisation, one as 'distinct components' and the other as a 'moving mass', Stacey's theories take us beyond what an organisation is to *how* those components and component systems interact with each other. Thus he provides a fuller understanding of organisations as they are — complex.

To comprehend the complexity of organisations, understanding the functionalist paradigm and the objectivist assumptions of human nature also provides for a sound theoretical basis in organisational theories emergence. The classical approach, sometimes known as the scientific-rational approach or mechanistic model, the human relations approach, and the contemporary management or contingency approaches are those that best provide this understanding. These approaches have been dominated by such theorists as F. W. Taylor (1856–1915) whose prescriptive 'classical' approach focussed on planning ahead, time and motion, the allocation of tasks and responsibilities, a limited span of control and the reviewing of results as a scientific formula capable of guiding all organisations (Handy 1993). Henri Fayol (1841–1925) was concerned with prescriptive management referred to as 'administrative theory', based on the task of management and of developing guidelines or principles about how to manage effectively using "principles of management, management objectives and management functions" (Tosi, Rizzo & Carroll 1990:11).

The human relations school of thought projected a view that organisations could never be the predictable, well oiled machines envisaged by the classical approach. This school was dominated by Elton Mayo (1880–1961) as a result of the Hawthorne study. Here, a measured 'scientific experiment' resulted in latent findings of 'personal situation' and 'emotional release' that gave rise to the importance of the 'active daily relationships' within the workplace (Mayo 1945). This unintended social consequence of a physical experiment is often called the Hawthorne effect. The focus of Chester Barnard (1886–1961) was on the formal and informal organisation, and the inclusion

of such views that “the essential need of the individual is association, and that requires local activity or immediate interaction between individuals” (Barnard 1938:119).

Therefore, in most respects, the human relations approach represented, at the time, a distinct break from the ideas of the classical school of sociological thinking, while more recent analysis would suggest more distinct similarities than difference. As stated by Burnes (2000), however, there was still a shared belief in organisations as closed, changeless entities, while Barnard (1968) draws attention to this era as still being strongly driven by ‘man’s’ desire to maintain, at all costs, a sense of social integration and order. Hence this era was not a distinct break from the past but more, as criticised by Collins (1998), an era that offered management the possibility of making scientific management function properly by looking to the social needs of workers and through cultivating group norms and solidarity.

The 1960’s contemporary management or contingency theorists school of thought adopted a different perspective, based on the premise that organisations are open systems whose internal operation and effectiveness are dependent upon the particular situational variables they face at any one time, and that these vary from organisation to organisation (Burnes 1992). As expressed by Bertalanffy (1975), from a biological perspective, “open systems are those which maintain themselves by a continual import and export of matter which is built up and broken down” (Bertalanffy 1975:109). This approach operated on the basis that within organisations there exist clear cut, well thought-out, stable and compatible objectives that are able to fitted into a contingency perspective. This view of the world has been labelled by (Checkland & Scholes 1999) as ‘systems engineering’ and assumes that systems exist in the world, and that problems can be perceived as a search for an efficient means of achieving objectives or needs through such systems. As Checkland and Scholes (1999) and Burnes (1992) points out, such assumptions ignore the complexity of organisational life, its social systems and cultural and political aspects. Checkland and Scholes (1999) in particular refers to views of ‘systems engineering’ as ‘hard’ systems thinking.

The classical systems approach along with the previous organisational theories mentioned above are all considered influenced by a functional, mechanistic and deterministic approach assuming rules, laws and the ability to determine outcomes through positivistic scientific application. The functionalist paradigm and its

associated views of social reality, while undoubtedly the most dominant across society and organisations, have not always been accepted as the only approach. The debate as to how society can be viewed and how its actors contribute to its function is long running. The application of this debate across the field of organisational theory and change is also prevalent and within this research is demonstrated through the work of Burnes (1992, 2000). Correlations relating to the above schools of thought are presented by Burnes not as a substitute to these theories but as means of applying them to change as it affects organisations today.

2.4 Organisations and Theories of Change

As a grounding for understanding organisational change, respect for the complexity of the organisation as an entity is paramount if one hopes to successfully analyse the myriad of interventions and strategies available. Such an understanding provides the roots that enable critical analysis of organisational change, when additionally viewed in line with the influence of current and past organisational disciplines and traditions. As stated by Burnes (2000:258):

Change management is not a distinct discipline with rigid and clearly defined boundaries. Rather, the theory and practice of change management draws on a number of social science disciplines and traditions.

Such social sciences disciplines and traditions effecting processes of change are best demonstrated by Burnes in his organisational change theoretical foundations framework. This was developed to reflect the many interwoven schools of thought and their influences. Burnes' theoretical foundation draw attention to the three levels commonly associated with organisations: the individual, the group and the systems. The framework is presented in manner that addresses traditions that have mostly affected organisational change to date. It concludes with a demonstration of change practices associated at each level. The three levels labelled by Burnes (1992) as *schools* are:

- the individual perspective school;
- the group dynamics school; and
- the open systems school.

These schools — while obtaining their theoretical foundations from the more traditional classical, human relations and contingency approaches — have been specifically manipulated by Burnes to explore the way in which people and systems are viewed in processes of organisational change. Therefore questions addressed by Burnes centre around:

- Are people cogs in a machine and systems reflective of predetermined order in processes of change?
- Are both people and systems determined by the will of those involved?

The schools, as presented by Burnes, are based on both sociological and psychological perspectives, providing a view representative of the role of social behaviour and personal understanding. Combined, Burnes believes these perspectives form the central plank on which change management theory and practice have been formed. They have influenced the formation of a range of change intervention strategies, he suggests, focussing on the individuals within the organisation and groups or through altering existing systems.

The individual perspective (Burnes 2000) is a school of thought that addresses change through focus on the individual at an action and understanding level. This perspective draws from both the sociological *behaviourist* and the psychological *gestalt* theoretical frameworks. Behaviourist theories in Burnes' individual perspective include those of B. F. Skinner (1953). Skinner's theory of 'operant conditioning' is drawn upon to enforce how people can learn to behave in order to get something they want or to avoid something they don't want, and the role of the environment within this process. Users of operant conditioning assume that organisational change can be achieved by rewarding desired behaviour and negatively reinforcing behaviour that does not fit.

Individual perspective change intervention strategies traditionally focus on manipulating specific aspects of the organisational environment that directly impact upon the individual in order to change current behaviours at an action level. Gestalt theory, while also inclusive of environmental issues, is focussed on achieving organisational change through an improved understanding by the individual of himself or herself in response to the environment. The gestalt theory operates on the basis that "to be able to function in the here-and-now; any experience or reactive pattern of

behavior that is held over from the past, or anything that is being anticipated about the future, diminishes the amount of attention and energy persons can apply to the present” (Korb, Gorrell & Van De Riet 1989:5). Hence individual perspective change intervention strategies based on gestalt theory focus on the individual being challenged and guided to develop a better understanding of their own involvement and impact on organisational outcomes. Types of organisational change interventions that most commonly reflect the individual perspective are individual goal setting, employee involvement and employee wellness strategies (Waddell, Cummings & Worley 2000).

Burnes (2000) group dynamics perspective, while recognising the work of behavioural management theorists such as Abraham Maslow (1954) and Douglas McGregor (1960), (specifically, Maslow’s hierarchy of needs and McGregor’s theory X and Y), is directed by the work of Lewin (1958). It argues that implementing change through groups is more effective and lasting than through the individual. Lewin’s (1958) view advocates the understanding of group pressures and the role of the individual within the group to effect change. This perspective of Lewin’s work is one that is still widely supported by change theorists and practitioners and can be identified in the writing of such change authors as Burke (1982:31):

... efficacious to direct change at the group level than at the individual level. ... If one attempts to change an attitude or the behavior of an individual without attempting to change the same behavior or attitude in the group to which the individual belongs, then the individual will be a deviant and either will come under pressure from the group to get back into line or will be rejected entirely. Thus, the major leverage point for change is at the group level – for example, by modifying a group norm or standard (Burke 1982:31).

Additional views relating to the group approach can also be located in the work of the Tavistock Institute where the ‘human aspects’ and the desire to understand the full potential of employees gave rise to a more fully developed approach known as the ‘socio-technical system’ (Trist 1993a). Differing from such theorists as Maslow, McGregor and Lewin, the Tavistock Institute was determined not to build on the entrenched scientific management school practices and beliefs but to create ideas that would produce new organisational typologies. This, they believed, required altering

the characteristics of jobs themselves and associated structures, and the creation of groups responsible for the production cycles as a whole (Trist 1993a), not just behaviour and rewards. The Institute sought what was known as 'joint optimization' of social and technical systems, where both were designed so that the best match between the two could be obtained and not just a single reliance on improving human relation while not addressing modes of job structuring (Trist 1993b). In particular, socio-technical systems theory focussed on the relationship *between* social and technical aspects.

From a change perspective, all of these schools of thought have greatly influenced the development of many organisational change strategies and have been understood and utilised in many differing ways. Most commonly, the group dynamics school includes interventions and practices based on teams, work groups and self-designing work teams (Waddell, Cummings & Worley 2000).

The open systems perspective is the final perspective presented by Burnes (2000) and is one that views organisations in change as being made up of a number of interrelated parts able to influence the whole. The traditional view of the open systems perspective is strongly aligned with the sociological functionalist school and focuses on the interrelation of internal and external organisational systems and subsystems. From a management stance, it is most often associated with contingency theories heavily guided by scientific management principles, suggesting that if we understand the subsystems of the organisation then we can control them (Collins 1998). Organisational subsystems (or functions) have primarily evolved as production, marketing, finance and human resource departments; whereas, systems development — the 'engineering' — has been the focus of better design and operations to achieve system objectives (Checkland & Scholes 1999).

Further development of the open systems perspective have since moved away from the idea of humans as somewhat controllable systems with prescribed outcomes to the creation of system models that focus on systems for learning that enable people to make sense of their environment (Checkland & Scholes 1999). Checkland and Scholes (1999) name for this is *soft systems methodology*.

Burnes' (2000) three perspectives of understanding the development and creation of change intervention strategies aimed at either the individual, groups or organisational systems are presented as a means of insight into the history and complexity of organisational change. Whilst they present a compact review of the sociological and psychological perspectives associated with organisational change, they are by no means a complete understanding of organisational change in action. Burnes presentation, while recognised as a simplified collection of complex and sophisticated theories, works to construct an image of what happened historically and provides a sounding board for reflective thinking.

As Waddell, Cummings and Worley (2000) warn, though, change interventions levelled at one area —the individual, group or organisational system — will invariably have repercussions on another area and should not be treated exclusively or simplistically. As further stated by Waterman (1987:218)

Organizations as entities are complex beings. To understand organizations, you can't just look at them one way. They are rational decision-makers. They are 'irrational' creatures of habit. They are 'irrational' (and unpredictable) products on internal politics and power.

In the development of theories regarding strategies for change, it is the awareness of the differing management schools of thought that begin to provide a deeper understanding of the complex environment that surrounds organisational change theory. Questions such as:

- Should change be implemented through individual focussed interventions? (individual perspective); and
- Should it be implemented through using group interaction within the organisation to shift activity or behaviour to a new position (Group Dynamics), or through interactive change in systems and procedures? (Open System)

... asked on their own, undermine the complexity of organisational life and management paradigms that are entrenched in our everyday organisational thinking. As stated by Wheatley (1994:3), when writing on organisational change “the layers of complexity, the sense of things being beyond our control and out of control, are but

signals of our failure to understand a deeper reality of organizational life, and of life in general”.

2.5 Reasons for Change and Types of Change

Organisations are goal oriented associations of people with identifiable plans, systems, structures and an intended purpose (Gerloff 1985). They perform tasks required to encourage other organisations and people to interact with them (Stacey 1996). Writers seem to agree and support Tichy’s (1983) view that organisations are subject to change under four basic influences: environment, diversification, technology and people.

The *environment* comprises the social, economic, political and legal activities that influence daily business operations. *Diversification* refers to business outputs aimed at meeting consumer demands and responding to industry competition. *Technology* encompasses not only the way business is conducted but the automation of existing practices. The final influence is *people*, encompassing new and shifting skill demands as a direct outcome of new organisational requirements.

Expanding upon these further environmental influences are those associated with shifts in commodity prices, energy costs, resources, inflation or employment legislation (Tichy 1983), the lowering of tariff walls and deregulation, creating what Stace and Dunphy (2001) refer to as a ‘local to global focus’ shift for organisations. The economic consequences of these shifts not only allow for the diversification of business practices, purposes, and functional and services activities (Tichy 1983) but the emergence of new industries, international open economies and a great array of products and services. International and national alliances under the ‘convergence and breakdown of industry structures’ (Stace & Dunphy 2001) are also possible consequences.

Diversification is increasing and with enhanced logistical networks, competitors are no longer based regionally, or even nationally. Today, organisations across the globe can compete in almost any product category, providing diversification opportunities at every corner (Vokurka & McCaskey Jr 2001).

Rapid shifts in *technology* influences business on a daily basis, creating a ‘new technological basis of competition’ (Stace & Dunphy 2001). Business-to-business and

business-to-consumer practice is having a profound effect on organisational operation and is expected to continue to do so as organisations seek ways to incorporate new business practices into their operations. Many organisations are only just starting to use e-marketplaces, but their growth appears to be inevitable (Shachtman 2000). Along with the new business practices is the proliferation of new or improved products. Product life cycles are rapidly decreasing due to technological advances. The product life cycle of a personal computer, for example, is less than six months and the time frame continues to shorten. This leads businesses to compete additionally on the basis of time: the business that can meet a customer's needs first wins the order (Vokurka & McCaskey Jr 2001).

Finally, *people* influence organisational change through the need for them to perform different tasks as required by the organisation (Tichy 1983). Altered work structures and expectations are also greatly influencing organisational operations. Privatisation; outsourcing; rationalisation; flatter hierarchies; and the focus on competencies, productivity and entrepreneurialism are resulting in “radically changed work structures and expectations” (Stace & Dunphy 2001:41). As has been observed by Hammer and Champy (1993), jobs today are more challenging and difficult. Much of the old routine work is automated or eliminated. If the old model was *simple tasks for simple people*, the new one is *complex jobs for competent people*. As peoples’ roles change, few simple, routine, unskilled jobs are left to be found.

Overall, these influences may be external, internal, responsive or proactive, but all call into question the basic strategic course of the organisation and the strategic questions that follow:

- Who are our customers?
- What are our offerings?
- What are our sources of sustainable competitive advantage in managing these emerging influences?

Answers to these questions might produce fundamental changes in vision, mission, and strategy, (Nadler & Shaw 1995) and necessitate change that can more fully integrate individual needs with organisational goals. They might require change that will lead to greater organisational effectiveness through better utilisation of resources,

especially human resources, and change that will provide more involvement of organisation members in decisions that directly affect them and their conditions (Burke 1982).

To nominate one of the above as the most dominant influence for change is difficult as the interrelationship of all is obvious. A simple change in legislation may result in the demand or opportunity for new a product or service, which may require the creation of new technology to deliver the product or service, and new people skills in the area of development, design or delivery. Today, though, technology is being mooted as one of the most ‘prominent triggers for considerations of change in an organization’ (Larsson Lowstedt & Shani 2001) or as one of the “most powerful drivers of change, globally” (Stace & Dunphy 2001:29).

Writers such as Senge, Carstedt and Porter (2001), though, encourage businesses to keep a perspective on such views, and suggests that:

Much of what is being said about the New Economy is not all that new. Waves of discontinuous technological change have occurred before in the industrial age, sparked by innovations such as the steam engine in the 18th century; railroads, steel, electrification and telecommunications in the 19th century; and auto and air transport, synthetic fibers and television in the first half of the 20th century. Each of those technologies led to what economist Joseph Schumpeter called ‘creative destruction,’ in which old industries died and new ones were born. Far from signaling the end of the industrial era, these waves of disruptive technologies accelerated and extended it (Senge, Carstedt & Porter 2001).

Understanding influences of change is not only vital for areas of strategic decision making but also for the communication of potential effects to organisational recipients. To achieve a strategic course of action dependent on organisational requirements, change can come in many forms. It can be *incremental change*, dealing with first things first, and change in sequential order (Beckhard & Pritchard 1992). Here, each initiative attempts to build on the work that has already been accomplished and improves the functioning of the enterprise in relatively small increments (Nadler & Tushman 1995). Alternatively, at a much more complex level is *fundamental change*,

where the organisation, its parts, and their relationships are simultaneously changed (Beckhard & Pritchard 1992). This can sometimes be known as *discontinuous change*, where a higher degree of radical change occurs aimed at not trying to improve fit, but rather to break with past and undertake a major reconstruction. This aims to build a whole new configuration focussing on all components of the organisation inclusive of their people, work, informal and formal arrangements (Nadler & Tushman 1995).

2.6 Models for Change

Models of change, as opposed to strategies, are best presented as basic frameworks that guide the strategies to be implemented. “The use of the term ‘model’ refers to a set of assumptions and beliefs which together represent reality” (Tichy 1983:38).

One of the most commonly known models of change, and one that is said to have influenced many subsequent models of change, is related to Kurt Lewin (1958) and arose from his studies relating to group decision making and implementation and social change. He saw as a major problem the need to change group conduct so that it would not slide back to the old level within a short time (Lewin 1958). This seems plausible as the fundamental aim of other organisational change models and strategies.

From Lewin’s work resulted a model that views change as a three step procedure: *Unfreezing, Moving (changing), and Refreezing* (Lewin 1958). The essences of Lewin’s work can be traced across the fundamental thinking of many change models developed since that time. These include the *Present State, Transition State and Future State* (Beckhard & Harris 1977) and the *Energizing, Envisioning and Enabling* (Nadler 1995), to name but two. As models, these three step procedures are driven by a number of assumptions: one, that change is a start and stop process and fundamentally incremental by design; two, that processes of change and their environments are controllable, enabling one stage to be completed prior to commencement of the next; and three, that change in action is linear. This view now being in opposition to current theories of discontinuous organisational change where beginnings and ends are difficult to define and are often blurred.

Lewin’s model provides a framework for understanding organisational change, but it is not an implementation plan, with which it is sometimes confused. Nevertheless, as a

model it provides a view that has enabled managers to consider change and to commence the development of such a plan.

Overall, Lewin's model is based on an understanding of driving and restraining forces, and the concept that it is not sufficient to define the objective of change solely as the achievement of a higher level of group performance but by the *sustainability* of that higher level. It is the permanence of that new level that should be the objective of the change process (Brewer 1995). Today, though, change theorists such as Senge would broaden this view to include not only the permanence, but the *impact* of that permanence, as an ongoing and developing contribution to the learning and innovative behaviours of the organisation as a whole.

Expanding upon these three step models are those of Dunphy and Stace (1992) who's models of change encompass both incremental or transformative (fundamental) approaches dependent on the scale or degree of change needed. *Incremental* change is claimed to be evolutionary, rather than revolutionary, and its proponents say that it is best suited to most organisations in a period of linear economic growth. In contrast, *Transformative* change refers to radical changes of a discontinuous nature. These changes affect most of, or the whole of, an organisation. The model developed by Dunphy and Stace, while definite in its types of change, presents a broader approach than most writers. This approach is supported by the inclusion of both formulation and implementation requirements, and focusses on various typologies and leadership styles.

Scales of change	
Type 1: Fine tuning (Incremental)	An ongoing process characterized by fine tuning of the 'fit' or match between the organisation's strategy, structure, people and processes typically manifested at departmental/divisional levels.
Type 2: Incremental adjustment	Incremental adjustments to changing environments; i.e. expanding sales territory, shifting emphasis among products, improved production process technology, adjustments to organisational structures to achieve better links in product and service delivery.
Type 3: Modular transformation	Characterized by major realignment of one or more departments or divisions with a focus on these subparts rather than on the organisation as a whole.
Type 4: Corporate transformation	Change that is corporation-wide, characterized by radical shifts in business strategy, and revolutionary changes .

Styles of leadership	
Collaborative	This involves employees having significant formal or informal power to influence both the goals and means of change.
Consultative	This places power more firmly in the hands of managers but involves managers consulting widely among employees and being open to influence from employees about how change is effected.
Directive	This involves the use of legitimate authority to bring about organisational change, most effective where the authority is respected by the subordinates.
Coercive	This involves the use of explicit or implicit force between managers and employees, and an autocratic process of decision making by management and other key stakeholders. It occurs when there is potential or actual resistance to change and may be effective in bringing the organisation into fit if a key stakeholder or coalition of stakeholders has sufficient power to gain control of the change process and to force through appropriate measures which secure the survival and effectiveness of the organisation.

Table 2.2: Scales of change and leadership styles

Source: Dunphy, D. & Stace, D. 1992, Under New Management: Australian Organizations in Transition, McGraw-Hill, Sydney.

Collectively, these two models form the basis of Dunphy and Stace's approach to organisational change being situational in design and supportive of the view that "that the selection of appropriate types of change depends entirely on a strategic analysis of the situation" (Dunphy & Stace 1992:90). Collectively, they are presented as follows, and as a model represent the basis for organisational analysis and change strategy formation. This model is dependent on the interpretation of its user and may be influenced more by the 'style of the manager' than an effective organisational change analysis.

Styles of change management	Fine tuning (Incremental)	Incremental adjustment	Modular transformation	Corporate transformation
Collaborative	Type 1: Participative		Type 2: Charismatic	
Consultative	Evolution Use when organisation is in fit but needs minor adjustment, or is out of fit but time is available and key interest groups favour change.		Transformation Use when organisation is out of fit and there is little time for extensive participation, but there is support for radical change within the organisation.	
Directive	Type 3: Forced		Type 4: Dictatorial	
Coercive	Evolution Use when organisation is in fit but needs minor adjustment, or is out of fit but time is available but key interest groups oppose change.		Transformation Use when organisation is out of fit and there is not time for extensive participation and no support within the organisation for radical change, but radical change is vital to organisational survival and the fulfilment of the basic mission.	

Table 2.3: Change strategies and conditions of use

Source: Dunphy, D. & Stace, D. 1992, Under New Management: Australian Organizations in Transition, McGraw-Hill, Sydney.

2.7 Strategies for Change

Examples of different corporate change strategies are plentiful. A change strategy will succeed in one organization where it will not elsewhere. The critical point for success of a change strategy is that it must be integrated with the business needs of the corporation. It must be capable of delivering the amount of structural, systems and cultural change necessary, within time, to deliver the emerging business imperatives of the organization (Stace & Dunphy 1996:74).

The development of effective change is dependent on many coordinated and reviewable activities. Like Dunphy and Stace (1992), Nadler and Tushman (1995) also suggest that the development of effective change is also dependent on the needs of the organisation and the available time.

Organisational strategy development as a process in itself “refers to how the collective system called organization establishes, and when necessary changes, its basic orientation” (Mintzberg 1989:25). As a process, Edwards and Peppard (1998:149) further proposed that strategy development is not a singular process but one that must comprise a “series of strategic sub-systems, each of which attacks a specific class of strategic issue in a disciplined way, [and] which are blended incrementally and opportunistically into a cohesive pattern that becomes the company’s strategy” to achieve determined outcomes. Such subsystems though may not always be strategically obvious, as highlighted by Hussey (1996:3), who suggests that strategic development also needs to recognise that:

... soft and hard elements which need to fit together if the strategy is to be implemented. These are elements like the culture of the organization, and the way the structure works. If there is a natural fit there may be no problem. This is often the case with an incremental strategy, which effectively requires the organization to do more of the same. Where the strategy requires fundamental change, there may be a clash, in which case either the strategy or the behavioural element has to change.

Confusion about strategy development often lies within the interpretation of its purpose. If viewed as a process of designing a plan for the future to be pursued at all costs (i.e. stability creation) then its applicability in the field of organisational change, where discontinuous change is increasingly common, is implausible. If viewed as a generative process (Walton 1995), however, it allows for ongoing development and organisational transformation. 'Strategic sub-systems' are what Stace and Dunphy (2001) view as those concerns that make up the whole of the organisation's: *What direction* and *How to get there?*

To these authors, strategy should consist of two interrelated variables: "the 'content' (in what direction to lead the organisation) and the 'process' (how to get there)" (Stace & Dunphy 2001:64). For many organisations it is recognising the difference in these two variables that causes confusion about change. According to Stace and Dunphy (2001), the lack of focus on either component may prove detrimental to the overall aim of the organisational strategy. The critical element is the view that a *change strategy* is a separate component to the *business strategy* and that one does not simply emerge from the other. They need to be clearly established as interrelated components of an overall set of organisational change activities.

There is no doubt in the field of organisational change that there exists a plethora of espoused process oriented theories and models. There are those that are very Lewinian (1958) in style and address the basic elements — unfreezing, moving and refreezing — as stated previously, and those that expand beyond the three steps to many more.

Those more commonly known range from Kotter's (1996) eight steps to Kanter, Stein and Jick's (1992) ten steps or 'commandments' as they term them. Kotter's (1996) steps for creating effective organisational change include: establishing a sense of urgency (*unfreezing*); creating, developing, communicating and empowering organisational members (*moving*); generating short term wins, and consolidating and anchoring new approaches (*refreezing*).

Like the theories outlined above, Kanter, Stein and Jick's (1992) approach is also shaped by Lewin's model and also adopts a step approach to creating effective change. Kanter's commandments include analysing the organisation and its need for change (*unfreezing*); creating a shared vision and common direction, separating from the past,

creating a sense of urgency, strong leadership, political sponsorship and the crafting of an implementation plan (*moving*); developing enabling structures, communicating and involving people, and reinforcing and institutionalising change (*unfreezing*).

Other step approaches also included that of the Price Waterhouse Change Integration Team (1995), where more specific steps are introduced such as: let the customer drive change, know your stakeholder, communicate continuously, reshape your measures, use all of the levers of change, think big and build skills.

As an approach to organisational change development, such step approaches have proven extremely popular. This is evident from their wide use and the continuous development of new steps throughout change literature. The popularity of such an approach is largely driven by the simplicity that it presents, blended with an endorsed formality of 'the change expert'. Each step approach provides both a range of positive and negative elements, with each individual step only acting as the initiator of a more complex area of understanding and action. While the key is not only to challenge that complexity, it is also necessary to identify what is missing. Many step approaches are written from a management perspective and leave the employees' perspective wanting. They are more purposefully aimed at commencing and completing the task as effectively and as orderly as is possible, and do not provide guidance regarding the complex impact of change implementation.

In addressing strategies for change, the principal starting place advocated by most writers is the need to correctly analyse the organisational situation and to use the knowledge to design a logical set of steps.

The first step in the process of mounting fundamental change is an adequate diagnosis. This involves an analysis of the present reality, including the demands of the environment and the organisation's capacity to respond to these demands, and the development of a clear vision of the changed state after the change effort has taken place (Beckhard & Pritchard 1992:8).

While organisational change models and strategies provide a general framework for diagnosis, dating as far back as Weisbord's 1976 six-box model, few are able to

provide the detailed and specific requirements relevant to each organisation. The skills and knowledge of the organisational change strategist are thus crucial in managing an effective change. “The critical point for success of a change strategy is that it must be integrated with the business needs of the corporation. It must be capable of delivering the amount of structural, systems and cultural change necessary” (Stace & Dunphy 1996:74). The change strategy must therefore stretch beyond a prescriptive list of requirements like those often presented as organisational change step strategies and be formed into a realistic implementation process that considers and incorporates all internal and external organisational influences.

2.8 Implementation

The consideration and incorporation of all organisational influences is complex, and loaded with unanticipated consequences. While the change strategy works in unison with the business strategy to collectively achieve organisational change, the inclusion of a human resources strategy that cuts across both is paramount — an element often missing, leaving recipients of change out in the cold (Stace & Dunphy 2001).

In the creation of organisational change to date, and as supported by Ketterer and Chayes (1995), the attraction for many organisations has been to focus on the business elements within organisational change. Business elements, also known as the *tangible* or *hard* elements, generally include the design of organisational structures, work processes, formal policies and procedures. While these elements are difficult to design, they are generally understood by management from a cause-and-effect perspective, rightly or wrongly, and are therefore often addressed early in the development of organisational change. Simplistic examples may include the review of staffing numbers in response to a reduction in profit, or a change in technology in line with competitors’ production processes. While cause-and-effect thinking is not to be dismissed in the entirety of organisational change, it is only one component of the thinking and development process. The result of such thinking often leads to institutionalising the implementation of the change as a project focussed on the tangible elements and task completion (Cicmil 1999). The assumption is that, once we alter this or introduce this new machinery everything will be back to normal.

Soft, or *intangible* elements, are those aspects that create what Stace and Dunphy (2001) refer to as the 'human resources strategy' of organisational change. These elements include the culture of the organisation, the way the structure works, the selection and development of leaders, the development of core competencies, and the norms and values of the new organisation (Ketterer & Chayes 1995).

With organisational change design and implementation, it can be argued that over the past twenty years it is the soft and intangible aspects of organisational change that have been mostly neglected. The reasons for this neglect can be debated, but most writers would agree it is the failure to recognise the *importance* of the soft issues that has been the main impetus. The misguided belief that if everything is right with the balance sheet, the structure and policies then everything else will fall into place. Additionally, the difficulty of managing both the hard and soft aspects concurrently have proved to be too difficult for most, resulting in organisational change solely addressing the needs of the organisation and overlooking the needs of employees (McHugh 1996). Today though, it is becoming more widely recognised by writers such as Shaw (1995:76) that although "the soft part is the hard part" it is the platform for change and, in the long run, this will probably make more difference than changes in structure and processes.

Operationally the implementation process is where the largest impact of change is experienced. While strategy development may be participatory and include a cross section of the organisation, it is not until things start to alter at an operational level that all stakeholders, internal and external, experience the impact.

Details outlining successful implementation processes are plentiful and, as such, change agents are advised that they should demonstrate consistency, ensure quick successes, symbolise the new identity and celebrate success (Bridges 1991) as well as incorporating transitional realities relating to the change and its impact.

Additionally, Bridges (1991:63) suggests that organisational members need "The Four P's: the purpose, a picture, the plan, and a part to play". They need to understand the nature of the problem impacting upon the organisation, how the problem was identified (the purpose); how the outcome will look and feel to be a respondent in it (a picture); how change management plans affect them on a personal and collective level

(the plan); and a part for them to play, where they see their role and their relationship to others in the new scheme of things.

Thompson's (1994) view, though, is that prior to the development of an implementation process, there is a need for managers, employees and the union to agree that change must be made. Without that agreement, Thompson's strong view is that the organisation will not move ahead.

In parallel with issues discussed within change models, change implementation is also a complex area affected by the interdependency of the organisational work, people, formal and informal components. As a result, change implementation is difficult to define and often subject to ongoing emergent forces of change. It is not a neat, linear process with clearly defined beginnings or conclusions. The question for those often involved in the implementation of a change program is how to capture all individuals simultaneously, operationally and even personally. Even the introduction of a new computer system, launched at a set time, is likely to be absorbed differently, dependent on the individuals' use of the system, their knowledge and skills, and ability to absorb the personal aspects of change. The most pertinent issue of organisational change thinking is that it is largely dependent on employees within the organisation for action (Michlitsch 2000).

In summary, the implementation stage of an organisational change program is both complex and multifaceted. It requires the integration of both the hard (operational plans) and soft (people) aspects that can not be fully predicted. Change is thus best viewed as a continuous, ongoing process rather than a short term fix and as a reciprocal learning process between the top of the organisation and the bottom (Kanter, Stein & Jick 1992; Kanter 1998).

Issues relating to the development of appropriate strategy for organisational change, and its subsequent implementation have been presented in many forms. They have been presented as models (Nadler & Tushman 1998), steps (Mariotti 1998), dot points and even in the shape of 'informed advice' (Semler 1993). As guides to this complex area, they have been informative and supportive when recognised as just that — guides only. Use of any of these guides in their literal sense can be fraught with danger as they do not allow for the individuality of each organisation and the changing context

from within which they operate (Wheatley 1994). The emerging new direction for organisational change reflects the need for strategies to be developed and constantly reviewed against their relevance and fit across the organisation. They must be born from what Senge, Carstedt and Porter (2001) refers to as 'conversations' among people and the interrelationships of a 'community of commitment'. Successful implementation requires an ability to address both the process and impact of organisational change at all levels, internally and externally, and to engage all organisational members as active players.

2.9 The Impact of Change on Organisations

The impact of change within an organisation, as stated previously, can be small and sequential in order (incremental change), or it can occur simultaneously across the whole organisation at all levels (fundamental change), but regardless of the focus, the impact will be noted by all — deeply or momentarily.

Incremental or fundamental change interventions both impact on the organisation. Often this is through changing roles and relationships that stem from the new allocations of decision making responsibilities, traditional line or staff role distinctions, and performer and supporter roles. Additionally, this may include changes in human resource policies and practices (including performance reviews, recruiting, compensation policies and systems, career planning and manpower planning systems); information systems such as financial management and controls; organisational structures and design within the way work flows and the organisational information and communication patterns are structured, and finally, how rewards are allocated and distributed (Beckhard & Pritchard 1992).

Initial change programs established to develop any of the above may be met with changing external or internal environments. They may be subject to reviews that indicate a need for additional activity renewing the cycle of change activities. Because of this, change is often viewed by many employees as never ending, and contradictory to the linear models and strategies presented. In some cases, change programs can take "three to seven years" (Kanter, Stein & Jick 1992:372).

Most organisations throughout the 1990s experienced the impact of change, and many would suggest that this process has been fraught with difficulties to the point where a

sense of chaos has reigned (Lewin & Regine 2000a). While difficulties may have their roots in the strategic development phases prior to the implementation, it is beyond doubt that the implementation stage is where those flaws become accentuated (Wilbur 1999). Difficulties have generally arise from a lack of understanding of the purpose, fit between new requirements and existing practices, and/or a simple a lack of commitment to the new vision. Heavily associated with all of these, and generally utilised to address poor change outcomes, is the concept of resistance.

Employees (as organisational change recipients) are predominately cited as those most often resistant to new or ongoing change strategies. But as Kanter, Stein and Jick (1992:380) clearly outline, “recipients resist change for reasonable and predictable reasons such as loss of control, too much uncertainty, surprise, the costs of confusion, loss of face, concerns about competence, more work, ripple effects, past resentments and perceived real threats”. Resistance is simply not part of the process of change, but in fact a by-product caused by the change and, potentially by processes of implementation.

Depending on the viewpoint adopted, resistance can be seen as a natural part of change or a symptom of poor process. As stated by Senge (1990:88), “Resistance to change is neither capricious nor mysterious. It almost always arises from threats to traditional norms and ways of doing things”.

Literature outlining the needs for employee participation in the change process is varied, but it is clear that having employees understand the purpose or vision of an organisation is essential:

... no amount of cajoling, threats, or fear will get employees to implement your change effort. All these techniques will do is drive the resistance underground. It will show up as unexpected delays, mistakes, false starts, and will ultimately lead to failure. People have to believe in the change effort before they will take part in it (Youngblood 1993:103).

Further to this, such writers as Kanter, Stein and Jick (1992:377) are clear that employees as change recipients give the desired change its ultimate shape and sustainability, and those who fail to take this into account “do so at their own peril”.

“Changes and their effects are distributed throughout organisations. Some of them are visible, some not. Some are captured in the systems and structures of the organisation, others in the minds of members, and still others in external adjustments” (Kanter, Stein & Jick 1992:5). Knowing who your employees are, and acknowledging that change will impact across the organisation in many forms, potentially even unpredictable forms, is thus an essential element in the management of effective change.

2.10 Resistance to Change

An alarming number of organizational changes are doomed to fail. Reengineering efforts have about a 33 percent chance of success, mergers and acquisitions succeed 29 percent of the time, quality improvement efforts achieve their goals half the time, and new software applications hit the mark in 20 percent of the cases. These grim statistics represent a tremendous cost to organizations in terms of money, resources, and time. Failed change initiatives also take a human toll. Employees are left feeling discouraged, distrustful and reluctant to participate in the next round of failures (Maurer 1998:16).

Resistance to change, arguably almost a phenomenon on its own within organisational change, has received great buoyancy since the early 1980s due to the failure of many organisational change strategies.

As managers find, employees meet change with a series of questions, fears, anxieties and a sense of uncertainty about what the future will hold. Organisational writers on change say that those receiving the change feel concerned and worried about what the future will bring. A sense of loss of control, a fear of the unknown, a sense of being rejected (sold out) for traits which previously made people valued, as well as worry about living up (or down) to new demands, are felt. Often, also a sense of bereavement, of loss, are well documented responses. Mourning the old self, the old and valued ways, and old (and comfortable) methods is understandable. Coping with incompetence as a learner and the relative loss of confidence this brings is not an attractive proposition for a person who has enjoyed being swift, able and highly

skilled and who has perhaps enjoyed a reputation as an expert (Whiteley 1995:35).

While Whiteley (1995) is clear on many of the reasons for change resistance, unlikely to be challenged by employees themselves, the question is ‘If we know these are the reasons for resistance, how are today’s change practices altering to stave off such responses?’ It is the view of Dent and Galloway Goldberg (1999) that the mindset around the issue of resistance to organisational change has not significantly altered over the past 30 years, and that it is time to recognise an inherent fundamental flaw in this thinking. It is this view that is exciting, and one that can move resistance into a constructive perspective. This new perspective does not deny peoples’ responses to change, but uses such responses as a potent gauge for measuring the effectiveness of change strategy and implementation. It does not view resistance as a natural and expected part of change supported almost by an uncontrollable biological response by individuals, but more for what it is — a response to something that doesn’t make sense.

Signs of resistance are many, and generally focus on confusion, immediate criticism, denial, malicious compliance, sabotage, easy agreement, deflection, silence and in-your-face criticism (Maurer 1996:26). Taken from the perspective of Dent and Galloway Goldberg (1999), these elements can all prove excellent indicators of flaws in the change strategy or process being implemented.

Managing and recognising resistance is therefore a major component of any successful change process. If viewed as a response to change, and not a naturally forming component, resistance can be effectively used as an ongoing assessment of change implementation across the whole organisation.

“An equally inherent misdemeanour of change resistance is the view that resistance occurs only among the rank and file, and that managers are completely in agreement with the change processes” (Morris & Raben 1995:48). Managers, like employees, respond to issues that do not make sense and this also can provide an excellent source of insight into shortcomings in the diagnosis, planning or implementation stages of change.

Understanding of resistance from change strategists and managers is therefore paramount to successful change, and is best considered in line with Kanter, Stein and Jick's (1992) view of resistance to change as not an inevitable by-product of change efforts, but possibly a by-product of the change processes.

While it is not being argued that it is possible to have change without some reflection on the past and questioning of the future, it is suggested that resistance needs to be assessed from the perspective of those involved, with a closer understanding of what is causing such resistance. Managing resistance requires the ability to assess reasons for resistance, the skills to act directly with the individuals concerned, and to reassess the effectiveness of change strategies of such views. Resistance also needs to be safeguarded against the potential for becoming a scapegoat for blame and failed organisational change efforts (Piderit 2000), which are in fact the result of poor analysis, planning or implementation.

Patterns of responses that indicate resistance to organisational change are many, and in addition to those identified previously, a number of obvious signals may include: change being fought with 'rational' arguments – incomplete arguments; claims that the case for change is less rational than the case for not changing; blame targets are sought to hold someone responsible for inaction; hall talk increases and productivity suffers; less time is spent worrying about the job and more time worrying about the future; factions begin to form as people seek out those who share their point of view; perceived decision makers are tested and people seek out those they see as capable of taking care of them (Morris & Raben 1995).

To manage resistance, Morris and Raben (1995) propose four basic steps:

1. Provide people with the reasons as to why current practices cannot continue.
2. Promote ways for people to become engaged within the change.
3. Reward supportive behaviour.
4. Provide the time and opportunity for people to disengage from the present state.

Morris and Raben's steps address the most fundamental components of organisational change: people need to understand what, why, when and how change will occur.

Resistance can be likened to any form of conflict, and the effects can be both positive and negative. Like conflict, it needs to be managed constructively through learning and reinforcement, and at the most basic level requires an empathetic understanding of loss and a supportive learning approach to change program processes. Loss in the process of change is the biggest influence of resistance, whether it is the individual's direct loss, fear of loss or a response to loss experienced by a colleague. Loss can be a real or perceived reduction of a reward, condition or an environmental factor or the ending of a considered standard practice. The management of loss and endings is therefore an issue that requires attention in the developmental phases of change and throughout its implementation.

Whilst Morris and Raben (1995) address the fundamental components, Bridge's (1991) strategies relate to the management of resistance during the development and post-implementation phases to either manage or confront the manifestation of resistance. To achieve this change Bridge proposes that the development strategies need to include processes that:

- identify who's losing what;
- accept the reality and importance of the subjective losses;
- deal with responses of overreaction;
- acknowledge the losses openly and sympathetically;
- expect and accept the signs of grieving;
- compensate for the losses;
- give people information, and continue to do so again;
- define what's over and what isn't;
- mark the endings;
- treat the past with respect; and
- let people take a piece of the old way with them.

When faced with resistance, it is Maurer's (1996, 1998) views that resistance should be managed in a way that deals with feelings and emotions. This would include:

- maintaining a clear focus;
- embracing the resistance;
- respecting those who resist;
- being relaxed about the resistance;
- joining with the resistance and
- building strong working relationships.

Maurer (1996, 1998) articulates these through what he calls ‘touchstones’.

The above six touchstones, require managers to recognise the need to develop an environment of mutual respect, where employees trust and believe that they are being told the truth, that they will be listened to, that everybody is in it together and that people are available to support their needs. But Maurer (1996, 1998) also suggests that resistance is inevitable, a view reflected by Morris and Raben (1995) and Bridges (1991), and if left unchallenged traditional attributions of employee resistance will be perpetuated.

Because change as a process can take years to implement, resistance as a response to change is best viewed as a creative component of change and not an annoying addendum that, if ignored, might go away. Although no one person can make change happen — “not the top of the organization mandating change, not the middle implementing what the top has ordained, and not the bottom ‘receiving’ the efforts” (Kanter, Stein & Jick 1992:370) — the assumption that the largest group that can influence the implementation of change is at the ‘bottom’ is well founded.

Managing change is about managing those that are required to make the change happen: employees. It is about providing them with constructive frameworks that make sense. The proposition of this research is that without employees’ support, their understanding of what is required and their commitment, organisational aspiration’s can never be completely achieved.

2.11 Employees as Recipients of Change

While a company’s leaders may devise the strategy, it is employees – all of them – who will implement the strategy. It is ironic that, even though more people now agree that employees are important, company leadership continues to focus on only some of its employees – the managers (Michlitsch 2000:28).

Employees as recipients of change represent the largest group of people that must adopt, and adapt to, change (Kanter, Stein & Jick 1992). Understanding them and their role within an organisation is essential to developing and managing effective change. Employees in processes of change are increasingly recognised as essential allies by

management, and strategies such as participation and communication are the weapons for engaging employee support. The outcome, though, is often mixed and falls short of expectations. Employees still appear frustrated and managers disillusioned as employees fail to embrace change processes.

The first question that arises is: why do people become employees? The second is: how do we use this in organisational change?

It is assumed that people in organizational settings are engaged in an exchange relationship. They decide to provide the organization with certain behaviors (labor) in return for the organization's rewards (money, prestige, self-esteem) ... Understanding this exchange relationship is the core to understanding how to change people. For change requires some implicit or explicit renegotiation of the exchange relationship. Three needs are considered important in organizational settings: the need for power, the need for affiliation, and the need for achievement (McClelland 1997).

All of these needs are found to some degree in all people; however, they vary in their strength among different employees and with the same employees, depending on the circumstances (Tichy 1983).

Motivational theorists suggest that employees seek both economic and personal rewards or acknowledgement for their efforts (Maslow 1954). That few people would work unless it met a personal need of their own, significant others or community members is a plausible assumption. Whether it is paid or unpaid employment, the commitment to fulfil set tasks is always undertaken for a reason relevant to the individual. Even if it is simply to 'pay the rent' most people have a reason. Whether it is belonging to a group, gaining a sense of achievement, or providing a sense of personal worth, reasons for why people work are numerous. The assertion now, though, is that change in work expectations over the last twenty years have created confusion for many employees. Questions have been raised relating to the reasons for working and the value of employees in the workplace. A growing sense of unease with changing expectations is well supported in the literature (Moses 2000). A recurring

theme is the evolution from security and organisational identity to insecurity and loss of identity (Lewin & Regine 2000).

The organisations of the 1960s and 1970s had stable structures with defined, stable roles, and with predictable career paths. For individuals in such a system, self-identity and role become fused – the individual is what he or she does. As Emerson wrote, ‘Do your job and I shall know you’ (cited in Sullivan 1990:17). Identity (which is usually defined as that which remains the same while participating in change) was provided by the continuity of role. This was reinforced by a psychological contract of membership, of lifelong employment. For people in such a system a long service award (was) not trivial - it represented the successful completion of reciprocal rights and obligations, the fulfillment, over time, of citizenship of the organisation (Limerick & Cunningham 1993:121).

With such mindsets developed, and considered by Limerick, Cunningham and Crowther (1998) to still be prevalent into the late 1990s, the period of change that affected most organisations from the 1980s onward proved personally devastating for many employees. The change required a redefinition of self and alters existing psychological contracts where the employees’ view was that they gave high levels of commitment to the organisation in return for security, mentorship, growth and development.

The world of work for employees has changed, and continues to change at rates only ever mused about. Skills that once guaranteed a lifetime of employment can now become obsolete overnight, and most skills are obsolescent in five to ten years (Dunphy & Stace 1992). “Inside the organisation, hierarchies have been removed, predictable career paths have gone, new networks of suppliers, subcontractors and consultants have confounded the once simple concept of ‘employee’ and e-commerce is challenging our core notions of what an organisation is” (Stace & Dunphy 2001:4). Qualifications no longer guarantee success, and life-long or even full-time employment is not a standard practice. Life-long employment is considered a thing of the past, and redundancy a common experience. While many employees can look around and understand that it is necessary to change work practices to remain

competitive and maintain pace with technology, many struggle with the steps taken by their organisations to achieve this objective. “For many, the nearly exclusive focus of work has turned outside the organization. Turning attention to the needs of people inside the organization has taken on a connotation of wasteful self indulgence. The customers’ and suppliers’ needs are all that matter, not the needs of the people dealing with the customers” (Morrison 1994:369).

As recipients of change, employees “in the midst of transformation are living in chaos. They are often embroiled in self preservation, proving that the way they have always done it does work. They are experiencing the havoc of change with its demands to re-evaluate everything they've counted on as truth coupled with the risk of stepping into the unknown” (Rolls 1993:132). Structures and work practices not only change, but existing relationships and the boundaries of those relationships alter, leaving individuals unsure not only about what is required of them operationally, but also within their personal surroundings and alliances of the past.

Many employees in the new millennium have either previously experienced organisational change, or know others on a personal and professional basis who have. Employees are reported as being pushed to “work harder, longer, faster, and smarter and accomplish more and more while resources decline and the infrastructure is not designed or aligned to expedite and value their efforts” (Warrick 2002:56). Few organisations have successfully created living learning environments where change is considered an opportunity, and not a threat (Rowden 2001, Wheatley 1995). Even those organisations that espouse success show that when further questioned at the employee level, significant discrepancies regarding the degrees of success are identified (Kanter, Stein & Jack 1992).

“People who have been through difficult, painful, and not very successful change efforts often end up drawing both pessimistic and angry conclusions. They become suspicious of the motives of those pushing for transformation; they worry that major change is not possible without carnage; they fear that the boss is a monster or that much of the management is incompetent” (Kotter 1996:17). This obviously impacts on ongoing change activities or future programs. Such pessimism is not only confined to the current organisation, but even future places of employment. Negativity may be

quick to surface in the new setting, due to past experiences and anticipated outcomes or may be directly linked to organisational activity or simple bad change processes.

“When a broad and significant change occurs in the organization, the first question many people ask is ‘What’s in it for me?’ or ‘What’s going to happen to me?’ These are an indication of the anxiety that occurs when people are faced with the uncertainty associated with organizational change” (Morris & Raben 1995:51).

While involvement and participation at the planning and implementation stages are viewed as the antidote to employee resistance or confusion (Dent & Galloway 1999, Simmons 1999), acceptance of change requires a multiplicity of approaches to create an environment receptive to the current or future changes.

The participation of employees in planning and implementing change is viewed by change authors as a means of increasing excitement, reducing resistance, building ownership and thus motivating people (Morris & Raben 1995). Participatory practices in the workplace are by no means new and have been applied in ways such as project teams (Roth 2002), total quality management (Coyle-Shapiro 1999) and strategic planning techniques including the search conference (Cabana, Emery & Emery 1995).

As stated by Emery (1995), the problem with many participatory change practices is that they have been based on principles of Taylorism and are bureaucratic in their design and application. They are bureaucratic because the responsibility for *control* and *coordination* of work still resides one level above where the work occurs. Emery’s view is that participatory practices, ‘democratic’ by design, are the ones that harness the power of all of the organisation. The basis therefore for democratic participatory organisational change practices are those that place responsibility for control and coordination of work with the people doing the work: the employees. Berg (1997) is similar in her views of these differing levels of participation defined as ‘consultative participation’ where employees are given the opportunity to make their views known, but management retains the right to accept or reject the employees’ opinions. ‘Delegative participation’ is the other form where employees are delegated authority to both find solutions and take action.

The literature on change strategies suggests that participation needs to be managed in a way that does not generate cynicism; for example, by such things as incongruent

messages or exclusive levels of participation. Overall participation at the employee level can be achieved “through a variety of actions. Some actions are aimed at providing much needed information: communicating the nature, extent, and impact of the change. Others are focussed on building ownership, providing clear rewards for required behavior, and recognizing and dealing with some of the natural anxiety” (Morris & Raben 1995:51).

An invitation to participate requires an opportunity to become involved and influence decision making (Roobeek 1996). Participation that is viewed as token becomes quickly viewed by employees as wasteful and manipulative or, as Spencer (1989) suggests, is doomed to fail or backfire on management. Being ordered to participate does not feel much different from being invited under false pretences. Both approaches end up negatively impacting the overall change program.

Strategies for planning and implementing change can range from fundamental action research projects, “which stresses that change can only successfully be achieved by helping individuals to reflect on and gain new insights into their situation” Burnes (1992:162), to strategies that include the development of specific work groups involving those most directly affected by the change (Tichy 1983). Additionally, strategies inclusive of employee participation can include the creation of change champions (Profozich 1997) or coalitions (Kotter 1996), team building (Quinn 1996, Blair & Meadows 1996, Harshman & Phillips 1994), organisational learning methodologies (Senge 1990, Argyris 1999) and training (Ackerman, Anderson & Anderson 2001).

Another aspect of employee participation is the role of communication as a vital tool within the change process. Creating and maintaining trust and open communication requires development of skills such as listening, effectively giving and receiving feedback, and valuing conflict or differences of opinion (Simon 1996). All of these need to be recognised as obligatory skills within the organisation and not simply a bonus. This approach also requires recognition that communication is not simply about words but is also symbolic; hence, actions and words need to be carefully projected to ensure the message is being delivered in a consistent manner. As an integral part of participation, communication equally dominates change literature. It is promoted as essential for engaging employees successfully within the processes of change.

Communication is the process on which the initiation and maintenance of an organizational change depends ... Ultimately, the success of any change effort depends on how effectively the strategy for and substance of the change is communicated to those who are the targets of change (Witherspoon & Wohler 1996).

Often cited is the view that managers “undercommunicate, and often not by a small amount. Or they inadvertently send inconsistent messages. In either case, the new result is the same: a stalled transformation” (Kotter 1996:85). It is also suggested that a “gallon of information is dumped into a river of routine communication, where it is quickly diluted, lost, and forgotten ...” (Kotter 1996:88). The idea expressed by these authors is that poor communication leaves many employees lost, confused and subsequently disengaged from the change process.

Many communication strategies within organisations, though, have been bound by hierarchy, prestige and work design, and it is reasonable to say that organisations of the past have traditionally followed a need-to-know philosophy in creating communication channels and sharing information thus stifling organisational capacities (Von Krogh, Ichijo & Nonaka 2000). Primarily management has operated by “telling employees only what they need to know to do a specific job, and then only when it is ‘safe’ to reveal the information” (Marks & Shaw 1995:109). Managers who communicate this way not only send a message “that they do not think employees would understand more information” (Marks & Shaw 1995:109) but they also reinforce organisational barriers that stop employees from seeking or sharing information (Von Krogh, Ichijo & Nonaka 2000).

Communication strategies based on control and conformity have potentially outlived their usefulness in today’s environment, with new organisations calling “for a more respectful, trusting, and open relationship across levels” (Marks & Shaw 1995:109). Many writers suggest that communication requires an openness and transparency that enables employees to connect and respond to the message (Argyris 1999, Richardson & Denton 1996).

In communicating a new organisational vision or a new basis of a change program, Kotter (1996:89) outlines seven basic principles:

1. Keep it simple.
2. Use metaphors, analogies, examples and colourful language.
3. Use many different forums.
4. Repeat, repeat, repeat.
5. Walk the talk or lead by example.
6. Explicitly address seeming inconsistencies.
7. Listen and be listened to.

While these are basic communication instructions, they can prove difficult at the best of times. Communication depends on a range of mutually understood conscious and subconscious meanings, supported by a construction of personalised assumptions that are difficult to validate in simple daily conversation. This is especially true of conversation that is laden with doubt and previous experiences of misinformation.

Employees within the change process require communication directly delivered at their level, and covering the issues that concern them most. While most organisations might like to believe that this should focus on the aims and new goals of the company, often initial concerns relate more directly to their personal needs and concerns (Klein 1994). Questions relating to career development, pay, benefits and the future of the company should be covered in a brief and easy to understand manner and important issues should be communicated in face-to-face group meetings (Dalton 1993, Richardson & Denton 1996).

Writers suggest that trust is linked to the communication of change (Whiteley & McCabe 2001). Under conditions of tension often brought about by change, “trust can be gained by sharing information honestly, communicating frequently, and directly addressing employee concerns on a routine basis” (The Price Waterhouse Change Integration Team 1995:87-89). These writers suggest that canvassing employees frequently for their issues and concerns, ensuring that messages demonstrate consistency and honesty and respond to employee issues and concerns are activities required to support effective change strategies.

Methods frequently used include video, meetings, print, suggestion schemes, surveys and face-to-face communication (Larkin & Larkin 1994). In 1994, Continental

Airlines implemented a major change effort that turned organisational operations around from the 'worst to first' espoused treating employees as their primary customers. To achieve this, communication was used as one of the major keys to engage employees and breaking down existing barriers. Strategies used included the introduction of a daily news release, a newsletter in both hard copy and e-mail form, voicemail update from the CEO on a weekly basis, communication surveys, employees' ratings of their director's and vice president's communication (which was used in computing each manager's bonus), employee meetings, CEO question forums where employees were invited to ask questions of the CEO and company president, and videocassettes outlining the state of the business and plans for the future distributed to all employees (Anonymous 1997). While this list is not fully inclusive, it does demonstrate a range of methods that include written material, face-to-face contact, brief updating and an ongoing evaluation strategy that keeps management levels locked into the communication commitment.

More proactive methods are now recommended for organisations where communication strategies cut across all levels of the organisation and are not solely reliant upon senior management. Communication strategies that focus on direct communication between employees and their immediate supervisors are those reported as being more effective (Klein, 1994). As a process, this can involve the delivery of specific information packages, and/or the creation of an employee participatory activities to reinforce the communication received. This may be in the form of a requested employee designed action plan or business plan that clearly incorporates the new organisational mission, vision, values or aims resulting from the announced change program (Whiteley & McCabe 2001). The aim of the planning being twofold, to ensure communication has been received and to set direction for the team or department to enact the change program's requirements. In the development of a communication strategy to effect change, it is worth noting — as Von Krogh, Ichijo and Nonaka (2000) report — of all the communication that takes place within organisations, personal dialogue is effective 80% of the time, while written is effective only 20%.

“In the ideal situations, people can rally around the notion that the change is not only a necessary response to organisational realities but an opportunity to make things better for all. A transition holds the potential to unfreeze the organisation and its people and

provides a rare change to dramatically improve corporate culture and reinforce new way of doing things (Marks 1994). Managers and supervisors can use the transition as an opportunity to enhance teamwork, increase effectiveness, and identify and correct impediments to productivity and quality” (Marks & Shaw 1995:99). It is the commitment to creating processes and strategies for achieving organisational goal that holds the key to success.

2.12 Concluding Comments

In today’s organizations, nothing is more predictable than that tomorrow will be different. Change is the central feature of organizational life; initiating and successfully directing change is what management is mostly about (Dunphy & Stace 1992:10).

First, change comes in many shapes and sizes, though most forms can be categorised as either *radical [fundamental/discontinuous]* or *incremental*. Radical change relates to large scale, organisation wide transformation programs involving the rapid and wholesale overturning of old ways and old ideas and their replacement by new and unique ones. Such forms of change are also referred to as *revolutionary* or *discontinuous*, thus emphasising not only the scale of the change involved, but also that it represents, for the entire organisation, a decisive break with the past. Though radical change is characterised by its speed, scale and a break with the past, this can not be achieved quickly, however, or solely by recourse to wholesale changes to structures and systems. Particularly when new forms of behaviour are called for, it also requires a coordinated program of smaller and more localised projects, spreading over a longer period and designed to bring about, reinforce and act as the building blocks for the overall program.

This leads on to the second category: *incremental change*. This type of organisational change is relatively small scale, localised, and designed to solve a particular problem or enhance the performance of a subsection or part of an organisation. “Such forms of change are also referred to as evolutionary or piecemeal, thus emphasising the less dramatic and often uncoordinated nature of these forms of change. By themselves, incremental change projects can only bring an adhoc and localised improvement in performance. Though a long term, co-ordinated program of such improvements can

clearly achieve more than this, it can never bring about radical transformation without large scale and organisation wide change as well” (Burnes 1992:150).

The biggest hindrance, it seems, to successful organisational change, over the past twenty years is best expressed by Kanter, Stein and Jick (1992:370) when they say it has been predominately viewed “as a discrete process, which when followed ‘correctly’ leads more or less inevitably to the new desired state”. This is a view that has contained organisational change as a close cousin to project management, as a step-by-step controlled process. But as Kanter, Stein and Jick, (1992:370) continue, “as anyone who has been even marginally connected with a change effort knows this isn’t so”. It is much more complex and chaotic than this. It is also clear that “This unrealistic portrayal of the change process can be dangerous. Already organizations are inclined to push faster, spend less, and stop earlier than the process requires. Such inclinations are further strengthened by an illusion of control that in fact does not exist” (Kanter, Stein & Jick 1992:372).

While models, strategies and tools exist to assist in managing change, these need to include an appropriate diagnosis of the change required and the development of a customised plan relevant to the direct needs of the organisation. When models, strategies and tools are not viewed as guiding principles, but instead deterministic solutions, organisations often become caught in a process that only partially meets their requirements and inundates them with unexpected responses relating to resistance and lower levels of achievement. This does not suggest that models, plans and strategies are superfluous. In fact, they represent the knowledge and experience of many years of work and research, but they need to be viewed as frameworks, and not as ‘one plan fits all’ designs.

Change needs to be viewed as a generative process that alters with the needs of the organisation and its constituents while maintaining its overall vision. “The process of change then is best viewed where learning and change processes are part of each other. Change is a learning process and learning is a change process” (Beckhard & Pritchard 1992:14).

The review of the literature preceding the collection of data suggests that the following schema contains elements of change processes that are, to a greater or lesser extent, advocated by change theorists.

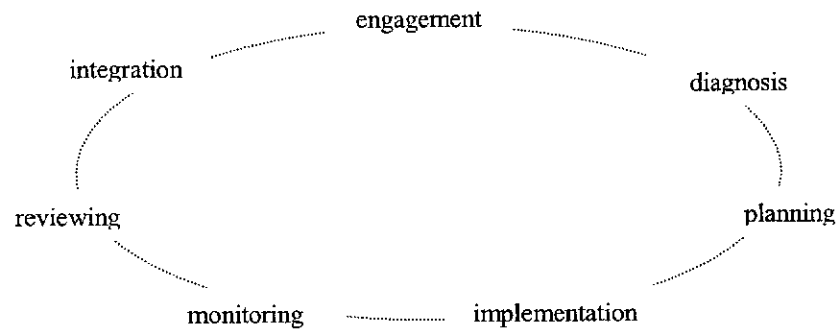


Figure 2.2: Cyclical change model

Engagement exists to ensure people start to gain an understanding of the need for perceived changes included with a *diagnosis* of current practices to expose both current compatibility and conflict. *Planning* is an opportunity to take this information and form a range of strategic plans based on obtained information and existing knowledge. *Implementation* is the ‘doing’ element of the change strategy. It may be singular or include multiple strategies that should all link to the current diagnosis. These first four steps enable people to understand the requirements and design the change process.

Monitoring provides feedback and input, along with *review* strategies that again link back through *integration*. Engagement is, once again, the next step that keeps the process rotating and enables people to recognise change as a generative process.

In the real world, organizations cannot plot one change to be rationally and tenaciously pursued. Most corporations must stake out multiple changes at once, and the change goals themselves must be continually reexamined, altered, added to, or even abandoned. Instead of one vision to guide an organization’s overall direction, many companies find they must pursue separate and sometimes, even competing visions, such as a quality vision, a customer vision, and a human resources vision (Kanter, Stein and Jick 1992:372).

Managing the complexities of change along with the complexity of organisational life over the past 20 years has seen the rise of a whole new industry dedicated to this phenomenon. Change consultants, extensive numbers of change packages (total quality management (Albrecht 1992), reengineering (Hammer & Champy 1993) and the like) and even permanent positions within organisations dedicated to the creation and implementation of change have emerged.

While organisational change has created large numbers of successes — as reported in the airline industry (Sirkin & Stalk Jr. 1995, Milliman et al. 1999), banks (Brindley & Bear 1997) and retail outlets (Martinez 2001) — it has also reported failures, stalled change programs and missed targets. The literature suggests that for change to be effective it requires a long term commitment, an understanding of the vision and a well coordinated team inclusive of all stakeholders: executives, management, employees, customers and suppliers. Most importantly, it requires an understanding that change is not a one-off affair but an organisational lifestyle.

As a researcher specifically interested in employees as recipients of change, it is the view of this researcher that it is time to recognise the perceptions of this stakeholder group as a means of informing effective change. “If the cost of failed change is high for organizations, the cost is equally dear for people” (Maurer 1996:19). At the base level, employees are expected to respond to requests for change enthusiastically and unquestioningly, often on orders issued by management who, at times, are themselves confused by what is required.

Over the years, many employees report that they have been through a number of change programs with reported successes and failures and all have perceptions as to what has created each. It is the capturing of these perceptions, and the representation of them in a working model to enable interpretation into planned change programs that are the overall aims of this research. While there is no denying that employees have long been recognised as a crucial element in the change process, views directly obtained from them are limited beyond the concepts of participation and ownership creation.

Management practices since the 1970s have encouraged employees to think and take ownership, which is achieved through a number of strategies and practices with a wide

range of outcomes. If the request is to think and be more involved then the outcomes have to include the creation of employee perceptions and opinions. At a time when discontinuous change is the norm and organisations are looking to reduce the cost of change while reaching higher levels of success, the incorporation of employees' perceptions may take these processes to new levels of success and satisfaction for all involved.

Chapter 3. Methodology

The objective of chapter three is to present the methodological framework that guided this research. This is presented by outlining the paradigm, strategy and data collection method utilised and analysis methods to meet the research objectives. The chapter will demonstrate a selection of qualitative strategies and methods presented under the guidance of a constructivist paradigm. The methodology focussed on the assumption that the employee perspective was an important one, both for arriving at an understanding of employees as recipients of change and gaining insight into strategies for organisational change. The chapter will provide an overall understanding of the methodology and discuss its application to the research findings presented in chapter five.

3.1 Research Objectives

Chapters one and two discussed the proposition that change as a phenomenon has impacted on the lives of many employees and will continue to do so throughout the new millennium. To further inform managers and organisational theorists about the phenomenon of change, this research was concerned with investigating what employees perceived to be effective or ineffective strategies and actions throughout a management endorsed change event. This was not undertaken only to provide additional knowledge in an area constantly seeking new insights, but also to provide a perspective rarely pursued: the direct views of employees. Key questions asked of employees were:

1. What are the perceived needs and strategies for the implementation of change from the employees' perspective?
2. What are the 'ingredients for success' in implementing change as employees see it?
3. What factors influence acceptance of a change event?

The research objectives were to:

1. Identify change strategies being implemented.
2. Identify change strategists' expectations of employees in the change process.
3. Identify the employee role in the change process.

4. Identify employee involvement in the change process.
5. Identify employees' expectations of the change process.
6. Analyse employees' expectations with a view to developing a significant guide to effective implementation strategies.

3.2 Paradigm Definition

A paradigm may be viewed as a set of basic beliefs that deals with ultimates or first principles. It is the basic belief system or *worldview* that guides enquiry, or the individual, regarding their place in that world, the range of possible relationships to it and its parts (Guba & Lincoln 1994, 1998). "There are many paradigms that we use in guiding our actions: the adversarial paradigm that guides the legal system, the judgmental paradigm that guides the selection of Olympic winners, the religious paradigms that guide spiritual and moral life ...[and] those that guide disciplined inquiry" (Guba 1990:18).

Within the discipline of enquiry the concept of existing paradigms has been strongly associated with Thomas Kuhn who through his own enquiring activity began to question how "the practice of astronomy, physics, chemistry, or biology normally failed to evoke the controversies over fundamentals that today often seem endemic among, say, psychologists or sociologists" (Kuhn 1962:x). Kuhn coined the word *paradigm* as a framework to assist in the true understanding of past research enquiry, emerging practices and as a means of identifying "models from which spring particular coherent traditions of scientific research" (Kuhn 1962:10). As stated by Kuhn, 'the road to a firm research consensus is extraordinarily arduous' (Kuhn 1962:15).

The outcome of 'good research' is the satisfactory achievement of a desired result or outcome. The determination of what upholds good research has been the issue that drives the paradigm debate. As history would suggest, the debate is evolutionary and one that has prevailed in all schools of enquiry. The school of natural or physical sciences has been no exception. While the evolutionary debate has continued, and as original schools of thought gradually disappeared (Kuhn 1962), the realities are that scientific methods such as "physics, chemistry, economics and psychology, for example, are often seen as the crowning achievements of Western civilization"

(Denzin & Lincoln 1994:4) and their frameworks for enquiry a doctrine. They present a doctrine based on the premise that good enquiry or research should be able to contribute quantifiable facts and truth, free from personal bias.

Social science, while originally seduced by an equal desire to contribute and “achieve rapid maturation” (Guba & Lincoln 1994:106) as a field of enquiry, as early as the late nineteenth century began to broaden the research paradigm debate. It did this by posing questions such as “whether or not social scientists could and/or should ‘borrow’ the methodology of the physical sciences, especially physics, to investigate the social and human world” (Smith 1983:6). The debate continues today and shows little sign of abating (Denzin & Lincoln 2000).

Inquiry paradigms define for inquirers what it is they are about, and what falls within and outside the limits of legitimate inquiry. The basic beliefs that define inquiry paradigms can be summarized by the responses given by proponents of any given paradigm to three fundamental questions, which are interconnected in such a way that the answer given to any one question, taken in any order, constrains how the others may be answered (Guba & Lincoln 1989:108).

Such development is further preceded by the nature of the enquiry itself, the question being asked, “what is available in the context, and what the researcher can do in that setting” (Denzin & Lincoln 1994:2), and the world view of the researcher (Burrell & Morgan 1979). The fundamental three questions that govern the enquiry paradigm therefore relate to the *ontological* question, the *epistemological* question and the *methodological* question. These collectively provide the framework guiding the enquirer in the development of strategies, methods and practices in conducting good research.

The essence of these questions, assumptions or axioms relate to the nature of knowledge and/or reality (ontology), the nature of knowledge and what can be known (epistemology), and how the enquirer can go about finding out what can be known in either an objective or subjective manner (methodology) (Guba & Lincoln 1994, Burrell & Morgan 1979, Denzin & Lincoln 1994, Smith 1983, Denzin & Lincoln

2000). The response to the first two questions inform the third question, and shape the paradigm to guide the enquiry.

A range of paradigms exists within the field of enquiry from *hard-objective* sciences (positivism) to the *soft-subjective* sciences (constructivism or interpretivism), and it is this range that magnifies the paradigm debate, often fuelled by the predication of history in the physical sciences where dominance is assumed.

At the most general level, four basic paradigms are recognised within the field of enquiry of social science as outlined in table 3.1 (located on page 62). A fifth paradigm has recently been presented by Heron and Reason (1997) and, for the purpose of this theoretical argument, it is taken as ideologically compatible with the constructivist paradigm. Heron (1996) would argue strongly, though, that there are many distinct differences that emerge from this paradigm and, in particular, this being the role of the participant in the research.

The participatory paradigm is mostly associated with *cooperative enquiry*: a person centred enquiry that does research *with* people, not *on* them or *about* them. This means people become co-researchers involved in all levels of the research design (Heron 1996). Constructivism does not espouse such a defined process of respondent involvement, but then it does not state that research within this paradigm could not be conducted in a similar format. Both, though, are focussed on bringing the realities of respondents into the centre of research.

Item	Positivism	Post-positivism	Critical theory et al.	Constructivism	Participatory
Ontology	Naïve realism- 'real' reality but apprehendable	Critical realism – 'real' reality but only imperfectly and probabilistically apprehendable	Historical realism – virtual reality shaped by social, political, cultural, economic, ethnic, and gender values; crystallized over time	Relativism-local and specific constructed realities	Participative reality – subjective-objective reality, co-created by mind and given cosmos
Epistemology	Dualist/ objectivist; finding true	Modified dualist/ objectivist; critical tradition/ community; findings probably true	Transactional/ subjectivist; value- mediated findings	Transactional/ subjectivist; value- created findings	Critical subjectivity in participatory transaction with cosmos; extended epistemology of experiential, propositional, and practical knowing; co-created findings
Methodology	Experimental/m anipulative; verification of hypotheses; chiefly quantitative methods	Modified experimental/ manipulative; critical multiplism; falsification of hypotheses; may include qualitative methods	Dialogic/ dialectical	Hermeneutical/ dialectical	Political participation in collaborative action enquiry; primacy of practical; use of language grounded in shared experiential context

Table 3.1: Basic beliefs of alternative enquiry paradigms

Source: Lincoln, Y. S. & Guba, E. G. 2000, 'Paradigmatic controversies, contradictions, and emerging confluences', in *The Handbook of Qualitative Research*, 2nd edn, eds. Denzin, N. K. & Lincoln, Y. S., Sage, Thousand Oaks.

Each of the paradigms in table 3.1 (positivism, post-positivism, critical theory, constructivism and participation) are presented as being within the framework defined by Guba and Lincoln (1989) and revised by Lincoln and Guba (2000) as those that currently compete as the choices in informing and guiding enquiry.

In addressing the realms within this framework, both positivism and post-positivism can best be described as enquiry that contends that there is an objective reality 'out there' to be studied, captured, and understood (Denzin & Lincoln 2000, Creswell 1994). "An apprehendable reality is assumed to exist, driven by immutable natural laws and mechanisms. Knowledge of the 'way things are' is conventionally summarized in the form of time and context free generalizations, some of which take the form of cause-effect laws" (Guba & Lincoln 1989:109-110) suited to purposes of future prediction. For post-positivism there is a recognition that the above can never be

perfectly achieved, but that reality is still to be apprehended as closely as possible. Positivism is therefore viewed as 'positively true' while post-positivism is considered 'probably true'. Positivism and post-positivistic enquiry are viewed as objective in nature. They assume that the investigator and the investigated are independent entities, unable to be influenced by each other. Positivistic approaches seek to establish such conditions through frameworks of 'regulatory ideals' (Guba & Lincoln 1989). These frameworks are supported by quantifiable methods aimed to verify or falsify hypothetical propositions. The major methodological characteristic of positivist approaches is that they are predictive in nature, so that verifiable truths are confirmed.

Critical theory and its related ideological positions view reality as historical, while at the same time seeking to connect this history to a current apprehendable reality. Through investigation, critical theory seeks to understand and challenge historical realities through "social, political, cultural, economic, ethnic and gender" based enquiry (Guba & Lincoln 1989:110). Enquiry is conducted through interaction between the investigator and the investigated, supported by qualitative methods. These often seek to understand how existing structures might be changed and to comprehend the actions required to effect such change, thus moving it out of its historical perspective into current ones.

Constructivism, the ontology more fully described by Guba and Lincoln, (1989:110) states that "realities are apprehendable in the form of multiple, intangible mental constructions, socially and experientially based, local and specific in nature (although elements are often shared among many individuals and even across cultures), and dependent for their form and content on the individual persons or groups holding the constructions". Constructivism therefore supports a highly subjective view of reality with an emphasis on the importance of the individuals' conceptualisations in relation to their own worlds (Morgan & Smircich 1980).

Methodologically, constructivism demands that enquiry be moved out of the laboratory and into natural contexts, where the phenomenon under study can be researched *in situ* with the respondents in their own social setting and where understanding can emerge in the terms of their own constructs (Heron 1996). As a field of enquiry itself, constructivism is still emerging and being defined. There are far fewer fixed regulations in the discourse of interpretive scholarship in the form of

constructivism than there are in more conventional forms of enquiry (Lincoln 1995). Within the methodology, inductive logic prevails, and categories emerge from respondents rather than being identified beforehand by the researcher. This leads to rich *context bound* information developing patterns or theories that help to explain a phenomenon (Creswell 1994).

3.3 Paradigm Choice

Following the framework established by Guba and Lincoln (1989), and in line with the objectives of this research, the following enquiry framework was established within the assumptions of a constructivist paradigm.

Item	Assumptions
Ontology: Constructivism	As the research is to focus on the perceptions of employees relating to processes of change, the ontological assumption is aligned on the basis of realities being constructed by the employees under investigation. These are not objective realities but subjective. The phenomenon under investigation does not lend itself to empirical observation where things can be measured 'as real and external to the individual' but as a 'product of the individuals consciousness' (Collins 1998) (Creswell 1994).
Epistemology: Interpretivism	Leading on from the determination of the ontological assumption, the epistemological assumption regarding the nature of knowledge is interactively linked. As employees' perceptions can not be considered as 'object', nor can their perceptions be simply 'acquired' the researcher will be required to directly interact with employees. This action will move the paradigm choice away from that of scientific enquiry (Collins 1998) (Creswell 1994).
Methodology: Qualitative	The research question seeks to understand from an employees' perspective and to seek the meaning of such perspectives. This can only be elicited and refined through interaction between and researcher and employees utilising qualitative methods to focus on of the process of meaning construction and clarify what and how meanings are embodied in language and action through prevailing inductive logic (Schwandt 1994, Creswell 1994).

Table 3.2: Paradigm choice assumptions

The research sought to interpret respondents' meaning relating to the phenomenon of organisational change. It was not concerned with quantification but with understanding the phenomenon from the viewpoints of those experiencing the change. It was based on the belief that "human behaviour, unlike that of physical objects, cannot be understood without reference to the meanings and purposes attached by the human actors to their activities" (Guba & Lincoln 1998:198).

A qualitative, methodological approach was therefore adopted as reflected in the following table, adapted from Cook and Reichardt (1979) own 'Qualitative and Quantitative Paradigms' table. In presenting the adapted table below, the term paradigm has been listed in *italics*, with the suggested alternative *methods* included. This has been done to avoid any confusion in terminology and to further reinforce that the following table was viewed by the researcher as one representative of methods, methods being "the particular means that we may use in implementing a paradigm" and not "the overall model of how we come to know" (Guba 1985:84). This table specifically demonstrates the differences between *qualitative* (subjective) and *quantitative* (objective) methods.

Qualitative (<i>paradigm</i>) methods	Quantitative (<i>paradigm</i>) methods
Advocates the use of qualitative methods	Advocates the use of quantitative methods
Phenomonologism and Verstehen: 'concerned with understanding human behaviour from the actor's own frame of reference.'	Logical-positivism: 'seeks the facts or causes of social phenomena with little regard for the subjective states of individuals.'
Naturalistic and uncontrolled observation.	Obtrusive and controlled measurement.
Subjective.	Objective.
Close to the data: the 'insider' perspective.	Removed from the data: the 'out-sider' perspective.
Grounded, discovery-oriented, exploratory, expansionist, descriptive, and inductive.	Ungrounded, verification-oriented, confirmatory, reductionist, inferential, and hypothetical -deductive.
Process-oriented.	Outcome-oriented.
Valid: 'real', 'rich', and 'deep' data.	Reliable: 'hard,' and replicable data.
Ungeneralizable: single case studies.	Generalizable: multiple case studies.
Holistic.	Particularistic.
Assumes a dynamic reality.	Assumes a stable reality.

Table 3.3: Qualitative and quantitative methods

Source: Cook, T. D. & Reichardt, C. S. 1979, 'Qualitative and quantitative methods in evaluation research', in *Qualitative and Quantitative Methods in Evaluation Research*, eds. Cook, T. D. & Reichardt, C. S., Sage, Beverly Hills.

3.4 The Research Strategy

Following the paradigm of constructivist enquiry and a qualitative research methodology, a strategy to achieve discovery, as opposed to verification, was sought within an organisational setting. To achieve this, a broad understanding of sociological and organisational theories were gained to introduce a broader perspective of analysis. Such theories were viewed as relevant in informing the strategy by providing a higher degree of sensitivity to existing social science theoretical frameworks and their contributions to understanding society and organisational life, two issues relevant to this study. Like previous discussions relating to the field of enquiry (Guba & Lincoln 1989), social science theoretical frameworks are also governed by a range of assumptions related to research and theory development. While parallels between the thinking of Burrell and Morgan (1979), Guba (1985) and Guba and Lincoln (1989) exist in the field of theoretical frameworks and paradigms structures, it is Burrell and Morgan's emphasis of *the assumption of human nature* that provides explanation, depth and linkages between in the fields of social sciences and organisational theories.

Burrell and Morgan's (1979) assumption of human nature directly relates to views associated with "the relationship between human beings and their environment" (Burrell & Morgan 1979:2). Questions to be asked by the researcher of himself or herself include the following:

- Is my view mechanistic or deterministic?
- Do I view human beings as products of the environment or conditioned by their external circumstances?
- Does this reflect a subjectivist approach to social science or an objectivist approach? (Burrell & Morgan 1979).

All approaches to the study of society are located in a frame of reference of one kind or another. Different theories tend to reflect different perspectives, issues and problems worthy of study, and are generally based upon a whole set of assumptions which reflect a particular view of the nature of the subject under investigation (Burrell & Morgan 1979:10).

The purpose of understanding the relevance of sociology and organisational theory is to confirm or refute the current constructivist framework proposed to guide this research and to provide a broader understanding of theory development and research strategy.

3.5 Sociological and Organisational Theory Relevance

The field of sociology was drawn upon as a discipline because it is “where the most characteristic and sustained effort is made to subject the events, interactions, motives, attitudes, and other elements of social behavior around us to structural analysis: that is, to throw light on these elements by discerning the patterns of norm, role, function, and meaning in which the elements are in fact to be found” (Nisbet 1975:73).

In brief, sociological thought was sought in order to provide direction relating to how social order was possible and/or maintained, and how this influences organisational theories.

While many schools of thought exist within sociology, their relevance to organisational theory is, in this research, aligned with Burrell and Morgan's (1979) presentation and analysis of four paradigms for the analysis of social theory.

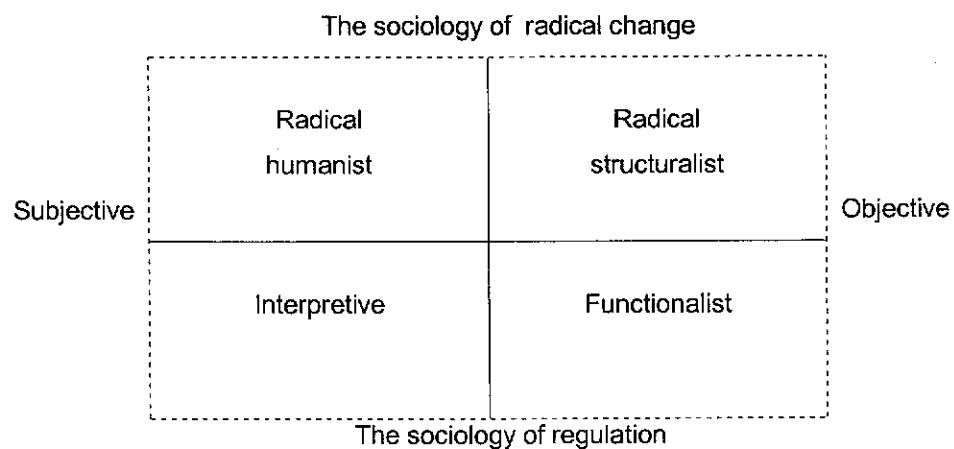


Figure 3.1: Sociological paradigms and organisational analysis

Source: Burrell, G. & Morgan, G. 1979, *Sociological Paradigms and Organisational Analysis: Elements of the Sociology of Corporate Life*, Heinemann, London.

As presented by Burrell and Morgan (1979:25), each paradigm is intended to “offer alternative views of social reality, and to understand the nature of all four is to understand four different views of society. They offer different ways of seeing”. These

paradigms can be linked across organisational theory because such theories are based “upon a philosophy of science and a theory of society” (Burrell & Morgan 1979:x) - the fundamental elements of understanding organisational life. While it is not intended to present an intensive study of these theories, a brief summary will be presented to capture a broad understanding of the varying views and influences that assisted in shaping this research strategy.

3.5.1 The Radical-Humanism Paradigm and Organisational Theory

The view of radical humanists differs from that of interpretive theorists in the focus “upon what they regard as the essentially alienated state of man” (Burrell & Morgan 1979:279). The approach is a subjectivist one committed to the belief that “the individual creates the world in which he lives” (Burrell & Morgan 1979:279). Schools of thought within this paradigm are *solipsism*, *French existentialism*, *anarchistic individualism* and *critical theory*.

Radical humanistic research is both critical and confrontational in nature. As Kincheloe and McLaren, (1998:264) write:

... critical research can be best understood in the context of the empowerment of individuals. Enquiry that aspires to the name critical must be connected to an attempt to confront the injustice of a particular society or sphere within the society. Research thus becomes a transformative endeavor unembarrassed by the label ‘political’ and unafraid to consummate a relationship with an emancipatory consciousness. Whereas traditional researchers cling to the guard rail of neutrality, critical researchers frequently announce their partisanship in the struggle for a better world.

From an organisational theory perspective, work in this paradigm is viewed as embryonic and exists under the umbrella of *anti-organisation theory* where the aim is, through critique, to unmask the “alienation reflected the organisational mode of life. It seeks to stress how such alienations are intimately linked with the nature of the totality in which they are located, and hence to point towards the desirability of alternative modes of reality and social life” (Burrell & Morgan 1979:324).

Whilst radical humanism would support the interpretive epistemology, this research does not have evidence of either consensual or alienative states. The only aspect of radical humanism adopted in this study is the focus on the individual, but the assumption of human nature does not extend to the alienated individual.

3.5.2 The Radical-Structuralism Paradigm and Organisational Theory

As the extreme objectivist view, the radical structuralism paradigm represents an assumption of human nature based:

... upon the configurations of social relationships which characterise different totalities and which exist independently of men's consciousness of them. Structures are treated as hard and concrete facticities, which are relatively persistent and enduring. They seek to understand organisations from a focus of 'totality' which implies that organisations can only be understood in terms of their place within a total context, in terms of the wider social formation within which they exist and which they reflect (Burrell & Morgan 1979:368).

It is based on the assumption that humans can not assume a common value system based on consensus, rather that a plurality of interests exist as a collection of central points of conflict (Nemetz & Christensen 1996).

3.5.3 The Functionalist Paradigm and Organisational Theory

The functionalist paradigm, viewed as the most dominant across both sociology and organisational theory, is the paradigm reflective of both objective and deterministic standpoints. Functionalism

... holds that the explanation of social phenomena lies in understanding how each component in society contributes to the functioning of the whole society ... it has functional parts which together make up the whole. Each of the parts is dependent upon the others to form a state of equilibrium [and] when a part of the organism malfunctions or becomes pathological, the organism breaks down (Jureidini, Kenny & Poole 1997:5-6).

It reflects a view of society and organisations as both fully comprehensible and controllable. “Originating in France in the early decades of the nineteenth century, a major influence upon the paradigm has been through the work of social theorists such as Auguste Comte, Herbert Spencer, Emile Durkheim and Vilfredo Pareto” (Burrell & Morgan 1979:26).

These theorists were particularly influenced by the view of “society as a social organism or social system made up of different, but interrelated parts, in much the same way that biological organisms, such as the human body, are made up of components such as tissues, organs and circulatory systems ...” (Jureidini, Kenny & Poole 1997:5/6).

While Spencer viewed society as the evolution of “simple social systems to more complex ones through the simultaneous processes of differentiation and integration” (Jureidini, Kenny & Poole 1997:6), Durkheim spoke of ‘externality’ and ‘constraint’ as the chief characteristics of social fact (Abel 1970:43). Durkheim stressed that the clue to social facts do not lie in their universality. “A thought which we find in every individual consciousness, a movement repeated by all individuals, is not thereby a social fact” (Durkheim 1938:6). What is vital to sociality is the corporate or “collective aspects of the beliefs, tendencies, and practices of group that characterize truly social phenomena” (Nisbet 1975:56). Durkheim defined the ‘social fact’ as recognizable by the power of it’s external coercion over the individual or capable of exercising over the individual (Durkheim 1938).

It is these views that were the basis of ongoing functionalist analysis and theory development. These views mostly informed the work of Bronislaw Malinowski (1894–1942) and A. R. Radcliffe-Brown (1881–1955) in the fields of anthropology. From such studies came the evolution of the order–conflict debate. Central to the debate were questions such as ‘Can society be understood based on the function of consensus or the function of conflict?’ While the consensus–conflict theories have prevailed, so have others, such as Talcott Parson’s (1902–79) functional analysis approach known as *action systems and social systems*, where action is constituent of it influencing environments (e.g. cultural, personality and behavioural systems), and social systems “are those constituted by states and processes of social interaction among acting units” (Parsons 1971:7).

A generalized value-pattern does not legitimize the same norms, collectivities, or roles under all conditions, for example. Similarly, many norms regulate the action of indefinite numbers of collectivities and roles but only specific sectors of their action. Hence a collectivity generally functions under the control of a large number of particular norms. It always involves a plurality of roles, although almost any major category of role is performed in a plurality of particular collectivities. Nevertheless, social systems are comprised of combinations of these structural components. To be institutionalized in a stable fashion, collectivities and roles must be 'governed by specific values and norms, whereas values and norms are themselves institutionalized only insofar as they are 'implemented' by particular collectivities and roles (Parsons 1971:8).

Overall the functionalist viewpoint was that when studying any given society the purpose was to look at how its various parts or institutions combined together to give that society, as a whole, continuity over time (Giddens 1993). Giddens view, though, was that to understand society that there was also a need to draw upon issues related to the constitution of meaning, morality and relations of power (Giddens 1976).

While only a few of the theorists are presented here, the aim has not been to debate functionalist sociology, but to present its worldview and how the assumptions of human nature influence theory development. In the case of functionalism, this reflects that an understanding of all of society is possible through the application of and compliance with laws, rules and structure. In summary, it is about the understanding of the 'patterning' of social relations or social phenomena based on the worldview that society predominates over the human actor (Giddens 1984). Furthermore, it is based on the view that for society to have a continuing existence its specialised institutions — such as religion, the family, education and political systems — must work in harmony with one another. The continuation of a society therefore depends on a general agreement by its members on basic values and the function of such systems (Giddens 1993).

As the dominant framework in understanding society, functionalism has also been the dominant view in understanding organisations. Many contemporary writers such as

Handy (1993) describe the traditional view of organisations in line with Burrell and Morgan's work. That description being "organizations as machines, machines with human parts. Machines [that can] be designed, directed, controlled, speeded up or slowed down ... devices under our control which we can use to implement our wishes" (Handy 1993:20).

The objective-regulatory view of sociology thus required of the observer "an objectivist search for the determinants of behaviour in organisations" (Burrell & Morgan 1979:161). This being a rational, scientific system of thought focussed on regularity, predictability, order and efficiency, which have underpinned the development of both organisational theory and practice for the better part of the century (Tsoukas & Cummings 1997)

3.5.4 The Interpretive Paradigm and Organisational Theory

The assumption of human nature under the interpretive epistemology, like the constructivist ontology, is based on the realisation "that man as an actor could not be studied through the methods of the natural sciences" and that "human values intruded upon the process of scientific inquiry" (Burrell & Morgan 1979:228).

Among the sociological theorists who have contributed to the development of these views are Wilhelm Dilthey (1976), Max Weber (1962) and Edmund Husserl (1970). Dilthey challenged the idea of the rational-empirical view of social activity as empirically observable. He present the idea that "*understanding* is a mental process" (Dilthey 1976:12) and that "because we are partly alike and partly different understanding is possible but often difficult" (Dilthey 1976:19). Dilthey suggested that the individuality of each person was determined by his physical makeup and personal history and a range of cultural and historical factors.

The concept of *Verstehen* (or understanding) was supported by philosophers and sociologists seeking to replace factual explanation of social processes with understanding of how they were interpreted by those involved. Weber, famous for his work on organisations as bureaucracies, sought sociological explanation through understanding the world view, or basic systems of beliefs that people have (Hughes, Martin & Sharrock 1995). Weber's view was that it was necessary to gain knowledge of the whole social situation and not merely of isolated conditions or events —

however uniform their appearance may be (Weber 1962). Weber was concerned by his observation of the impact of growing rationalisation and capitalism across Western cultures, resulting in a 'lack of meaning' for a great many people. In Weber's eyes, the organisational form of rationalisation was that of the bureaucracy where individuals were becoming increasingly insignificant. While his method of enquiry is widely debated, his assumptions of human nature within the field of enquiry places him, not unproblematically, in the interpretive paradigm (Burrell & Morgan 1979).

Husserl (1970), the founder of phenomenology, believed that enquiry was based on the "search for the essential, invariant structure (or essence) or the central underlying meaning of the experience" with an emphasis "on the intentionality of consciousness where experiences contain both the outward appearance and inward consciousness based on memory, image, and meaning" (Creswell 1998:52). "Husserl insisted that the relation between perception and its objects was not passive. He argued that human consciousness actively constitutes the objects of experience" (Holstein & Gubrium 1998:138). Phenomenology has as its exclusive concern the understanding of intuitively sizable and analysable experiences in the pure generality of their essence (Husserl 1970).

As an emerging paradigm, the interpretive paradigm's roots are predominantly founded in the twentieth century (Burrell & Morgan 1979). They are unified by the central schools of thought "that share a common perspective, in that their primary concern is to understand the subjective experience of individuals" (Burrell & Morgan 1979:253).

From an organisational theory perspective, the sociological interpretive paradigm can not be so easily linked with differing organisational schools of thought but, more appropriately, to the way in which theorists attempt to understand organisations. It appears that where organisational enquiry focuses on understanding with the purpose of improving function and structure, it gives rise to the challenge of whether or not it belongs in the functional or interpretive paradigm (Morgan 1986).

It is the differing sociological schools of thought that provide this paradigm with depth and its assumptions of human nature; those being *phenomenology*, *symbolic interactionism* and *ethnography*.

Phenomenology

Phenomenology “describes the meaning of the lived experiences for several individuals about a concept or the phenomenon” and explores the structure of consciousness in the human experience (Creswell 1998:51). It argues that the relation between perception and its objects is not passive, that human consciousness does not stand alone, separate from the experience, but is a constitutive part of what it is conscious of (Gubrium & Holstein 2000). As in the case of this research, this research seeks to understand from an employee’s perspective the meaning of organisational change. From a phenomenological perspective, though, it has not been concerned with the causal explanation of change, but with trying to understand the interpretation of change as perceived by employees, as they have accumulated the change experiences (Haralambos & Holborn 1991).

The term ‘symbolic interaction’ refers to the peculiar and distinctive character of interaction as it takes place between human beings. The peculiarity consists in the fact that human beings interpret or ‘define’ each other’s actions instead of merely reacting to each other’s actions. Their ‘responses’ are not made directly to the actions of one another but instead is based on the meaning which they attach to such actions. Thus, human interaction is mediated by the use of symbols, by interpretation, or by ascertaining meaning on one another’s actions (Blumer 1969:79).

Symbolic Interactionism

Symbolic interactionism typically deals with small scale, everyday life, seeking to understand processes, relationships, group life, motivations, and adaptations (Woods 1992). The fundamental principles that direct symbolic interactionism, as established by Blumer (1969) are fundamental to this research. They are that, first, human beings act towards things on the basis of the meaning that those things have for them, which can be inclusive of ‘taken for granted meaning’. Second, that meaning is derived from the social interaction that one has with one’s fellows, and that meaning is therefore a social product. Third, meaning is handled and modified through an interpretative process, a formative process in which meaning is used and revised for the guidance and formation of action.

In developing a robust understanding of how change events were communicated and perceived via language and other symbols, and the interpretation and perception of this by the employees, symbolic interactionism as a study of process of meaning also guided this research (Schwandt 1994).

Ethnography

Ethnographic studies, originally considered the prerogative of anthropologists, have more recently been applied to the research of modern cultures, their associated phenomena and as a means of studying contextual environments such as education and organisational studies. Within an interpretive paradigm, ethnographic research aims “at understanding the dynamics of a sociocultural system as well as of how people interpret their world” (Sarantakos 1993). It is not about testing hypotheses but exploring the nature of a particular phenomena, and it does not work with data that has been pre-coded prior to collection but investigates a small number of cases in-depth, based on rich data collection methods (Atkinson & Hammersley 1994). It is in keeping with this principle that ethnography has been applied to this research. The use of in-depth, semi-structured interviews, conducted on a one-to-one basis with employees focussing on their experiences of change within the organisational setting, resulting in the collection of rich data able to provide a thick description of the phenomena under study.

Phenomenology, symbolic interaction and ethnography as theoretical frameworks, supportive of qualitative principles and an interpretive approach, were utilised as a multi-method focus. The focus was utilised to enhance what Denzin and Lincoln (1994) refer to as making sense of, or interpreting phenomena in terms of their meanings in a natural setting. As a paradigm, its use within this research further supports its relevance in understanding organisations as opposed to defining their historical development.

In summary, the four paradigms presented by Burrell and Morgan (1979), at best, allow researchers to consider a range of assumptions about the nature of society. They present a compact presentation of many assumptions relating to the nature of society and organisational development emphasising views of either stability, integration and

consensus; or focussing on radical change, conflict, and coercive-power relationships (Hazen 1994).

The four paradigms can therefore be summarised as representing:

1. functionalist sociology (objective stability);
2. interpretive sociology (subjective stability);
3. radical humanism (subjective radical change); and
4. radical structuralism (objective radical change) (Hazen 1994).

3.6 Research Strategy Choice

The strategy for this research was based on the research objectives and collective views of qualitative theorists (Lincoln & Guba 2000, Burrell & Morgan 1979, Creswell 1998) and guided by the principles of a constructivist ontology and the interpretive epistemology. This research sought to understand change experiences as phenomena (*phenomenology*), the meanings associated to the change phenomena from the employees' or respondents' perspectives through their social interaction (*symbolic interactionism*) and the interpretation of their 'story' through rich data collection methods in a natural setting (*ethnography*).

Governing the strategic choice was a basic set of beliefs that embody a variety of assumptions regarding the nature of knowledge and the methods through which that knowledge can be obtained as outlined in table 3.4 (located on page 77) by Morgan & Smircich (1980). This table outlines the core assumptions that underlie the arguments in favour of the qualitative stance of the research.

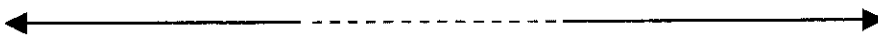
	Subjectivist approach to social science		Objectivist approach to social science
			
Core ontological assumptions	Reality as a projection of human imagination	Reality as a social construction	Reality as a concrete structure
Assumptions about human nature	Man as pure spirit, consciousness, being	Man as a social constructor, the symbol creator	Man as a responder
Basic epistemological stance	To obtain phenomenological insight, revelation	To understand how social reality is created	To construct a positivist science
Research methods	Exploration of pure subjectivity	Hermeneutics	Lab experiments, surveys

Table 3.4: Network of basic assumptions characterising the subjective–objective debate within social science

Modified Source: Morgan, G. & Smircich, L. 1980, 'The case for qualitative research', *Academy of Management Review*, vol. 5, no. 4, pp. 491-500.

The two qualitative strategies adopted were grounded theory principles (Glaser & Strauss 1967) and case study (Yin 1994). They were selected for their interactive and generative characteristics that allowed for a mutual experience of discovery between the researcher and employee or respondent. As little research has been reported in the area of employees and their perceptions of change, alternative existing models of research strategies were not available. Those that were did not suit a constructivist ontology and interpretive epistemology. To understand from the employees' perspective required an approach that enabled the employees to be, and feel, that they were major contributors to the research. This required the researcher to allow the employees to guide the findings as directed by their ideas and insights. Grounded theory principles were highly compatible for this purpose.

3.7 Grounded Theory Principles

Emerging in the 1960s, this theory is strongly associated with the works of both Glaser and Strauss, first published in *The Discovery of Grounded Theory* (1967). Grounded theory as a research approach is based on principles of discovery, not verification, processes of inductive and deductive logic, and generative theory development emergent through processes of interactive data collection and analysis (Glaser & Strauss 1967). Grounded theory has a strong history in the debate between positivism and interpretivism with the contrast being the testing of theory (positivism) and the

inductive method of generating theory (interpretivism) (Woods 1992). The evolution of grounded theory, as advanced by Glaser and Strauss (1967), evolved from their criticisms of the testing of social activity and loosely associated links between theory generation and the realities of the respondent. This was also further frustrated by their view of traditional social researchers placing their own judgement and understanding before that of the respondent and, at times, leaving the respondent's realities out altogether (Woods 1992).

While grounded theory has been the subject of ongoing debate its basic principles of the 'discovery of theory from data systematically obtained and analysed' have remained constant. As time has passed, the two original authors Glaser and Strauss (1967), have separately developed their own views regarding these principles, adding conjecture to the best use of this research approach. In brief, the conjecture is best linked to coding and sampling practices and their impact on theory generation. This conjecture is best outlined by Locke (1996) in her review of the development of grounded theory over the past twenty five years which states "Glaser and Strauss ... have been rewriting the role of researchers in the grounded theory approach. Glaser has been rewriting the role to emphasize the need for disciplined restraint so as to maintain the integrity and neutrality of the method that allows studied phenomena to inform theorizing; Strauss has pushed researchers to actively engage what they study and to systematically explore the full possibilities of their data" (Locke 1996:243). Concerns regarding this divergent views generally return to initial concerns relating to the testing and generation of theory.

Within this research it is Glaser's (1990) approach that has been more widely applied, allowing the discovery of theory to emerge from the data collected, while utilising the process of constant comparison. This is in contrast to the methods adopted by Strauss and Corbin (1990) during data analysis, which includes a constructed formula to identify specified constructs of meaning. Strauss and Corbin's process is referred to as axial coding. Axial coding is a structured, not emergent, process, whereby data is put back together in new ways after open or initial coding, by making connections between categories utilising a "coding paradigm involving conditions, context, action/interactional strategies and consequences" (Strauss & Corbin 1990:96). The constant comparison approach used in this research did not use a coding paradigm but instead utilised the Glaser and Strauss (1967) approach of constantly comparing

incidents throughout the analysis period, constantly integrating emerging incidents into categories, delimiting the theory development and writing the theory. As stated by Conrad (1978:103) “The constant comparative method is not built upon a predetermined design of data collection and analysis but represents a method of continually redesigning the research in light of emerging concepts and interrelationships among variables”.

As a qualitative approach, grounded theory is suited to many fields of research, and while predominately used by Glaser and Strauss in the area of researching health, it has also found a place in the study of organisational life.

In the field of organizational studies, grounded theory is likely to interest those concerned with the pilot stages of large scale survey inquiries, those conducting case studies of organizational behavior who wish to produce more than an impressionistic account from their inquiries, those interested in features of the organizational world — such as corporate cultures — that lend themselves particularly well to qualitative investigation and those concerned about carrying out the detailed, locally based fact gathering and interpretation essential to conducting excellent organizational research (Martin & Turner 1986:143).

As this research was focussed on a qualitative investigation at a localised level — the employees’ level — and was seeking an understanding of organisational change from an employees’ perspective, the emergent qualities of grounded theory and the process of discovery and inductive enquiry were adopted.

Direct principles adopted for this research from grounded theory, and relating to data collection, analysis and theory development are presented directly below. While it was not intended that grounded theory as directed by the early work of Glaser and Strauss (1967) would be followed prescriptively, as issues relating to employee or respondent access would inhibit some requirements, the basic principles as guided by Glaser and Strauss (1967) and supported by others were utilised as the guiding framework. These were that:

- Data was collected in a natural context (Wilson & Hutchinson 1991).

- There was purposeful and systematic theory generation from the data (Glaser & Strauss 1967).
- Theory generated from data was systematically obtained and analysed through the constant comparing method (Conrad 1978, Glaser & Strauss 1967).
- Grounded theories were derived from data and then illustrated by characteristic examples of data (Glaser & Strauss 1967).
- Theory development sought to be holistic, parsimonious, dense and modifiable (Wilson & Hutchinson 1991).
- The research aimed to fit the realities under study in the eyes of subjects, practitioners and researchers in the area (Glaser 1992).
- The research explained the major variations in behaviour in the area, with respect to the processing of the main concerns of the subjects with an aim to achieve relevance (Glaser 1992).
- The research was not presented as theory written in stone and was readily modifiable when new data presented variations in emergent properties and categories (Glaser 1992).

To remain true to these basic principle of grounded theory, the data collection method focussed on allowing issues to emerge from the expressed realities of the respondents and not through a structured collection process. While such writes as Turner propose semi-structured processes as appropriate (Turner 1983), Glaser and Strauss (1967) would not have agreed with its use, as discovery and emergence would be too greatly influenced from the researcher's line of questioning. A semi-structured interview guide was used within this research as a means of opening discussion with the interview respondents. This demonstrates the only major diversion from Glaser and Strauss' (1967) principles. No structured questions were presented, nor was the data managed to seek responses to set questions. This process was not based on testing but the emergence of issues from the employees' perspective.

As stated previously, the data analysis process was based on emergent coding from the data collected and remained true to the basic principle by aligning with Glaser and Strauss 1967 view that:

... merely selecting data for a category that has been established by another theory tends to hinder the generation of new categories, because the major effort is not generation, but data selection...Working with borrowed categories is more difficult since they are harder to find, fewer in number, and not as rich; since in the long run they may not be relevant, and are not exactly designed for the purpose, they must be respecified. In short, our focus on the emergence of categories solves the problems of fit, relevance, forcing, and richness (Glaser & Strauss 1967:37).

Supporting the use of grounded theory principles in the overall research strategy was that of the case study approach. While one directed the collection and analysis of the data, the other provided the framework and supported the process of accessing primary data sources.

3.8 Case Studies

“A case study approach is not a method as such but rather a research strategy” (Hartley 1994:209), based on the “choice of object to be studied” (Stake 2000:435). “In general, case studies are the preferred strategy when ‘how’ and ‘why’ questions are being posed, when the investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context” (Yin 1994:1).

Yin (1994) and Eisenhardt (1989) both subscribe to the idea that the case study contributes uniquely to our understanding of individual, organisational, social and political phenomena. As Yin (1994:3) says “In all of these situations, the distinctive need for case studies arises out of the desire to understand complex social phenomena. In brief, the case study allows an investigation to retain the holistic and meaningful characteristics of real-life events — such as individual life cycles, organizational and managerial processes, neighbourhood change, international relations, and the maturation in industries”. As this research is concerned with understanding the ‘real-life events’ within an organisational change process from the employee’s perspective, the case study approach will provide the parameters for findings that, in keeping with grounded theory principles, will be emergent in nature.

The case study approach supports emergent findings through seeking to understand the phenomenon under study in its natural setting or context. As supported by Hartley (1994:209):

Case study research [in an organisational setting] consists of a detailed investigation, often with data collected over a period of time, of one or more organizations, or groups within organizations, with a view to providing an analysis of the context and processes involved in the phenomenon under study. The phenomenon is not isolated from its context (as in, say, laboratory research) but is of interest precisely because it is in relation to its context.

In determining the appropriate use of a case study strategy, three determining conditions were raised by Yin (1994). These were “(a) the type of research question posed, (b) the extent of control an investigator has over actual behavioral events, and (c) the degree of focus on contemporary as opposed to historical events” (Yin 1994:4). Case studies can be both qualitative and quantitative, depending on the explanatory basis of the question, as opposed to the verification of already discovered facts.

Overall, a case study can be used for four distinct reasons as follows:

Case-study purposes	
Intrinsic case study	This is a study undertaken because one wants a better understanding of a particular case. The purpose is not theory building, though at other times the researcher may do just that. Study is undertaken because of intrinsic interest in a particular child, course, program ...
Instrumental case study	A particular case is examined to provide insight into an issue or refinement of theory. The case is of secondary interest; it plays a supportive role, facilitating our understanding of the external interest. It advances the understanding of another interest.
Collective case study	Researchers may study a number of cases jointly in order to enquire into the phenomenon, population, or general condition. They may be similar or dissimilar, redundancy and variety each having a voice and they are chosen because it is believed that understanding them will lead to better understanding, perhaps better theorising, about a still larger collection of cases.
Teaching	It is used to illustrate a point, a condition, a category, for instruction and emerge from an instrumental case study.

Table 3.5: Case study purposes

Source: Stake, R. E. 2000, 'Case studies', in *The Handbook of Qualitative Research*, 2nd edn, eds. Denzin, N. K. & Lincoln, Y. S., Sage, Thousand Oaks, pp. 435–54.

Within this study, the collective case study was utilised to guide the research design. Participating organisations were selected on the basis that they had similarly experienced organisational change. Employees were accessed to act as the voice and to provide a better understanding of the phenomenon of change.

Types of case study strategy are also dependent on the phenomena under study. Yin (1994) provides four types of case study design:

1. single case (holistic);
2. single case (embedded);
3. multiple case (holistic); and
4. multiple case (embedded).

Holistic in Yin's terms represents a global examination, and *embedded* a sub-unit approach including individual projects within an overall program (Yin 1994). The aim of this research was not to test theory, to seek understanding of an identified extreme or unique case, or to observe and analyse a phenomenon that was previously inaccessible. A single case approach was therefore not applicable.

As this research was utilising a number of differing organisations to establish an understanding of employees' perceptions as recipients of change, a multiple case study approach was utilised. The organisations utilised were not selected for their differences in the hope of producing contrasting results from the research. Neither were they selected on the basis of similarity of their experience; this occurred unintentionally. The organisations were selected on the basis that they had both experienced a process of planned organisational change and employed over 150 people, a very open selection criteria. It was the emergence of similar views that limited the study to two organisations as opposing views would have required further research to be able to identify predictable reasons for the contrast. Principles of a collective case study (Stake 1994) or multiple case (embedded) study (Yin 1994) seeking literal replication have been used to inform the design of this research.

3.9 The Research Design

The research design developed processes and procedures aimed at an interactive and rigorous treatment of the research issue. As stated previously, there were several associated theories that informed the research design: phenomenology, symbolic interactionism, ethnography and grounded theory. The theory of phenomenology was reflected in the design of interviews so respondents could share lived experiences. Symbolic aspects of management strategies as perceived by recipients, resonated with symbolic interactionism. The use of data collection strategies in a natural setting providing a rich contextual reality to the narrative expressed by the respondents aligned with the imperatives of ethnography. The principle of emerging data as theory from recipients followed Glaser and Strauss's (1967) grounded approach. The theories and perspectives above were in keeping with the constructivist ontology and interpretive epistemology.

Prior to commencing the research design, considerable time was spent seeking a fuller understanding of the relevance of the question and its potential contribution to providing a broader understanding to phenomena of organisational change (Silverman 2000). To achieve this, the research focussed on :

- defining the focus;
- tentatively defining the kind of organisation to be approached and the kind of data to be gathered;
- discussing with colleagues and peers the relevance of such a study;
- clarifying the nature of the question;
- establishing propositions in the form of objectives;
- clarifying the research enquiry paradigm; and
- commencement of a research design.

At the conclusion of this initial consideration of possible design, a more substantial research design was constructed.

In progressing the design, the following comments by Holsti (1969) were adopted as useful ideas as to how the researcher could go about thinking through research design

issues. “A research design is a plan for collecting and analyzing data in order to answer the investigator’s question” (Holsti 1969:27). Continuing this thinking on a more practical level, Holsti advises:

In tackling a research problem, the investigator should let his mind roam, speculate about possibilities, even guess. Once the possibilities are known, the intuitive stage of thinking can enrich the research conception by leading more effectively to the analytical stage of organizing and structuring the problem. The investigator is then ready to plan his approach to the problem and to decide what research and analytical methods he will use to execute his ideas. Good research design is not pure analysis. Intuitive thinking, too, is essential because it helps the investigator to arrive at solutions that are not routine. Perhaps most important, it should be remembered that intuitive thinking and analytical thinking depend upon knowledge, understanding, and experience (Holsti 1969:41).

It should also be remembered that the research design needs to allow the findings to emerge from those involved, the comments or ‘theories’ of respondents (Glaser & Strauss 1967); hence, they should not follow from an inflexibly structured research design. As this research was seeking to understand the perceptions of employees, the design required a high degree of opportunity for employees to share their thoughts and views. At the same time a design that enabled the researcher to demonstrate a sound, transparent research approach was required.

Yin agreed with Holsti (1969) and other qualitative research theorists (Silverman 2000, Cresswell 1998) when he said:

Colloquially, a research design is an action plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusion (answers) about these questions. Between ‘here’ and ‘there’ may be found a number of major steps, including the collection and analysis of relevant data ... The main purpose of the design is to help to avoid the situation in which the evidence does not address the initial research questions. In this sense, a

research design deals with a logical problem and not a logistical problem (Yin 1994:19).

Yin's ideas were useful in reminding the researcher not only about the inherent dangers of evidence not matching the research questions but also the inherent dangers of not letting data emerge naturally. Both of these cautions informed data collection and analysis decisions.

In approaching the research design, the views of many writers were researched. The research design was predominately informed using principles and methods outlined by Yin (1994), Eisenhardt (1989), Hartley (1994), Glaser (1978), Glaser and Strauss (1967), Guba and Lincoln (1989) and Janesick (1994). While other writers also informed this process, these were selected as those most significantly able to inform this stage of the research, in line with qualitative methodology.

Each step in the following tables outline the processes followed and the associated procedures utilised to enact each stage of the research.

Process	Procedure	Core sources
Getting started	defined the focus tentatively defined the kind of organisation to be approached and kind of data to be gathered discussed with colleagues and peers	(Eisenhardt 1989)
Develop research question and propositions	clarified precisely the nature of question propositions established in the form of objectives research enquiry paradigm clarified commencement of research design model developed	(Yin 1994) (Guba & Lincoln 1989)
Developing a level of theoretical sensitivity	preliminary literature review	(Glaser 1978)
Defining (selecting) the cases	specification of research participants/respondents specification of organisational type confirmed relevance to research objectives and principles of multiple case/embedded study	(Eisenhardt 1989) (Yin 1994)
Gaining and maintaining access to first host organisation	contacted organisations met with relevant personnel gained approval for access and support from relevant personnel developed an understanding of mutual processes and procedures	(Hartley 1994)
Crafting instruments and protocols	skill and knowledge development re qualitative research techniques data collection plan developed including all sources of potentially data available for purposes of triangulation focus group interview protocol & schedule developed	(Eisenhardt 1989) (Yin 1994) (Janesick 1994) (Hartley 1994)

Table 3.6: Research design processes and procedures

These processes allowed for the evolution of a richer understanding of the field of research for the researcher and the exposure of the research question and objectives to a broader audience. The procedural steps created a solid basis to advance the research and to enable the researcher to enter the field with a clear framework to commence data collection as follows.

Process	Procedure	Core sources
Entering the field	respondent recruitment focus groups conducted organisational familiarisation transcription of tapes	(Eisenhardt 1989)
Analyses of focus data	emergence of initial categories and constructs used to inform individual in-depth interview guide	(Yin 1994) (Glaser 1978)
Collection of systematic data and main data collection	formation of individual in-depth qualitative interview guide and protocols undirected selection of respondents conducting qualitative interviews transcription of tapes return of transcripts to respondents for additional comments	(Eisenhardt 1989) (Glaser 1978) (Janesick 1994)
Data management	develop systems of recording, managing and securing data	(Hartley 1994)
Data coding	systematic coding using principles of constant comparison emergence of categories, subconstructs and constructs substantive coding	(Glaser & Strauss 1967)
Data analysis	within-case analysis return of initial findings to host organisation delimit coding theoretical saturation and coding	(Eisenhardt 1989) (Glaser 1978) (Yin 1994)
Supplementary data analysis	documents, records of meetings interviews with select personnel for purposes of triangulation	(Hartley 1994) (Glaser 1978)
Gaining and maintaining access to the second host organisation	contacted organisations met with relevant personnel gained approval for access and support of relevant personnel developed an understanding of mutual processes and procedures repetition of all steps to 'Supplementary Data Analysis'	(Hartley 1994)

Table 3.7: Further research design processes and procedures

As a process of data collection, management and analysis, each step brought the researcher to a deeper understanding of the researcher phenomena in a collaborative

manner with the respondents. The process enable the researcher to develop an heightened awareness of the respondents perceptions, track data sources and review data with each respondent for purposes of clarity and subjectivity.

Process	Procedure	Core sources
Identifying cross-case patterns	pattern matching (explanation building) saturation	(Eisenhardt 1989) (Yin 1994) (Glaser 1978)
Analysis findings	emergent theory development model development model discussed in additional organisation setting to check work & fit	(Yin 1994) (Glaser 1978)
Supplementary literature review	substantive theory development	(Glaser 1978)
Discussion, conclusion and recommendations	research findings written up in thesis format process and procedures demonstrated and substantiated throughout report trustworthiness of findings demonstrated	(Guba & Lincoln 1989)

Table 3.8: Further research design processes and procedures

This final stage, while not separate from the previous two, provided the framework for higher order findings to emerge as a processes of pattern matching and substantive theory development. The outlined procedures enabled the researcher to work with the data, develop a rich understanding and “present sufficient details of data collection and the processes of analysis to permit others to judge the quality of the resulting product” (Patton 1990:462).

While not to be viewed as a linear process, this research design operated as a working tool that provided a guide to achieving the objectives of the research. As a working tool, the strategy was developed as the research process continued and is presented in its final form.

As an outcome of the research design strategy, additional models and guides were developed. Relevant to this stage of the research was the development of a research framework for research sequences (figure 3.2 located on page 90), based on the

objectives of the research. This was undertaken to further develop the research question and propositions stages of the research design.

Specific to the research questions and objectives, the following issues were reflected in the framework below:

- seeking perceptions of the strategies being implemented;
- understanding of expectations, roles, involvement of change strategists and employees in the change process; and
- understanding employees' perspectives on perceived needs and strategies for the implementation and acceptance of change.

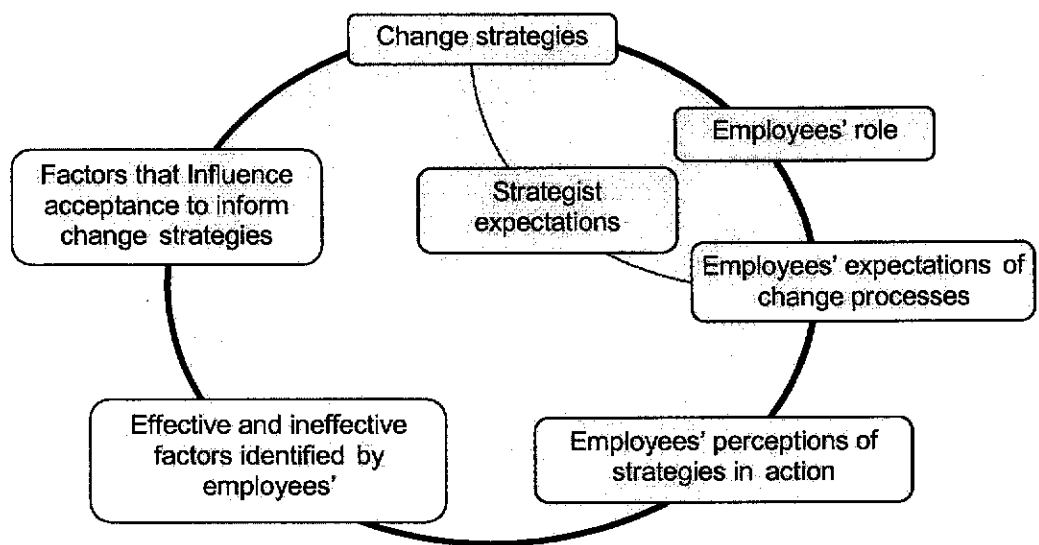


Figure 3.2: A research framework for research sequences

Finally, as described by Howe and Eisenhart (1990), the background assumptions or the 'researcher's own subjectivity' was the basis of the researcher's distinctive contribution and was viewed both as a strength and a weakness. It was a strength in that it contributed to a heightened level of theoretical sensitivity, and it was a weakness as a potential bias capable of infecting the findings. A conscious effort was made by the research to counteract this weakness by remaining true to the constructivist paradigm and the ontological assumption of realities being constructed by the employees under investigation — not objective realities, not the researcher's realities but the *employees'* subjective realities.

3.10 Data Collection

Data collection methods utilised within this research included that of the identification and access of relevant organisations, the recruitment of interviewees available and willing to participate in focus interviews or individual in-depth interviews, interviewing of the organisational change strategist and the accessing of relevant organisational documentation for the purpose of triangulation.

In order to collect data to inform the research objectives, a number of organisations were approached. Initially, it was proposed to seek access to two or three organisations. The third organisation was to be sought only if the findings from the first two did not produce insights into the research question.

Organisational types sought were of no less than 150 people and were from either the private or public sector undergoing significant organisational change. Initial contact was made through 'cold-call' telephone conversations (Hartley 1994) with human relations management as a way of introduction and seeking the relevant person to approach. Approaches were made to banks, state government authorities, utility organisations, the education sector and local government. While initially it was intended to seek organisations from differing sectors, this eventually did not occur, due to restrictive access issues. These issues were varied and associated with confidentiality, inappropriate timing, lack of control over the final document or a sense of research overload within the organisation.

Access to two separate West Australian local government organisations eventually occurred, one through a third-party introduction, and the other through 'cold calling'. The local government organisations were located in metropolitan Western Australia, both being organisations with a large workforce of around 200 employees.

While initially it was considered desirable to seek organisations from differing sectors, to provide a wider application for the research findings, it was concluded that as a qualitative research where generalisation was not considered the purpose, the two organisations accessed were experiencing significant enough change to inform the objectives of the research.

Once initial contacts were made and the approval process completed, both organisations provided open access to staff and facilities for conducting interviews. At

the researcher's request, both organisations were asked to issue a written advice to all managers regarding research approval. The researcher also informed the organisations of her availability to attend any meetings with managers to discuss the research strategy prior to interviews starting, but this was not requested.

As the aim of the research was to analyse perceptions of employees as the recipients of change, within each organisation the stratified sample for the research took the form of an undirected selection of employees up to, but not including, management levels. The selection at the employee level was not directed by their positions, departments, titles, length of services or any defining factor. Employees were contacted directly by phone using the organisation's internal telephone directory. They were provided with information regarding the purpose of the research and given the opportunity to participate on a confidential basis if available. This process occurred for all interview activities at both the focus and individual in-depth stages.

Data within this research was collected in the following ways. Two focus groups were conducted at each organisation to provide the data upon which to design an individual in-depth interview guide. Individual in-depth interviews were conducted with employees until sufficient data was collected for the 'fairly in-depth' analysis required by grounded theory methodology. In total, twenty-four employees participated across both organisations in the focus group activities. Twenty-one individual in-depth interviews were conducted at one site and ten at another, with the decision to stop being dictated by saturation of existing categories and a paucity of new categories. The process as a whole also included the return of tentatively analysed individual in-depth interviews to some respondents for purposes of sharing, trustworthiness and fit, and the undertaking of an in-depth interview with the change strategist of each organisation for purposes of triangulation of data.

Figure 3.3 (located on page 93) outlines a demonstration of this process as further detailed in the following two sections.

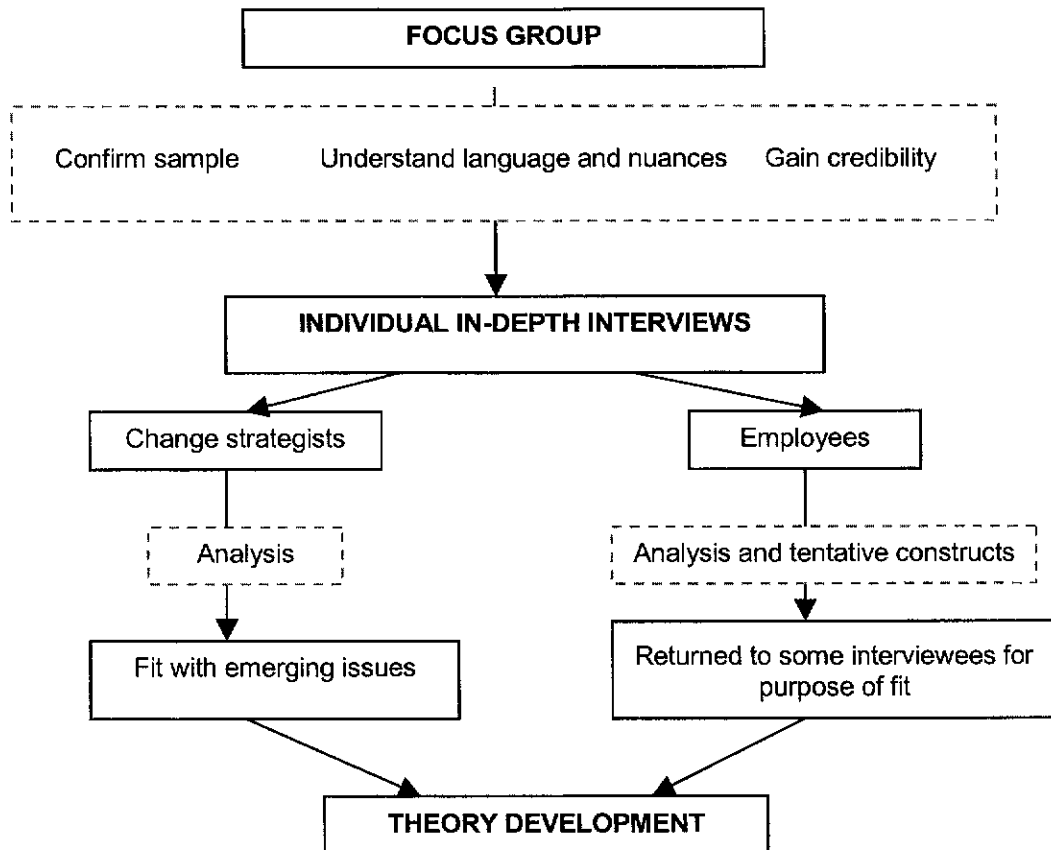


Figure 3.3: The data collection process

3.11 Focus Groups

As a research tool, the focus group interview was selected because of its narrow purpose (for which it works particularly well); that is, to provide insights into the attitudes, perceptions, and opinions of respondents (Krueger 1994). As the first stage in the data gathering process, the focus group interview was utilised to gain an understanding of organisational language and nuances. It provided an introduction to the phenomenon of change that was relevant to the respondent organisations from their perspective. A further methodological objective was to gain credibility with employees, which would hopefully benefit further interview recruitment.

As a process, focus groups are not so much a freewheeling conversation among group members (as they are sometimes thought of) but a process of focus supported by a clearly identifiable agenda (Stewart & Shamdasani 1990). “The hallmark of focus groups is the explicit use of the group interaction to produce data and insights that would be less accessible without the interaction found in a group” (Morgan 1988:12).

“The focus group interview works because it taps into human tendencies, attitudes and perceptions relating to concepts, products, [and] services...” (Krueger 1994:11). They are “not open public meetings because this defeats critical characteristics that are essential for the focus group to work, such as having homogeneous participants, a permissive environment, and a limited number of people” (Krueger 1994:75). “The purpose is not to teach, to provide therapy, to resolve differences, or to achieve a consensus but to obtain information in a systematic and verifiable manner” (Krueger 1994:224).

Upon invitation to attend the focus group sessions, employees were advised of the research topic, informed that permission had been obtained from the organisation’s CEO to conduct a number of interviews, and employees were provided with optional participation. No employees were forced to participate, and refusal was minimal. The sessions were presented and conducted as an information gathering activity to provide the research with a historical representation of the organisation’s change program.

Two focus groups were conducted at each organisation at the commencement of the research process. At the conclusion of initial contact with each respondent, an invitation was hand delivered or e-mailed reconfirming details of time, location, date, purpose and confidentiality. Each session was attended by approximately six employees and recorded using a small recorder to enable proceedings to be transcribed on a word-by-word basis for later analysis. Permission to use the tape recorder was obtained at the commencement of each session. No objections were received during the focus interview stage.

At the conclusion of the two focus group meetings at each organisation, preliminary analysis was conducted with the aim of constructing an individual in-depth interview guide to be used directly in the next stage of data collection. Information from the focus groups was not used in the final analysis but was significant in providing a general context for the researcher to begin developing a level of sensitivity regarding the phenomenon under study and informing the construction of the individual in-depth interview guides. The focus group activity enhanced the researcher’s capacity for theoretical sensitivity, another pillar of grounded theory methodology. This process further provided an initial insight into the general level of understanding regarding the change experience and provided an introduction to the organisation for the researcher.

The individual in-depth interview guide was the major tool within this research for data collection.

3.12 Construction of a Qualitative Individual In-depth Interview Guide

“The goal of any qualitative research interview is ... to see the research topic from the perspective of the interviewee and to understand how and why the interviewee has come to a particular perspective” (King 1994:14). The construction of the qualitative individual in-depth interview guide was therefore based on the need or “... desire to *understand* rather than to *explain* ...” (Fontana & Frey 1994:366), and was conducted at a level understandable to the respondent, using the language of the respondent (Berg 1989) gained from the focus group experiences.

As a research tool, the interview can be used in a number of differing styles. It can be structured, semi-structured or unstructured. It can be used for “marketing purposes, to gather political opinions, for therapeutic reasons, or to produce data for academic analysis” (Fontana & Frey 1994:361).

Structured interviewing, also referred to as *scheduled standardised interviewing*, is a process associated with survey research where a set of standard questions are used and not deviated from. The interviewer is required to play a neutral role, never interjecting or disclosing their views or opinions (Fontana & Frey 1994, Denzin & Lincoln 1994). The process for the semi-structured interview is one that provides an opportunity for the research to appear both informed and naive during the interview stage where questions are used for guides but also to enable the process to remain focussed. Deviation from the research topic is permitted, and its relevance can be explored with the interviewee in light of the research topic.

While the *unstructured, non-scheduled standardized or open-ended* interview works with a list of the information required from each respondent, the particular phrasing of questions and their order are redefined to fit the characteristics of each respondent (Denzin & Lincoln 1994, Fontana & Frey 1994, Patton 1990).

As the structured interview “aims at capturing precise data of a codable nature in order to explain behavior within preestablished categories”, and the unstructured “is used in an attempt to understand the complex behavior of members of society without

imposing any *a priori* categorization that may limit the field of inquiry” (Fontana & Frey 1994:362) neither were considered appropriate for the task of gathering evidence specifically related around answering the research questions.

As a qualitative research seeking to understand employee perceptions, the semi-structured approach was utilised to guide the development of an individual in-depth interview guide. The interview guide was constructed from the information obtained from the focus group sessions. The interview guide consisted of seven open ended questions. It imposed some generalised categories that directed conversation to issues relating to the organisational change program that the employees had experienced.

The structure did not seek to restrict conversation, but to act as the focus should it become involved in areas not related to or associated with the research. Each question was further supported by a number of prompts for the purpose of conversation generation by the researcher. These were only utilised during interview lulls and were predominately unrestricted ‘opinion/values’ questions aimed at seeking employee perceptions and based on an understanding of those received from the employees who participated in the focus group. The interview guide was not used as a directive tool seeking precise coverage but was used as a guide for the researcher and as a prompt sheet as required.

3.13 A Detailed Description of the Interview Process

The purpose of interviewing is to find out what is in and on someone’s else’s mind. The purpose of open ended interviewing is not to put things in someone’s mind (for example, the interviewer’s preconceived categories for organizing the world) but to access the perspective of the person being interviewed. We interview people to find out from them those things we cannot directly observe (Patton 1990:278).

Individual in-depth interviews, conducted at the two local-government organisations (LG1 and LG2), resulted in approximately 400 pages of transcribed data along with hand written diary notes recorded at the conclusion of each interview (Silverman 2000). In total twenty-one interviews were conducted at LG1 and ten at LG2.

Participants were selected on an ongoing basis from respective internal telephone directories until the data collected was judged to have reached a level of saturation.

Interviews at LG1 were conducted over a two month period during the later stages of one year and interviews at LG2 conducted over a two week period in November of the next year. Interviews were scheduled to allow approximately one hour per interview with a fifteen minute break in between for note taking and preparation for subsequent interviews.

While the interview guide was neither formal nor structured, the practicalities and strategies for conducting the interview were well rehearsed to reflect a professional, but friendly, environment. The aim was to ensure that respondents felt that what they were saying was being taken very seriously, and that the researcher was respectful of their time and their sharing of information.

To achieve this, a range of steps in line with the work of Patton (1990), Cannell and Kahn (1953), King (1994), Fontana and Frey (1994) and Janesick (2000) were undertaken at each interview. Each interview commenced with an introduction of the researcher and her background, along with an outline of the purpose, aims and objectives of the research, and issues of confidentiality. This information was provided at the beginning to expose the researcher on both a personal and professional level to the employee with the aim of initiating a rapport. A description of how the respondent was selected was provided and a description of how information received would be stored and handled was explained to reinforce confidentiality and the commitment to anonymity. An outline of how information would contribute to overall research was provided, and permission was also sought to tape record each interview for the purposes of later transcription and analysis.

The interview guide was clearly displayed on the table so that employees did not feel that there were a range of secret questions about to be fired at them. Respondents were not provided with a copy of the interview guide, nor were they given the opportunity to read it. It was simply displayed on the table to create a sense of informality.

The interview guide itself was constructed in a manner that commenced with a general question and then allowed for a general range of possible questions depending on what was raised by the respondent. A sample of the guide is included in Appendix 3. Issues

raised in response to the opening question of “What is your understanding or perspective of the change program in the organisation over the past year or so?” were then used to prompt further questioning. If issues raised were limited then the guide was utilised to help further the process. At the end of each interview, each employee was provided with general feedback regarding how the information they had provided contributed to the research’s aims and objectives, but not how it related to others interviewed. This provided excellent closure, an opportunity to thank people for involvement, and reinforced that their time had been appreciated.

After post-interview transcription, individual interview documents were returned to each interview respondent. These were hand delivered to each respondent to ensure rigour in confidentiality. Interview respondents were provided with the opportunity to review their statements and return any comments relating to the misrepresentations of their views. This was completed approximately three months after the interviewing phases and during the very early stages of coding. No comments were received requiring the raw data to be altered.

At LG2 a similar process was followed, although the period of direct data collection was more intense. With an acute awareness of the need to remain faithful to the data and not forcing it to fit with LG1, the process of coding and analysis was again conducted in line with open coding and emergent principles (Glaser & Strauss 1967).

Similar to LG1, a process of making diary notes was used throughout the interviewing process to assist in the conceptual development of categories and the ongoing questioning and probing process. The interview guide, developed from the LG2 focus group experience, was the central tool for the individual in-depth interviews, supported by an open and interactive interviewing approach. With a greatly increased sensitivity to the research objectives and a more informed questioning approach, a higher degree of inductivity was achieved at an earlier stage in the interviewing process. This resulted from the use of open ended questions combined with probing and clarification techniques (Cannell & Kahn 1953) that continually focussed the discussion around the research objectives. While interview respondents were not halted from meandering through their own personal experiences, to avoid delimiting emergent categories, the use of probing and clarification techniques did result in a lower number of interviews being conducted prior to saturation.

3.14 Triangulation

To further build upon the data obtained from the employee interviews, additional information was obtained by way of an open interview with the change strategists from each organisation and by obtaining relevant documentation related to the organisational change process. The interview guide constructed for the employees was modified and utilised with the change strategist. The guide focussed on the organisational change process that had occurred and sought to develop an understanding of what the change strategist's expectations had been. Expectations relating to the change design process and their perceptions of employee reactions and responses to the process were sought.

Information obtained from the interviews was transcribed and utilised to inform a number of the research objectives and provided an alternative or supportive view of employee perceptions. This assisted in providing a deeper understanding of the emerging issues and an opportunity to further naively explore issues with ongoing employee interviews. Outcomes from this process are more widely discussed in chapter five along with employee data.

This practice of obtaining multiple sources of information is referred to as triangulation, and is widely recommended in the process of conducting case studies (Yin 1994) and qualitative research. The outcome of such an approach in organisational research is that researchers "can improve accuracy of their judgements by collecting different kinds of data bearing on the same phenomenon" (Jick 1984:136). It not only provides multiple perspectives and a richer and deeper understanding but is also a method of rigour regarding the outcomes of the research strategy.

3.15 Data Management

"Grounded theory offers a way of attending in detail to qualitative material in order to develop systematically theories about the phenomena which has been observed" (Turner 1983:333). A range of tools were utilised to assist in this process during data collection, analysis and theory development.

In the collection of all the interview data, a small hand held tape recorder was used (with permission) for recording information. Tapes were initially transcribed by the

researcher and, after the first fifteen, all further interview cassettes were transcribed on a fee-for-service basis by a professional typist into Microsoft Word documents deemed compatible with future programming and analysis requirements.

All transcribed interviews were checked for accuracy by listening to each tape and checking it against the received transcript. With a sense that the data had been accurately transcribed, interviews were manually coded by the researcher. Coding was recorded using QSR NUD•IST (Richards & Richards 1996) including open coding, and the forming of higher constructs. At the conclusion of delimiting activities, all codes were transferred to Banxia Decision Explorer (Banxia Software Ltd 1998) for the purpose of building a visual representation of the data and strengthening the depth and richness of the emerging theory.

All linkages were made manually by the researcher and were based on the emerging phenomenon of how employees perceived effective change could be implemented, based on their own experiences and perceptions. Both tools enabled theory development to emerge by providing effective systems of data management, allowing for auditable analysis trails, and the development of systems that provided levels of assurance that all data had been managed correctly thus providing traceable steps for further questioning.

3.16 Method of Data Analysis

Qualitative data analysis is a way of systematically attending, in detail, to material in order to develop theories about the phenomena that have been observed (Turner 1983).

To guide the analytical process of the research, aspects of both grounded theory principles and content analysis methods were drawn upon (Glaser & Strauss 1967, Glaser 1978, Holsti 1969, Altheide 1996, Patton 1990). Meaning within the data was allowed to emerge without force, and the ongoing process of comparative analysis for the generation of theory fitting with grounded theory principles was utilised (Glaser & Strauss 1967). A process of systematically ordering the data, as a way of allowing ongoing insights to develop through qualitative content analysis, was also used in conjunction with grounded theory principles to provide a framework to support methods of data analysis (Altheide 1996).

In the field of qualitative data analysis, the method used was both non-linear, iterative and demanding of degrees of sensitivity, views supported by Siedel, Kjolseth and Seymour (1988) and Patton (1990).

The analysis of qualitative data is a progressive and iterative process that generally proceeds from a concrete to a more analytical or theoretical level. This process does not necessarily proceed in a straight line, and ... may have a starting point that is more theoretical than it is concrete (Siedel, Kjolseth & Seymour 1988:7).

Because each qualitative study is unique, the analytical approach used will be unique. Because qualitative inquiry depends, at every stage, on the skills, training, insights, and capabilities of the researcher, qualitative analysis ultimately depends on the analytical intellect and style of the analyst. The human factor is the great strength and the fundamental weakness of qualitative inquiry and analysis (Patton 1990:370).

Qualitative analysis can occur using one particular setting or across cases making the use of such methods very versatile. It is not neat, pre-ordered or a process of one off fact finding. "The process begins when you come into contact with some data, start to notice certain features and patterns in the data, and then begin to identify and tag those features and patterns for later retrieval and more intensive analysis" (Siedel, Kjolseth & Seymour 1988:7).

Within this research, content analysis methods were therefore aimed at identifying, coding and categorising primary patterns in the data (Siedel, Kjolseth & Seymour 1988) and as a multipurpose research method analysing the communication content of in-depth individual interviews.

Both grounded theory (Glaser & Strauss 1967) and content analysis (Holsti 1969) contributed to the framework processes of constant comparison, contrast and theoretical sampling (Altheide 1996). While some versions of content analysis were associated with constructed dictionaries that predetermined the data coding process, this is no longer considered the only version of content analysis (Altheide 1996). The more qualitative emergent versions of content analysis, described by the writers above, employ content analysis in the task of interpreting, rather quantifying, content

utterances as described by such writers as Bouma (1993) and Cassell and Symon (1994).

3.17 Steps in Analysis

There are no linear procedural steps involved in qualitative data analysis. “Instead, each investigator must judge what methods are appropriate for her or his substantive problem” (Weber 1985:13). While lists of strategies exist, they do not determine an exact process to direct the researcher. They all provide a general approach that can guide the researcher in assisting theory to emerge. They provide an approach committed to *discovery*, not *verification* (Glaser & Strauss 1967).

Approaches are based on many similar principles. The following steps were used within this research. These were in line with the work of Patton (1990) and Tesch (1990) as listed in Creswell (1994). (This is outlined in figure 3.4 located below) These steps were utilised to combine the processes of data management and analysis, and take transcribed interviews from a plethora of single utterances to groups of similar views, perceptions and perspectives as expressed by the employees.

In the initial stages of data analysis these were referred to as *categories*. As similar meaning emerged among categories they then became grouped as *subconstructs* and then *constructs*. Each level was viewed as a higher order in the process of data analysis and appeared as here demonstrated in figure 3.4.

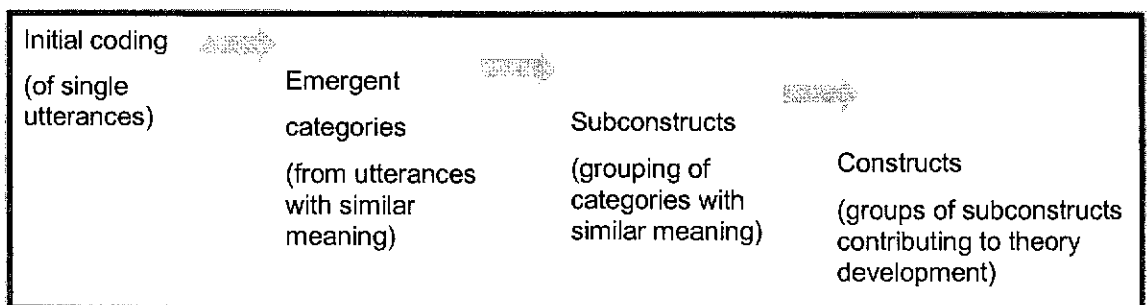


Figure 3.4: Steps in data analysis

Literal step as conducted in the process of data analysis, in line with the work of Patton (1990) and Tesch (1990) as listed in Creswell (1994) were as follows:

Steps	Actions
Consideration of single utterances	<p>All transcribed interviews were read through by the researcher with comments made in the margins as a way of organising the data into areas of similar meaning.</p> <p>Patterns of similar meaning were noted and loosely linked.</p> <p>Emerging patterns were coded into initial groups.</p> <p>An initial data index was formed of the grouped utterances and meaning giving birth to initial category index listing.</p>
Emergent categories	<p>Category grouping checks were performed against the index listing, by the researcher, through randomly selecting interviews, re-reading and again asking: What is this utterance about? What is the underlying meaning? Does it belong in this category?</p> <p>While some categories began to develop a sense of robustness and depth others were loose and were maintained individually but not discarded to enable an ongoing review of their relevance to the research topic.</p> <p>Descriptive appropriateness of category labelling as per the index listing were questioned in line with employee utterances and language.</p> <p>At the conclusion of questioning the reviewed category groups, the renewed data index was viewed as the higher order working index from which further data analysis was conducted.</p>
Subconstructs and constructs	<p>Working with the new data index each category was reviewed to consider its meaning in light of all existing categories.</p> <p>Categories of similar meaning were grouped together and assigned a subconstruct label.</p> <p>Initial category grouping labels were maintained under each subconstruct but were again reviewed during this process to make an ongoing revision of each category and if necessary question initial coding in light of growing sensitivity to data and its meaning.</p> <p>A revised and regrouped data index inclusive of emergent subconstruct codes inclusive and representative of category meanings was developed.</p> <p>Subconstruct labels were reviewed in same process of initial categories (step 9-11) as a means of seeking a higher order understanding of subconstructs and their categories and the creation of construct labels that contribute to the final stage of data analysis and provides substance to theory development.</p>

Table 3.9: A summary of analysis procedures

3.18 Establishing Codes

While most of the previous issues raised under data analysis can be aligned with processes of data management, the issue of establishing the codes was where the true analytical process began. It was at this stage that the researcher sought to guide and sanction theory to emerge from the data without force.

To achieve this, a process of constantly questioning the data as part of Glaser and Strauss's (1967) grounded theory approach was required. It required the repetitious application of questions such as:

- What is the data a study of?
- What category does this incident (or utterance) indicate?
- What category or property of a category, of what part of the emerging theory, does this incident or utterance indicate?
- What is actually happening in the data?

It provided a constant point of refocus while dealing with large volumes of data and enabled a constant comparative approach to flow naturally.

This was performed on a line-by-line approach, forcing the researcher to reconsider and affirm codes and saturate categories. This minimised missing any important categories; produced a dense, rich theory and gave a feeling that nothing had been left out. It also assisted in stopping the forcing of 'pet' themes and ideas, unless they had emergent fit (Glaser 1978). *Fit* is a term used to mean coming from within the data and not a 'face sheet variable' such as age, sex, social class, race skin colour, forced upon the data by the researcher (Glaser 1978).

The process of coding was based on the following. First, the researcher coded each utterance or incident into as many categories of analysis as possible. As categories emerged, or as coded data emerged that fit existing categories, the researcher began thinking in terms of the theoretical properties of the category: its dimensions, its relationship to other categories, and the conditions under which it was pronounced or minimised. This process included a continual returning to the data until the categories became theoretically saturated. The concept of saturation was pivotal because had saturation not occurred, interviewing would have continued along with the identification properties of the ongoing emerging categories (Glaser & Strauss 1967). The analysis increasingly moved from comparison of incident with incident, to comparison of incident with categories that resulted in emergent higher order subconstructs and constructs. The further refinement of categories, higher order subconstructs and constructs and their interrelationships gradually lead to the development of theory. The theory developed from continual delimiting of categories

into a smaller set of high level constructs. Finally, when the researcher was convinced that the theory was satisfactorily integrated, the theory was presented as a set of tentative concepts (Conrad 1978).

The research sought to understand the full picture of what was being presented by making progressive analytical judgements while giving consideration to the following seven factors:

1. both the symbol and meaning of the words;
2. the context;
3. the internal consistency (are people changing their minds and why?);
4. the frequency or extensiveness of comments (as it is risky to assume that either frequency or extensiveness is equivalent to importance without additional evidence);
5. the intensity of the comments;
6. the specificity of responses; and
7. finding the big ideas (Krueger 1994).

Data from LG1 was transcribed on an ongoing basis throughout the interview period and for several months afterwards. The first 15 interviews were transcribed by the researcher thus providing an opportunity to self assess interview and questioning techniques. It also provided an opportunity for the researcher to become submerged in the data and become more competently involved in the process of data coding and analysis.

In summary, based on grounded theory principles, the process of establishing codes was achieved through a number of activities such as:

- open coding to enable initial codes to emerge;
- development of tentative categories from open coding;
- constant comparison of tentative and ongoing emerging categories;
- development of constructs and theoretical sensitivity;
- theoretical saturation and sampling; leading on to
- theory development.

3.18.1 Open Coding, Category Development and Constant Comparison

Open coding was the initial step of analysis, allowing the initial discovery and establishing of codes. During the open coding, a process often referred to as “running the data open” (Glaser 1978:56), the utterances within the data were grouped into initial codes to be closely examined and compared for similarities and differences.

Running the data open allowed for the development of *tentative categories*, emergent from the initial codes that were confirmed or recoded as the analytical process continued and the constant comparison process commenced. In running the data open or breaking down and conceptualising the data, not every single observation, sentence, paragraph, discrete incident, idea or event was given a category name. Such an approach would end up in a “helter skelter of too many categories and properties” and “an over conceptualization of a single incident” (Glaser 1992:40). It would also present no pattern relevant to an integrated core construct analysis.

What was done was a constant comparing of initial coding with initial coding, initial coding with categories, categories with categories, categories with subconstructs and subconstructs with constructs. This was conducted as a practice of looking for patterns so that a pattern could be subject to ongoing analysis. Figure 3.5 (located on page 107) demonstrates the process followed. It shows that the process of constant comparison cuts across all processes of data analysis, that the data does build upon itself starting as an initial code and moving through to a higher order construct, where sensitivity and theory development occurs. As the figure may suggest, not all initial codes in the process of data analysis end up encased as a final construct. The process of delimiting addresses is further discussed in section 3.18.4.

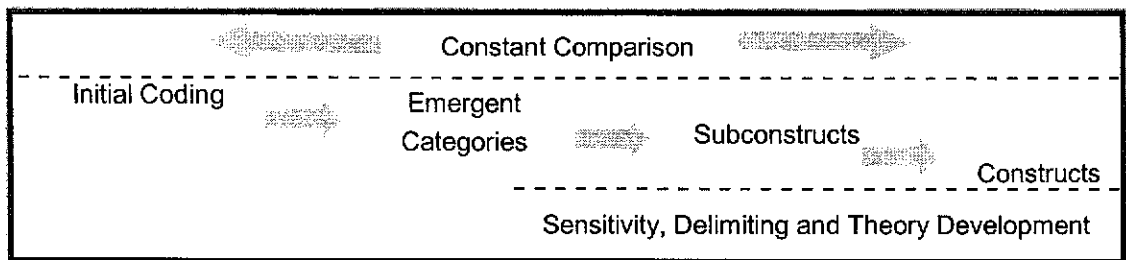


Figure 3.5: The data analysis procedure

As supported by Glaser (1992), this overall process was not ‘just a labelling act’ but a method in grounded theory allowing for conceptualising patterns among codes and categories. Running the data open resulted in the creation of codes and the emergence of initial categories, categories being the collective labelling name given to the grouping of initial codes. During the initial stages, category numbers were prolific but through constantly comparing categories with categories and asking ‘What does this indicate?’, patterns began to emerge and, like initial codes, were collectively grouped under category names. Categories were constantly compared as they began to group to identify patterns of meaning, and this process continued through to the development of constructs.

3.18.2 Development of Constructs and Theoretical Sensitivity

The emergence of lower level categories occurred quickly during the early phases of data collection. Higher level constructs tended to come later during the joint and ongoing collection, coding and analysis of the data and as the database continued to grow. The purpose of developing higher level constructs by comparing the data as it was collected was to enable the researcher to create more abstract levels of theoretical connections. In short, the theory was gradually built up inductively from the progressive stages of analysis of the data in line with Glaser’s (1978) grounded theory processes.

This process was also supported by the researcher’s theoretical sensitivity that was being informed as the data was collected and analysed. As a result, a picture started to develop and an understanding of the phenomena under study was formulated. Theoretical constructs emerged as patterns formed, and a number of categories were brought together to represent a greater understanding and the commencement of theory

development. Categories appeared in a number of constructs, dependent on the content of their meaning.

3.18.3 Theoretical Saturation and Sampling

The criterion for judging when to stop data collection under the principles of grounded theory is when theoretical saturation occurs. *Saturation* means that no additional data is being found with which the researcher can further develop a category or higher order constructs and their content. As similar instances or meanings of data occur over and over again, the researcher can become empirically confident that saturation is occurring (Glaser & Strauss 1967).

When saturation occurred in all categories and constructs data collection ceased, theory development proceeded with confidence based on enough understanding of the information imparted by the interviewed employees to allow a tentative conceptual framework to emerge. When it was judged that saturation had occurred and that constructs indicating that social processes of receiving change were emerged, a safety check was put in place. One more interview in each case study organisation was conducted. The saturation appeared to be confirmed to the extent that it was judged that information again imparted demonstrated a fit with the existing emergent conceptual framework.

3.18.4 Theory Development

Theory development consists of two distinct stages: delimiting the theory and writing the theory (Glaser & Strauss 1967).

Delimiting, as mentioned previously, was the process utilised to reduce the volume of data, enabling the researcher to work with subconstructs and constructs within the boundaries of the research (Glaser & Strauss 1967). Within the process of this research, only a limited quantity of data was subject to this process, due to the direct focus within the interview process. Data viewed as not being within the boundaries of the research was not dismissed or eliminated from the analysis procedure until the final stages, to ensure that its contribution or lack of contribution was clearly understood.

As a process, grounded theory constantly challenges the researcher in questioning how the codes and categories identified contribute to the context of the phenomena, and

questioning its inclusion. As a result, “grounded theory is constantly being delimited and modified in light of the phenomena under investigation” (Conrad 1978:104).

Within this research, the systematic and iterative process of grounded theory (Glaser & Strauss 1967) was more extensively used during the process of developing subconstructs and constructs. These were put to the constant comparison test (Glaser, 1992), where categories and subconstructs were continuously interrogated for their appropriateness to be included in specific constructs. These activities were part of the rigour of the research and particularly contributed to the replicability of the research process. This process was used not only to condense categories to form higher order subconstructs and constructs but to constantly compare non-related data in the processes of delimiting. This overall process was carried out in order to develop an analytic framework to achieve two major requirements of theory: (1) parsimony of variables and formulation; and (2) scope in the applicability of the theory to a wide range of situations, while keeping a close correspondence between theory and data (Glaser & Strauss 1967).

To develop what Glaser (1992) refers to as ‘well constructed grounded theory’, the aim was to obtain a sense of fit, work, relevance and modifiability. A sense that the emergent constructs and theory development fit the realities under study in the eye of subjects, practitioners and researchers in the area. To achieve this, emergent subconstructs and construct listings were returned to some of those interviewed — those who indicated an interest in it, including one key change strategist — and were further shown to a group of employees outside the study who were also experiencing a planned change process.

3.19 Quality Criteria for Rigour

Historically, schools of thought associated with interpretive enquiry have traditionally been linked with positivistic enquiry and its related methodologies. Interpretive researchers have sought to develop a framework for quality based on the entrenched framework for positivist enquiry, a stance viewed by Howe and Eisenhart (1990) as incorrectly reinforcing positivistic enquiry as the dominant paradigm.

Establishing quality criteria within research is primarily the concern of “How do we separate good research from poor research across disciplines and traditions?” (Lincoln

1995:276). Deciding what distinguishes good research from bad and the alignment of associated arguments belongs to many differing schools of thought.

Initial developments in quality related to the interpretivist enquiry or the constructivist paradigm are best associated with Guba and Lincoln (1985). It was during this period that Guba and Lincoln (1985) developed a set of quality criteria parallel to the positivistic conventional four, staying as close as possible to them conceptually while adjusting for the changed requirements by substituting constructivist for positivist ontology and epistemology (Guba & Lincoln 1989). Quality criteria for positivistic enquiry, rooted in its paradigm framework is based on issues of internal validity (control), external validity (generalisability), reliability (consistency) and objectivity (neutrality) (Guba & Lincoln 1985, Guba & Lincoln 1989).

From this, the following interpretivist enquiry emerged based on the criteria of creating trustworthiness within qualitative research:

- Credibility: matching stakeholders' realities with the realities presented by the researchers as attributed to the stakeholder.
- Transferability: the provision of a clear framework in order to facilitate transferability of judgements on the part of those who may wish to apply the study to their own situation.
- Dependability regarding the documentation of the logic of process and method decisions.
- Confirmability: the ability to track data sources and make use of such data (Guba & Lincoln 1989, Robson 1993, Patton 1990).

Like all issues relating to the ongoing progression of theory development, and urged on by theorists such as Howe and Eisenhart (1990), quality criteria relating to qualitative research, has progressed to a more independent alignment with constructivist thinking and separating associations with the positivist paradigm. This has given rise to criteria of fairness and authenticity:

- Fairness: stakeholder identification and ongoing involvement through to recommendation stages.

- Ontological authenticity: expansion of stakeholders' emic constructions through involvement (Guba & Lincoln 1989).

Ongoing development in thought and criteria have emerged from the work of Lincoln (1995) and expand upon the concepts of *authenticity* and *fairness*. These include eight criteria, and are best summarised as "three new commitments: to emergent relations with respondents, to a set of stances, and to a vision of research that enables and promotes justice" (Creswell 1998:195).

The eight criteria are:

- *enquiry community* and commitment to research guidelines;
- the *positionality* of the researcher from an epistemological perspective;
- *community* benefits as for respondents;
- the *voice* of the community being heard;
- *critical subjectivity* reliant on a heightened self-awareness and an awareness of respondents;
- *reciprocity* between the researcher and respondent based on sharing, trust and mutuality;
- *sacredness* related to the life of others with a deep appreciation of the human condition; and
- *sharing of privileges* gained from the research experience including knowledge, kudos or rights of publication (Creswell 1998, Lincoln 1995).

Within this research the criteria for quality was based on Howe and Eisenhart's 1990 criteria:

- the fit between research questions and data collection and analysis techniques;
- the effective application of specific data collection and analysis techniques;
- alertness to, and coherence of, background assumptions;
- overall warrant; and
- values constraints.

As outlined in table 3.6 (Research design processes and procedures – located on page 87), developing a fit between the research question, data collection and analysis techniques was an integral component of the early stages of the research development.

The research question and objectives were generative and took some time to develop prior to developing any data collection and analysis techniques.

The data collection and analysis techniques were based on the most basic principle of understanding the phenomena under research from the employee's perspective. Employees were the primary data source and were provided with the opportunity to discuss at length their views and perceptions. This provided the basis for all emergent theories.

As a phenomenological and ethnographic research seeking to understand the lived experience of employees, it was determined that the best approach was to directly engage in meaningful dialogue with employees in a format that would allow their perceptions to be discussed freely. To achieve this, in-depth interview techniques were utilised. This approach provided employees with the opportunity to talk openly, free from the constraints of colleague pressures and in an environment of guaranteed confidentiality. This all contributed to the effective application of data collection and analysis techniques.

In creating a level of alertness to, and a coherence of, background assumptions, an ongoing literature review was conducted throughout the duration of the research. The literature review assisted in the guidance of the initial enquiry and, during later stages, informed and challenged emergent constructs. The collection of additional data sources relating to the case study organisations, in addition to the primary source, also assisted in building a case of warranty. Data such as interviews with the organisational change strategist of each organisation and accessible reports relating to the change strategies all formed part of the analysis and theory development process, ensuring multiple source of data were obtained. Finally, values in line with Howe and Eisenhart's (1990) above criteria were met by questioning the framework and research strategies and their overall ability to inform the phenomenon of organisational change.

3.20 The Ethical Protocol

Ethical conduct of qualitative research is much more than following guidelines provided by ethics committees. It involves a weighed consideration of both how data collection is conducted and how analysed data are presented, and will vary significantly depending on the details and particularities of the situation of the research (Ezzy 2002).

Ethical protocols exist where the researchers must weigh the quality of the data they can gather against principles such as confidentiality, privacy, and truth-telling (Howe & Eisenhart 1990). As no employees have been referred to by name or position within the body of the research document, both privacy and confidentiality have been maintained. All tape recordings, transcripts and traceable documents have been withheld from the case study organisations. The returning of documentation to any respondents has been conducted on a hand delivery basis or electronically with clearance and approval to do so prior to transmission. The outcome of the research is presented in a format that does not indicate the origin of the data (although every line is traceable by the researcher back to its original source). It thus does not violate the confidentiality agreements discussed at the commencement of every interview.

All information received was handled and processed in a manner that was as true to its original delivery as possible. Transcriptions were returned to employees for clarification and correction beyond the initial interview and, where possible, *in-vivo*[†] conventions were used during all coding activities as a way of remaining true to the story.

3.21 Conclusion

The objective of this chapter was to present a detailed outline of the enquiry paradigm governing this research, along with the developed strategies and methods utilised. The chapter has addressed the selection of grounded theory and case study approaches in the data collection, analysis and theory building. It has worked to demonstrate a quality approach that provides a robust understanding of methods, procedures and techniques used to ensure an open commitment to reflecting a true interpretive approach to the

[†] *In-vivo* refers to language being taken or derived directly from the language of the respondents.

research findings. It has presented quality criteria to enhance acceptance of the findings and a stated demonstration of their application.

In the next chapter, an outline of the general industry environment will be provided. This will specifically refer to the environmental influences experienced by the organisations that encouraged them to initiate a planned change program.

Chapter 4. Local Government - The Case Study Environment

The objective of chapter four is to present an outline of the forces of change affecting Australian local government (the industry area of the case study organisations accessed within this research), with a particular focus on Western Australian local government. The following outline will include a brief history of the role and purpose of local government, will draw attention to the impact of Australian competition policy reform at a local-government level and will identify a number of additional forces of change that have contributed to the most dynamic period of change for local government in its long history.

4.1 The Role of Local Government

In Australia, local government is a democratically elected body whose jurisdiction is local by design, rather than regional or national, with powers and authority granted by state levels of government to deal with specific local issues (Bailey 1999). As a community focussed industry, it is both a service provider and governmental administrator. It provides services relating to community health and development, recreation, and local business creation. It manages community based assets and resources, and seeks on going development opportunities that benefit its local constituents.

Traditionally, local governments have developed around set communities with specific needs and service requirements. The boundaries to these areas have occurred for physical reasons (rivers or roads), for socioeconomic reasons (focused around an industry) or because the government has provided infrastructure as an incentive to attract population (Australian Bureau of Statistics 2001).

In total, Australia has 624 local government areas, as reported by the West Australian Local Government Association in May 2002. These figures vary somewhat throughout the literature on local government and generally demonstrate a steady decrease in numbers from 883 in 1989 (Cutts & Osborn 1989) to the current figure, resulting in fewer, but larger, local government areas.

Local government is the third tier of government in Australia, but unlike either the Federal Government (the first tier), or state and territory governments (the second tier), local government has no constitutional powers; hence, it is unable to collectively institute laws that cross the boundaries of individual local-government areas or initiate legislated taxes upon its constituents. Constitutional responsibility for local government remains at the state government level and its associated legislations (Halligan & Wettenhall 1989).

Local government across Australia is, therefore, overseen by six separate state systems (New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania), with alternative systems operating in the territories (the Northern Territory and the Australian Capital Territory), where services are provided directly by the Federal Government.

Most of the powers conferred upon Australian local government are encompassed in a local government Act in each state which is amended from time to time and expanded by ordinances made under the Act, although there are other Acts which confer specific functions and power to local governments within its jurisdiction (Worthington 1999:2).

In Western Australia, additional Acts (inclusive of responsibilities pertaining to local functions) focus on concerns related to dividing-fences located in outback Western Australia, dogs, litter, superannuation, cemeteries and vehicles in off-road areas (Cutts & Osborn 1989). Overall, most issues relating to the governance of local government in Western Australia are contained within the *Local Government Act* 1995 with direct accountability to the Minister for Local Government. Should a local government authority be viewed as not operating effectively — be it in financial difficulty or if it appears not to be obeying state laws — the Minister for Local Government in each state has the power to dismiss the offending authority (Barwick & Barwick 1999).

Within Australia the history of local government is long. Early in the nineteenth century local communities were offered the opportunity to adopt local government based on the English system of government, as an attempt to have local communities accept some responsibility for their own affairs. To support this process, local governments were given the powers to collect rates on local properties, creating a

revenue basis for conducting local improvements (Balmer 1989). As was the case during the early development of Australia, towns and cities were unhealthy places, hence the “principal local concern [of local governments were] to ensure that the causes of disease associated with buildings and population density were minimised. Drainage, sewage disposal, and the provision of clean water were the early responsibilities accepted by the municipal [local] sphere of government” (Balmer 1989:2).

During the early phases of the last century many of these services were withdrawn from local government authorities. As cities grew, more local government areas were being installed, and difficulties arose in creating uniform service provision across local government boundaries (Halligan & Wettenhall 1989). Services relating to public transport, water, sewerage, drainage, gas and electricity supplies were all gradually removed from most local governments and transferred to special purpose authorities established by the individual state governments (Balmer 1989). Queensland was the exception to this rule where local councils still deliver services such as public transport, sewerage and water (Report from the House of Representatives Standing Committee on Financial Institutions and Public Administration 1997).

From its traditional origins as provider and maintainer of an effective physical infrastructure, local government has, since the early 1970s, absorbed an increasing responsibility for its residents’ wellbeing, and for the overall quality of life of its local communities. Subsequently, the social, economic and environmental considerations of local residents now find their place alongside physical infrastructure considerations as important responsibilities of Australian local government authorities (Roberts 1989).

In meeting the demands of local government, business resources are predominately obtained through five direct sources: federal, and state grants, charges for services, loans and funds raised through the original source of rates imposed on properties located within each local government area. On an average across all councils, approximately 20% of all income is generated through grants, 42% through rates and the remaining 38% through loans, charges for services and one off funding programs (Western Australian Municipal Association 2001). Predominantly, local government is heavily reliant on federal and state grants for the construction of specific projects such as major roads, community centres or the provision of specialised community based

services (Barwick & Barwick 1999). As a result, local government has come under increasing pressures from such external funding bodies, specifically in areas of accountability, effective use of resources, and improved service provision related to the funds provided and future allocations. In Western Australia, the total local government income for 1999–2000 was \$1.5 billion (Western Australian Municipal Association 2001), confirming it as a significant industry area.

4.2 Pressures for Change

Like all levels of government, local government has, and continues to, experience pressures for change, primarily associated with the “aim of devolving management responsibility, introducing private sector management principles and establishing lines of accountability” (Van Gramberg & Teicher 2000:5). As stated by King (1997), there has been a dramatic push since the mid-1980s for government business practices to more closely mimic the structure and incentives that characterise private firms. At a local-government level, this has been in the form of a significant shift from an administrative style of operation, where employees perceived their role as simply to maintain statutory laws, to that of the effective managing of resources (Van Gramberg & Teicher 2000).

Australia has not been alone in this drive to change government business practices. America, in the late 1970s, initiated this process through public–private competitive bidding practices and, by the 1990s, had progressed to rightsizing, restructuring, cost reduction programs and privatisation (Martin 1999). In the United Kingdom, the *Local Government Act* 1988 mandated that local governments engage in public–private competition, called *compulsory competitive tendering* for specified services. The compulsory-competitive-tendering process was generally fuelled in the United Kingdom by the belief that an inherent conflict of interest existed when a government is simultaneously both the purchaser and the provider of a service.

The emergence of the popular management practice of the *purchaser–provider split* was thus adopted and closely observed by government industries worldwide (Martin 1999). The purchaser–provider split is a management system where operations are separated to create the purchaser (the department that administers and measures the quality of the service being delivered) and the provider (the department or outside

contractor who provides the service on the most competitive basis on the open market).

With the aim of increasing effectiveness and efficiency at both a federal and state level, Australian governments began to seek economic reforms to enable trends such as those being pursued in America and the United Kingdom to take place in Australia (Dunford, Bramble & Littler 1998). A major hindrance to achieving this, though, was the inability to enforce that all government businesses, service providers or authorities should act competitively in the open market. This was due to their legislative exclusion from the *Trade Practices Act* 1974, which regulated against non-competitive business practices, with the exclusion of government, unincorporated bodies and specific professional associations (Pascoe 1994).

Such exclusion placed all government business activities in an unbalanced business environment, where the use of and access to government funded assets greatly distorted a true understanding and approach to competitive business practices. In many cases, this ensured monopolistic protection. While the *Trade Practices Act* focussed on prohibiting anti-competition conduct — such as agreements or contracts which substantially reduce competition, price fixing agreements, abuse of substantial market power, anti-competitive exclusive dealing, and primary collective boycotts (Pascoe 1994) — government operations at all levels had claimed exemption under the *Shield of the Crown Doctrine* since the turn of the century, excluding them from adhering to anti-competitive regulations.

In 1977 this was challenged, but the result was, as viewed by Hilmer (1993), unclear and left the Federal Government uncertain regarding the application of the *Trade Practices Act* upon them, with the subsequent uncertainty filtering down to state and local levels. As a result, all levels continued to consider themselves exempt from any regulatory applications, hence locking themselves into a continued use of outdated business principles and an inability to seek new business partnerships that could result in improved service provision.

As the drive for effectiveness and efficiency across all businesses continued to mount, in 1992 the then Keating Labor government established a committee of enquiry to report on competition in Australia. As expressed in the state government report of the

WA Standing Committee on Uniform Legislation and Intergovernmental Agreements on Competition Policy (1996), competition was becoming recognised during this period as one of the most important factors in micro-economic reform in Australia and abroad. International recognition that competition across domestic and international markets could contribute to national and international economic prosperity was promoting change at all levels of Australian business activity.

This view of competition has not contracted over time and is still a major aspect of the Australian economy. As stated by The Hon. Peter Costello MP (Treasurer of the Commonwealth of Australia, and Deputy Leader of The Liberal Party of Australia):

Competition is the lifeblood of the market economy. It is the dynamism of competition that enables market economies to deliver superior outcomes to the centrally planned economies. Competition drives innovation and provides the incentive to produce better quality products at cheaper prices. If competition is critical to the market economy, a critical role of government is to keep an economy open for competition (Costello 2000:iii).

4.3 The Hilmer Enquiry into Competition

While there had been a number of reviews that had examined various aspects of competition across Australia, “by far the most significant of the reviews was that conducted by the Hilmer Committee in 1993” (Steinwall 2000:22). This report was commissioned in October 1992 by the then Prime Minister, Paul Keating “who in agreement with State and Territory Governments at the Premiers’ Conference in March 1991 recognised the need for a national approach to competition policy to replace the existing fragmented Federal and State arrangements” (WA Standing Committee on Uniform Legislation and Intergovernmental Agreements 1996:25).

Primarily, the Hilmer Committee was charged with the role of identifying any existing legislation or regulatory practices that dealt with anti-competitive conduct against the public interest, to create universality and uniformity of competition rules, and to identify procedures to evaluate and review claims of public benefit from anti-competitive conduct. The committee reported to the Prime Minister in August 1993 and, as a result, focussed on three main areas; the application of existing rules under

part IV of the *Trade Practices Act*, new regulatory rules and the administrative structures necessary to implement the recommended changes (King 1997). The Hilmer report became synonymous with *competition policy* and became the tool for the Federal Government to implement national economic reform to ensure a globally competitive future for Australia.

4.4 Competition Policy

The opening paragraph of the Hilmer report (Hilmer, Raynor and Taperell 1993) on national competition policy presented a clear mandate for change within Australia. Furthermore, it made it quite clear that previous exemptions at a government level could no longer be considered acceptable if competition was the true mandate for Australia's future:

If Australia is to prosper as a nation, and maintain and improve living standards and opportunities for its people, it has no choice but to improve the productivity and international competitiveness of its firms and institutions. Australian organisations, irrespective of their size, location or ownership, must become more efficient, more innovative and more flexible. Over the last decade or so, there has been a growing recognition, not only in Australia but around the world, of the role that competition plays in meeting these challenges. Competition provides the spur for businesses to improve their performance, develop new products and respond to changing circumstances. Competition offers the promise of lower prices and improved choice for consumers and greater efficiency, higher economic growth and increased employment opportunities for the economy as a whole (Hilmer, Raynor & Taperell 1993:1).

The recommendations of the Hilmer report resulted in a number of changes to the management of competition and the introduction of broader competition provisions within Australia. At the Hobart meeting of the Council of Australian Governments on February 25, 1994 the majority of recommendations included with the Hilmer report were accepted by the Prime Minister and leaders of all state and territory governments. This was further endorsed on April 11, 1995 when these leaders met again to sign

three intergovernmental agreements as a direct result of the Hilmer report: a *Conduct Code Agreement*, a *Competition Principles Agreement* and an *Agreement to Implement the National Competition Policy and Related Reforms* (King 1997, Steinwall 2000).

The *Conduct Code Agreement* required the Federal, state and territory governments to pass legislation applying part IV of the *Trade Practices Act* 1974 (the competition provisions) to previously all excluded bodies, and gave the states and territories some involvement in the process for appointing members to a newly formed national regulatory body. This became the Australian Competition and Consumer Commission, currently headed by Professor Alan Fels.

By far the most important of the three agreements though, was the *Competition Principles Agreement*. This agreement provided the framework for all state and territory governments to enact the structural reforms recommended by the Hilmer report. The agreement required implementation of the following principles by Federal, state and territory governments:

- review and reform of anti-competitive legislation;
- reform of public monopolies;
- access to essential facilities;
- price oversight of government business enterprises;
- competitive neutrality principles; and
- the application of these structural reforms to local governments (Steinwall 2000).

While the majority of these principles were directed at government business activities the first principle ensured that any existing legislation that excluded government, associations, non-incorporated bodies or specific market sectors from anti-competitive practices would now include them. The final principle was also specifically noted by the Hilmer report to ensure that state and territory governments, under their constitutional powers, ensured the application of these recommendations through to the local level and eliminated any confusion related to the previously applied Shield of the Crown Doctrine.

Finally, the *Agreement to Implement the National Competition Policy and Related Reforms* was the document designed to ensure full participation across Australia. This

document also assigned responsibility to a National Competition Council for reviewing and reporting on progresses achieved.

4.5 The Purpose of Competition Policy at a State-Government Level

Competition policy is not about the pursuit of competition for its own sake. Rather, it seeks to facilitate effective competition in the interests of economic efficiency while accommodating situations where competition does not achieve economic efficiency or conflicts with other social objectives (Hilmer, Raynor & Taperell 1993:6).

It was recognised by the Hilmer report — and by many national and international commentators on competition — that, historically, government owned businesses have lagged behind their private sector counterparts in terms of efficiency. This is said to be attributed, in part, to regulatory arrangements or government policy decisions, both current and historical, that shelter these businesses from competition (Hilmer, Raynor & Taperell 1993).

The purpose of the recommendations within the Hilmer report were therefore targeted towards increasing efficiencies across all sectors of the Australian economy and to boost “real GDP by 5.5 per cent, or \$23 billion a year” (Costello 2000:vi). Fifteen billion dollars was to be delivered through reforms to electricity and gas, introducing further competitive tendering into government activities, streamlining building approval processes and the deregulation of the targeted market areas (Costello 2000:vi) at both a federal and state level. The remaining \$8 billion was to be delivered through the application of the competition principles to areas such as local government and previously exempt bodies such as unincorporated bodies and a range of professional associations.

The 1995 *Competition Principles Agreement* required state and territory governments to review all existing legislation that restricted competition by the year 2000 and to check any new legislation for competitive effects. The agreement directly instructed that the ‘guiding principle’ for all legislative review should be based on non-restrictive competition practices, unless it could be demonstrated that: benefits of the restrictions

to the community as a whole outweigh the costs; and that the objectives of the legislation could only be achieved by restricting competition (King 1997).

While at a legislative level these requirements were to ensure competition policy remained consistent, the general thrust of the reforms was to seek and develop an open, integrated domestic market for goods and services by removing unnecessary barriers to trade and competition, and to reduce complexity and administrative duplication (Pascoe 1994, Hilmer, Raynor & Taperell 1993).

Across all government levels the most significant recommendation from the Hilmer report was that relating to competitive neutrality. As stated in the *Competition Principles Agreement*:

Clause 3.(1) The objective of competitive neutrality policy is the elimination of resource allocation distortions arising out of the public ownership of entities engaged in significant business activities: Government businesses should not enjoy any net competitive advantage simply as a result of their public sector ownership. These principles only apply to the business activities of publicly owned entities, not to the non-business, non-profit activities of these entities.

The aim of competitive neutrality was to create a range of benefits that would include:

... more efficient pricing practices in government businesses; longer term performance efficiency gains as a result of government businesses operating in a more competitive environment; improved transparency and accountability by presenting costs in a manner comparable to the private sector; and better assessment by public sector managers of whether government should retain responsibility for certain activities or consider alternative means of service provision (Productivity Commission 1999:204).

Competition was not about the wholesale privatisation and dismantling of the state-government sector but more a mechanism for changing the in-house organisational culture of government entities to an outward focus, where wider management approaches and experiences could be incorporated (Steane & Walker 2000).

Government utilities and services were being instructed to review current business practices in line with modern management principles, practices and accountability. Utilities and services were being required to ask themselves if their historical management practices could continue to support them in a competitive open market place.

Across Australia, each state had the freedom to deal with the strategic application of competition at their own discretion and, at a state level, competition policy has generally been directed at the structural reform of public monopolies such as bus services, gas and electricity utilities, water authorities and the review of all government community services. In Western Australia, areas notably targeted related to the provision of gas, electricity and public transport. Such practices have also applied at a federal level. The deregulation of telecommunication services and the restructure of a large number of welfare based government services are just a few examples.

Since 1997, and as part of the *Agreement to Implement the National Competition Policy and Related Reforms*, the Federal Government has made available competition payments to the states and territories in return for successful reform.

Competition payments are paid from the additional revenue generated by improved economic performance arising from competition. The eligibility of states and territories to receive competition payments is assessed by the independent National Competition Council (Costello 2000:vi).

The payment of these funds have been made at the conclusion of each year and requires the submission of an annual report to the National Competition Council demonstrating progress in implementing agreed upon reforms. During the period of 1997 to 2006 it is anticipated that a total of \$5.3 billion will be paid to state and territory government bodies for demonstrated progress, with some portion of this being distributed to local government for their reported achievements at a state level.

4.6 The Role of Competition Policy at a Local Government Level in Western Australia

Whilst local government was not party to the signing of the competition policy agreements between the Federal, state and territory governments, it had participated in a number of the planning activities leading up to the agreements, represented by the Australian Local Government Association.

After the agreement signings, local government continued its participation by designing implementation strategies but with a more direct state-by-state focus. In June 1996, the West Australian Local Government Association, the Institute of Municipal Management, the Department of Local Government, the Ministry of Fair Trade and the States Competition Policy Unit (Treasury) released the *Local Government Clause 7 Competition Policy Statement*. This statement was compiled by the above Western Australian joint state and local government working party in support of the Western Australian State Government's *Agreement to Implement the National Competition Policy and Related Reforms*.

At a local-government level, the application of competition policy has been directed by each individual state government. Each state was advised by the Hilmer report to determine its own priorities and policies for the direct implementation of the competition policy principles. In Western Australia, the desire for individual local governments to also determine their own priorities was transferred through the *Local Government Clause 7 Competition Policy Statement*, providing a range of freedoms and opportunities for each local government authority. The approach by each state has been different, though, and is most noticeable in Victoria, where many changes at a local-government level have been predominately mandatory, including enforced large-scale local-government area amalgamations and compulsory competitive tendering in 1997.

General boundaries provided by most states to guide the competition reform have related to the size of business activity and/or to total operating revenues for local government authorities. In Western Australia, a threshold of \$2 million or more of total operating revenue for each individual local government authority was established as the guiding benchmark. Local governments below this level were viewed as too small to effect competition reforms (Report from the House of Representatives

Standing Committee on Financial Institutions and Public Administration 1997). In Queensland the threshold was set at \$15 million, in Victoria \$10 million and New South Wales \$2 million (Productivity Commission 1999).

To put this into perspective, of the 144 local-government areas in Western Australia only twenty-two were under the \$2 million threshold in 1999–2000 and all but one of these were rural (Western Australian Municipal Association 2001). In states where the threshold was considerably higher than \$2 million, this can be accounted for by two distinct reasons. Local government in Victoria underwent the most dramatic reform in its 130-year history during this period in which state enforced amalgamations of local government areas reduced 210 local government areas to 78 (Witherby et al. 1999). This dramatically increasing the individual size of each authority and thus the total operating revenues. In Queensland, as stated previously, local government areas are responsible for an extensive range of business activities such as public transport, water supply and sewerage, again greatly affecting their operating revenue levels.

At a West Australian local-government level, the *Local Government Clause 7 Competition Policy Statement* impacted distinctly in three different areas: competitive neutrality; structural reform of public monopolies; and legislative review. It required all local governments in Western Australian with budgets over \$2 million to report annually on a series of progresses relating to these three areas as set out under twenty-two agreed principles.

Examples of principles included within each of the targeted reform areas are given in the following tables.

For significant local government business enterprises which are classified as 'Public Financial Enterprises' and 'Public Trading Enterprises' under the Government Financial Statistics Classification local government will, where appropriate,:

adopt a corporatisation model for those local government business enterprises; and
will impose on significant business enterprises:

- (i) full Commonwealth, State and Territory taxes or tax equivalent systems;
- (ii) debt guarantee fees directed towards offsetting the competitive advantage provided by government guarantees; and
- (iii) those regulations to which private sector businesses are normally subject, such as those relating to protection of the environment and planning and approval processes, on an equivalent basis to private sector competitors.

Table 4.1: Competitive Neutrality Principle CN.4

Source: Local Government Competition Policy Committee 1996, *Local Government Clause 7 Competition Policy Statement*, Government of Western Australia, Western Australian Municipal Association, Institution of Municipal Management.

Once a local government makes a decision to introduce competition into a sectors traditionally supplied by a public monopoly, and before that sector is corporatised or competition is introduced, local government will undertake a review into

the appropriate commercial objectives for the public monopoly ...

the price and service regulations to be applied in the industry; and

the appropriate financial relationship between the owner of the public monopoly and itself, including the rate of return, dividends and capital structure

Table 4.2: Structural Reform of Public Monopolies Principle SR.3 (abridged)

Source: Local Government Competition Policy Committee 1996, *Local Government Clause 7 Competition Policy Statement*, Government of Western Australia, Western Australian Municipal Association, Institution of Municipal Management.

Legislation should not restrict competition unless it can be demonstrated that:

- (a) the benefits of the restriction to the community as a whole outweigh the costs; and
- (b) the objectives of the Local Laws can only be achieved by restricting competition

Table 4.3: Legislation Review Principle LR.1

Source: Local Government Competition Policy Committee 1996, *Local Government Clause 7 Competition Policy Statement*, Government of Western Australia, Western Australian Municipal Association, Institution of Municipal Management.

To support and monitor the application of the twenty-two principles incorporated within the *Local Government Clause 7 Competition Policy Statement*, all participating local-government authorities have been required to report on an annual basis regarding their progress. This progress has been published on an annual basis by the Competition Policy Unit of the Western Australian Treasury Department, forming part of the overall report to the National Competition Council.

In the May 2001 progress report (*Implementing National Competition Policy in Western Australia*), it is reported, as in previous years, that local governments have continued to review local laws, issues of competitive neutrality and associated monopolistic practices. To assist in this process, the State Government on an annual basis has committed funds to a Local Government Development Fund administered by the state's Department of Local Government. These funds are extracted from the annual payment received by the State Government from the Federal National Competition Council as part of the overall *Agreement to Implement the National Competition Policy and Related Reforms* agreed to in April 1995. In 2000–01 \$1.8 million was committed to this fund (Competition Policy Unit WA Treasury 2001) and has been distributed to local-government authorities to fund training, policy development and associated costs related to systems development.

To date, reviews have been conducted on a number of services to address issues of competitive neutrality and monopolies. These services have included waste management, recreation and aquatic centres, golf courses, community services and private business activities such the Geraldton and Port Hedland airports. Local laws have also been repealed and amended across all local governments.

4.7 Additional Forces of Change Across Local Government

In Western Australia, organisational reforms in addition to competition policy at a local-government level have been ongoing since the early 1990s. As pointed out by the Productivity Commission's 1999 report on the *Impact of Competition Policy Reforms on Rural and Regional Australia*, while the competition reform policies were embodied in local-government practices, they were generally viewed as complementary to a range of micro-economic reforms that were already taking place (Local Government Competition Policy Committee 1996). The enactment of the *Local*

Government Act 1995 was one example of concurrent changes occurring across Western Australia.

The *Local Government Act 1995* was enacted on the principle of increased accountability and transparency in local-government operations. It required that operations and actions must be open to public scrutiny at all times. It also required detailed disclosure regarding the financial activities of local-government organisations and provided for the opportunity of engaging in commercial activities based on the above principle of transparency of operations (Local Government Competition Policy Committee 1996). This process was further supported by changes in 1994 directing local government to alter previous financial reporting processes including accrual accounting processes, the inclusion of depreciation in their end-of-year accounts and appropriate valuing of infrastructure assets. This was viewed as ensuring full cost accounting and enhancing transparency and comparability with the private sector (Local Government Competition Policy Committee 1996).

While legislative reforms were resulting in many changes across local government the adoption of widespread, modern business practices were also evident in prompting a *Contemporary Issues in Local Government Survey* to be conducted in 1994 by the State Government's Department of Local Government and again in 1998. The 1994 survey clearly demonstrated that local government had embraced an era of change and was engaging in a number of current management principles even prior to introduction of the competition policy reforms. Changing business practices included a shift towards performance contracts for senior staff, performance-appraisal systems for all staff, enterprise bargaining, formalised strategic planning, competitive tendering and contracting out, performance indicators and benchmarking, and the development of asset management plans (The Department of Local Government 1994). The repeat survey in 1998, which captured 85% of all local government authorities in Western Australia, demonstrated the continuation of all of the above business practices, with significant increases in the number of local governments engaging in enterprise bargaining, performance contracting, competitive tendering, performance indicators and benchmarking (The Department of Local Government 1998).

While it might be argued that many of these reported practices have resulted from a range of government imposed and industry initiated structural reforms, many can also

be linked to the adoption of international trends emerging across all business sectors. No one force of change can be solely responsible for the changes experienced across the local-government sector, but as was stated by King (1997), the structural reform requirements under the national competition policy worked towards formalising existing trends in Australian public-sector management and pushed the boundaries of many previous reforms; hence, its contribution can be considered significant.

The 1990s was a period of immense change for the local-government sector, and it is proposed that as the industry continues to seek new ways for organising its physical, financial and human resources to achieve more competitive and productive organisational practices, change will continue (Local Government Competition Policy Committee 1996).

The two case study organisations involved in this research — being significantly sized, metropolitan, local-government authorities — were clearly able to attest to changes in management practices as outlined in the Department of Local Government's 1994 and 1998 reports and to those resulting from structural and economic reforms. Their experiences of change while initiated by the same reform were addressed through two differing strategies. LG1 developed an organisational change strategy focussing on an *improved customer service* approach while LG2 utilised an employee *enterprise bargaining agreement*. Both approaches sought to improve existing work practices and to improve organisational efficiencies. Chapter five clearly demonstrate the intensity of change as experienced by these organisations and the ability of this sector to significantly inform this research.

Chapter 5. Findings

The objective of chapter five is to present the findings from both case study organisations. These findings will be presented in line with the methodological descriptions detailed in chapter three and aim to demonstrate that all stated procedures have been followed. The chapter will firstly present findings from the focus group interviews as a means of identify processes leading up to and informing the design of the individual in-depth interview guides. Findings from individual interviews and case study organisational literature will then be presented and analysed in the form of emergent categories, subconstructs and constructs to inform the final findings of this research. This chapter is restricted to the presentation and analysis of the collected data. A comparison of these findings with other research is presented in chapter six.

5.1 Focus Group Findings

The findings of the four focus groups conducted across the two local-government organisations (LG1 the first local-government case and LG2 the second) highlighted the context and conditions of change experienced by the interviewed employees within their respective workplaces. The focus group interviews resulted in approximately 25 pages of combined raw data for each case study organisation. Focus group interviews at LG1 were conducted approximately twelve months prior to those conducted at LG2. Organisational findings from LG1 and LG2 were processed independently and were conducted with the sole purpose of informing the design of the individual in-depth interview guides.

Findings that informed the design of the individual in-depth interview guides for each organisation emerged while ‘running the data open’, and from the collective grouping of initial codes in the form of categories. Categories were then constantly compared in order to identify patterns of meaning where similar issues and views were grouped together and progressively consolidated into higher order constructs. Focus group findings from each case study organisation were used to develop ‘organisationally relevant’ individual in-depth interview guides emerging from the direct experiences of the focus group interview respondents.

5.2 LG1 Focus Group Findings

In total, 79 categories emerged from LG1 focus group interview sessions. These categories emerged from the statements expressed by the interview respondents when questioned regarding their perception of critical issues relating to the implemented change programs within their own organisations. All 79 categories have been listed in Appendix 1. For the purpose of demonstration, 30 randomly selected categories have been displayed in figure 5.1 (located below) to highlight the variety of issues raised.

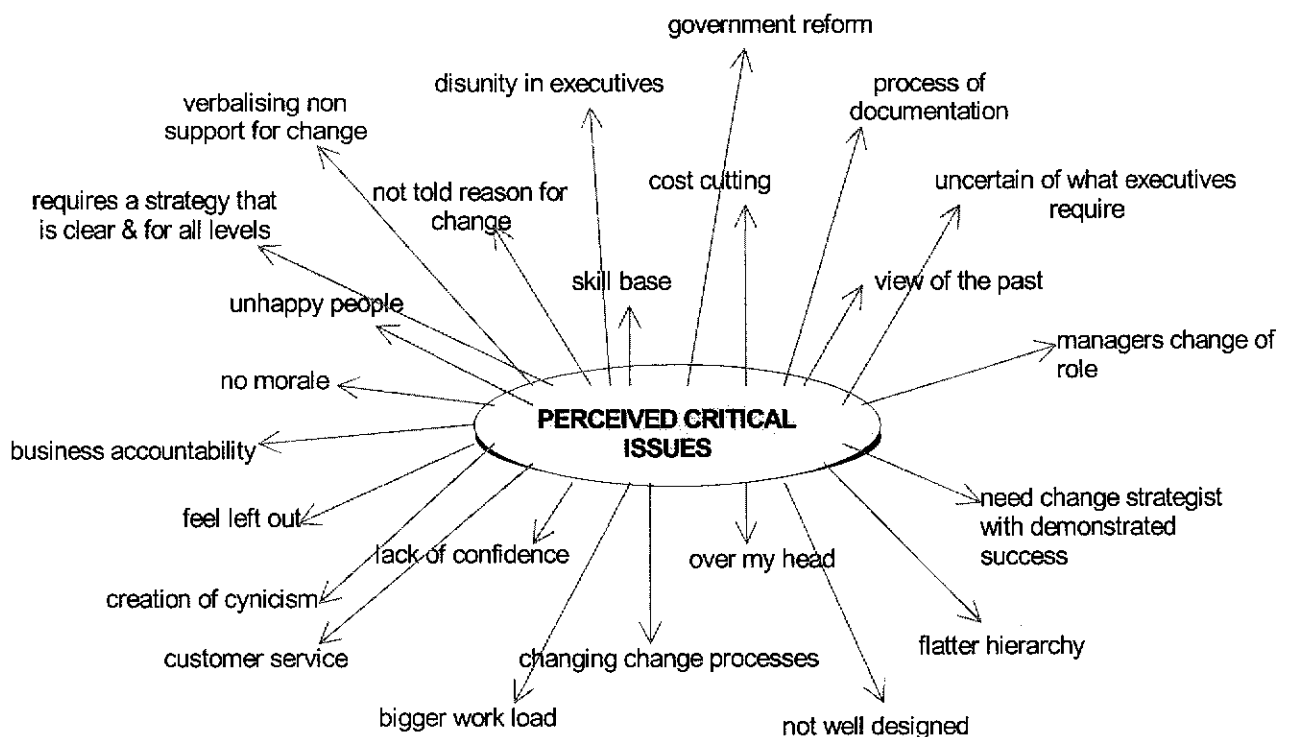


Figure 5.1: Thirty randomly selected categories

Source: LG1 focus group interviews

From the 79 categories, a total of 12 constructs were developed using a process of comparative analysis, seeking common themes and associated meaning. As stated previously in this chapter and in chapter three, the 12 constructs were used to inform the development of the individual in-depth interview guide and to assist with familiarisation and language relevance for the researcher.

A full list of the emergent categories resulting in the 12 constructs is located in Appendix 1. A full list of the 12 constructs is fully displayed in figure 5.2 (located on page 134).

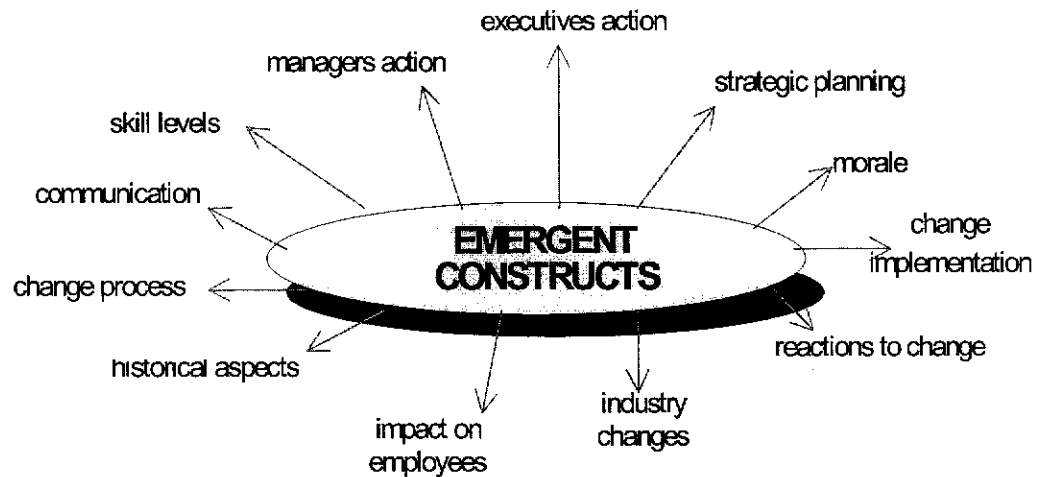


Figure 5.2: Twelve constructs emerging from the 79 categories

Source: LG1 focus group interviews

5.3 LG1 Emergent Construct Development from Focus Group Interviews

Data from the interview respondents that informed the development of the 12 constructs, as displayed in figure 5.2 (located above), were typified by the following direct quotes from the interview respondents. The use of employee quotations is significant throughout this chapter. These have been included as a means of not only supporting findings but also as a means of including the voice of the employees as directly as possible. The quotations are direct lifts from the transcribed interviews and are displayed here in an anonymous format to ensure confidentiality. The order in which the 12 constructs are presented is not representative of hierarchical significance. Each construct is presented as a representation of the views of interview respondents preceded by an inductive summary of the organisational context emerging from the interpretive and interaction experience of the researcher with the interview respondents.

5.3.1 Strategic Planning

Strategic planning as a concept was viewed as a relatively new development within the organisation. An ability to clearly recall comparative differences in planning methods over the past few years further supported its newness, although recognition of its relevance was also evident.

/...Um I think there has been more of a focus on strategic planning rather than day to day operations from I'm thinking of the three years I have been here.../...Initially when I first came to work here it was more, there wasn't a lot of strategic planning, I think the corporate plan was about 3 or 4 years old even at that stage, but now they are getting more into actual planning for the organisation and at a business unit level.../...So in some ways it is catching up with the rest of the world (LG1:FG1).../

5.3.2 Industry Changes

External pressures for change were viewed as the biggest influencing factor. As an industry traditionally viewed as an autonomous, local service provider with a clearly defined catchment group, external pressures enforcing change were clearly seen to have emerged from new Federal Government policy decisions.

/...The federal governments set standards the state government has got to comply with, and the local governments have got to comply with their set of standards and accountability (LG1:FG1).../

5.3.3 Historical Aspects

Historically, the organisation has been viewed as existing to provide services to the community as a self-contained entity, where outside contractors were not a consideration. The organisation has also been viewed historically as one where differentiation between departments was not so obvious, either operationally or in an overall cultural sense.

/...There never use to be this differentiation between business units. The business unit concept is new (LG1:FG1).../...Well I think the idea is that the Council has (to) think about what it is supposed to do and not about the things that it is doing, just because it has been doing it for the last 10, 15, 20 years. And I think that in itself is fair enough. Why do we do things that other people do, they may be more qualified to do it etc. etc. um and I think in itself the idea of change is a good one (LG1:FG2).../

5.3.4 Change Process

Confusion regarding what was required, and how the changes would all fit together to produce a better outcome, dominated the early stages of the discussion and continued to surface throughout the focus group sessions. While identifiable change interventions, such as creating a flatter hierarchy and process documentation were highlighted, confusion across all levels of the organisation regarding 'the big picture'

was also discussed. An understanding of the reasons for the change was clearly lacking, along with identifiable processes of consultation.

/...it is not well designed is what is hurting the whole change, it is not what they are changing to, it is how they are doing it (LG1:FG1).../...If the basic overall picture was much clearer and unified at a higher level you could accept the changes at a lower level (LG1:FG1).../...we have been given no data the reason why we have to change or the reason why change is going to be any better (LG1:FG2).../...we just get the end result, [they] don't ever come to us to ask our opinion from the start, we just get told what the final decision is (LG1:FG1).../

5.3.5 Change Implementation

While processes and reasons for change were not clearly understood, and caused a level of concern for the focus group respondents, this concern appeared to be further exacerbated by the way change was being implemented. A sense that the implementation was both rushed and forced, resulting in organisational confusion was expressed, along with a view that there were many assumptions made in the implementation process by new staff responsible for the change.

/...People feel that they have just been in too much of a rush to get change happening, they are trying to force it too much (LG1:FG1).../...So instead of them coming and having a look to see how it works my impression is they have come in and said 'You don't do it like that, this is how it is done'. But without having the background in local government I don't think you can go into any department and say that is totally wrong. You sit down with them and work through it together but that is not how it was done (LG1:FG2).../

5.3.6 Reactions to Change

Reactions to change were varied and related to issues of morale and cynicism generated from a general lack of understanding at all levels of what kind of change was to happen and how.

/...I think I would feel that they [executives] are all working towards the same goal, which would enable me to feel more confident that they [executives] are looking to do the same thing and not working in different ways and different directions (LG1:FG1).../...Staff morale, cynicism is allowed to be introduced because things don't work, because things are not planned, priorities are not set (LG1:FG1).../

5.3.7 Communication

Communication as a process and communication as a skill were raised as separate issues throughout the focus group discussions. While viewed as a vital ingredient in the process of change that enabled people to understand what was required of them, a high degree of emphasis was also placed on how communication occurred. This did not particularly relate to communication strategies, such as newsletters or group meetings, but to the style of delivery by the individual. That communication be undertaken in a manner considerate of the individual's emotional well-being and skill level.

/...I think one of the things that was missing in this change was the involvement of all the staff and letting them know exactly where we were heading and what was the goal. We were told little bits as we were going along. It put everybody under a lot of stress (LG1:FG1).../...But I think anybody who has a degree in management or a lot of experience in management should be able to communicate at whatever level. They should be able to talk to the chief executive and they should be able to talk to the guys at the depot and everywhere in between. And in this instance they have real problems doing that, communication has been the big problem with this (LG1:FG2).../...I think a lot of it has got to do with personality and personal communication (LG1:FG2).../

5.3.8 Executives' Actions

Issues relating to disunity at the executive level, the skill levels of the executive team to implement organisational change, and specific reference to the appointed change strategists' lack of knowledge of local government were all discussed throughout the focus group sessions. Executives were specifically targeted as those who should be providing direction and demonstrating full support for the new directions of the organisation.

/...The executive direction has not been sufficient, therefore the managers are not receiving a well designed model and they don't have a consistent understanding. I mean, only yesterday I was listening to 3 managers talking about this uncertainty how their business plans should be prepared because executives are not communicating it clearly enough to them (LG1:FG1).../...the executives, the councillors and the staff have got to work in the same direction and at the moment since these people [change strategist and additional executive member acting as occasional support to change strategist] have arrived they are not (LG1:FG2).../...Well, when an executive says to you 'I think you and I are of an age when we have seen this before haven't we' (LG1:FG1).../

5.3.9 Managers' Actions

Managers as players within the processes of change were described by the employees participating in the focus group sessions as being unsure of what the change was fully about and what was required. They were also seen as the vital link between executives and employees who were responsible for providing the appropriate direction. Acknowledgement of a changing role for managers was also evident and that their roles was no longer focussed on operational support alone, but also included setting and responding strategically.

/...we are finding that a little difficult [here] because the manager seems to be off doing all the strategic planning and he is not to oversee the day to day things. There is a lack of leadership and support that is what we are feeling in our section. And that is just what I have gathered from our section (LG1:FG1).../...I get the impression, while I have only been here a short while, but I get the impression that it has only been recently, even as recently as Christmas time that the managers have got a good grip on what has been happening (LG1:FG2).../...They were the missing link between what all of us plebs do and between executives', I don't think that they [the managers] fully understood what was trying to be implemented and they [the executive] didn't fully understand what we were doing (LG1:FG2).../

5.3.10 Impact on Employees

The impact on employees was perceived to have resulted in a number of negative consequences. These included the witnessing of a high turnover of staff, an increased sense of personal and job insecurity, increased workload due to the demands of the change process and a general view that leaving staff were a beneficial cost reduction and not a skill loss to the organisation.

/...For instance, planning [department], within 2 years they will have lost their top eight. And that has been devastating (LG1:FG1).../...I think they are starting to know but there are always the cynical view that they are keeping us in the dark just so that people will be made nervous and they will leave and that is great because that is what they want because they are cutting costs (LG1:FG2).../...the only way we have saved dollars is because people have left and they haven't been replaced, so the burden is put on us lot because the workload is getting larger. I didn't normally work to half past 7, 8 o'clock in this place, I have to now. I don't have an option (LG1:FG2).../

5.3.11 Skill levels

The issue of skill levels was focussed on across the whole organisation and was enhanced by a general perception that the change process required people to undertake more complex roles than had been previously required. This issue was raised with concern regarding the pressure that this was placing upon people, the high expectations and a general lack of training.

/...I think there have been a lot of positions that have changed entirely. There has been a shift in the focus of the job, like with managers it used to be that they provided, or managed because of their expertise but now they are expected to be doing general management and strategic planning which they didn't initially have to do and probably did not have the skills for and now are expected to have the skills to do that. And I think that has also happened in other positions as well (LG1:FG1).../...And you were all asked to do work that you had never done before and had no experience of. But you were all expected to know it (LG1:FG2).../...Um, so a lot of these people haven't got the skills, I suppose with the knowledge that these other 2 people came into the organisation did have and they expected everybody else to be on this even playing field. So a lot of the time for the managers learning all these new tools that they are meant to implement (LG1:FG2).../...I haven't seen a lot of training of staff at any level really (LG1:FG1).../

5.3.12 Morale

The issue of a decreasing level of morale as a consequence of the change process was raised during the focus groups.

/...I think there are a lot of unhappy people here. People are unsettled (LG1:FG1).../...And there is a real 'them and us'. There have been a lot of good people that we should not have lost (LG1:FG2).../...and everybody agrees that there is no morale in this organisation at all, and there was when I first started off 6 years ago. There was camaraderie. Everybody wanted to stop back for a few beers, we used to do it every Friday night. Nobody stops any more, nobody wants to stop they just want to get out of the joint and that has all been stuffed up by 2 people. If the whole thing had started off with the right place and explained it would not have been a problem at all (LG1:FG2).../

The 12 constructs, emergent from the initial 79 categories, provided a broad framework of analysis to support the design of the individual in-depth interview guide. No single construct was identified as dominant, and all related to the central aim of the study of 'understanding effective organisational change from an employee's perspective'.

The concluding 12 constructs highlighted the breadth of issues viewed by the interview respondents as ‘critical’, and provided a platform for guiding the further investigation of the research. Data gathered during this stage was not used in the final analysis and remained solely linked to the process of providing a general context for the researcher to begin developing a level of sensitivity regarding the phenomenon under study and informing the construction of the individual in-depth interview guide.

5.4 LG2 Focus Group Findings

Ninety-four categories emerged from the two focus groups conducted at LG2. All 94 categories are listed in Appendix 2. As with the case of LG1, 30 categories have been randomly chosen for figure 5.3 (located below) to highlight the variety of issues raised.

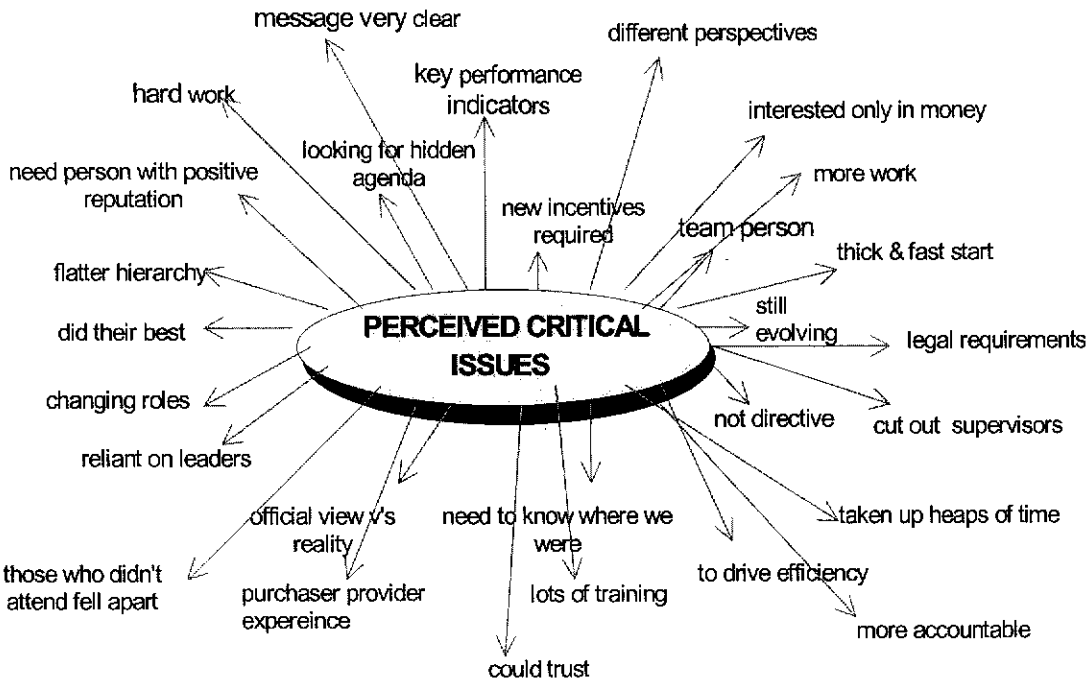


Figure 5.3: Thirty randomly selected categories

Source: LG2 focus group interviews

From the 94 categories, a total of 12 constructs were developed using a process of comparative analysis seeking common themes and associated meaning to inform the development of the individual in-depth interview guide to be used at LG2, and to assist with organisational familiarisation and language relevance for the researcher.

A list of the emergent 12 constructs is located in Appendix 2 and is also presented in figure 5.4 (located below).

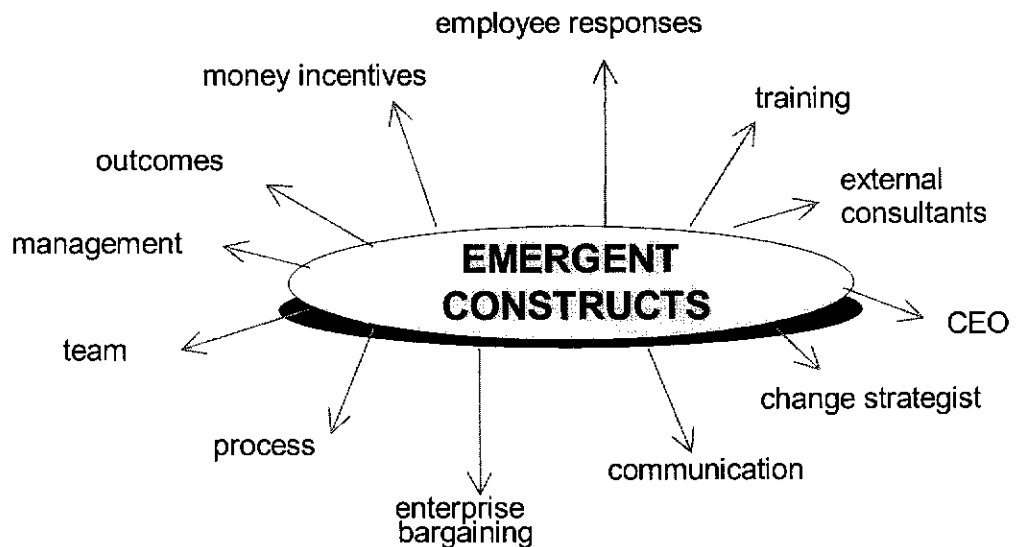


Figure 5.4: Twelve constructs emerging from the 94 categories.

Source: LG2 focus group interviews

5.5 LG2 Emergent Constructs from the Focus Group Interviews

As in the case of LG1, data from the LG2 interview respondents that informed the development of the emergent constructs were typified by the following quotes. The order in which the 12 constructs are presented is not representative of hierarchical significance and in comparison with LG1 the number of 12 emergent constructs is to be noted as purely coincidental. Each construct is presented as a representation of the views of interview respondents, preceded by an inductive summary of the organisational context emerging from the interpretive and interaction experience of the researcher with the interview respondents.

5.5.1 Training

Training was discussed throughout the focus group sessions as a method of highlighting the reasons for change, introducing strategies and providing newly required skills. Training, also referred to as workshops, was viewed as not only an opportunity for learning but also as a visual demonstration of preparedness, or a lack of it, to participate in the change process.

/...But we were also provided with lots of training before that, and we had lots of workshops on change and that probably assisted a lot because there were a lot of negativity in relation, a lot of the older workers here were going 'what do you need this change for?', you know, like the Republic issue. If it is not broken don't fix it, all those kind of cliches (LG2:FG1).../...People in, for instance, the Exec Service team from a range of levels, so you have the CEO's secretary didn't go, the Deputy Town Clerk didn't go to any, although they were basically compulsory and whether you were going to take anything in or not, you really had to be there to learn, or to be seen to be learning by your team, or to listen and there were various others that didn't go because they just pulled the too busy trick (LG2:FG2).../

5.5.2 Communication

The style and frequency of communication and the benefits resulting from ongoing communication were discussed. Communication was seen as a way of not only keeping everybody informed but also of bringing people into the process of change by creating an environment of engagement. Change communicated in a positive manner was considered to create a more positive approach to the change process as a whole.

/...Well, you see previously in this organisation, it was 'you will do this' and 'you will do that' and [executives] weren't telling you anything unless you needed to know it, and that would be too late anyway kind of thing, so this was perhaps here 'this is what we want to do', it was more of a soft counselling approach rather than directing, that was important (LG2:FG1).../...I was referring to specifically there was the initial introduction into it, and letting us know and communicating with everyone, saying 'this is what we plan to happen,' and constantly update it (LG2:FG1).../

5.5.3 Process

As the organisational change was discussed, a general sense emerged that the process had evolved along with the learning of those implementing the change and those participating in the process. There appeared a view that while processes were in place to help support and guide the change, particularly in areas of training, the content of these sessions were set in response to identified needs as the change progressed. The process appeared to focus on expected participation at all levels of the organisation.

/...We had big workshops and sort of said, 'change is good for you, this is what we could expect' and then there was a lot of negativity, there still is, I am a bit negative about certain things, but that is your own opinion, but generally I think it was pretty smooth, the actual change and the introduction of the EB (LG2:FG1).../...we started the process, we

basically, we all turned up and we were all taught about KPIs and I can remember back then much debate with [change strategist] and others, telling him that this was all very well and good, but you have got to put training in KPIs and other things, teams formation, because it was all coming thick and fast at that stage, the whole thing had to be put into a process to give it some sort of perspective, otherwise there is nothing worse than not knowing where you are going, especially when you are going at the pace we were being fed; it is confusing and it is disorientating. So eventually, I think, they started to put this into a context of where we want to go and how this bit of training fits in to the overall training. That was slow to come, but it came (LG2:FG1).../...I think from the very start, from what I can remember, they did highlight that this process is not going to work without every member doing their bit (LG2:FG1).../

5.5.4 Teams

The introduction of teams was part of the change intervention strategy to create cross functionality. It was used as a structural and developmental process specifically focussing on grouping people together within and across departmental areas. Team meetings were a specific tool used for furthering the change and passing information on. While some criticisms were raised, they appeared to provide a central focus point and were viewed as a significant part of the change process.

/... it has taken up heaps of time to get the teams going, so that is an issue and I don't know how, I guess we just put up with it really and try and do our work as well as our performance measuring, but it does on the same hand give you some good information (LG2:FG1)...Yes, I mean if I didn't understand or the other guys didn't understand, somebody else might know what was going on, so the team leader is going to KPI meetings and continuous improvements, and coming back and relaying the message to us (LG2:FG1).../...each person as a member of a team has got more ability or say in the decisions that are made throughout the organisation. Before you just did your job, kept your mouth shut and that was it. Now you can speak up, and say, 'I am a member of this team' or whatever (LG2:FG2).../

5.5.5 The CEO

During the focus group sessions the CEO was not discussed as a significant contributor to the change process, but the importance of his ability to contribute and openly participate and encourage participation was presented. He was discussed in a manner that highlighted a perceived need for him to support the change and reflect the big picture.

/...I wonder whether the CEO has got a full understanding when he only measures success by dollars? (LG2:FG2).../...Oh, it was definitely noted and you can see what happened to the Executive Services Team two years down the track. They bloody fell in a heap because none of them had been trained, they didn't connect the relevance of it to where they want to go (LG2:FG2).../

5.5.6 The Change Strategist

Identified as a significant person within the change process by the focus group respondents, the change strategist was viewed predominately in a positive manner. He was seen as somebody who was not only directing the change but also supporting all members to ensure their participation. As an internal change strategist with a long association with the organisation, he was clearly viewed as a positive influence.

/...He works with us and we knew him very well and he was always a very team person he wasn't just about self he was very much team orientated, looking out for the interest of the team. We already knew that we had that information, he was on committees and stuff like that (LG2:FG1).../...He was the mentor for the team (LG2:FG2).../...it didn't matter how many times you asked him, he still like if you didn't understand something, he would come and just repeat it again until you understood it (LG2:FG2).../...It is a very positive thing having the person who is giving us the workshop right from the start well known in the organisation so that probably improved the delivery of the message (LG2:FG1).../

5.5.7 Management

The changing role of management was identified as a consequence of the change process. Instead of the technical support provided by managers in the past, it was suggested that they had moved to a role where they were more directly involved with the accountability of their departments.

/...they are not as involved as technically (LG2:FG1).../...It is like a purchaser provider, that is what they are trying to do, I guess you would call it, management is the purchaser so they are purchasing our services, time, and we have to provide that (LG2:FG1).../

5.5.8 Employee Responses

Employee responses to the change were both positive and negative. Negative responses emanated from the perspective of an increased work load, but positive responses emerged from a sense that the work environment had improved.

/...So it was very much more work put on people and they were already stretched trying to do everything, especially when you work in an organisation where you have got people ringing you up all the time complaining 'why isn't this done', whatever, I think that was a big, from what I heard that was a big one thing, more work to do (LG2:FG1).../...I reckon because I have worked here before we had any of this and it is just like you come to work and do your job, but with the EBA it puts another probably hour a day on your own work and you are only paid for eight hours a day but you seem to be working like a nine or nine and a half hour day, so you know just this little bit at the end that is how I see it (LG2:FG1).../...As a team you know we have become closer and share a lot more (LG2:FG1).../

5.5.9 Incentives

The issue of incentives, with a particular focus on money, was raised as a significant influence in ensuring employee participation in the change process, although it was not raised as the sole contributing incentive. Discussions regarding conditions of employment were addressed on a broader scale relating to autonomy and decision making.

/...I think there is a limitation on how much you can just get throwing money at people to do more (LG2:FG1).../...You have got to mention that the whole incentive of this, other than continuous improvement for the organisation, would have to be the 3 and 5% pay rises, that is the incentive (LG2:FG1).../...the idea of giving us autonomy as opposed to being told what to do, and monetary incentive (LG2:FG1).../

5.5.10 The EBA

As the central core of the change intervention, the enterprise bargaining agreement (EBA) acted as the mutually agreed upon guiding framework between the employees and the organisation.

/...success or otherwise to those Continuous Improvement initiatives or Performance Indicators and compliance with the other requirements of the EBA to hit various targets, time targets to qualify for the various percentage salary increases (LG2:FG2).../

5.5.11 Outcomes

Outcomes as a result of the EBA were discussed as a positive result of efforts undertaken by employees to find new and better ways of fulfilling the role of the organisation. Improvements related not only to the way services were provided to the community, but also to new operational systems.

/... and we have made quite a number of improvements in areas which we would never have done before, because we are too busy doing our other work (LG2:FG1).../

5.5.12 External consultants

Issues relating to the use of external consultants were discussed, in comparison to the use of an internally promoted change strategist. The past reputation of both parties were raised as an issue capable of affecting the confidence levels of employees.

/...One of the consultants they brought in, he was from the Water Authority and what I can gather and from what I heard he was coming and giving us all these wonderful ideas, they were paying him a fortune. When he was with the Water Authority all their employees, I don't know the full details, apparently lost all their jobs, so kind of like you don't want to really listen to this bloke because hey you were with the Water Authority and they lost all their jobs – what are you doing here mate (LG2:FG1).../...He worked with us and we knew him very well and he was always a very team person he wasn't just about self, he was very much team orientated looking out for the interest of the team, we already knew that (LG2:FG1).../

Once again, the 12 constructs provided a broad framework of analysis to support the design of the individual in-depth interview guide. No single construct was identified as dominant, and all related to the central aim of the study. They highlighted the breadth of issues viewed by the interview respondents as 'critical', and provided a platform for investigating the research objectives and the complexities of the respondents' experience. Data gathered during this stage was not used in the final analysis and remained solely linked to the process of providing a general context for the researcher to begin developing a level of sensitivity regarding the phenomenon under study and informing the construction of the individual in-depth interview guide.

5.6 A Summary of the Focus Interviews at LG1 and LG2

For both case study organisations, the emergent constructs were considered tentatively and viewed as a result of "running the data open" (Glaser 1978:56). The focus group processes provided an excellent opportunity to gain a presence in the organisation and to begin to develop a general understanding of the context. The data collected was not used in conjunction with the data gathered from the individual in-depth interviews and, hence, did not form part of the final findings. The data was, instead, was used to

formulate the individual in-depth interview guides and to provide a general understanding to support the interview process as a whole.

General findings from the focus group interviews, though, did indicate that the perceived impact of change, within both case studies, involved all levels of the organisation, as highlighted in table 5.1 (located below). In addition, it was evident that the concept of change within both organisations was a relevant issue, worthy of further investigation.

Table 5.1 represents a collective list of all emergent constructs at the conclusion of the focus group analysis.

LG1	LG2
Strategic Planning	Enterprise Bargaining Agreement
Industry Changes	Training
Historical Aspects	Teams
Change Process	Change Process
Change Implementation	Communication
Communication	CEO
<i>Executives' Action</i>	<i>Change Strategist</i>
<i>Managers' Action</i>	<i>Management</i>
Impact on <i>Employees</i>	<i>Employee Responses</i>
Reactions to Change	Money Incentives
Skill Levels &	Outcomes &
Morale	External consultants

Table 5.1: Summary of focus group constructs

Source: LG2 and LG1 focus group interviews

5.7 LG1 Interview Findings

Throughout the process of data analysis, many categories and constructs were developed and refined, based on a range of similarities and differences. From the interview guide, many categories quickly emerged that related to the:

- purpose;
- process;
- implementation; and

- role of the executive, change strategist, managers and employees.

The emergence of these categories was not surprising, considering that questions such as ‘What is your perception of the role of the executive and the change strategist?’ and ‘How has the change been implemented?’ formed part of the interview guide. (See Appendix 3 for a copy of individual in-depth interview guide.)

At the peak of open coding of the LG1 individual in-depth interviews, over 600 categories emerged, leading initially to the creation of approximately 57 subconstructs and 17 constructs. As these were analysed using strategies of constant comparison and questioning the meaning of the data, categories reduced and a ‘raw data coding structure’ as outlined below emerged.

Categories	<i>In vivo</i> statement; i.e. statements directly taken from the interview respondents or emerging from collectively similar utterances.
Subconstructs	Lower order constructs identifying cause and conditions and essentially for theory
Constructs	Highest order constructs determining context development.

Figure 5.5: The raw data coding structure

The development of the raw data coding structure was generative and representative of a method of continual redesign, in light of emerging concepts and interrelationships among the categories (Conrad 1978). This was in line with the basis of grounded theory data analysis, category naming and the process of substantive coding (Glaser 1978).

Categories, subconstructs and constructs emerged as a gradual process and early, individual, in-depth emergent constructs resulted in the following, but again altered as coding and analysis continued. Table 5.2 (located on page 149) outlines the early, individual, in-depth emergent constructs for LG1.

LG1 early, individual, in-depth emergent constructs
Historical
Industry changes
Change purpose
Change process
Changes
Reaction to change
Communication
Executives
Change strategist
Managers
Employees
Relationships
Information
Miscellaneous
Implementation
Operational behaviours
Responsible for making it work

Table 5.2: Early, individual, in-depth emergent constructs for LG1

At the conclusion of coding all LG1 individual, in-depth interviews, a vast array of categories, subconstructs and constructs emerged, differing from those listed in table 5.2. Changes to categories, subconstructs, and constructs, emerged as simultaneous coding, analysis and the application of constant comparative methods occurred.

Initial categories, subconstructs and constructs were modified by asking:

- What is the data a study of?
- What category does this incident indicate?
- What category or property of a category, or what part of the emerging theory, does this incident indicate?
- What is actually happening in the data? (Glaser & Strauss 1967)

Supported by a generative process of coding, confirming and consolidating categories, a higher degree of theoretical sensitivity was possible. Coding occurred through habitually asking, 'What is the data a study of?' and 'What category does this incident indicate?'. Confirming and consolidating relied on asking, 'What category or property

of a category, or what part of the emerging theory, does this incident indicate?’ and ‘What is actually happening in the data?’.

This process constantly moved the researcher between processes of substantive (initial) coding, theoretical (higher order) coding and sampling, and the creation of theoretical sensitivity and provisional theory generation (Locke 1996, Conrad 1978, Glaser & Strauss 1967).

As theoretical codes conceptualise how the substantive codes may relate to each other (Glaser 1978), “theoretical sampling is the process of collecting data for comparative analysis, and it is especially intended to facilitate the generation of theory” (Conrad 1978:103). The use of the individual, in-depth interview guide, based on a semi-structured format, further supported the process of theoretical sampling as interview respondents were able to raise any issues they viewed relevant. It also created an environment where the inclusion of further questions by the researcher was possible, where respondents could be requested to expand on issues that they raised and to follow leads from respondents regarding which employees might be able to further inform the research.

New and existing categories, subconstructs or constructs were used to direct further data collection. They were then further theoretically developed in respect to their connections with others until saturated.

Theoretical sampling of this type ceased when categories and subconstructs were saturated and integrated into constructs and emerging theory. This process produced intense theoretical sensitivity to the data as the emerging theories grew denser (Glaser 1978).

Typical categories, subconstructs and constructs appeared as follows:

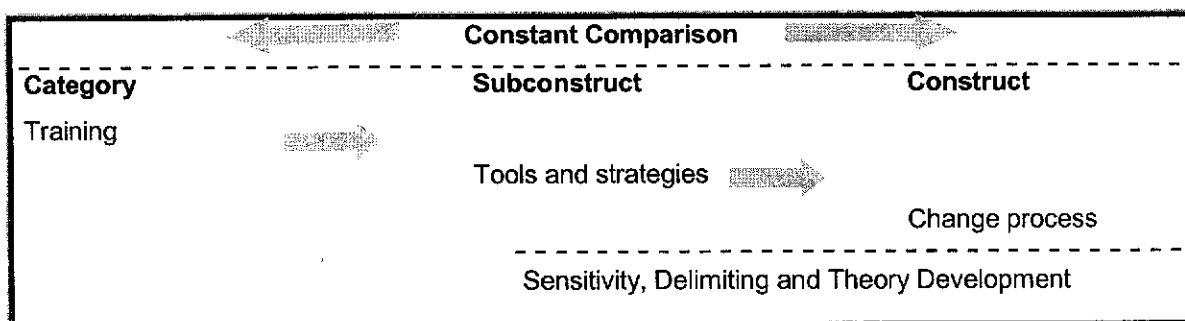


Figure 5.6: Coding demonstration one

Or

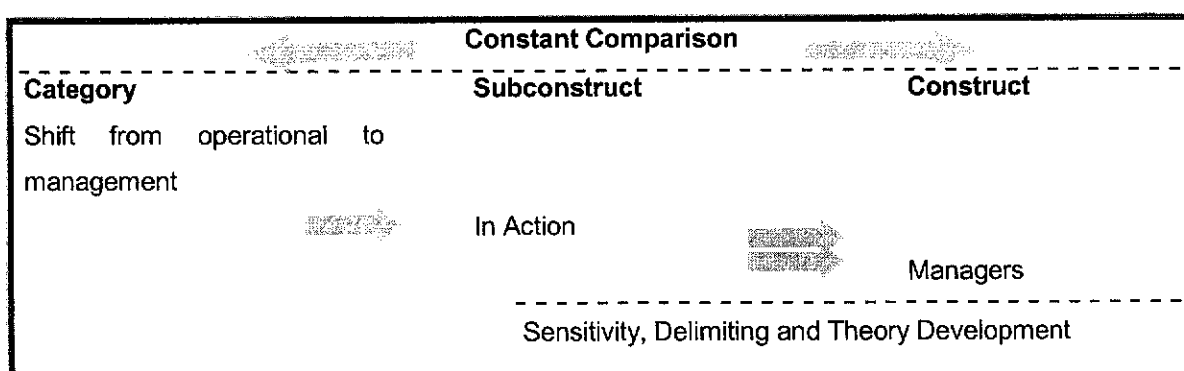


Figure 5.7: Coding demonstration two

In utilising this process, the number of categories, subconstructs and constructs concluded for LG1 as outlined in table 5.3 (locate below). A full listing is provided in Appendix 4.

Categories	390
Subconstructs	56
Constructs	14

Table 5.3: Final coding numbers LG1

Source: LG1 individual in-depth Interviews

Changes to the early individual in-depth emergent constructs for LG1 (as outlined in table 5.2 located on page 149) at the conclusion of coding resulted in the merging of three constructs and the development of a further construct and theoretical title established by the research. *Operational Behaviours* and *Implementation* merged into

Change Process, and *Information* into *Communication*. These merges resulted in a thicker description within each subconstruct or construct and a more appropriate placement of the categories. All merged constructs were small in size, and upon asking “What category or property of a category, of what part of the emerging theory, does this incident indicate?” and “What is actually happening in the data?” (Glaser & Strauss 1967:55) the issues raised indicated a stronger relevance to issues raised within the larger constructs or subconstructs.

Not all merges resulted in the issues being demoted automatically to a category. *Implementation* was merged into *Change Process*, and remained a subconstruct with eight categories of its own. Whereas *Operational Behaviours*, which originally had only two categories with limited content, was merged into one category. This was determined by the relevance and fit of the data and the emerging theories (Glaser 1978).

The additional construct developed beyond those listed in table 5.2 (located on page 149) was *What They Would Do*, and the researcher initiated theoretical title was *Emerging Phenomena*. *What They Would Do* was a direct result of the interview guide and process, where interview respondents were asked, ‘Imagine you are responsible for implementing the change process. How would you design it, taking into consideration your experiences over the past few years?’.

The *Emerging Phenomena* theoretical title was used for a completely different purpose, though. This acted as the housing vessel for core emergent themes as they were identified by the researcher and as they arose throughout the analysis process. It acted as the housing vessel for where higher order theoretical sensitivity could be generated through a comparative process with major existing subconstructs and constructs. From the final coding list for LG1, four major existing subconstructs and constructs were identified as those that could best inform the generative construction of *Emerging Phenomena* and support a rich depth to the analytical process and findings.

The four areas included all data listed within the construct *What They Would Do* and the following three subconstruct areas located across a range of constructs: *In Action*, *Employees’ Expectations* and *Employees’ Proposed Action*.

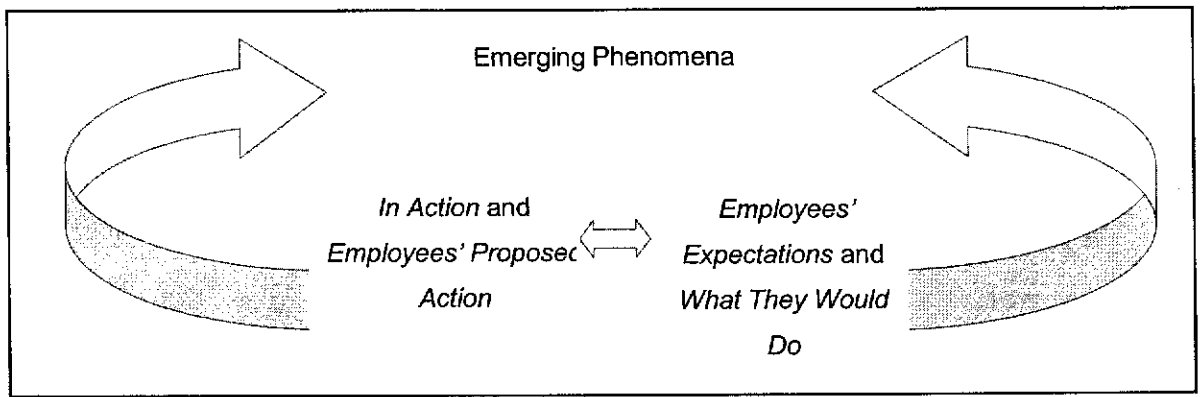


Figure 5.8: Analytical process with coded data

Source: LG1 Individual in-depth interviews

Primarily, the constructs of *Emerging Phenomena* evolved from the work of the researcher in the process of theoretical coding and provisional theory generation. The remaining subconstructs and constructs of *In Action*, *Employees' Expectations* and *Employees' Proposed Action* resulted from the processes of substantive and theoretical coding throughout the generative data coding and analysis process.

The selection of these subconstructs and constructs was used to delimit the substantive coding process and to guide selected core subconstructs and constructs, while maintaining a focus within the total context developed during the whole coding process (Glaser 1978). The overall result from the process was the delimiting of the data according to the boundaries of the research objectives, a process possible due to the ongoing theoretical sensitivity of the researcher (Glaser & Strauss 1967).

Overall, data from the subconstructs of *In Action* and *Employee Proposed Action* were used to create a rich description of *what* employees saw as happening directly in the work environment, and also what they felt could have happened. *Expectations* and *What they would do?* were viewed as *how* employees perceived change should take place. The comparison of *what* they had experienced, and their expressed views of *how* they would do it, provided a contextual understanding of their perceptions of effective and ineffective organisational change. Ongoing cross comparisons between the *what* and *hows* provided confirmation of the data fit, that it worked and that it was relevant for integration into a theory (Glaser 1978). This process was also applied to *Emerging Phenomena* subconstructs and constructs confirming or refuting their relevance in the process of theory generation.

5.7.1 LG1 In Action and Employees' Proposed Action Findings

***In Action* Subconstructs and Categories**

In Action subconstructs were identified throughout all major constructs:

- *Change Process*
- *Communication*
- *Executives*
- *Change Strategist*
- *Managers*
- *Employees*

In Action subconstructs emerged as a means of integrating categories and enabling some sense to be made of *what* respondents perceived was happening directly in the workplace; i.e. what 'action' was taking place in the organisation. These were both positive and negative in form and — through the comparative process with additional categories, subconstructs or constructs — informed the process of theory generation.

Emergent categories informing the *In Action* subconstructs are listed within Appendix 5 and a selection of relevant *in vivo* statements are listed below for purpose of demonstrating "analytic ability and imagery" (Glaser 1978:70) used to generate the categories, subconstructs and eventual theory generation.

Change Process/Change In Action

In action, the process of change was generally viewed as confusing, with an overall lack of involvement and communication between managers and employees. Lack of ownership was also an issue of concern, along with the absence of a clear strategic direction.

/...I think a lot of the time the wires get crossed somewhere, or we do what we think we are supposed to be doing and then someone higher up says 'no that is not what I want, I want it done a different way'.../...Well, the objectives have changed quite a few times in the last 2 years.../...Well, I think one of the key elements, and this is only just starting to happen, which really should have happened about 2 years ago, is getting ownership from the employees at the officer level and also throughout all levels of the organisation.../...They also needed a clear picture of where they were going, what they were doing, because in quite a few instances we've actually gone around in circles and we think, 'well what was all that for. Why all the trauma, why all this, we're back where we started'.../

Change Process/Staff Management In Action

The process of managing staff at an employee level within the process of change was clearly expressed as a negative experience for most of the interview respondents. While some indicated that there was a general discourse at management level that stated that employees would be seen as a priority in action, this clearly did not transpire.

/...I don't think they considered the staff. I think the staff were pretty much treated as just a number really.../...but it transmuted into something else, and that something else was predominantly not what the theory at the higher level said it should be.../...and for all I can see is for them to cut down on costs they seem to be cutting down on staff.../...like the management don't or Council don't care for us workers.../...I think they needed to look at the human element to start with, and start with that.../...You were virtually told that was a fait accompli - it sorts of makes people feel that their job was worth nothing, they were worth nothing, it was very demoralising for a lot of people. I just think they could have handled it better. Just talking to people.../...how it was being applied at a person to person level and that didn't happen well basically, so there was a lot of mistrust, there was a lot of innuendo, there was a lot of fear, uncertainty, a feeling that being involved was like going through the motions without any substance, there was suspicion.../

Communication/Change In Action

Overall, there was a general lack of communication expressed by the interview respondents. Even though it was stated that newsletters and e-mails had been received it was still expressed as not sufficient to help people understand the whole process, the reasons for change and perceived benefits. Therefore, more direct communication was viewed as necessary to create a level of understanding, and communication that was direct and clear.

/...management don't tell you directly, that is my experience anyway.../...information, not perhaps more information but more clearly defined information.../...See, there is no communication between Executive Managers and staff, I find.../...occasionally people from (exec) management will come down and talk to us which is good, um, but in general we don't see them a lot.../...Unless you go around and talk to people to say 'what the hell is happening?' you won't find out, so there is a general lack of communication.../...don't know what is going on, I mean I read all the emails, all the newsletters, but I don't get any communication or anything.../...I think it's really important, one of the problems in this whole process has been that people haven't understood the big picture. They don't really know where they fit. They know they

have to change but they don't understand why, and they don't know when it's going to happen and what's going to happen at the end of it, and I think that's something, and what the goal is, what the reasons for this is and I think that's something that, me personally I find that if I know why we're doing all of this then it makes it easier to do.../...not been passed on or we have just been kept in the dark about it.../

Executives/In Action

Executives in LG1 were defined as the CEO and those who directly reported to the him. While this also included the Change Strategist, he was not included here with the Executive grouping as, throughout discussions, he generated enough data to warrant his own construct. The executive group was predominately viewed in a negative light, due to their lack of unity and commitment to the change process. Their lack of ability to fulfil the requirements at either an operational or personal skill level was also an issue raised by a number of respondents. One respondent, though, did discuss their executive manager in a positive light with a specific reference to their strong human side. This was discussed in a manner suggesting that this was not the norm and that they were fortunate to be under this person's management.

/...Absolutely, that would go without saying, I would doubt if there is a person in this building, and I could be wrong, ok this is just my perception, that actually believe that the Executives are united and moving in the same way.../...We have been fortunate, we have got, um, a very good Executive Manager who has a very strong human side to him and we are very fortunate.../... I've tended to lose a lot of trust with our executive recently only because as leaders they were preaching one thing but they're not acting on what they preach.../...I mean you can have all the theory you want but it is the ability to make it work and that is where they come unstuck.../

Change Strategist/In Action

In action, the role, style, skills and personality of the Change Strategist swiftly emerged as being important to the process of change. In the case of LG1, it emerged very quickly and without prompting that the Change Strategist had been a very negative influence on the process as a whole. His perceived lack of people skills, communication and style were continually discussed in a negative manner, and at one stage he was likened to Hitler.

/...I don't know him personally, but his people skills are not good and the way he treats people and talks to people is not really good, and he doesn't come across well.../...I guess one of the difficulties with him

when he first started, he treated everybody as if they knew nothing, as if all the jobs that they'd been doing for the last 10 years were worth nothing, that they had no intelligence, it was just a complete put-down.../...and I used to get quite upset - he just used to shout and yell and that sort of thing. I used to get quite upset that he would actually treat another person like that, but I think that was maybe a personal thing. But that's sort of how strong he came on in the beginning.../...Yes, a huge negative impact. Because of one particular person.../...Because I guess they sort of view this person who is making the changes sort of like a Hitler, if you know what I mean.../

Managers/In Action

While there was recognition that the managers' roles had changed, there was concern regarding their ability to fulfil the requirements of the change process skilfully. Their ability to influence the change process was also questioned, due to a lack of skill in strategic change processes.

/...Well, I have got to be truthful, I think a lot of them are out of their depth, I really do.../...My manager goes to meetings, but I don't know what they are to do with. We don't get any feed back from it.../...Yeah. I mean the managers' roles have certainly changed. They used to play a big part in the running of the section, whereas now it's more administrative reports, the financial side of it, their role has changed considerably, they were very much hands on before, it's changed quite a lot.../...And you could tell that there was lot of in-fighting and if they couldn't convince the managers that this.../...one of the difficulties for them, a lot of them were actually technical people initially and they were suddenly expected to drop all their technical stuff and start doing pie charts and business reporting which I think was difficult for them.../...I think they're the messengers basically. They're being told what to do and they're having to implement whatever they're being told to do.../

Employees/In Action

For employees, the process of change in action had created a level of insecurity, increased staff turnover and eroded people's confidence. The majority of this was attributed to a lack of understanding of what was required, what the overall impact would be and what the expected outcomes of the change process were.

/...I mean, I worry that if I go on leave for a month and I come back I mightn't be working in there. No-one will discuss it with me .../...And I think the main opposition to it is that people don't understand it and they don't know why and they all think they are under some threat of being taken out of work or some sort of thing you know.../...It could be so simple and you are making simplicity complex and complicated, and we are losing a lot of people on the way.../...I think the staff are very

eager to be part of something, where there is that clear direction, that there's something to be achieved and they're very eager to be part of that. I believe the majority of people are builders, not destroyers, basically. They want to be part of building something, and I think the majority of employees of LG1 can be put into that category .../...Staff turnover seems to be quite high within the administration. It might be coincidental, it might.../...we don't have anything that relates to a clear path.../...don't really know what it's going to evolve into. You get to a point where you can only take so much change before you become uncomfortable in how you do your work and I think for everyone you always want some form of comfort zone in order that you can feel confident about your job but if it's continually changing all the time and you don't really know why or where it's going to head, then that's a fairly awful working environment I would suspect.../

Summary: *In Action* Subconstructs and Categories

The analysis of the *In Action* subconstructs and categories, supported the research objectives and schema presented in chapter 3, and demonstrated that the respondents held clear views regarding their:

- role in the change process;
- involvement in the change process; and
- perceptions of the enacted strategies..

Participants were able to assert their views without restraint across all sections of the organisation, and provided a wealth of data dominated by interrelated perceptions of processes and action. Combined, these presented a collective view that for those interviewed:

- The change process was not clearly defined or understood.
- That consultation before or after any actions taken had not occurred.
- As employees they did not feel they had been considered within the change processes.
- Communication had been unclear, not understood and not directly provided.
- The process had not been openly supported at all management levels.
- Executives' actions had been incongruent with what was being asked of employees and the change was not being led.
- The Change Strategists' actions had been nothing short of detrimental to the change process due to poor people skills, leadership and communication.
- Many of the managers lacked the skills to adequately implement the changes required and were very unclear of what was required across the board.

- Employees were not being led, informed, consulted or considered.

The process was viewed negatively by all those interviewed, and resulted in very few positive comments. Those received related to one executive and two managers, who were perceived as ‘doing their best’, but equally viewed as distinct from all other executives and managers.

LG1 Employees’ Proposed Action Subconstructs and Categories

The *Employees’ Proposed Action* subconstruct emerged only within the construct of *Communication*, and provided a rich description of what interview respondents perceived as effective communication strategies.

A full listing of all *Employees’ Proposed Action* subconstructs is located in Appendix 6, and a selection of relevant *in vivo* statements are listed below.

The proposed action presented by the interview respondents emerged from a perceived lack of communication, and experiences that either assisted them to understand the change, or created further confusion.

*/...there is no communication between Executive Managers and staff
...there is a general lack of communication.../...People take in
different things in different ways, some people take it in visually, some
take it in by hearing it, some people take it in by reading it.../...it is all
very well handing out this information, but unless people understand
what they are being given, it is a load of rubbish.../...If it was me and I
got to have preferential treatment, then I would like it if they spoke to me
individually and I mean just think that that demonstrates that they think
that I’m an important person in the organisation.../...obviously one on
one, to me, makes communication a lot easier.../...Then you have things
like awareness days, where you get the people together to update.../...So
it’s Executive Manager or top management - it’s their responsibility to
show us what we have to do, but they have to show us so we can
understand..../...If they are going to come down and talk to you
personally, and I think you do trust it more rather than hearing from
somebody else, if it comes directly, you tend to trust them more.../*

Summary: Employees’ Proposed Action Subconstructs and Categories

The proposed actions within the area of communication related to both technical strategies and personal wants. It was not simply a case of just communicating information, but of maintaining a sense of physical and personal contact with individuals.

In summary, the proposed actions indicated:

- the need to strategically consider a variety of methods;
- that a strategic follow-up process should be included to ensure individuals understand, and are able to comment;
- that inclusion and reinforcement should occur from the top down; and
- that employees should be informed and heard; and
- that communication should be personalised where possible.

5.7.2 Employee Expectations and What They Would Do Findings

The constructs of *Employee Expectations* and *What They Would Do*, while providing employees with a direct opportunity to discuss their views, also provided a process of rigour to ensure that a true understanding of the data was emerging. Both areas informed the comparative process, ensuring that the previously selected core constructs and subconstructs of *In Action* and *Employees' Proposed Action* were appropriate for furthering this research, and that no premature delimitation of data had occurred. It provided a richer understanding by weaving together *what* they perceived as had occurred and *how* they perceived it should have occurred.

LG1 Employees' Expectations Subconstructs and Categories

Employees' Expectations subconstructs emerged within constructs of:

- *Executives*;
- *Change Strategist*;
- *Managers*; and
- *Employees*.

The subconstruct of *Employees' Expectations* emerged from statements directly related to what interview respondents felt; i.e. *how* it should be happening, based on their expectations within the change process. A full listing of all *Employees' Expectations* subconstructs are located in Appendix 7, and a selection of relevant *in vivo* statements are listed below.

Executive/Employee Expectation

The expectations of the employees in relation to the CEO and the Executive Managers were strongly related to clear and visual leadership, communication and accountability.

Their expectations arose from what they both perceived as happening, and what they believed should be happening to create a more effective environment for change.

/...Well, they're the ones that should be leading it and governing the change.../...I suppose, yes, to a certain degree. Especially now we're in a two storey building. I could go for a week or whatever and never go upstairs and probably a month before I'd actually go into the CEO's section. You wouldn't know if he was here or not. So it would make him seem more approachable I think, if he did come around.../...[the CEO] has got to get the Executives to walk the same path and the way he should be doing that will be through their outcomes. Do they go to meetings, do they do this, if you have an outcome that says x what are the Executive Managers doing personally and you rate their performance on have the achieved x and is it measurably.../...and I think sometimes the leaders of the organisation do not demonstrate that leadership.../

Change Strategist/Employee Expectation

The expectations of the employees regarding the role of the Change Strategist focussed on a need for empathetic communication and understanding. This appeared to be greatly influenced by previous views expressed relating to a stated dictatorial approach by the Change Strategist.

/...you've got to be able to put the message across and what you're trying to achieve, and on [his] side it didn't come across.../...I think just more of a, from an understanding of making the changes successfully because say if staff were in a position for a long time or did something a long time, being sympathetic and saying, 'look I understand we've done this for many years this way', it's more about just how you express yourself and when you're forced into a position of change, I think that the communication, how you communicate that and how you deal with not trying to be really airy fairy and hurt the people's feelings, because that's not what they're about, they've been employed to do a certain job but I think it is really important how you say and do those things and demonstrate them, and actually perhaps how you deal with the impacts of that change with other employees as well.../

Managers/Employee Expectation

Expectations of managers relates to interpreting and driving the change at the employee level. That is, taking what has been strategically set, and transferring that into action strategies for employees, as well as feeding information back up to the Change Strategist about what and why things happen at the employee level.

/...It comes back to one person saying, 'well it's my responsibility at the end of the day to decide what it is we're going to do and that decision's

made'. I think in that regard that's what I'll probably look for.../...the Manager should really be driving it at the management level and knowing exactly where and what they are supposed to be achieving each year.../I think that maybe [the Change Strategist] has to know what he's doing and have a direction for this organisation in his mind and maybe it's somebody else's job to know what each individual does and demonstrate that to [him] I guess.../

Employees'/Employee Expectation

Employee expectations at their own level related to being able to understand what the change is about and to be able to be and feel part of it.

/...employees and the officers need to realise that it's for their own benefit, this is what's going to protect their jobs, it's not a threat to their jobs and that's something that probably could have been communicated a lot better and hasn't really come.../...To be able work effectively if things are changing you have got to know what is happening to be confident that you know where you are going, what you are doing and what you are supposed to be doing.../...expected to be part of the change process and at the end result be part of the end result, and sort of say, 'well this is what we've achieved at the end of the day, isn't it good'.../

Summary: Employee Expectations Subconstructs and Categories

The descriptions within these subconstructs provided a rich illustration of what the interview respondents' expectations were within the change process at all levels of the organisation. These subconstructs helped inform the research objective of identifying employees' expectation of the change process and the process of developing a significant guide to effective implementation strategies.

Expectations were stated as follows:

- The Executive should be leading the change and be seen to be leading it at all levels.
- The change be communicated from all levels in a manner that can be understood and is respectful of the recipient.
- Management have the skills to implement it.
- The purpose and benefits be clear from a strategic and personal perspective.

LG1 What They Would Do Subconstructs and Categories

What They Would Do subconstructs emerged within the following constructs:

- *Process*;

- *As an Executive;*
- *As a Change Strategist;*
- *As a Manager;*
- *To address relationships; and*
- *Regarding Communication.*

The subconstruct of *What They Would Do* emerged from a prompt directed at the concluding stages of each interview. This provided interview respondents with the opportunity to summarise their points, or to include additional points that they felt were relevant. A full listing of all *What They Would Do* subconstructs is located in Appendix 8, and a selection of relevant *in vivo* statements are listed below.

What They Would Do/Process

While recognised as a complex issue, employees were able to present a range of views relating what they would do to create an effective process of change. These related to setting clear objectives, creating a homogenous entity, communicating, including consultation, seeking ownership at all levels, including detailed information down to a personal level and aiming to create an organisation that is able to deal with change.

/...surely that's the objective of the change process anyway, so the change process is just a segment of an ongoing process.../...that's something I would want to be aiming for if I was in a position to do it because that in itself would mean that you have a fairly well structured but homogenous entity that can flex as it's needed. Very ideal, isn't it.../...keeping people informed and briefed, having a clear vision as well, the direction and certainly inviting that opportunity to have input in the change is quite critical.../...the problem is it's just so easy to get lost in there, and I would just be encouraging that process from a CEO's point of view is refined and developed the best way possible so that we can continue to develop the organisation, but the staff, the management, everybody knows what's going on, they're not lost, everybody's got a clear direction.../...I think you'd then need to look at your staff and see why they don't want to be involved in it, whether it's just their attitude or what, I think that needs to be managed.../...More participation down through the ranks.../...I was encouraged to keep going and think up different things and coming up with ideas. That's what I'd like .../...a team environment where it's a lot more sort of like a vertical slice of the organisation then I think taking that approach pulls the ownership closer to everyone who's real, including the executives as well, so it doesn't become driven just by the executive, it's driven from parts of the organisation rather than one level of the organisation. It's a pretty hard question.../...And when I say more informed I don't mean just what is going to happen, why it is happening and why we are

working towards it.../...To keep people informed and briefed, having a clear vision as well, the direction and certainly inviting that opportunity to have input in the change is quite critical.../...where things are heading, not just the overall picture, but each individual thing, everything which directly affects them, people need to know where their direction is going.../...You need to communicate to your staff what the outcome is that you're going to achieve and then you'd ask your staff to be involved in that and then .../...There's a huge number of things that you'd have to consider [in the process]. It's almost impossible to answer because it's such a complex - there's so many issues that you want to put in place or that should be in place.../...Managers etc. but you have got to gradually get everybody on-side.../

What They Would Do /As an Executive

The interview respondents indicated that as executives they would not only set direction, but would also ensure that was happening via communication with those implementing the change. The main approach proposed for this was through informal communication strategies — casual but purposeful interaction — and through developing a rapport with employees. The role of the CEO in this process was highlighted as specifically important, and his role as head of the organisation was metaphorically likened to that of 'the king'.

/...Admittedly, I know the Executive Managers or the CEO would be quite busy, but speaking to somebody who is just walking down the corridor it is only going to take a couple of minutes.../...I would be questioning some of the outcome of what is actually going on.../... if our executive manager was to spend some time communicating to either the managers or definitely the employees, the officers, why it's happening, that he's behind it, this is for the best for the organisation and really explain the whole.../...I know the staff were beside themselves, it was like having the king come out .../...Recognition or finding out what the staff are doing and if they have done a good job, come down and thank them personally, not always up in the office.../...one day I might be walking down the corridor and see Joe Bloggs and say, 'how is it going, um, how are the changes going did you find you have been quite happy with them?' and if he said 'what changes?' or 'no, we have been kept in the dark about it', then I have to go back to the Executive Managers of that department and say, 'well, the information I have passed on to you is not being passed on to your staff, please make sure it is'.../...As the CEO probably the main thing, I would be looking for is assurances from the rest of the staff that they're happy with the way things are going in terms of - okay we've got our overall direction and we're clear about that, we don't have a problem, are you happy that you can identify areas where you think the improvement can be made so that we can achieve what our overall goal is.../

What They Would Do /As a Change Strategist

In line with many criticisms of the Change Strategist's personal approach to implementing change, the message from the interview respondents was clear and simple.

/...I'd try not to be a dictator.../

What They Would Do /As a Manager

Again, for employees, the focus on what they would do as managers related to their personal side and skills. It was about being approachable and open to discussion.

/...I guess also there's also got to be that rapport that you have with your Managers and it's essential that you can approach them and talk to them about the changes or whether they're open to discussing it and whether they're aware of what's being changed.../

What They Would Do /To Address Relationships

Apart from the issues raised previously within 'What They Would Do/Process', the management of the softer or humanistic aspects of change and the relationships between people in the workplace was an issue raised by the interview respondents.

/...I mean, this sounds contrived, but I think it's very important that it's not - and this is regardless of change or whether it's a daily thing - I think my preferred approach is one that deals with - it's not a corporate type approach. You have to be clear about the sort of corporate processes, the formalities, the formal processes we need to use in order to work well at what we do, so that's the sort of mechanical things that should work well and that is the formal thing, but in a sense that's a skeleton that holds everything together but the actual - everything around it should be very non-corporate in the sense that you're looking at quite an empathetic approach to dealing with relationships.../...I wouldn't want any staff member if I was CEO to not know where I was heading in my direction. I wouldn't want any of them to have anything short of complete trust and basically faith in that I'm being up-front with them. That would be very important to me. If you can establish that relationship with your staff it's a very essential component. It just leads to so much.../

What They Would Do /Regarding Communication

In relation to communication, employees focussed on both the need for setting a clear strategic direction and a process that would allow for interaction and feedback. It was the combination of these that were perceived as effective contributors to a positive environment.

/...I think certainly implementing a proper communication strategy for it.../...It has got to be done on a more social level, sociable situation rather than the boss sitting down there, 'right, this is what the story is', rather sit down, relax and then people will open up.../...And then you'd have to follow up with Managers so that each section Manager was aware of what you wanted done, and for them to approach their staff so it's making it clear, it's more black and white so you can actually understand it in everyday terms.../...Although I said it needs to start from the top down, it really needs to be filtered down but also filtered back up through the system and unless that's done, I don't think it makes for a very positive working environment.../

Summary: *What They Would Do* Subconstructs and Categories

Most interview respondents felt very able to answer this question and, together with issues raised throughout the interview process as statements indicating their expectations (as detailed in the previous section), it worked to collectively inform the research objective of identifying employees' expectation of the change process and the process of developing a significant guide to effective implementation strategies.

It also provided an excellent closure to the interview process as the researcher was able to paraphrase what had been said to ensure a full understanding. Additionally, it was also an opportunity to provide some basic feedback relating to what other interview respondents had said (in an anonymous format), thus providing reassurance that their comments were both common to the organisation and of interest to the researcher.

In summary, *What They Would Do* was expressed in terms of:

- providing an endorsed, clear vision with clear requirements;
- implementing the change in a humane manner;
- utilising effective strategies; and
- Seeking to create an interactive working environment.

5.8 Analysis of LG1 Findings

A final analysis of LG1 findings was undertaken to enable a higher level of sensitivity to the data to emerge. This was achieved by continuing the process of constant comparison of the data, focussing on comparing *Employees' Expectations* and *What They Would Do* with *In Action* subconstructs and *Proposed Action*. The purpose of the comparison was to:

- view all the data collectively;

- provide richness of depth to the delimitation of higher level abstract constructs under the theoretical title *Emerging Phenomena*;
- inform the final stage of theory development, and
- identify any unmatched categories potentially requiring further analysis.

To assist in the analysis of the data, the computer package Decision Explorer (Banxia Software Ltd 1998) was utilised to facilitate the process of effective mapping and linking undertaken by the researcher. All categories, subconstructs and constructs were transferred to Decision Explorer from NUD•IST (Richards & Richards 1996), the computer program where all coding activity had taken place.

The purpose of these linkages was to further understanding *why* they held such expectations or 'would do' views — all being crucial elements to effective case study activities (Yin 1994). It also provided a visual representation of the analysis enabling further sensitivity to the data.

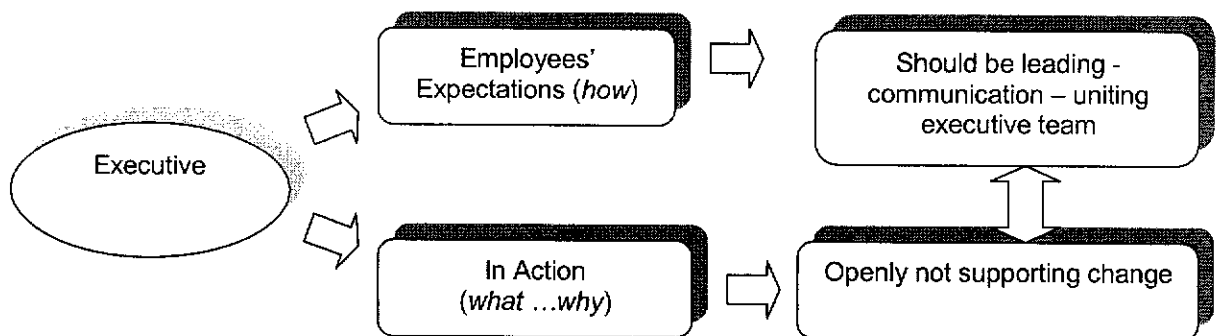


Figure 5.9: A demonstration of the constant comparison process

The first stage of this process involved the construction of a series of maps, where individual constructs, associated subconstructs and categories could be viewed. The next step was to overlay similarly developed maps of associated constructs as demonstrated in figure 5.10 (located on page 168 - a single construct and subconstruct data map) and figure 5.11 (located on page 169 - a data map with a single construct associated subconstructs).

Manual links were then assembled by the researcher between the categories from each construct, as demonstrated in figure 5.12 (located on page 169). This process assisted by displaying the depth of issues through the intensity of linkages and highlighted

differences for further investigation. This process was continued until all associated core constructs appeared on one single map as highlighted in figure 5.13 (located on page 170), forming the final analysis and creation of higher level abstract constructs under the theoretical title of *Emerging Phenomena*. This construct was viewed as the critical point to inform the final stage of theory development.

For the purpose of demonstration, the following core constructs are used to display the process discussed:

- What they would do/as an Executive
- Executives/Employees' expectations and
- Executives/In Action

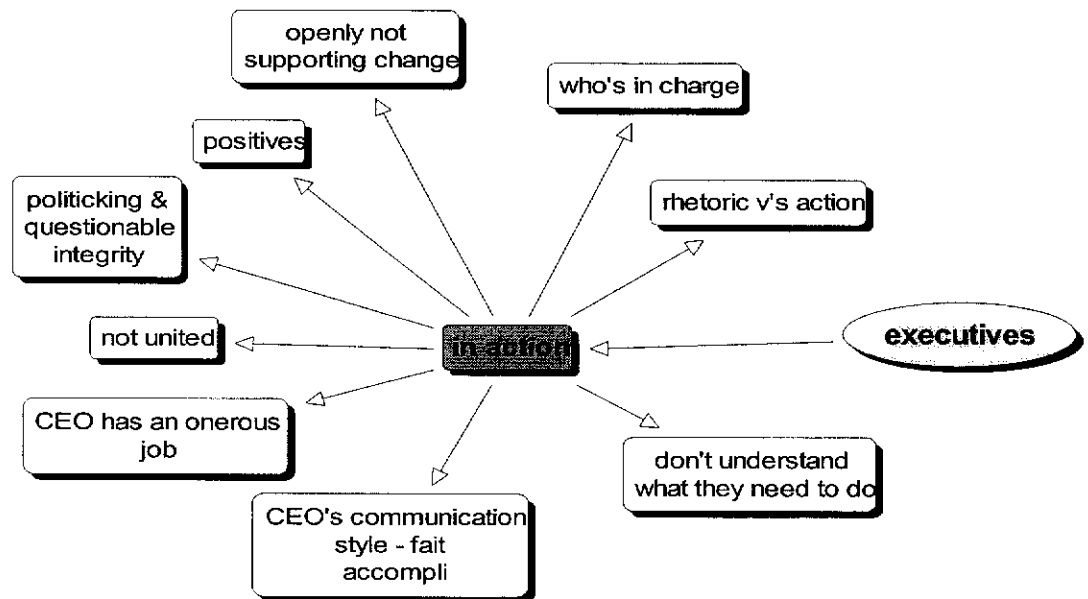


Figure 5.10: An example of stage 1: Single-construct data mapping – Executives/In Action

Source: LG1 individual in-depth interviews

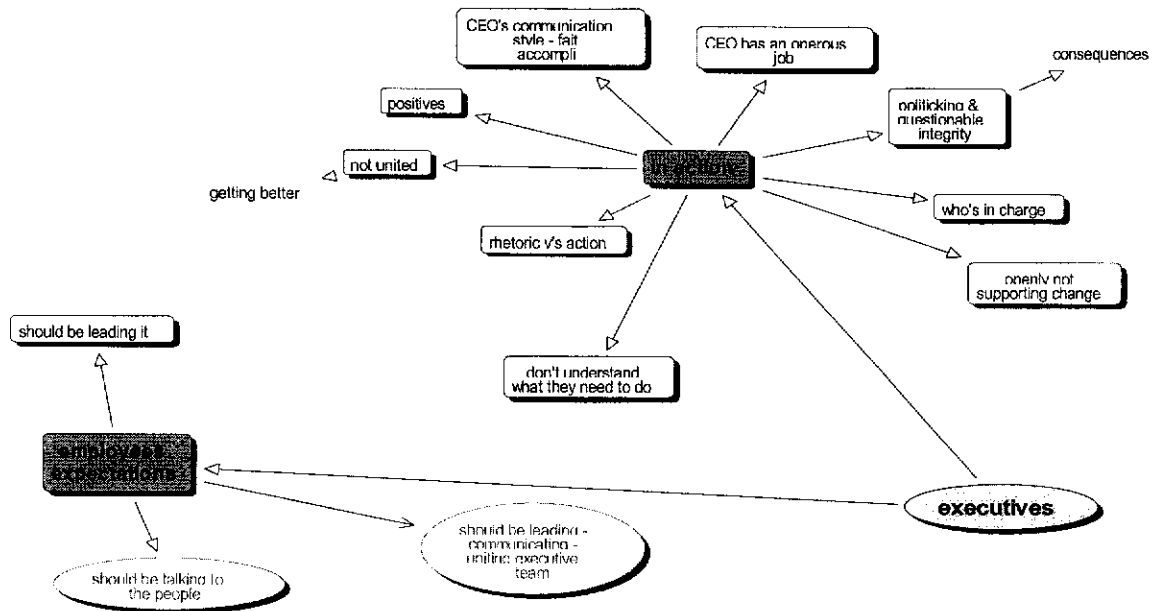


Figure 5.11: An example of stage 2: Data mapping with a single construct and associated subconstructs – Executives / In Action and Executives / Employees Expectations

Source: LG1 individual in-depth interviews

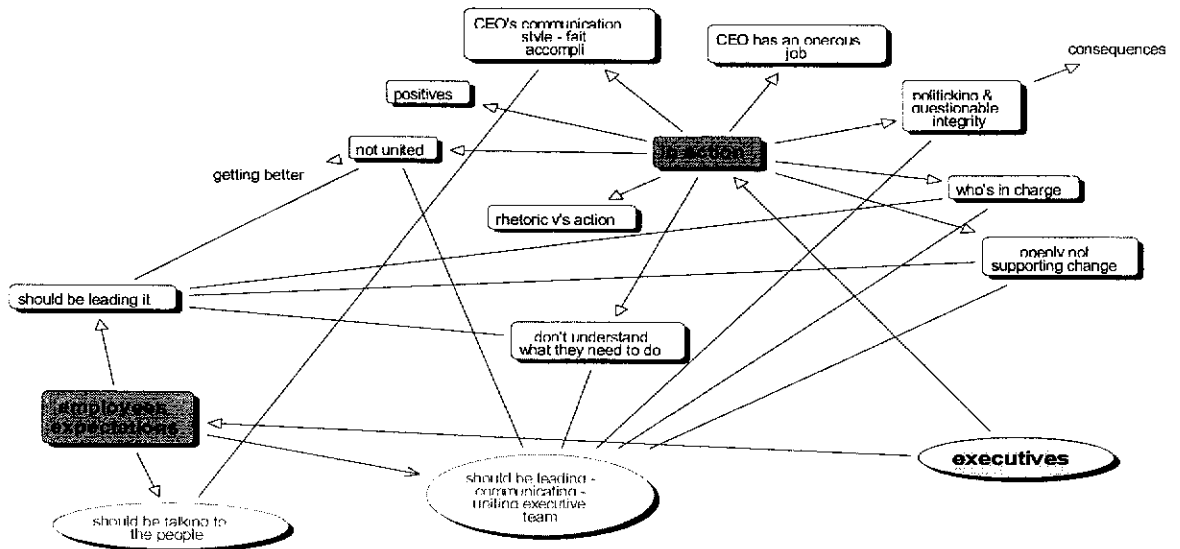


Figure 5.12: An example of stage 3: data mapping with category linking – Executives / In Action and Executives / Employees' Expectations

Source: LG1 individual in-depth interviews

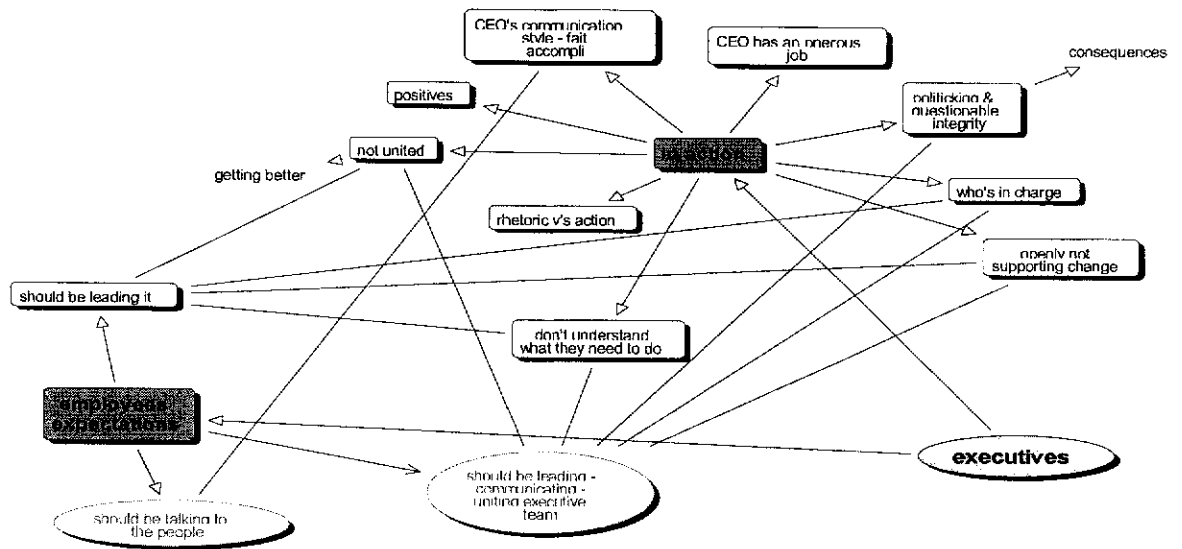


Figure 5.13: An example of stage 4: Construct data mapping and linking of all associated categories – Executives / In Action, Executives / Employees' Expectations and Executives / What they would do

Source: LG1 Individual in-depth interviews

Using Decision Explorer, clarity of linkages was easily obtained via a text analysis at the conclusion of mapping. This provided a listing of all constructs, subconstructs, categories and associated linkages. Linkages were determined as either positive or negative by the researcher, depending on the context of the *in-vivo* statements within each category. These lists were then transferred to tables for clear analysis and processes of easy management. This process can be seen in Appendix 9. Tables identified with clarity the depth of *In Action* and *Proposed Action* categories linked to *What they would do* and *Employee Expectations*. They worked towards creating a richer understanding of the interview respondents' perceptions and an understanding of the experiences that informed their statements of how they would create effective change strategies.

The tables also highlighted any unmatched categories potentially requiring further analysis. These are referred to as *orphan categories* within the tables represented in Appendix 9. Across all LG1 data, only 10 categories from a potential 149 *In Action*, *Proposed Action*, *Employee Expectations* and *What They Would Do* subconstructs were identified as unmatched. No more than three were identified in any one of the related constructs; hence, the unmatched categories were determined as not requiring further investigation. Significant amounts of unmatched data would have been viewed

as indicating a general lack of fit and suggesting that the data required further exploration.

5.9 LG1 *Emerging Phenomena*

In working with and analysing LG1 data, the principal aim was the generation of a theoretically sensitive representation of the employee perceptions relating to factors that would influence the acceptance of organisational change. As stated previously this was concluded under the theoretical title of *Emerging Phenomena*.

In line with process of constant comparison and theory generation, as previously discussed, constructs occurred on a generative basis throughout all stages of data analysis. A skeleton list was constantly being worked, reviewed, expanded and delimited. At the conclusion of the above mapping process, this was worked again until a final listing was individually mapped against each core construct in the areas of:

- *In Action;*
- *Employees' Proposed Action;*
- *Employees' Expectations;* and
- *What They Would Do.*

This ensured linkages and that the *Emerging Phenomena* categories were supported by the data. Again, at the conclusion of Decision Explorer mapping, tables were formulated to ensure that all constructs and categories had been included in the analysis process and formulation of the higher order *Emerging Phenomena* as shown in table 5.4 (located on page 172).

This process concluded the analytical process and worked the original listing of 17 constructs, 57 subconstructs and 600 categories to the following:

Category	Construct
needs a shared vision and understanding needs a clear detailed plan with stated outcomes and requirements requires joint ongoing involvement not just top-down needs to address initial and ongoing impact re human element	Change Process
require a strong human side need to demonstrate a positive united front and lead the change	Executives
should be confident in their actions should provide strong analytical direction hold no restrictive set agenda have knowledge of organisational type and its history be open with an allowance for mistakes requires good communication skills and people skills	Change Strategists
need to be approachable — social people have good knowledge and skills provide information and feedback be able to communicate and direct have a good balance of the human side have a positive approach that supports the change	Manager
need for adaptability	Employee
require leadership and a certain communicative style communication needs acknowledgement of the human side must be upfront and trustworthy	Relationships
requires variety of approaches to include follow-up for feedback and levels of understanding to address human relation requirements as well as information dissemination requires a strategy that is clear and for all levels	Communication

Table 5.4: *Emerging Phenomena* Constructs/categories

Source: LG1 individual in-depth interviews

At the conclusion of the analysis, it was determined by the researcher that each category and construct provided a clear representation of critical issues pertaining to the core areas, excluding the area of relationships. The data was returned to retrace the origins of its emergence, and reconfirm its fit. Utilising Decision Explorer (Banxia Software Ltd 1998) mapping a linking process demonstrated that, unlike other

constructs such as *Executives*, where all categories were clearly located within the one core area, the *Relationships* categories emerged from across all associated core constructs and subconstructs. The subconstruct of *Relationships* had emerged not in the process context of 'who reports to who', but as a variable relating to:

- looking for empathetic behaviour;
- wanting direct contact;
- a communication style that is personal;
- wanting unity;
- a demonstration of concern;
- approachability and rapport;
- trust and commitment to each other;
- that the issue of how people felt was addressed; and
- a commitment to maintaining relationships demonstrated through a wide range of action.

5.10 Summary: LG1 Findings

In summary, the emergence of dense findings from the data occurred through the following activities and principles:

- developing an individual, in-depth interview schedule by first creating an intimacy with the organisation through focus group activities;
- an ongoing generative process of interviewing, collating and coding the interview data;
- a commitment to the generative process and saturation at all stages of interviewing, collating and coding;
- seeking meaning for the data that demonstrated fit and workability as a whole, and for the overall research area
- allowing the emergence of higher order variable to occur through a process of constant comparison; and

- the ongoing creation of links that confirmed depth and richness in the concluding representative constructs, subconstructs and categories.

The process of theory development from the emergent higher order constructs was undertaken at the conclusion of LG2 findings.

5.11 LG2 Interview Findings

While not used to force the process of data analysis, the activities and principles outlined within sections 5.7 and 5.8 were used to guide the analysis of the raw data from the LG2 interviews.

The interview guide used during the individual in-depth interviews was similar to that utilised with LG1, although language and specific reference to change activities, as directed through the LG2 focus group activities were altered to match those of LG2's Enterprise Agreement Activities and organisational specific nuances.

The ongoing use of the data analysis strategy was considered appropriate as many issues raised during focus group activities clearly indicated core similarities requiring similar data management strategies. Issues raised similarly to that of LG1 were:

- processes;
- communication;
- executives;
- the Change Strategist;
- management; and
- employee responses.

Additional specific issues were:

- enterprise-bargaining agreements;
- training;
- incentives, and
- external consultants.

Additional prompts used during the individual in-depth one-to-one interview process thus included:

- Can you explain how the EBA, KPIs and continuous improvement differ, and their roles in this change program?
- What has been the impact of using a tool like EBA on employees?
- How have the directors responded to the EBA and its implementation?
- Do you perceive that managers [*and? or?*] directors are currently using the appropriate management practices that are inline with creating teams and meeting KPIs?
- How would you suggest the basic structure of the organisation has altered to include the changes bought on by the EBA (i.e. teams)?

From the interviews conducted utilising a modified individual in-depth interview guide, inclusive of the above prompts with LG2 employees', a number of early categories, subconstructs and constructs emerged. As with the case of LG1 categories, subconstructs and constructs emerged as a gradual process, but altering as coding and analysis continued. Table 5.5 (located below) outlines the early individual in-depth emergent constructs for LG2.

LG2 Early individual in-depth emergent constructs
Change Purpose
Change Process
Communication
Reaction to change
<i>Executives</i>
<i>Change Strategist</i>
<i>Managers</i>
<i>Employees</i>
Relationships
Responsible for making it work
Miscellaneous

Table 5.5: Early individual in-depth emergent constructs for LG2

Throughout the process of working with the data, significant numbers of categories and subconstructs emerged, and a number of changes occurred to the early emergent constructs as listed in table 5.5 (located on page 175). For LG2, there emerged a greater focus on:

- the specific change program of an enterprise-bargaining agreement;
- a greater depth of views related to the program and its overall impact; and
- a much larger variation in positive and negative views, due to the influence of some managers who were perceived by some interview respondents as positive models of management.

The positive and negative views resulted in a higher average number of categories per subconstruct than with LG1, but all equally informing the research objective of identifying employee perceptions of effective and ineffective factors influencing the change program.

At the conclusion of coding, confirming and consolidating the data, the number of constructs, subconstructs and categories were as follows in table 5.6 (located below). A full listing of all LG2 categories, subconstructs and constructs are listed in Appendix 10.

Categories	292
Subconstructs	33
Constructs	13

Table 5.6: Final coding numbers LG2

Source: LG2 individual in-depth interviews

In addition to the 11 constructs detailed in table 5.5 (located on page 175), the construct *What They Would Do* and theoretical title of *Emerging Phenomena* were also included. The construct of *What They Would Do* emerged in order to manage the data generated in relation to the interview prompt of 'Imagine you are responsible for implementing the change ...', while *Emerging Phenomena* was the focus of higher order construct emergence and the basis of theory development.

From the final coding list for LG2, eight major areas were identified that would inform the analytical framework. They included all data listed within the constructs of *What They Would Do* and the subconstructs of:

1. *In Action;*
2. *Employees' Expectations;*
3. *Skills and Abilities;*
4. *Impact on Employees;*
5. *Reactions To;*
6. *The Change Design;* and
7. *Employees' Proposed Methods.*

and constructs located within the theoretical title of *Emerging Phenomena*.

Figure 5.34 demonstrates the formative analytic process.

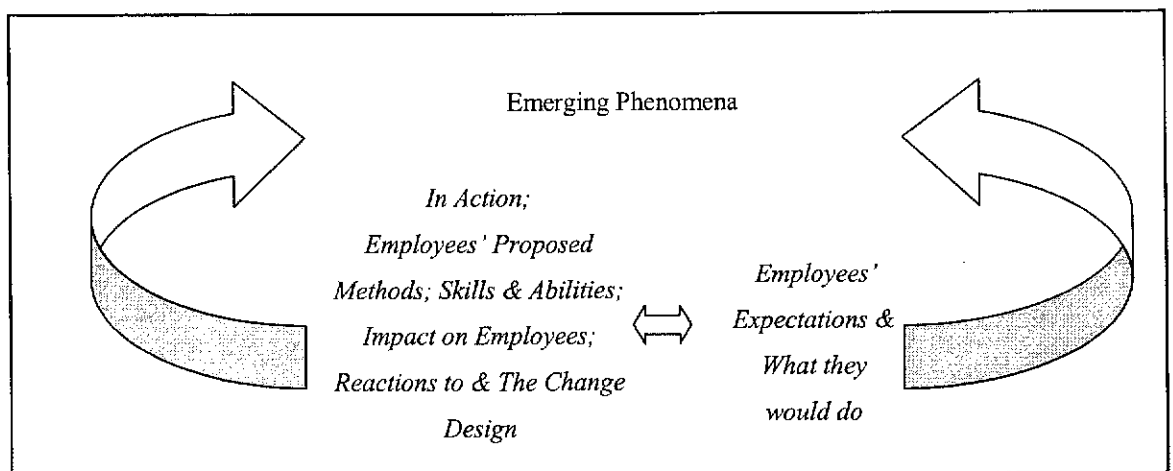


Figure 5.34: The analytical process with coded data

Source: LG2 individual in-depth interviews

This process was used to delimit the theoretical coding process and guide selective subconstructs and constructs according to the boundaries of the research objectives, a process possible due to the ongoing theoretical sensitivity of the researcher (Glaser & Strauss 1967).

This process was supported by continuing the process of continually asking:

- What is the data a study of?

- What category does this incident indicate?
- What category or property of a category, of what part of the emerging theory, does this incident indicate?
- What is actually happening in the data? (Glaser & Strauss 1967)

Both similar and different issues and codes emerged to that of LG1, providing confidence that the data was not being forced to fit with previous findings, and again providing a depth and richness to the LG2 data.

Overall, data from the subconstructs of *In Action*, *Skills and Abilities*, *Impact on Employees*, *Reactions To*, *The Change Design*, and *Employees' Proposed Methods* were used to create a rich description of *what* employees saw as happening directly in the work environment, and also what they felt could have happened. *Employees' Expectations* and *What They Would Do?* were viewed as *how* employees perceived change should take place. The comparison of *what* they had experienced, and their expressed views of *how* they would do it, continued to provided a contextual understanding of their perceptions of effective and ineffective organisational change. Ongoing cross comparisons between the *what* and *hows* again provided confirmation of the data fit; that it worked, and that it was relevant for integration into a theory (Glaser 1978). This process was also applied to the *Emerging Phenomena* constructs and categories confirming or refuting their relevance in the process of theory generation.

5.12 The *In Action* and *Employees' Proposed Methods* Findings

5.12.1 In Action Subconstructs and Categories

In Action subconstructs were identified throughout a number of major constructs:

- *Change Process*;
- *Communication*;
- *Executives*;
- *Change Strategist*;
- *Managers*; and
- *Employees*.

In Action subconstructs emerged as a means of integrating categories and enabling some sense to be made of what respondents perceived was happening directly in the workplace. These were both positive and negative in form, and through the comparative process additional categories, subconstructs and constructs were developed to inform the process of theory generation.

Emergent categories informing the *In Action* subconstructs are listed in Appendix 11, and a selection of relevant *in vivo* statements are listed below to once again demonstrate the relevance of coding and to create an understanding of the emerging issues.

5.13 Change Process/Change In Action

In action, the processes of change were viewed by the interview respondents as fairly demanding. Factors relating to time, confusion and a perceived view that the change was not being truly embraced at all levels of the organisation were all raised. From a positive perspective, it was acknowledged that the change process had improved business activities.

/...Look, a constant complaint about doing any of this stuff was the time it takes.../...certainly I think the satisfaction at the moment perhaps isn't as high as it might be because there is a sense that people are doing a lot, they are perhaps the old rubber band and how far can it go.../...Well, you have got a teams process, but you still have the traditional hierarchical process - realistically my sense of the organisation is still the traditional organisation - the teams process is a bit of a folly, if you like.../...There are double standards within it, and I think it starts at the top and I think there is a lot of, how would you say, I would say that the tradition of how this has been run in the past is always going to come through, regardless, until the top changes, and if it doesn't change there it is not going to change.../And I think perhaps there is an expectation that people understand more the workings of the outcomes that are trying to be obtained than perhaps they do.../...I think the whole process probably took people at least twelve months to even understand what the hell you know even initially with all the acronyms that were flying around it was like, 'well, what the hell is that?'.../...So for some, it was lots of information and confusing, because there was just all this avalanche of stuff, change that meant we had to learn words, we had to understand what they wanted as a report, we sort of went down a few blind alleys about that.../...I think that we have all improved our tasks, we have all looked at what we do much more closely and we have decided that there are core duties, that in terms of a product that

we are creating, if it's done in quicker time and it is done with a better quality you know it has to be of benefit.../

5.14 Communication/In Action

In action, communication was raised both in light of negativity and as a complication of the process of change. Its role within the change process was acknowledged and raised in conjunction with issues that indicated for some a perceived lack of communication and subsequent understanding, while others acknowledged that communication combined with action produces a more positive outcome.

/...that we haven't really got communication with management. From my perspective.../...But there is always going to be a problem about communicating the desire for an EBA and what is involved in it, and people not fully understanding what that means until you start getting into it.../...but I think it is a combination of frustration all round, communication and lack of explaining, lack of resources.../...there is hardly any communication, so I wouldn't have a clue.../

5.15 Executive/In Action

Distinguishing between what was being said and the actions of the CEO combined to create this subconstruct. There was a general sense that 'lip service' was being paid to the change, and that traditional methods of management still dominated the behaviour and actions of the CEO. In LG2, discussions about 'the executive' generally referred solely to the CEO. Directors were included within the term *management* or *managers*.

/...So I would suggest that the CEO is probably not the greatest of drivers of [change], although he has got up amongst the troops and said, 'this is what it is all about', and 'it is for you guys' and 'it is for blah, blah'. So he has made the right noises, but I think there is a bit of spin there, I think he is an old school.../...I think it really is starting from the Town Clerk, starting from him, I think he is very set about his ways, and you know just the scare factor for most people is enough to suppress them and that is shit house.../

5.16 Change Strategist/In Action

The Change Strategist was seen in a positive light by all interview respondents. Qualities that influenced them included an unquestionable belief in the change process reflected by the Change Strategist, and an ongoing willingness to support others. His

hard work, commitment and personable style were strongly proposed as positive influences.

/...He has always made it clear that he is, or will, make himself available for anything in relation to the EBA and KPI's or whatever, and we have had him there for direction as to what direction to take the next report in, how to report on various things, how we can better the reporting.../...that, I think he is trying but I don't think he is getting a lot of support from managers, hence it is going to fall on its face if people don't get behind him that way.../...there would be no way that you would change people's view on it if it were cranky buggers who told you, you had to do this or you had to do that.../...Basically his accessibility, the fact that he doesn't really talk as a Director or you know he is like one of us so it just makes the whole process that much easier.../ he can talk to us, on the same level, so that certainly worked to his advantage and worked to our advantage.../

5.17 Managers/In Action

Perceptions in this area were greatly distinguishable by those who viewed their manager or director in a positive or negative manner. Issues relating to capabilities, support, personal skills and their impact upon employees and the change process where the issues raised.

/...I guess our Director is really good with the KPI stuff and that he keeps everything, recording information, and I guess highlighting areas where there might be concerns, and addressing those.../...because you need the support of your Director as with your Principal Officer. You know you need to have somebody constantly sort of just moving things along, just giving direction, support, all of that sort of thing.../...to me from what I have seen, [in those sections the managers] seem to be encouraging people in their teams to come up with their own ideas, to make their own decision and find better ways of doing things.../...I guess our Director is really good with the KPI stuff.../...pro-active, very much a go getter, I would suggest of the Directors we have he would be the most out there and doing it and encouraging and making the right noises, no question.../...I mean a lot of managers in that area really seem to lack that of even going past, 'good morning, how are you,' simple thing like that makes an employee feel good. 'How is your day today?', you know, 'you are doing a really good job'. Just you know you have to do that, you must have that rapport.../...I think they have, but then there have been a lot of times when availability hasn't been there, so that is a frustration.../...perhaps a lack of awareness by upper management has created this sense that it really isn't a teams process.../...at the end of the day, they haven't changed whatsoever, they are still doing the same practice because that is how they have done it in the past and they are not going to do it differently.../...they can

improve, and people skills is the biggest, that is bottom line, once they starting getting communication happening between people then, and even people wanting to go and communicating, not fearing that what they are going to say is going to be detrimental to them, or they are going to get into trouble or something.../

5.18 Employees/In Action

In action, requirements of the change process were clearly viewed as being difficult for most employees initially. New language, new work practices and shifting responsibilities provided a range of challenges for all. The need for direction and progress were factors raised that influenced the employees' ability to participate effectively.

/...we had to sit down and spend time thinking about that, and taking in all this new information and working out what it was that we were meant to be doing, and that was a long, slow process of trial and error and sometimes the errors we made bound us to doing certain other things which frustrated the buggery out of us.../...the whole process probably took people at least twelve months to even understand.../...I mean, in retrospect it was, I mean, at the time we were going through it I think we all struggled.../...because there was just all this avalanche of stuff, change that meant we had to learn words, we had to understand what they wanted as a report, we sort of went down a few blind alleys about that.../...Well, I can only go on the feedback that I have received from people in other departments, and their departments are completely disorganised and in total disarray, and they have got no sense of direction.../...Employees are discouraged because they can't really see themselves going anywhere or the department or the division going anywhere. It is just the same old .../

5.18.1 Summary: In Action Subconstructs and Categories

The analysis of the *In Action* subconstructs and categories supporting the research objectives and schema presented in chapter 3, demonstrated that the respondents held some very clear views regarding their:

- role in the change process;
- involvement in the change process; and
- perceptions of the enacted strategies.

A summary of the perceptions presented by those interviewed follows:

- The EBA process was complex and time consuming (and still is).

- It was not easily understood by everyone throughout all levels of the organisation and remains difficult.
- Confusion regarding requirements and purposes has caused negativity.
- A failure by senior management to 'walk the talk' has been detrimental to the process.
- Positive, skilled managers make the process easier.
- Employee engagement is greatly influenced by the skills and personal style of those directing the change and directly managing them.

Change *In Action* was viewed both positively and negatively by a number of different interview respondents. With no prior knowledge during the interview process, and after conducting a short number of interviews, it quickly became apparent to the researcher which department the individual interviewees were associated with, by the context in which they expressed their responses. The influence of their direct managers on their perceptions was very apparent. Those with managers/directors who were positive, skilled and responsive to the change clearly had a more positive perception and were easily able to discern between positive and negative factors.

Exploration of both positive and negative perceptions provided an exciting and enriching understanding of effective and ineffective factors influencing the acceptance of change. Statements such as:

My manager is very skilled and able to lead us through what is required of us.

... provided a commensurate degree of insight, as did a statement such as:

My manager doesn't know what is going on, we have no leadership and we are lost.

Both equally reflect the importance of leadership skills in a changing environment. Positive and negative perceptions were reflected throughout the data, providing the researcher with a rich insight into the research objectives.

5.18.2 Employees' Proposed Methods Subconstructs and Categories

The *Employees' Proposed Methods* subconstruct emerged only within the construct of Communication, and provided further depth to previous responses. The two categories that emerged were:

- managers to talk, listen and discuss; and
- need to consider peoples mindsets.

The following is brief selection of relevant *in vivo* statements:

/...Well, I think the managers have got to talk about it and be prepared to listen and discuss and ask questions why.../...I didn't pay any attention to it because I was really negative about it so.../...you know, the mindset of people coming to a show here to listen to more of this crap was very negative, and people viewed it as being difficult, as being a change for change sake, not in a positive way.../

5.18.3 Summary: Employees' Proposed Methods Subconstruct and Categories

The issue of communication cut across a range of areas for the interview respondents. For those that viewed the change positively, there was a general sense that it had been 'alright'. For those who projected the change as difficult, communication was viewed from a negative perspective including both the lack of communication, and an inability of managers to communicate at a personal level.

5.19 The Skills and Abilities Findings

5.19.1 Change Strategist/Skills and Abilities Subconstruct and Categories

The subconstruct of *Skills and Abilities* only emerged within the construct of the Change Strategist and was used in conjunction with the *Change Strategist/In Action* subconstructs and categories to create a greater depth of understanding in relation to associated influencing factors.

The five emergent categories were:

1. doing a good job;
2. took it by the reigns and went with it;
3. provides us with guidance and information;
4. easy to talk to; and
5. feedback easy to understand.

The following in vivo statements reflect some of the views of these categories.

/...And I guess you need someone like that, don't you, who is really interested in that area, who can just take off and find out as much as they can about that area to contribute back to the organisation and the individual departments. Which is what he has done, he has provided us with our guidance and information.../...I think pretty much everybody would agree that he is an easy person to talk to.../...the questions that you ask, it is relatively easy to understand he puts meaning to it.../

5.19.2 Summary: Change Strategist/ Skills and Abilities Subconstruct and Categories

This subconstruct as a stand alone construct provided a limited degree of depth, although it provided a very positive reflection on the role of the Change Strategist. In combination with the *Change Strategist/In Action* subconstruct, it worked collectively to demonstrate the requirements needed for fulfilling such a function effectively.

5.20 The Reaction to and Impact on Employees Findings

5.20.1 Managers/Reaction to and Impact on Employees Subconstructs and Categories

The subconstructs of *Managers/Reaction to* and *Managers/Impact on Employees* were used in conjunction with *Managers/In Action* in the creation of a richer understanding of the data.

The three emergent categories for *Managers/Reaction to* the change were:

- some were resigned;
- others happy with it; and
- just not wanting to change.

The two emergent categories for *Managers/Impact on Employees* throughout the change were:

- does make a big impact; and
- if negative, employees are discouraged.

The following are a selection of *in vivo* statements, reflecting some of the views of these categories.

/...Simply they don't like change. They have been used to things being run a certain way for so long, it is probably pretty intimidating and it probably involves a lot of work, which it does.../...and I think at the end one of them went he didn't fit in with the program he didn't get with the program so he was gone.../...your director does make a big impact I would suggest.../...Employees are discouraged because they can't really see themselves going anywhere or the department or the division going anywhere. It is just the same old.../

5.20.2 Summary: Managers/Reaction to and Impact on Employees Subconstruct and Categories

Together with the *In Action* subconstructs, the *Managers/Reaction to* and *Managers/Impact on Employees* subconstructs further demonstrated a mix between both positive and negative perceptions held by interview respondents. As stand alone subconstructs, the stated perceptions were limited but, again, further contributed to the research objectives of identifying factors that influence acceptance, when viewed collectively in the context of other subconstructs.

5.21 The Change Design Findings

5.21.1 Change Process/The Change Design Subconstruct and Categories

The subconstruct of *Change Process/The Change Design* was used in conjunction with *Change Process/In Action* in the creation of a richer understanding of the data. The two emergent categories for *Change Process/The Change Design* were:

- not in job procedure manual; and
- differing interpretation of guidelines.

The following are a selection of *in vivo* statement indicating some of the perceptions from these categories.

/...No, it is not in our job procedure manual at all, so that hasn't been updated to reflect the KPI's.../...next day, it is something else and it is sort of like who is designing the guidelines, and how come they are not like very stable.../...we get conflicting views.../

5.21.2 Summary: Change Process/The Change Design Subconstruct and Categories

Together with the *Change Process/In Action* subconstruct, *Change Process/The Change Design* further broadened the perceptions held by interview respondents. As a stand alone subconstruct, the stated perceptions were limited, but again further

contributed to the research objectives of identifying factors that influence acceptance when viewed collectively in the context of other subconstructs.

5.22 The *Employee Expectations* and *What They Would Do* Findings

The constructs of *Employee Expectations* and *What they would do* were again used to provide employees with an opportunity to openly discuss their views and to generate statements of *how* they perceive effective change. These statements were again viewed on a comparative basis with the following core constructs and subconstructs that provided detailed insight into *what* and *why* they perceived particular strategies as effective or ineffective:

- *In Action*;
- *Skills and Abilities*;
- *Impact on Employees*;
- *Reactions To*;
- *The Change Design*; and
- *Employees' Proposed Methods*.

This comparative process again ensured that a true understanding of the data was emerging, that critical issues had not been prematurely delimited and that emergent substantive theories were appropriate for the furthering of this research.

5.22.1 *Employees' Expectations* Subconstructs and Categories

Employee's Expectations subconstructs emerged within constructs of:

- *Executives*, and
- *Managers*.

The subconstruct of *Employees' Expectations* emerged from statements directly related to what interview respondents felt should be happening and their expectations of the change process. A full listing of all *Employee's Expectations* subconstructs and categories is found in Appendix 11, and a selection of relevant *in vivo* statements are listed below.

Executive/Employee Expectations

Strategic direction, commitment to the established direction, the ability to communicate with employees and a belief that employees should be involved in the

processes of change were all expressed as expected behaviours of executives. Executives are also expected to be supportive of employees throughout the change process.

/...It is a strategic objective, a strategic goal or vision of where you want to be and that has got to come from senior executives, ideally that would come from senior executives, after they have consulted or discussed with or understand where people are, but that has got to be there in the first place and they have got to believe in that, and they have got to get that belief down to their people, so they have got to be able to explain it and it is going to be very difficult to get other people to believe in it if they don't.../... Well, I think that his role should be much more supportive to staff.../... if you are going well, then it would be nice to know that you are doing well.../...there are some people who are a bit scared to even go and walk past him. I think the relationship is wrong.../

Manager/Employee Expectation

Expectations of employees regarding managers focus on interaction, communication and inclusiveness.

/...he has a human face as well as - part of his modus operandi that he does make it clear that he wants it to be good, better and a pleasant place to work.../... Well, the message it gives if they want it is they are part of a team, they acknowledge that person, not just ignore them.../... and if the worker doesn't respect the manager for his decisions, that is never going to happen.../... Well, I think the managers have got to talk about it and be prepared to listen and discuss and ask questions why.../...managers to encourage and get that message across to their people - co-ordinating it.../

Summary: Employee Expectations Subconstructs and Categories

The descriptions within these subconstructs provided a rich illustration of the interview respondents' expectations, with a direct focus on the executive and managers. These subconstructs helped inform the research objective of identifying employees' expectation of the change process, and the process of developing a significant guide to effective implementation strategies.

Expectations were stated as follows:

- The executive should be capable and willing to lead the change in an open committed manner.
- A humanistic approach be taken with employees.
- Management have the skills to implement it.

- Executives and managers should be clear of their role in the change process.

5.22.2 What They Would Do Subconstructs and Categories

What They Would Do subconstructs emerged as:

- *Process*;
- *As a Change Strategist*;
- *As a Manager*; and
- *To Address Relationships*.

The subconstruct of *What They Would Do* emerged from a direct question asked at the concluding stages of each interview. This enabled interview respondents to, in some part, summarise what they had been talking about and also to ensure that they had included all points that they felt were relevant. A full listing of all *What They Would Do* subconstructs are located in Appendix 12, and a selection of relevant *in vivo* statements are listed below.

What They would Do/Process

Employees' perceptions regarding what they would do or create in the process of change related to support, shared goals and closer relationships, and were commonly expressed as follows:

/...but once it has been implemented, there needs to be support mechanisms there, and I think that has been lacking.../...people need to share that goal, if you like.../...I would have a much closer relationship with the staff, for sure I would let them know what is happening.../

What They would Do/As a Change Strategist

As a Change Strategist, they would drive the changes required skilfully and with clear communication .

/...I think you really need for somebody to drive it, they have got to really know what they are talking about, that is number one, get up on the stage and be able to narrate clearly.../...it needs somebody to understand it, implement it.../.

What They would Do/As a Manager

As a manager, they would create interaction through communication and not adopt a directive style.

/...To make it work, I think the first thing is I wouldn't make it a directive because that is basically what management seem to do.../...communicate it is a suggestion and [as] you get the feedback.../

What They would Do/To Address Relationships

Employees would enforce interaction among all levels of staff to create opportunities for relationship development. Trust and respect would be earned through action and would be viewed as a dual process.

/...I would have Directors mixing with officers in workshops and everyone wearing the same hat, if you like at that moment, rather than separate workshops for Directors, I think too much of that goes on, there is not enough mixing. So that there can be a learning and an education process happening there, that is one thing I would do.../...you would respect the [CEO] for what he was, but he would never put himself above you, he would never pull rank, and I think that is how it has to be. I think as long as there are people thinking that they are God's gift, then you are going to have problems, and nothing can ever happen, nothing is going to gain that respect, as you know respect is everything, respect and trust. If you don't trust the people you are working for and respect them, buggered if you are going to do the right thing by them.../...never this 'us and them' situation.../

Summary: What They Would Do Subconstructs and Categories

Together with issues raised throughout the interview process regarding respondents' expectations (as detailed in the previous section), the above responses worked to inform the research in identifying employees' expectations of the change process, and the process of developing a significant guide to effective implementation strategies.

It also provided an excellent sense of closure in the interview process, as the researcher was able to paraphrase what had been said to ensure a full understanding, and provide some basic feedback relating to the views of other interview respondents. This provided reassurance that what they had said was both common to the organisation and of interest to the researcher.

In summary, *What They Would Do* was stated as:

- Provide strategies for after implementation.
- Be clear about purpose and requirements.
- Take an inclusive organisational approach.
- Create an environment of trust and respect.

5.23 Analysis of LG2 Findings

A final analysis of LG2 findings was undertaken to enable a higher level of sensitivity to the data to emerge. This was undertaken by continuing the process of constant comparison of the data, focussing on comparing:

- *What They would Do* and
- *Employees Expectations*

with the subconstructs of:

- *In Action;*
- *Skills and Abilities;*
- *Impact on Employees;*
- *Reactions To;*
- *The Change Design;* and
- *Employees' Proposed Methods.*

As in the case of LG1, core constructs, subconstructs and categories were transferred to Decision Explorer (Banxia Software Ltd 1998) from NUD•IST (Richards & Richards 1996). Maps were developed using each core construct and overlaying all associated subconstructs and constructs. Linkages were developed through constant comparison and further consolidating the data, adding depth to the expressed perceptions. Linkages were determined as either positive or negative by the researcher, depending on the context of the *in-vivo* statements within each category. These lists were again, as in the case of LG1, transferred to tables for clear analysis and processes of easy management.

Tables clearly identified the depth of *In Action*, *Skills and Abilities*, *Impact on Employees*, *Reactions To*, *The Change Design*, and *Employees' Proposed Methods* categories linked to *Employee Expectations* and *What They Would Do*, and enforced the relevance of these statements in informing the primary research objective of 'the development of a significant guide to effective implementation strategies'.

The tables also highlighted any unmatched categories potentially requiring further analysis. In total, only 20 categories were identified as unmatched. No more than three were identified in any one of the related constructs, except the *Process* construct, where 16 unmatched categories were identified across a very broad range of issues.

These categories were typically singular in statement and unique reflections; hence, the unmatched categories were determined to not require further investigation.

5.24 LG2 Emerging Phenomena

In working with and analysing the LG2 data, the major aim was the generation of a theoretically sensitive representation of employee perceptions relating to factors that would influence the acceptance of change strategies. This was undertaken again as a generative process under the theoretical title of *Emerging Phenomena*, as in the case of LG1 throughout all stage of data analysis.

A skeleton list was constantly being worked, reviewed, expanded and delimited. At the conclusion of the intensive mapping process this was worked on again, until a final listing of codes was individually mapped against the core constructs and subconstructs of:

- *In Action;*
- *Skills and Abilities;*
- *Impact on Employees;*
- *Reactions To;*
- *The Change Design;*
- *Employees' Proposed Methods;*
- *Employees' Expectations;* and
- *What They Would Do.*

This ensured linkages and that the *Emerging Phenomena* constructs were supported by the data. Again at the conclusion of Decision Explorer (Banxia Software Ltd 1998) mapping, as in the case of LG1, tables were formulated to ensure that all categories subconstructs, and constructs had been included in the analysis process and in the formulation of the higher order *Emerging Phenomena*.

This process concluded the analytical process displayed in table 5.7 (located on page 193), and worked the original listing of 13 constructs, 33 subconstructs and 292 categories to the following:

Category	Construct
shared goals and understanding needed time issues, job priorities and resources need for cultural and change alignment ongoing workshops beyond implementation to get it right didn't recognise current practices and then applied one approach	Change Process
must demonstrate commitment & vision at ALL levels old world	Executives
very approachable skilled and capable	Change Strategists
clash in style old culture and EBA examples of positive management must provide direction and support change require an open, positive, communication style	Manager
rewards need to be more than just money based need for feedback and acknowledgement re progress expectation re skills and knowledge new employees not inducted well	Employee
relationships human element poor poor between managers and employees requires a professional and human approach employees scared of CEO	Relationships

Table 5.7: *Emerging Phenomena* constructs, subconstructs and categories

Source: LG2 Individual in-depth interviews

At the conclusion of the analysis, it was determined by the researcher that each construct provided a clear representation of critical issues pertaining to the core areas. Again, the area of *Relationships* was retraced to reconfirm its fit. Using Decision Explorer (Banxia Software Ltd 1998), mapping a linking process demonstrated once more that, unlike other constructs such as *Executives* where all subconstructs and categories were clearly located within the one core area, *Relationships* categories were located throughout all core constructs and subconstructs. The subconstruct of *Relationships* had emerged, not in the process context of 'who reports to whom', but again as a variable relating to:

- having direct personal contact and communication;
- seeking reassurances throughout change process;
- being part of process at a human level;
- demonstrating value by inclusion; and
- executive and management understanding the importance of relationships.

5.25 Summary: LG2 Findings

In summary, the emergence of dense findings from the data occurred through the principles and activities of:

- developing an individual, in-depth interview schedule by first creating an intimacy with the organisation through focus group activities;
- an ongoing generative process of interviewing, collating and coding of the interview data;
- a commitment to the generative process until levels of saturation occurred at all stages of interviewing, collating and coding;
- seeking a meaning to the data that demonstrated fit and workability related to the data as whole and the area of research;
- allowing emergence of a higher order variable to occur through a process of constant comparison; and
- the ongoing creation of links that confirmed depth and richness in the concluding representative constructs, subconstructs and categories.

5.26 Triangulated Findings

To ensure the fit of data, *triangulation* is a method that allows for multiple perspectives from a range of sources in relation to the phenomena. For the purpose of developing a broader contextual understanding of the change environment, as perceived by the interviewed employees, organisational documents relating to the change process were obtained, and interviews conducted with the organisational Change Strategists. Both the documents and interview findings were used concurrently while employee interview coding was taking place and during the final stages of theoretical coding. Documents from both organisations included annual reports, a

strategic plan from LG1 and a copy of a presentation from LG2 that had been used for employee training purposes and organisational promotions relating to their change program.

Transcribed records from the Change Strategist interviews were of particular interest in developing a broader understanding of the employees perspective especially in areas of *In Action*, *Communication* and *Employee Expectations*.

When discussing process and procedures for implementing change with LG1 Change Strategist, a contextual setting emerged from their statements that provided an alternative source to inform the building of a richer understanding of employee perceptions. These included such statements from the Change Strategist as:

/...the organisational culture was that of a 'country club' an organisation of people not looking for a career...that Local Government traditionally is 15 years behind State Government and business in general...that they don't have a broader understand of the business world.../.

Such comments were later reflected in employee perceptions of the Change Strategists *In Action* such as:

/...he treated everybody as if they knew nothing, as if all the jobs that they'd been doing for the last 10 years were worth nothing, that they had no intelligence, it was just a complete put-down .../.

The review of the LG1 strategic plan document and annual report was conducted with the specific intent of providing fresh insight into the phenomena under study and identifying contextual links between the change program and the role, or organisational representation, of employees within the change program. While it should be used cautiously, documentation produced by organisations for internal use can provide a rich source of insights into a range of interpretations of organisational life (Forster 1994). Based on principles of grounded theory (Glaser & Strauss 1967), the documentation accessed was reviewed seeking the emergence of themes associated with the change program and employees.

While the strategic plan documentation provided a host of information regarding the change, its language and presentation was very formal with a strong focus on strategic timelines and benchmarks. The document itself was very 'glossy' and its target

audience difficult to ascertain. The document's information provided little insight into the role of employees within the change process or organisational expectations of employees within the process.

While employees are not listed as organisational stakeholders, they do feature in two of the nine key result areas listed in the LG1 Strategic Plan for 1998–2000. These relate to the need to 'ensure appropriate, effective and efficient internal support for the services delivered within the Community', and the 'need to develop an organisational culture to best deliver our services'. The organisational cultural statement also located in the strategic plan document states as one of its seven points that, 'We will deliver our services by: Having competent productive and committed people'. While employees are referred to, a direct link between them, the change program and how their role fits within the change process is absent.

Employees' views are mixed in relation to this document, but it is clear that a strategic perspective is required:

/'...the strategic plan, it has got nice soft fairy words but exactly how are you going to do it, nowhere is there a document that is hard, 'this is the outcome that is required'.../'...the strategic plan has helped because I think that's made people realise that this is what it's been about.../'...it's too generic, it really doesn't tell you where you're going.../'

The strategic plan presents itself as a document for external purposes with little reference to how it links to the overall internal change program; hence, it provides employees with little guidance as to how they are to be included.

The LG2 Change Strategist interview also provided a broader contextual understanding of the change process, to enable a triangulated approach to theory generation. The interview with the Change Strategist raised a number of issues regarding the process of implementation and expectations:

/'...some of it was planned, some of it just happened.../'...I tried not to give them too much stuff to do at once.../'...it is not my process, it is not me, it's us, we are doing this.../'...give a lot of ownership.../'...you have to have the CEO behind you.../'...it has a great effect, it destroys the process if those people [management] aren't flying the flag, walking and talking, telling people what it is all about and actually getting involved and assisting.../'

Documents supplied provided a high degree of insight into the implementation process, outlining a twelve-stage process, along with a range of details relating to training undertaken across the organisation. The documents discussed forces of change (competition), strategies and intervention techniques for change (consultative committees, key performance indicators and training) and outcome measures (timelines, benchmarking and employee satisfaction surveys).

The documents and interview presented a contextual understanding of the change process as open and collaborative. That employees had been included in the process, informed and guided, a view supported by a number of employee comments:

/...what he has done, he has provided us with our guidance and information.../...what the mob here tried to do was to drive that change from the bottom up.../...he is trying, but I don't think he is getting a lot of support from managers.../.

5.27 Theoretical Coding and Theory Generation: LG1 and LG2

With the generation of the *Emergent Phenomena* constructs for LG1 and LG2, the next challenge was theory generation through the development and seeking of relationships between these constructs and their content.

To achieve this, all further data analysis was undertaken using the LG1 and LG2 data collectively. With an intense level of theoretical sensitivity to the data, the ability to undertake a process of 'pattern matching' (Yin 1994) and 'theoretical coding' (Glaser 1978) for the purposes theory generation emerged.

Again, the process of constant comparison and mapping was used to work with the combined 48 *Emergent Phenomena* constructs (previously listed in tables 5.4 located on page 172 and table 5.7 located on page 193), in order to 'weave the fractured story back together again' (Glaser 1978:72), and enable the process of theory generation.

This process was performed manually by the researcher, using techniques of mind mapping, linking data based on construct and category names, and the known context from whence such names had been derived.

Using this process, emergent links began to generate as follows:

/...resources.../...detailed plan.../...stated outcomes & requirements...
/...information & feedback.../...communication.../ ...strategy that is
clear & for all levels.../...include follow-up for feedback & levels of
understanding.../...time issues.../...job priorities.../...leadership.../

These links worked together, focussing on the strategic requirements of change. They reflected for the researcher, in the context of the data analysed, the need for strategic efficiencies. The need to ensure that resources are considered when developing change strategies, that there are clear plans, that issues of feedback, communication, information and follow-up are included within developed strategies to ensure effective change. That these strategies are developed in a manner that is 'clear and for all levels'.

The following emergent links included:

/...shared goals & understanding needed.../...cultural & change
alignment.../...shared vision & understanding.../...joint ongoing
involvement.../...commitment & vision at all levels.../...clashing old
culture.../...direction.../...positive approach that supports the
change.../

The emergent theme linking these categories together was the need for *Organisational Unity*, the need to share a common vision across all levels, and for that vision to be supported at all levels. The context surrounding these categories was one that demonstrated a general lack of support for change at the upper levels of the organisation, excluding a few managers, who were considered 'the exception'. Managers at any level 'not walking the talk' clearly created confusion and a negative view of the demands of change for employees. The general view was 'if they don't think it is a good idea or are not supporting it then why should we?'.

The ability to get the job done was what linked the following categories together:

/...ongoing workshops...to get it right.../...should provide strong
analytical direction.../...be confident.../...knowledge.../... skills... /
...be able to communicate.../...capable.../

It was the ability to fulfil the requirements of the change process through existing or newly acquired *Skills and Capabilities* at all levels of the organisation that informed this grouping. In particular it was felt that managers should have the skills to communicate and provide direction, and demonstrate an overall capability to manage, or respond to, the demands of the change process. Additionally, workshops were seen as a way of ensure that ‘everybody was getting it right’ and supporting *Strategic Efficiencies*.

This following group clearly linked together because of their ‘soft’ qualities.

/...strong human side.../...approachable.../...open, positive.../...
upfront & trustworthy.../...professional & human approach... /...good
balance of human side.../...acknowledgement of the human side.../

The need for soft skills to effectively implement change was reflected in this grouping, labelled *Humanistic Application*. The data throughout clearly reflected the importance of change being implemented in a style that demonstrated a concern for how it was delivered and managed and how it impacted on the employees. Clear examples demonstrated that interview respondents were able to state their own dissatisfaction with the way they felt they as individuals and that they had not been treated in a humanistic manner. While there was no suggestion that employees had to be ‘wrapped in cotton wool’, there was a strong desire to be approached, and for managers to be more approachable. It was not about a standard process of ‘involvement in the change process’, but about those delivering the change, including immediate managers, demonstrating that they had a human side.

In summary and as the first stage in the development of a tentative conceptual framework, employees’ expectations within organisational change can be represented in the following table.

Strategic Efficiencies	Organisational Unity	Skills and Capabilities	Humanistic Application
Plans, information, communication, feedback, follow-up, resources, rewards, reporting, clear requirements	Shared vision and understanding, joint involvement, demonstrated commitment and support	Analytical direction, knowledge, skills, adaptability, training, leadership	Approachable, strong human side, professional, open, positive, upfront and trustworthy

Table 5.8: LG1 and LG2 emergent theoretical concepts

While these four theoretical concepts clearly provide a definitive framework of LG1 and LG2 employees' perceptions of effective change modelling, it was through further questioning of the data that the fifth and final concept emerged. This concept related back to *how* the interview respondents reflected that such change should take place, and hence engaged the *Emerging Phenomena/Relationship* constructs of LG1 and LG2. Throughout all aspects of the tentative conceptual framework's final four theoretical concepts: (strategic efficiencies, organisational unity, skills and capabilities, and humanistic application), as presented in table 5.8 (located above), interview respondents highlighted the need for a greater degree of personal interaction and connectivity between all levels of the organisation, as demonstrated in table 5.9 (located below).

Strategic Efficiencies	Organisational Unity	Skills and Capabilities	Humanistic Application
Focus groups, follow-up, smaller groups, meetings, leading, communicating, participation, consultation, ownership, involvement, direct questioning, checking with employees, maintain trust, feedback, individual feedback	Everybody on-side, homogenous entities, elimination of traditions and cultural conflict, alignment of change and organisational culture, same rules for everybody	Good rapport with staff, communication, people skills, talk, listen, discuss, encourage, support, no old school approach, flexibility, changing old practices	Attention, closeness, talking, empathetic, nurturing, personal discussion, trust, approachable, social, direct contact, positive, good rapport

Table 5.9: LG1 and LG2 Emergent 'Emerging Phenomena/Relationship' construct

While many of these requirements may appear to be standard organisational activities, the question is, if this is *how* employees perceive that effective change could be implemented then what is the essence of this *how* and what is its contribution to the field of organisational development.

All of these activities keep contact open between employees, their managers and the organisation. They each maintain a connectivity that helps to reaffirm an understanding of what is happening within the organisation. They each contribute to maintaining an understanding of how these changes impact on the existing interdependent relationships between employees, managers and the organisation.

In area as such as *Organisational Unity* and *Humanistic Application*, it is clear that employees were seeking an environment where basic needs such as belongingness and acknowledgement are realised in action and symbolically, through interaction and closeness. While the remaining two *Strategic Efficiencies* and *Skills and Capabilities* may reflect a more technical inference; again, these respondents sought that their application be undertaken in such a manner that belongingness and personal acknowledgement were reaffirmed. Employees are given information because 'they belong' and they 'need to know', employees are provided feedback 'to acknowledge progress' and 'their involvement', and so on.

The issues supportive of maintaining effective relationships in the workplace therefore include belongingness, acknowledgement, closeness, trust, support, strategic inclusion, information and communication, personalised contact, supportive leadership and direction, unity, approachability and an environment in which goals and vision are shared. Hence the emergence of the fifth and final concept of *Relationship Maintenance*.

As stated by one interview respondent:

/...I understand that change means change, but there is also a re-definition of the aspect of the relationship between employer and employee... So it's almost as though it's a value, an assumption that is [in] many respects not negotiable, and therefore overshadows almost everything else and that's stating the obvious, the negative of dealing with the change process.../

Relationship Maintenance is the theoretical concept that works with:

- *Strategic Efficiencies;*
- *Organisational Unity;*
- *Skills and Capabilities;* and
- *Humanistic Application.*

It ensures effective change implementation and modelling. *Relationship Maintenance* ensures both action and interaction work together positively to ensure effective change from an employee's perspective.

The framework presented in figure 5.15 (located on page 203) has therefore been developed to represent the concluding theoretical concept and generated a tentative conceptual theoretical framework emergent from the research data.

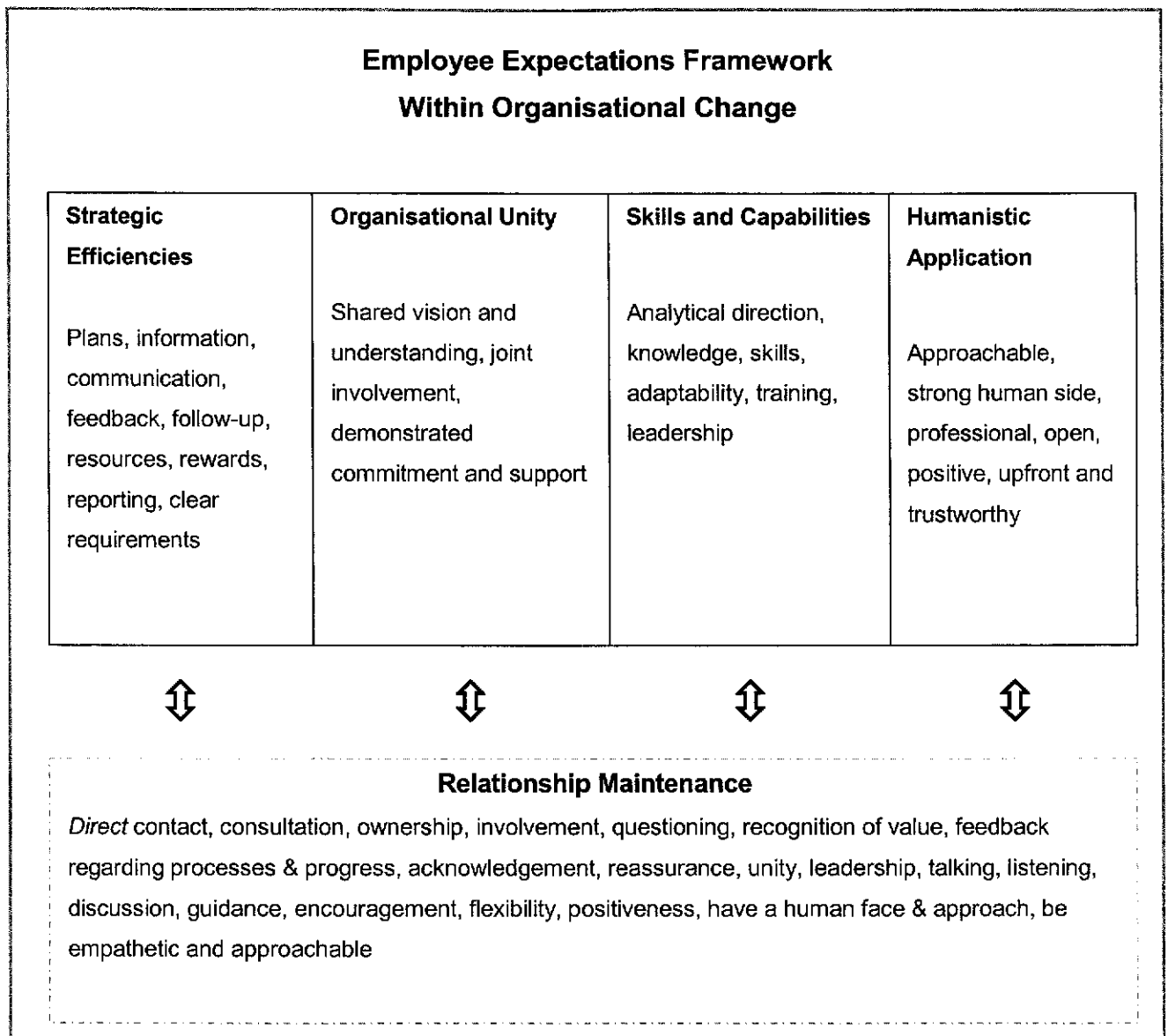


Figure 5.45: The employee expectations framework (EEF)

5.28 Conclusion

The objective of this chapter was to present the findings from both case study organisations. These findings were presented in a manner that demonstrated both action and analytical process that worked to developing a theoretical framework that is representative of the findings.

The framework presented reflects the interview respondents' perceptions of:

- employees' expectations of change strategies; and
- factors that influence acceptance of change strategies.

The framework presents four theoretical categories, addressing the following expectations:

- strategic efficiencies;
- organisational unity;
- skills and capabilities; and
- humanistic application.

and an essential factor influencing acceptance, through processes of relationship maintenance.

The following chapter will compare these findings with other research to further develop current theory propositions.

Chapter 6. Discussion

The aim of chapter six is to present a conclusive discussion, based on the objectives and findings of this research. The discussion is presented in line with the research objectives and questions detailed in chapter three, and the linking of the findings in chapter five to current literature, as detailed in chapter two, and as expanded upon within this chapter. The chapter also seeks to identify the relevance of the research findings to emergent literature.

First, though, on the basis of the findings, it is possible to make a thought-provoking comment to managers. Much of literature portrays employees as having problems in change implementation and sometimes the role of the manager is recognised as influencing this problem. This research proposes that a reverse view of the manager-employee relationship pertaining to strategic implementation be considered and that employees should be viewed as proactive strategists and implementers. This view means that proactive strategists and implementers are able to inform managers of salient behaviours and activities required to effect change.

Change is a complex phenomenon, with many strategists, theorists and respected practitioners providing a host of tools and techniques advocated as strategically capable of creating effective change. Even with these available, the facts remain that about 70% of all change initiatives fail (Beer & Nohria 2000) suggesting that it might be time to broaden current strategic propositioning to include employees' views in order to enhance, or create, more effective change. As stated by Abrahamson (2000:79) "Change has been with us forever, and it always will be, but the idea of change itself is changing", reflecting that the way in which it is practiced may also need to change.

The literature in chapter two indicated that employees over the past 20 years have been expected to make greater contributions to the moulding and success of the workplace (Stum 2001, Michlitsch 2000); however, their views on how to achieve successful outcomes have been represented minimally in organisational change literature (Emery 1995). More commonly, it has not been employees' views that have been drawn upon, but instead a collective representation of management expectations of employees and/or change strategists' views on how to obtain higher degrees of commitment and

involvement from employees. This is particularly evident with reference to such popular authors as Kanter, Stein and Jick's 1992 work *Ten Commandments*, Burnes' 1992 *Nine Elements Constituting a New Approach*, Bridges 1991 *Four 'Ps' to Transition Management*, Senge et al.'s 1994 field book on learning organisation creation and Waddell, Cummings and Worley's (2000) inclusion of commitment planning within effective change management strategies. Overall, organisational change has been viewed and studied from many different perspectives but, across all areas, its focus on the managers' or change strategists' perspectives has been dominant.

Overall, this research was aimed at achieving a new level of understanding, by seeking employees' perceptions of an implemented organisational change program of which they were recipients. It has sought to reveal factors that influence the acceptance of change at the employee level by creating an environment where employees could freely express opinions about what they believe would make for effective organisational change. The research task was to listen to their responses and to create an opportunity for employees' views to be heard by a wider audience.

The research focus was not the analysis of specific tools of organisational change — such as team building versus performance appraisal or downsizing versus culture change — but on uncovering some of the social complexities in two research contexts.

The *employee expectations framework within organisational change* — henceforth known as the *employee expectations framework* or EEF — is presented again here as figure 6.1 (located on page 207). Discussed in detail throughout this chapter, the framework is presented as a means of adding to the body of knowledge available to change agents, organisational change strategists and implementers regarding employees' perceptions and expectations of change. It is not viewed as a conclusive generalisable framework, but a tentative framework based on phenomenological and ethnographic depth, rather than breadth of investigation. It does not represent an implementation strategy in its own right, but a framework addressing change from the employee perspective.

As an emergent framework from the research findings, it is a crucial element of this chapter and provides relevant linkages with, and responses to, the research questions

and objectives. As a framework, it represents the perceptions, assumptions and beliefs that together represent the 'reality' (Tichy 1983) of those who participated in this research. The framework reflects the reality constructed by the interviewed employees, as they relived their experiences and the symbolic meanings that emerged and contributed over time to their experiences (Woods 1992).

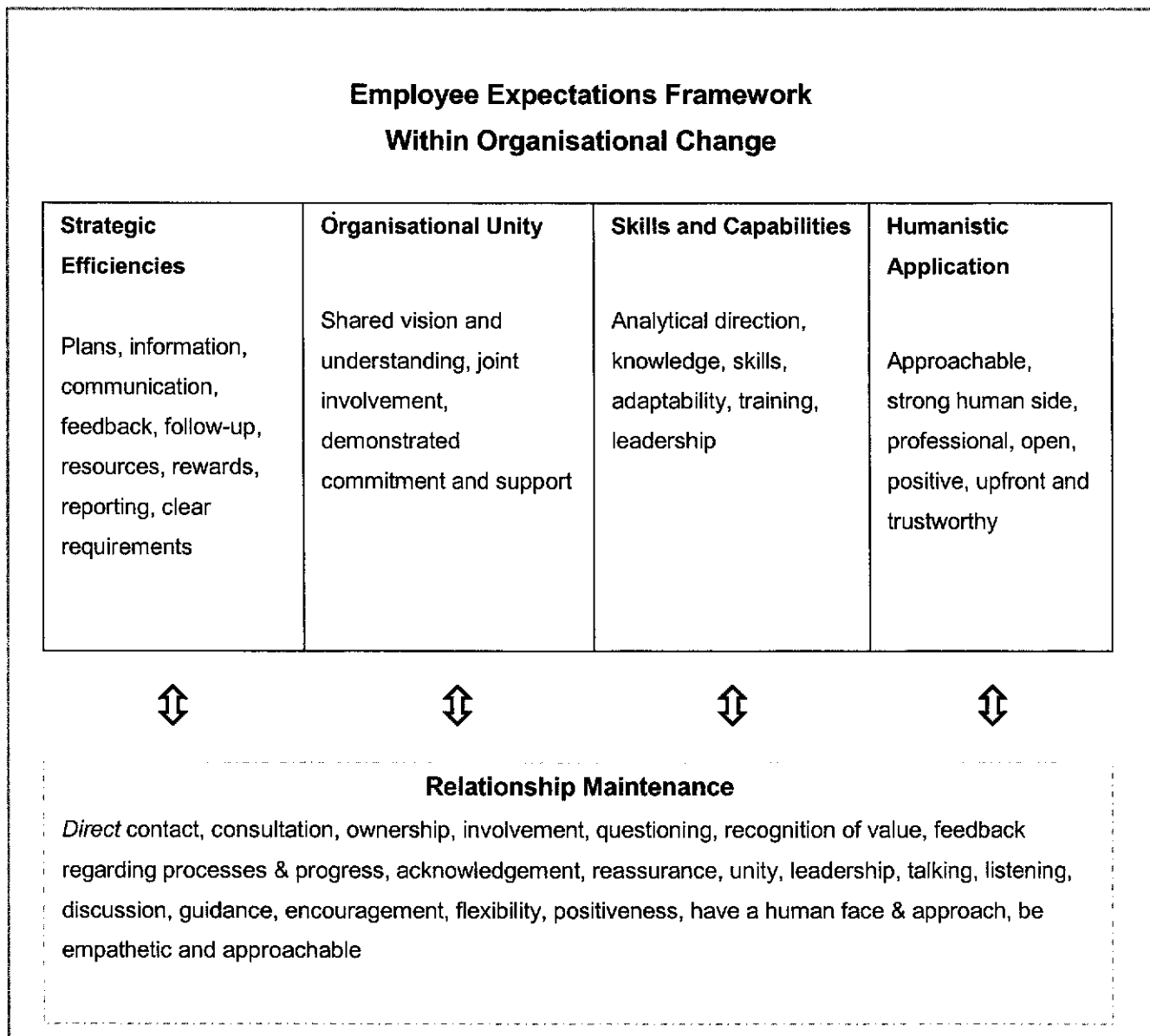


Figure 6.1: The employee expectations framework (EEF)

As a framework, it is not intended to provide a step-by-step guide to the important social processes in change programs, but it attempts to construct a tentative framework to inform developing theory. The framework is not intended to be a generalised formula for organisational change, at least not in the scientific mindset; however, building on Giddens' (1984) argument that some things are generalisable because people just seem to know, the findings are a fair representation of knowledge construction. From the findings, the framework has therefore been constructed to demonstrate a useful perception from the employee perspective of effective change modelling, worthy of further study and broader explanation as addressed in this chapter.

6.1 The Research Objectives

The research objectives established at the commencement of the research are those presented below and previously identified in chapter three. The role of the objectives was to guide the research and present a framework for enquiry.

The six objectives of this research were to:

1. identify change strategies being implemented;
2. identify Change Strategists' expectations of employees in the change process;
3. identify the employee role in the change process;
4. identify employee involvement in the change process;
5. identify employees' expectations of the change process; and
6. analyse employees' expectations, with a view to developing a significant guide to effective implementation strategies.

The first four objectives were set to assist in creating a case study understanding, and a contextual setting for the responses received from the final two objectives. The final two objectives were crucial to the generation and development of a tentative framework able to inform current change literature from an employee's perspective. Initially, the fifth objective was considered part of context development that would be used to compare expectations with outcomes. This function was reassessed early in the research stage as it became evident that questions asked following a change implementation regarding expectations were predominately reflective of what they

would *do* if they had been responsible for the change program, rather than what they had been *expecting* as a recipient of the change.

This outcome proved a valuable contribution to the emergence of data and the creation of the final framework as it focussed on *how* employees perceived effective change implementation to be constructed, while the first four contextual objectives provided details of their experiences, or the *what* and *why*.

6.2 Identifying Change Strategies Being Implemented

There is no simple, linear progression from decision to action (Waterman 1987:87).

In seeking to understand the change strategies being implemented within the case study organisations, the aim of the first objective was to develop an understanding of the approaches being utilised, their theoretical foundations and their implementation strategies.

As stated in chapter two, the development of effective change is dependent upon many variables including the business needs of the organisation, available timing, determinable outcomes and available resources.

As defined by Gioia and Chittipeddi (1991:433) “strategic change is what enables organizations to take advantage of important opportunities or to cope with consequential environmental threats”.

In the change literature, and as outlined in chapter two, many perspectives are available regarding the best or most effective organisational change strategy. As summarised by Buchanan, Claydon and Doyle (1999), these are mostly prescriptive and repetitive in their advice, stating that managers should undertake goal clarification, systematic planning, broad consultation and effective communications in order to achieve effective organisational change. While not denying the importance of a strategic approach, the view of Buchanan, Claydon and Doyle (1999) is that such a prescriptive approach has predominately resulted in many managers experiencing difficulty in translating ‘simplified textbook recipes’ into practice by attempting to translate such advice into specific and complex contexts.

As summarised by DiBella (1996), strategy and strategic decision making are complex processes that are made more complex by the many dimensions and interpretations to a change experience. Within an organisational change strategy, strategic focus also varies greatly. The focus for some is not the purpose of change, but the transition (Foote 2001) or strategy development as a tool for creative thinking only (Tretheway 1998). Others have perceived that the focus of change strategy development is linked to its size and impact — the incremental or radical strategic approaches (Collins & Hill 1998), and the view that strategy is no longer required to achieve organisational change is also emerging. Semler (2000) suggests that the new economy will result in the growth of the organisation that will “transform itself continuously and organically – without formulating complicated mission statements and strategies, announcing a bunch of top-down directives, or bringing in an army of change management consultants” (Semler 2000:52).

An understanding of strategies in the context of this objective was sought as a means of understanding the environments of the case studies and organisational change as a whole, not simply as a consequence of changes to production and servicing techniques. The identification of changes that focussed on organisational capabilities and organisational behaviours was therefore sought — these being the two fundamental elements viewed by Schmidt (1994) as essential for moving organisations and their members from mechanistic or bureaucratic practices and mindsets to demonstrating the practices of ‘frontier organisations’.

The frontier organizations [being] those that are stripping away the encumbrances to better performance by ridding themselves of outmoded strategies, cumbersome structures, inflexible management and work practices and rigid bureaucratic systems. They are discarding the cultural baggage of the past. At the same time they are clarifying strategies, building skilled and committed workforces, introducing flexible and modern technologies, and designing finely tuned performance management systems (Dunphy & Stace 1992:11).

Writers such as Beer and Nohria (2000) delineate frontier organisations as though that demonstrate both ‘capabilities and behaviours’ in the processes of change. The definition of capabilities and behaviours as expressed by *theory E* and *theory O*.

Theory E is conceptualised as being economically driven change, resulting in downsizing, drastic layoffs or restructuring. Theory O represents change that develops in corporate culture, organisational learning and commitment based psychological contracting. It is recognised early in their article that both are valid models capable of achieving some of management's goals, either explicitly or implicitly, when they are used independently of each other. It is quickly noted, however, that companies that effectively combine these approaches are those that reap the biggest successes with sustainable competitive advantage (Beer & Nohria 2000).

The literature gave support for the idea that all stakeholding groups (including document writers) would not necessarily articulate the same version of the change program that had been implemented. Therefore evidence was sought to identify discrete activity and stages undertaken by the organisation as it proceeded through the change process. Documents were requested and reviewed, and interviews were held with both the LG1 and LG2 Change Strategists and employees. During the interviews, both Change Strategists and the employees were asked to outline the change program that had been implemented. The documents provided were used to obtain a deeper understanding of the context, and they acted as a benchmark for assessing the level of shared understanding of the change program.

In both cases, organisational documents ranged from clear to confusing. Some used complex diagrams to outline the proposed change strategy and the interrelation of all interventions. Others used simple reproductions of workshop presentations attended by employees. No single document was presented or referred to that provided a diagnosis relating to the need for change, an outline of either organisation's readiness for change or a communicable plan.

No direct links could be identified to support a 'recipe textbook' approach aligned with theoretical change strategists such as Kotter's (1996) eight steps, Kanter, Stein and Jick's (1992) ten steps or Lewin's (1958) model as outlined in chapter two. Some activity relating to creating an understanding of the need for new practices, establishing groups or coalitions (Kotter 1997), visions, communication and empowerment through training and information dissemination was evident for LG2. LG1 presented a list of new 'capability' development, but no change strategies to prepare the organisation for new behavioural practices.

From the employees' perspective, as expressed throughout the interviews, documentation and strategic information was viewed as an important resource for understanding the change program. Some employees felt aggrieved because they had not received any documentation, couldn't understand it when they did, or lacked the confidence that those required to implement it understood it themselves:

/...we all want to be part of building something and making something better, but the problem is we're having trouble reading the blueprint.../...there is a lot of interpretation by different people about what has to be done and what needs to be done.../... nowhere is there a document with, 'this is the outcome that is required, this is the time frame these are the steps that we are going to take to follow it'.../...there is no clearly identified pathway of how we are going to get to where ever this organisation is trying to get.../... they've never been communicated down to the staff properly.../...not a structured plan, a detailed structured plan with a time frame that I'm aware of.../

As suggested by Zohar (1997), such difficulties experienced by employees can be associated with the newness of the situation and the need for 'new perceptual categories' that help create a context and sense of *why*. For many employees, communication, blueprints, time frames and identified pathways all contribute to creating both the context and this sense of *why*.

Strategies for implementation were not discussed by recipients as being composed of clear concise stages but were more reflective of disparate change activities. Employees were able to cite large numbers of change activities including:

/...customer focus and service.../...re-defining and documenting processes and policies.../...operational and financial accountability.../...more competitive like and with private sector.../...business unit creation.../...quality focus.../...structural.../...manager less operational, more strategic.../...outsourcing.../...productivity - accountability - contractor competitiveness.../...less hierarchy and devolution of duties through.../...not to just get rid of people.../...creating a mix between contracting out and in house stuff.../...better customer service/.

No employees interviewed referred to the change directly as discontinuous, but there was clear recognition that they were involved in a large scale transformation with simultaneous, incremental change activities taking place.

/...if it was slower, it might not have been so bad, it was all sort of done very quickly, like 'this is how we are going to do it, you have got to do all this blah blah blah'.../...there are a lot of pieces in the middle and it's very easy when you've got a number of these activities getting carried out at any given time, it's very easy to get lost.../...Well, the change has been massive. It's probably been too much all at once.../... you're trying to do 50,000 things at once and you don't know what you're doing and I don't think that's beneficial. I think certain things happened too quickly.../

Some employees interviewed, who operated under what they termed as 'a good manager' were able to paint a visionary picture of the purpose as a whole, but most respondents expressed confusion. When asked about the purpose of the organisational change, respondents across the board did not demonstrate what Scott, Jaffe and Tobe (1993) refers to as the key characteristics of high performance organisation; that is, a clear picture of the organisation's basic purpose and a shared common set of values. They were more in line with what Abrahamson (2000) referred to as being in a state of 'initiative overload' and 'organizational chaos'.

From the employees' perspective, these were serious issues, viewed as existing not only at the employee level but also throughout the organisation as a whole, represented by both a lack of commitment and understanding of strategic requirements.

/...well, I have got to be truthful, I think a lot of them [managers] are out of their depth, I really do... I really think it's shifted too fast for them, and I think they are struggling..../...he hasn't understood it fully, so therefore he can't communicate with us that well, so that's a problem .../...it is a fairly new process and sometimes people are confused about what is actually expected from them.../...I think there are probably certain members of staff at senior level that really are finding it difficult.../...they will agree with the whole work team concept the whole but at the end of the day, they haven't changed whatsoever, they are still doing the same practice because that is how they have done it in the past, and they are not going to do it differently.../

Overall, employee perceptions, as reflected within this objective, demonstrated that the implemented strategies had a 'capability bias', more concerned with changes in operational practices, contracting, productivity and accountability than new behavioural practices, unity, vision and relationships. Their confusion was based on a lack of knowledge regarding what to do and what was expected of them.

6.3 Identifying Change Strategists' Expectations of Employees in the Change Process

When people are treated as the main engine rather than interchangeable parts of the corporate machine, motivation, creativity, quality, and commitment to implementation well up (Waterman 1987:8).

The role of the Change Strategist in any process of change is one that draws attention from a number of differing perspectives. Understanding who the Change Strategist is within the context of change is often confusing in itself. While the CEO is often portrayed as the person primarily responsible for setting strategic direction and plans for the organisation, as well as being responsible for guiding actions (Gioia & Chittipeddi 1991), CEOs are often not the people solely responsible for implementing the change (Kanter, Stein & Jick 1992).

With an increasing reliance on the use of internal and external consultants or practitioners, the role of the strategist and implementer has become more and more blurred. Ultimately, the general requirement of the strategists is that they be capable of, and responsible for, the diagnosis, design and execution of an organisational change intervention (Waddell, Cummings & Worley 2000). While the decision on whether change is required may be initiated by the CEO, the role of developing the strategy and implementation is often delegated to others, as in the case of this research where internal consultants and practitioners were used. While not negating the role of the CEO, the strategists became the focus as the central conduit to organisational change activity and what is viewed by Buchanan, Claydon and Doyle (1999) as the critical role in change success.

Research undertaken by Buchanan, Claydon and Doyle (1999) with a widely informed and broadly representative segment of British senior and middle management change strategists, identified a number of major factors that they perceived as influencing change. These included strategies, communication and politics. Within this research, the issue of resistance was specific to the expectations of the Change Strategists.

While most literature would suggest that resistance is an issue synonymous with organisational change, it is the reasoning behind that resistance that further informed the objective of this research (Kotter 1996, Maurer 1998, Dent & Galloway Goldberg

1999). It assisted in establishing a broader view of the organisational context. Kotter (1996:64), while not denying its existence, would suggest that resistance “is rarely the domain of the individual but more appropriately a reaction to poor organizational change design and implementation”. Others, such as Dent and Galloway-Goldberg (1999), have a bias towards the ‘psychological concept’ or ‘mental models’ of organisational change, which they believe virtually induce inherent resistance to change across all change efforts.

In the case of LG1, the Change Strategists’ expectations of the employees within the change process were clearly based on the view of inevitable resistance, due to employees’ fear, and that resistance would solely be a direct result of their psychological status. The LG1 Strategist clearly saw his role as the person who would need to drag employees through this process ‘kicking and screaming’. His stated perceptions of his role were:

/...as the person who was responsible for devising a vision, looking at strategies, putting a framework in and getting everybody there.../

In line with his expectations was a reflected *directive* leadership style as discussed by Dunphy and Stace (1992) involving the use of legitimate authority to bring about organisational change and *coercive* leadership, involving the use of explicit or implicit force and an autocratic process of decision making. This was reinforced by his own statement of his style as

/...very direct.../... and let’s get on with it.../

Recently employed into the organisation, his view was that:

/...local government traditionally is 15 years behind state government and business in general.../...that as an industry it becomes involved in micro-reform activities but often is unsure why.../...that it was an incestuous industry that doesn’t have a broader understanding of the business world.../

Of the employee his perceptions were that of a:

/...country club.../...an organisation of people not looking for a career.../

In summary, the Change Strategist's expectations were that change would be difficult due to employees' resistance, and he felt that even though he had done his part by providing communication and information,

/...people did not hear because of their individual paradigms.../...that blocks are caused by resistance../

In the Strategist's mental model (Senge 1990) resistance was an automatic expectation, further reinforced by what appeared to be a range of negative mental models relating to employees and local government in general, all influencing the actions of his self-confessed directive management style.

At LG2, the Change Strategist's expectations of the employees reflected all four of Dunphy and Stace's (1992) leadership styles: *collaborative* (involving employees), *consultative* (consulting widely and being open to influence), *directive* (using legitimate authority) and *coercive* (using explicit or implicit force to achieve the aims and objectives of the change program).

/...you will never get anybody having to do something, they have to choose to want to.../...I have been a real negotiator, mediator, sometimes I have had to tell people that 'hey you have to do it'.../

The LG2 Change Strategists' expectations were both systems focussed and psychologically focussed.

/...we would be hoping to achieve better, more effective and efficient services.../...addressing some of the cost of providing the services.../...trying to provide better quality services.../...making people think about what is happening.../

Resistance as part of the overall expectation was also based on systems and psychological issues,

/...there is still going to be some pain to go through in terms of building new systems.../

Behavioural expectation of management to shift from being */...input driven.../* to focussing on the purpose of change,

/...walking and talking, telling people what it is all about and actually getting involved and assisting.../

Exposure to the Change Strategists prior to the individual in-depth interviews provided an excellent opportunity to develop a general understanding of their influence in the change process. Seeking to understand the strategists' expectations was viewed as a means of further developing a contextual understanding of the organisational aims and objectives, in conjunction with their direct expectations relating to employees.

As a critical figure in the process, the change strategists' roles and reflected leadership capabilities were discussed openly by employees. It raised questions for the researcher as to whether change was seen as a process for organisational development through its members or simply an issue of 'compliance and conformity' (McKendall 1993). This is particularly true when thinking of LG1.

6.4 Identifying the Employee Role in the Change Process

Increasingly employees are being asked to affirm their commitment to the overall mission, long term goals and performance standards of their organization, as well as their willingness to change (Caldwell 1996:232).

As stated by Michael and Lawson (2000), poorly implemented change initiatives can have detrimental effects on employees, resulting in reduced commitment and job satisfaction, along with increased stress and perceived levels of injustice. Understanding the role of the employee, from both an emotional state and participatory perspective, has become an integral part of the change literature. The emotional state of the employee has typically been defined by four archetypes: *fearful*, *obliging*, *cynical* and *hopeful* (Mishra & Spreitzer 1998). Such archetypes not only outline the emotional state of employees, but indicate how each state will manifest itself within the process of change and the associated behaviours and roles.

Employee statements supported such views:

Fearful: /...not fearing that what they are going to say is going to be detrimental to them or they are going to get into trouble or something.../... a natural reaction to their jobs having to have to change and their roles changing and their fear, well first of all the change of how they're going to be able to cope with that.../...fearful of losing jobs, money and that sort of thing.../

Obliging: /...We wouldn't have been able to contribute as much as or in the way that we have because I guess we wouldn't have felt that we could.../

Cynical: /...There is a certain degree of cynicism amongst us all about it to be frank, I mean the carrot was 5%, 4% ... but I think that there is certainly a degree of cynicism from us, from me..../

Hopeful: /...I think the staff are very eager to be part of something.../...I was hoping the organisation might function better.../

The participatory role of the employee is where opportunities of engagement, involvement and issues of transition management are mostly raised. Jaffe and Scott (2000:14) suggest that such roles are vital to successful processes of change, and should focus on the “involvement of every affected person, continual two way communication, transition structures and investment in the resources to support the transition, and support for personal difficulty with change”.

While many change authors would support such a process for change, and the view that employees require clearly defined roles during organisational change, research at the employee level does not always reflect evidence of roles being clearly defined for employees or definable by them.

/...A lot of the information about this there was a big push when it first started, and since then it has been less it is just a case ok by this date you must have this report by this date you must have this report, we are three years into the EBA my team has just got its service agreement finalised, which is basically three years old and we have just worked out now what they want from us and the last two months we have actually found out what they meant by all this KPI stuff so it has taken virtually the whole service agreement before we even knew what was going on properly.../

As stated by Filipczak (1994:26), most employees would report views of having change ‘done to them’ with no ‘up-front involvement’. Definitions of employees as ‘recipients’ (Kanter, Stein & Jick 1992) or ‘change targets’ (Harrison 1999) also further reflects the role of employees as being beneficiaries or victims of the process and not willing participants with a defined role.

/...people coming in and telling us that you don't do that any more and you're doing all different things. I don't know, being a little bit dictated

to I guess and a lot of people weren't happy.../...it was forced upon them it was negative.../...If someone came to me and said we don't want you to work in there any more, we want you to work there, I'd like the opportunity to discuss it and know exactly what they had in mind.../

Seeking to understand the employee's role within the change process was considered to be a step towards understanding what the change strategist was expecting of them and how employees saw themselves as part of the process. The nature of the employees' roles, and what might be expected of them, were key issues in the study.

/...it goes from the Executive down to the Managers, and then they sort of implement it - or they get some of the staff involved to do it.../...I really don't know, I just sort of do what I'm required to do.../

Employee statements such as those above failed to introduce any concept of involvement or participation in the process or processes of change. With no definable role or sense of participation in the development and planning of change for employees, management and executive were clearly perceived as responsible for leading or directing the change. Employees' perceptions clearly indicated that they had no direct influence on the process and, therefore, no definable role.

/...I think who is responsible for driving the change is, I guess the executive.../...Executive Manager or top management - it's their responsibility to show us what we have to do.../

While the need for directive processes in change is also prominent in the literature, theories such as Jaffe and Scott (2000) are the ones most supported by the findings. Jaffe and Scott argue that it is the lack of engagement that makes for a difficult 'transition state' in almost all circumstances. The findings revealed a strong belief that employees perceived ownership as not only their right but their responsibility.

/...[the strategist] is perceived to be responsible when in actual fact the people should understand they are responsible for making it happen, but they don't see that - because of the way it has been done they will not take ownership of it.../...Well, I think one of the key elements, and this is only just starting to happen, which really should have happened about 2 years ago, is getting ownership from the employees at the officer level and also throughout all levels of the organisation.../...I mean, the first step really is trying to get staff ownership over it.../...ownership closer to everyone who's real, including the executives as well, so it doesn't become driven just by the executive, it's driven from all parts of the organisation rather than one level of the organisation.../

Many employees have simply received instruction regarding what is required of them and have not been involved in creating 'a change process'. While ownership and participation are not only cited as issues that increase responsible action and decision making, they are also cited as issues that reduce negative behaviours such as cynicism (Wanous, Richers & Austin 2000). Lack of ownership was identified in the findings as a missing element in the process resulting in negativity.

/...they've been very negative about it because they haven't had any ownership over it, it's just something that's been imposed upon them.../...I mean the first step really is trying to get staff ownership over it and I think getting that initial more involvement in the decision making process, not just educating but completely involving them right from the start.../

Cynicism, as also located throughout the findings, is noted by Wanous, Richers and Austin (2000) as a direct consequence of a lack of participation and arising from a lack of understanding when employees do not know the basis of actions or decisions taken by managers.

/...Employees are discouraged because they can't really see themselves going anywhere or the department or the division going anywhere. It is just the same old.../...That is why my interest died that is all, it is all absolute crap because one day it is something and the next day it is something else.../

As Brandt (2001) would further suggest, the 'new employee' of the twenty-first century is no longer satisfied with being treated as an 'untrustworthy idiot' and is seeking more responsibility and participation in the processes of organisational development. Brandt suggests that what many employees are seeking today is a work-based partnership where sensitive information is shared, along with decision making and opportunities for participation.

When employees interviewed in the current research discussed who they thought was responsible for the change process within their organisation, their perceptions did not reflect a view of partnership, but instead a broad range of mixed views:

*/...not me.../...CEO and management.../...the people.../... everyone...
/...council.../...the top man.../...change strategist.../*

There was no clear identification that a role existed for them, other than as a recipient. If writers like Wanous, Richers and Austin (2000), Brandt (2001) and Jaffe and Scott are to be believed then the data supports the 'received instruction' situation. The data from LG1 and LG2 did not support what Lewin and Regine (2000b) describe as 'tapping into human capital' or that the employees were able to feel part of a 'community at work'. As Lewin and Regine clearly state, most employees have a deep desire to be part of a community within their place of work. They have a desire to contribute to something, feel fulfilled by what they do and be part of an environment where they feel genuinely cared for. To achieve this, employees need to feel active and welcomed members of their work environment and to believe that their contributions are welcomed. When seeking to identify the role of employees within the processes of change within their organisations, there was little evidence in the data of a sense of community or partnership.

6.5 Identifying Employee Involvement in the Change Process

To achieve important, enduring, positive change, employee involvement is essential. Involving employees is messy. Wouldn't it be easier to form a small team, figure out the answers, and tell everybody else? But involvement builds commitment and significantly increases the likelihood of a successful transformation (The Price Waterhouse Change Integration Team 1995:19).

From an organisational perspective, the role of involvement, at its best, is an attempt to harness the intelligence and creativity of employees by encouraging open communication, building trust and cooperation, and engaging in consultation (Campbell 2000). There are many tools and techniques that exist to create involvement at all stages of organisational change. These include a range of human resource management change strategies such as those cited in Waddell, Cummings & Worley (2000), T-groups, group and individual consultation, team building, organisation confrontation meetings, inter-group relations, large group interventions, goal setting, performance appraisals, reward systems design, career planning, and development and employee wellness programs. Additional strategies include "Informing employees, listening to their concerns, offering feedback" which, combined, are techniques

designed to engender greater involvement and commitment to the mission, values and performance standards of an organisation (Caldwell 1996:230).

While the purpose of involvement is clear, and the techniques vary well beyond those listed here, the critical factor is that they are all reliant on communication. Communicating is considered, in its broadest sense, to be about communicating with employees about what is happening and about to happen, or working together to establish how the new environment might look. Across the change literature, there exists a supported view that “Effective communication is a key to achieving organizational change and assisting its members in accepting new directions” (Gills 1999:28). The views of the employees within this objective clearly supported the importance of communication as a key element of involvement, both directly and indirectly.

Understanding communication as a tool is as complex as understanding strategies for effective change. Communication within the change process goes far beyond basic communication principles of talking, listening and paraphrasing, as stated by D’Aprix, Greenbaum and Gordon (1997). It is an activity related to leading, informing, listening and involving. Communication in organisational settings is also influenced by perceptions of power, position and the interpretation held by the recipients that further inform interactions as positive or negative.

Perception is the process by which the mass of stimuli which simultaneously bombards our senses is sifted. That which is of immediate interest or importance, that meets our values and beliefs, and that grabs our attention (positively and/or negatively) will be allowed through the attention filters. We will select out data which are not valued in some way. Then we will further organise and select the pieces of information that stay in. We will give them a unique meaning according to things such as our values and beliefs, experiences, organisation learning and personal approach to life. The message has been encoded. A piece of meaning has been constructed. It will be different from that originally thought or sent because it has gone through the filter of a personality (Whiteley 1995:31).

As further stated by Whiteley, such a 'coding system' occurs with the sender and receiver potentially having the capability of producing two separate realities, belonging to each respondent. It is often the lack of acknowledgement that such separate realities may exist that hinders the communication process and results in a communication 'charade'. Consequently, communication in processes of organisational change should not be confused with simply one-way advertising or sloganeering techniques (McDermott 1999).

Getting the message out involves two-way discussions about the change, exploring people's concerns, and rethinking how the message relates to their interests. When campaigning for organizational change, you must realize that it takes time for people to absorb the message. Take every opportunity to discuss the change, see its relevance to whatever topic is on the table, and remind people of the core message (McDermott 1999:25).

Understanding communication as a process that contributes to recipient involvement was vital to this research. Recognition of its role beyond a surface level 'engagement in dialogue' was essential to understanding how communication contributed effectively or ineffectively to the change process. Understanding dialogue as a process where shared meanings can be discovered, and the creation of climates can occur that can lead to greater "collaboration, fluidity, sustainability, trust, openness, moral, alignment and commitment" was essential (Gerard & Teurfs 1997:16). Processes of communication method and style, or *how* the message was delivered, are what change recipients within this research recognise as the greatest influencing factor.

Within the data, a combination of communication and involvement issues could easily be identified where responses stated that there was a need to

...provide information and feedback.../ [or to] ...outline a clear purpose & expectations.../ [or for managers to] ...be able to communicate & direct.../.

Communication techniques discussed were mostly those reflecting involvement and interaction and strong descriptions of *how* communication should be conducted. These included:

/...everybody to get the same message.../...from the top.../...remember everybody is different.../...combination of approaches.../...need to consider people's mindsets.../...listening to employees.../...focus groups.../...follow-up to check communication received.../...reinforce - follow-up.../...one to one.../...smaller groups.../...staff meetings.../...awareness days.../...use apostles.../...not too much.../...feedback surveys... /...provide information.../...managers to talk, listen and discuss.../

As can be seen from the latter parts of this list, the bulk of the proposed methods focus on personal interaction and connectivity; demonstrating a desire to engage directly with strategists and implementers; and creating higher levels of involvement through interaction via small groups, follow-up, focus groups, talking, listening and discussing. This is a communication style termed by Rolls (1993:132) as 'transformation communications'. By this, Rolls means communication that focuses on 'relationship communication'. It includes communication that demonstrates and builds "empathy, trust, new wisdom and help[s] employees attach to a new reality" achieved through contact and engagement. Such communication is said by Rolls to "impel growth, orient people, help transition, promote dialogue and participation, and help employees reconnect beliefs to feelings". Additionally, it reflects Caldwell's (1996:237) open communication style, based on direct, "face-to-face communication, in which employees are active respondents [involved], encouraged to ask questions, offer feedback and assume ownership for actions agreed within a framework of open dialogue".

Whilst it can be argued that knowing *how* to construct communication strategies based on employees' preferred styles is paramount, along with the appropriate skills and knowledge of successful application, the understanding of *what* is perceived as appropriate involvement techniques is also of major significance. In this research, there was no significant reference by any recipient relating to specific involvement techniques, such as T-group activities or action research strategies (Waddell, Cummings & Worley 2000). Involvement techniques were generally referred to as:

/...more participation down through the ranks.../...I think it could be counselling that might be involved, it could be education.../...all out discussion with them, you know a series of scenarios, get all that sorted out like a battle plan if you like, and then communicate to the staff.../...maybe a bit more training.../...more knowledge. I don't know exactly how you'd do it.../...having support mechanisms in place.../...a

lot of feedback as to how they are going.../...keep it as simple as possible because the more you confuse it, the more you end up confused by it all, and the more it builds as this big rock that you are pushing up the hill.../

As Kotter (1999) stated, companies that are successful at handling change find some way to push complacency down and urgency up. They focus on creating a sense of direction and vision. These views are supported by the recipients via their desire for:

/...a clear detailed plan with stated outcome and requirements.../...a shared vision and understanding... /...ongoing involvement, not just top-down.../...ongoing workshops beyond implementation to get it right.../...shared goals and understanding.../...cultural and change alignment.../

and not a sense of decreased involvement capabilities, due to actions where: /...we are all sitting here saying 'what is going to happen next?', we don't really know.../...And chaos is not good, you need to have it very structured, very clear the path you are going, and do I think there is a clear path? No, I don't.../...why don't you just get down and get a plan in action, everything seems to be arse about face here.../

Since the early 1970s, organisations all over the world have begun to replace traditional structures with a new organisational environment characterised by high commitment, high involvement, and self management (Scott & Jaffe 1991). "Involvement as a tool allows inclusion, hands on involvement demonstrates that keeping people in the know and keeping in touch with their issues is an important component of any new order" (Marks & Shaw 1995:110).

In line with Marks and Shaw's (1995) view, this research found that employee involvement did not reflect a need to create a complex process that resulted in each individual being witness to, or part of, a grand master plan. Instead, strategists and implementers could demonstrate 'relationship communication', reflecting ongoing personal interaction and connectivity regarding why, what and how things were going to happen. The objective was not about controlling the process, but being part of it through 'keeping people in the know'. Typically, across the data, there were references to face-to-face communication activities to be conducted in environments conducive to interaction:

...focus groups.../...one-to-one.../...smaller groups.../...staff meetings... /...awareness days.../...use apostles.../...managers to talk, listen and discuss.../

Taken by itself, face to face communications has a greater impact than any other single medium. The impact of a face to face medium may be due to its immediacy, but the interactive potential of it, if realized, is what works. The two-way give and take encourages involvement in the process. It also clarifies ambiguities and increases the probability that the sender and receiver are connecting appropriately. Face to face communication is the best way that feedback can be used to immediately correct deficiencies in the communication process (Klein 1994:28).

As stated by Weick (2001:333), “face-to-face communication is what provides the exact grounding for ‘synthesizing meaning’, where individuals are able to use interaction to build ‘information richness’”. The challenge is for strategists and implementers to recognise these requirements as an integral component of involvement, and to be sufficiently skilled to take on the challenge that such communication strategies inherently contain.

Understanding employee involvement within a change process is critical to providing an understanding of the context of the overall change process. Involvement levels are often reflective of the change design principles and organisational culture. “Building and staffing a bureaucracy that can cope with growth is the biggest challenge. The firm tends to hire and promote managers, not leaders, to cope with the growth. After a while, the firm drifts toward being overmanaged and underled” (Kotter 1999:16). Such over management restricts involvement and communication. Supporting recipients’ views of what leads to effective change from an involvement perspective, Kotter (1999) provides four distinctive points from a leadership perspective:

1. the setting of direction consistent with the grand visions;
2. aligning people by communicating decisions;
3. inspiring action by motivating and inspiring from face-to-face interaction; and
4. getting results by focussing energy on activities that help groups inside organisations to leap ahead.

These were directly in line with what employees interviewed in the study were seeking, regarding opportunities for involvement at their level.

/...give people a clear picture of the goal of what we are really after.../...you've got to have a clear vision of where you're going.../...really consult with the employees and ensure they're involved in the change process.../...the communication was there, the door was open, it wasn't just a token effort.../...look at developing certain groups or working parties.../

6.6 Identifying Employees' Expectations of the Change Process

There was a time when people were 'factors of production,' managed little differently than machines or capital. No more. The best people will not tolerate it. And if that way of managing ever generated productivity, it has the reverse effect today. While capital and machines either are or can be managed toward sameness, people are individuals. They must be managed that way. When companies dispirit individuals they defeat their ability to change. When companies encourage individual expression, it is difficult for them not to renew. The only true source of renewal in a company is the individual (Waterman 1987:2).

While St-Amour (2000) would suggest that there are *three* basic requirements in meeting employees' needs in navigating change (structure, information and support), the outcome of this study provides an employee's perspective of *five* interrelated requirements that organisations need in navigating change. This study uncovers change requirements from a perspective rarely explored, and accesses the perceptions and realities of recipients engaged in a transformational organisational change program. It is these perceptions and realities, accessed through interpretive qualitative research practices, that inform the objective of identifying employees' expectations of the change process.

Employees' perceptions of effective change strategies focussed on four discrete but interconnected capability factors, reflecting *what* they perceived as needed:

1. strategic efficiencies;
2. organisational unity;

3. skills and capabilities; and
4. humanistic application.

Additionally, this was supported by a fifth factor, a behaviouristic factor referred to as *relationship maintenance*. Relationship maintenance is the factor providing the essence of *how* employees perceived that change should be approached. It is the combination of these factors that employees believe shape an effective change process as a whole and provide opportunities for sense-making and sense-giving (Gioia & Chittipeddi 1991) at all levels of the organisation.

As an addendum to a proposed change design, these factors provide an excellent opportunity for constructing a holistic organisational approach to change as stated from an employee perspective. If these five factors can be demonstrated to exist within the overall organisational change design and implementation framework then, based on the views of interview respondents, it will more closely reflect a strategy that will resonate with employees. While untested, the findings to date would suggest its application would produce considerable employee engagement and active participation in achieving the desired future state of the organisation.

The following sections further discuss these five elements of an effective change strategy.

6.6.1 Strategic Efficiencies

By any definition, and especially from the perspective of planning, strategy imposes stability on an organization. No stability means no strategy (a course to the future, no pattern from the past). Indeed, the very fact of having a strategy, and especially of making it explicit (as the conventional literature implores managers to do), creates resistance to strategic change (Mintzberg 1989:39).

The seeking of strategic efficiencies by employees suggested that strategy represents, if not stability, at least a stabilising influence necessary to effect change without resistance. Change as a phenomenon represents many interdependent conditions: the need to engage people, to analyse current and future states, planning, implementation, monitoring, reviewing and integration. Strategy is subject to intended and emergent

processes, those that are deliberate, or those that rise from recognition of further opportunities or potential variations (Mintzberg 1989, 1998). In a process that requires collective action to achieve desired outcomes, strategy is considered vital by employees and it is the melding of change management and strategic planning, two interdependent processes, that creates strategic efficiencies.

Traditionally in times of economic stability, a strategic plan would be reported as being established for a five-year period with set, routine assessment points, usually on a yearly basis, that allowed for 'emergent alteration' in a controlled manner (Mintzberg 1998). Today, strategic plan time frames are reported as being shorter, are assessed on a more regular basis and are subject to swift alteration, due to rapidly changing external and internal environments (Hamel & Prahalad 1994). Strategic plans no longer function as a guiding oracle but a moving framework, often made up of a series of interrelated components of significant magnitude. Planning for the future is no longer a process of assessing existing targets, setting new bottom lines and going through the motions of a SWOT analysis (Mintzberg 1998). Today, strategic planning is more affected by the changes in the environment and increased levels of uncertainty (Amram & Kulatilaka 1999).

Once an environmental shift is recognized, the second challenge is to develop the appropriate strategic responses ... However, the process of strategy formulation in these periods is crucial to change management (Nadler & Tushman 1995:43).

From the 1990s onwards, strategy formulation has focussed on not only *how* to do things differently at an operational level, but also on how to think about doing things differently as a means of obtaining a competitive advantage. Strategy formulation has focussed on both transactional and transformational change relating to operational outputs, as well as business cultures as a means of creating new directions for organisations. In conjunction with strategy development, organisations have been reliant on change management practices to simultaneously enact both transactional and transformational strategic activities.

Strategic efficiencies, from an employee perspective, related to the framework that enables a clear understanding of what is required, where the organisation is heading

and which organisational systems are available to support the new direction. It is fundamentally about ensuring that everybody knows when, how and what is required of them, and that appropriate processes are in place to continually revisit those requirements to ensure strategic alignments. It is about creating effective strategies and systems that are able to transcend across the organisation at all levels.

The debate is not about, nor has it been about, selecting the 'correct strategy' to transform the organisation, but the way the strategies are used to effectively drive the change. Strategic efficiencies relate to effective development and the use of plans, information, communication, feedback, follow-up, resources, rewards, reporting and outlining clear requirements to support the change by understanding its design purpose and implementation objectives as crucial elements to the design and implementation stages of change management.

/...the main idea from the employee point of view is that they're clear about the direction.../...there doesn't seem to be enough information as to how it's going to work.../...[change] can not occur unless it's brought more back to specifics for the employees.../...a lot of the time, the wires

get crossed somewhere.../...I am still not sure how the end result, what the end result is going to be. .../...you need to have it very structured, very clear.../...in quite a few instances, we've actually gone around in circles and we think, 'well what was all that for? Why all the trauma, why all this, we're back where we started'.../...there's a huge gap between management deciding its change and where it wants to go, and putting together its processes.../...we don't get any feedback.../...in a position of change, I think that the communication, how you communicate that and how you deal with that ... it is really important ... how you deal with the impacts of that change.../...they know they have to change, but they don't understand why, and they don't know when it's going to happen and what's going to happen.../...it did take a while for us to actually know what the big picture was.../...but there has always been a complaint and I think this is across the board, there is insufficient numbers to be able to put in the time to do all this .../

Effective change for the employees in this study requires that strategies are clear, available and identifiable. Plans must not only be available, but a range of interlinked strategies that enable efficient application and ensure organisational alignment occur must also be in place. Change must be viewed as a process that demonstrates linkages, systems and processes that work towards strategic awareness and application across the organisation. Unless this occurs, change is viewed as a 'hotchpotch' of activity,

with no central focus or direction and is subject to misunderstanding or misinterpretation.

6.6.2 Organisational Unity

The organization must paint a compelling picture of the future so that the staff will have a sense of how they can benefit from the coming changes. All too often, senior managers hide behind closed doors during a significant organizational change. When they come out, they walk about mournfully looking like they just lost their best friend. They should recognize what they are actually communicating through such behavior, and fulfill their responsibility to deal openly and positively with staff (Moses 2000).

“In the early stages of change, strong, committed senior leadership is without question the most important element in ensuring that change efforts are successful” (Parker 1997:221). This research suggests that, from an employee’s perspective, such leadership is required on an ongoing basis at all management levels to support effective change, a task viewed difficult by Brooks and Harfield (2000:101), “as management frequently experience tension and disharmony in maintaining their own enthusiasm for the change program”.

From an employee’s perspective, though, management is directly responsible for guiding and creating unity within the organisation and, without such action, full support at an employee’s level will never be secured (Brandt 2001, Kotter 1999). Employees not only look to managers to guide the process of change and to clarify its purpose but also to endorse its soundness.

/...if they couldn't convince the managers that this change was a good thing to do, the managers have got no chance of convincing staff.../

Through a shared vision and understanding, joint involvement, and demonstrated commitment and support, employees believe that organisational unity can be achieved. Shared vision and understanding were clearly viewed by employees as paramount to the process. This mirrors the stance taken in the majority of the literature.

As stated by Hussey (1996), Kotter (1996) and Jaffe and Scott (2000), defining the vision and creation of a shared vision is a decisive element in the change process. Without being able to convey an attainable picture of the future that appeals to the long-term interests of employees and is clear enough to provide guidance in decision making at all levels, a shared vision and understanding of the desired future is unobtainable (Kotter 1997). This, in addition to a vision that is sufficiently flexible to allow individual initiative and is easily communicated, is reflective of Kotter's (1997) understanding of what constitutes the characteristics of an effective vision to guide change. The leader or manager who is not committed to, or cannot articulate, the vision in a way that has meaning to others will find it impossible to ensure that everyone pulls in the same direction.

...in my opinion I think that the message has to get through to managers...you're really not sure where you're going, why you're doing it or how you're doing it, and I think that's been one of the really downsides of change...Well, I don't feel I've come to grips with what they're after...There's been some information but not so you could actually read it and really understand...a strategic goal or vision of where you want to be, and that has got to come from senior executives...and unless he [the CEO] is doing it I don't know who is...people have just got to understand why we are going that way and where we are going ...everyone was totally bamboozled...I think there is a lot of interpretation by different people about what has to be done and what needs to be done.../

Effective leadership and management also means modelling desired behaviours and holding everyone accountable, including oneself (Ketterer & Chayes 1995). "How managers spend their time, what they focus on, who they talk to is usually very influential. Seeing senior managers change their behavior is a powerful vehicle for building momentum" (McDermott 1999:23). In addition to communicating a vision of the future '...by their actions, they must say, "We're all in this together and by working together, we'll get through it" (Dalton 1993:12).

In fact, "the leadership of strategic organization change must be pushed throughout the company to maximize the probability that managers at all levels own and are involved in executing the change efforts and see the concrete benefits of making the change efforts work" (Tushman & Nadler 1990:81). A united front throughout management is what employees seek.

... the nonsense that goes on instead of getting their act together, they are all playing egos, you know what I mean, so you think, ah, they still haven't got it, you know what I mean, you.../...want to do the right thing but your Executive Managers are stuffing it up because they don't know where they are going.../...Executive Managers demonstrate it and it becomes a way of their lives, nobody is going to follow any of this.../...I would doubt if there is a person in this building, and I could be wrong, ok, this is just my perception, that actually believe that the Executives are united and moving in the same way.../...it's the responsibility of the Executive Managers to show us what we have to do, and I don't think that that was done at the beginning.../...and I think sometimes the leaders of the organisation do not demonstrate that leadership role.../...as leaders, they were preaching one thing but they're not acting on what they preach.../...I think the managers didn't really support it because they thought it was a little bit of lip service and nothing really was going to change again, and so that attitude sort of has filtered down to the employees, and I think that's probably why we've got the problem at the moment.../...then they just pass that negativity all the way down.../...that has got to be there in the first place, and they have got to believe in that, and they have got to get that belief down to their people, so they have got to be able to explain it and it is going to be very difficult to get other people to believe in it if they don't.../...you need to have somebody constantly sort of just moving things along just giving direction, support all of that sort of thing.../

“The problem is that most managers have no history or legacy to guide them through all this” (Kotter 1996:18). For managers at all levels, change is as new for them as it is for the employees. They experience all the same fears and are not immune to influences of resistance (Morris & Raben 1995). Often, they feel a sense of being overloaded by the experience of change, which impacts on their felt affective state (Brooks & Harfield 2000). Recognition by managers of their role in the change process as transformational leaders (Dunphy & Stace 1992) is critical in creating and projecting a shared vision. It requires leaders and managers to be able to break the old frame, demonstrate personal commitment, communicate and involve people in the vision while all working together towards a new culture (Dunphy & Stace 1992).

As reported in Hamilin, Reidy and Stewart (1997:233), based on extensive research within the public sector, “the ‘management culture’ of an organisation needs to be actively nurtured, developed and progressively strengthened so that the culture remains ‘relevant’ to the changing requirements of the organisation”.

The lack of common support for change among members of a senior team will be viewed by the organization as a sure sign that the reality of the change may be less than it appears. On the other hand, a team strongly in support of change strengthens the perception and belief that change is real and very likely to occur (Morris & Raben 1995:50).

6.6.3 Skills and Capabilities

Vital to implementing change is an effective team below the chief executive who share the CEO's enthusiasm for the vision, and who have the mix of skills necessary to bring about the needed changes (Dunphy & Stace 1992:166).

In a change adept organisation, as defined by Kanter (1998), there are three intangible assets that help managers master change:

1. Concepts: the best and latest ideas and technologies, the result of continuous innovation.
2. Competence: the ability to execute flawlessly and to deliver value to customers with ever higher standards, by investing in work force skills and learning.
3. Connections: the best partners to extend the company's reach and leverage its offerings or to provide a window on innovations and opportunities.

Kanter also argues that the task of managers is to find, create, build, nurture, monitor, measure and replenish the organisation's ideas, know how and relationships.

Skills and capabilities, know how or competency is also perceived by employees as an influencing factor in organisational change. In some industries, such as the Internet economy, competitive advantage lies in the ability to learn and react more quickly than the competition on a daily, if not hourly, basis (Kaufman 2000).

Within this research, however, employees were not concerned with achieving competitive advantage but were clearly focussed on the ability of managers to adapt to the internal requirements of the change and to make decisions in alignment with both the cultural and operational objectives.

The rate of change in the last century has been said to be without precedent. Change in the 21st century will be even faster. There is no slowing progress. The pace will only accelerate thanks in part to technological advances that are introduced nearly daily. A nostalgic look back at the way work was performed in the past is helpful in understanding where today's workplace is and where it is going. But there's no going back! Those who pine away for the old way and the past will quickly be left behind. Bottom line, all members of the workforce must recognize the old workplace is gone and there is a continual re-shaping of the workplace underway. There is no going back. (Buhler 2000:17)

While 'going back' has not been an expressed consideration, the clear view that skills and capabilities are required for an effective processes of change has been, predominately at a management level.

...to be able to steer the ship in the right direction...they've got to be able to evaluate it and work out what's the best way to go.../...I was amazed that when I first started all the three managers who I'd worked for had just written their first business plan ever.../...and they've been very hands on and now what they're trying to do is say, 'no, we don't want you to do that any more, we want you to start implementing the strategic side of things and thinking about policy' .../...it's [their] responsibility at the end of the day to decide what it is we're going to do.../...we are very fortunate that we have a Manager who has again a very good balance of direction and the ability to think in a strategic way ...who likes to instil best practice and sort of keep us up in front.../...[our] team has been helped through the change process with a high quality leadership... /...their role has changed considerably, they were very much hands on before, it's changed quite a lot.../...suddenly expected to drop all their technical stuff and start doing pie charts and business reporting, which I think was difficult for them.../...you need to have somebody constantly sort of just moving things along, just giving direction.../...There are some directors in this place, not mine, but there are some here who I think are absolutely rat shit, they should not be doing the job, and with that in mind, I could probably suggest you are always going to have huge conflicts because they don't know what they are doing.../

From an employee's perspective, there was a direct view that they also required a range of different skills.

/...to be able work effectively if things are changing you have got to know what ... you are supposed to be doing.../...and even for us as well as people who were meant to be involved in preparing business plans, well how do you prepare a business plan? We've never done this before, how would you do it? We were just told to do it, and there was very little guidance as to how to do that.../...you have to learn a new language, you have got to not only find the words for these things, but then work, find what that language and that process is.../...because there was just all this avalanche of stuff, change that meant we had to learn words, we had to understand what they wanted as a report, we sort of went down a few blind alleys about that.../...but somehow you as a bloke who digs a hole and waters the plants has got to write a report that makes sense ../...And I think perhaps there is an expectation that people understand more the workings of the outcomes that are trying to be obtained than perhaps they do.../...It was too difficult to comprehend across the board, well whether comprehend is the right word but certainly to work it .../... I think the whole process probably took people at least twelve months to even understand what the hell, you know, even initially with all the acronyms that were flying around, it was like well, what the hell is that?.../

While the need for skills and competencies are supported, it is the environment of change itself and the demands of change that both elevate the need, and sometimes confine it. As stated by Drucker (1995:81), change “demands the most difficult learning imaginable: unlearning. It demands giving up hard earned skills, habits of a lifetime, deeply cherished values of craftsmanship and professionalism...”. At a management level, “...many organizations are dominated by managers who achieved managerial positions because of technical expertise. As a result they have no training or experience in management. Often these managers are never given any additional training or experience with which to develop professional management expertise. As a result they operate in a seat of their pants, trial and error fashion” (Tichy 1983:90).

In the present study, this was never more evident by employee comments where it was stated that managers were:

/...suddenly expected to drop all their technical stuff and start doing pie charts and business reporting.../ [and the perception that] /... they don't know what they are doing.../.

While in less turbulent times such managers may have been considered superior executives, in conditions requiring often radical change a different set of skills is necessary (Shaw 1995). These include specific skills and the knowledge required for

people to accomplish the work assigned, for which they feel directly responsible (Burke 1994).

From an employee's perspective, effective change is heavily reliant on management:

/'...I think the upper management is the key to it all.../ [and their skills and abilities which require them to be able] /...to think in a strategic way .../, /...at the end of the day to decide what it is we're going to do.../ as /...they're the ones that should be leading it.../.

In summary, the skills and capabilities perceived by employees that would contribute to effective change include analytical skills, the ability to provide direction, knowledge related to 'sustaining the momentum' of change (Burnes 1992), skills to do the business required, adaptability to reinforce desired behaviours, to undertake and provide training and, finally, to be able to lead.

These are further supported by Kotter's (1999:16) views of the elements required to create successful change: "a combination of strong leadership and strong management". Management skills that understand organisational operations, planning, budgeting, staffing, controlling and problem solving combined with leadership skills that set direction, clarify vision and motivate people. These are skills and capabilities that employees within this research perceived as essential.

6.6.4 Humanistic Application

We often approach change rationally and analytically, with action steps and milestones. But change is much more emotional, driven by people's hopes and fears about the future. Effective organizational change requires a good business case, good plans, sound technical analysis, and a way to tap the hopes and hearts of employees. Most of us are much less skilled at addressing these emotional issues - and much less comfortable with them - than we are with action planning. But they are fuels of change (McDermott 1999).

For organizations to change, people must change. For leaders to help people change they do not need to understand change, they need to understand people. Understanding people is not a strength of most

managers. Generally, managerial leaders have been educated in the technical and non personal aspects of organizational life. They need some help with the personal repercussions of their decisions because those repercussions affect the way people work in the new environment (Morrison 1994:353).

Humanistic application is derived from the view that managers need to move from “old world” managerial practices where ‘as in Taylorism, the focus remains on the form of organisational assets such as technology and the ‘bottom line’ rather than on the substance such as values, information, knowledge, competence and communication” (Brewer 1995:9).

While this substance crosses all aspects of the employee expectations framework, it is further borne out in this, *Humanistic Application*, where employees view the need for capabilities that enable those directing and supporting the change to do so in a manner that acknowledges the human side to change. They see a need for those involved as strategists or implementers in change to demonstrate the capability to recognise people’s fears and to deal with employees in a professional and approachable manner that is positive and upfront and supported by an environment of trust.

/...Everybody needs to feel that they're approachable to one another and can trust one another. If you can do that you can maintain a healthy working bunch of employees, that's probably the main issue.../

While both positive and negative examples were available throughout the case study organisations, all reflected the importance of a humanistic approach to dealing with employees and sought an alignment with management’s ‘espoused theories’ of employees being part of the overall team, and their ‘theories in action’, where employees were clearly excluded (Argyris 1998).

The perceptions of employees that these human aspects are important to the change process are fully supported by the change literature, and are most commonly referred to as the ‘soft’ side of change. The challenge for most organisations, though, as pointed out by Hussey (1996), is that there is a need for the soft and hard elements to fit together.

If there is a natural fit there may be no problem. This is often the case with an incremental strategy, which effectively requires the organization to do more of the same. Where the strategy requires fundamental change, there may be a clash, in which case either the strategy or the behavioural element has to change (Hussey 1996:3).

Unfortunately, the softer aspects of change are less tangible, frequently less well understood and are often neglected in the design process, receiving insufficient attention (Ketterer & Chayes 1995, Shaw 1995). Much of the literature suggests, however, that managers should be better able to overcome significant disruption by gaining a solid understanding of what leads to an employee's likelihood to change (Michael & Lawson 2000). Employees in this study were more strongly aligned with the need for change strategists to take a more introspective view of their own skills first. Furthermore, employees endorse principles of openness, honesty and communication (Buchanan, Claydon & Doyle 1999).

/... people skills is the biggest, that is bottom line.../... someone that I can be fairly open with and I can not feel silly or unintelligent when I make a comment and get shot down in flames.../...they are very approachable, they are social people, they like having a chat, having a joke, so it makes life so much easier.../...I guess also there's also got to be that rapport that you have with your Managers and it's essential that you can approach them and talk to them about the changes.../...And yeah, sometimes show a little bit more of a human side, and that is maybe an element that has been lacking in the change process is sometimes just a showing of that human side.../...Like managers at his level must always acknowledge that we are in people's business and dealing with staff is a people business.../...You were virtually told that was a fait accompli - it sort of makes people feel that their job was worth nothing, they were worth nothing, it was very demoralising for a lot of people.../...I think a lot of it's the human element. You can do anything with people if you've got them on side.../ ...Management, I don't know about their own job, but I would say the people skills in this place are very bad.../... you've got to have trust, and you've got to know and be aware of where the direction is and you've got to believe that that's where the direction is. Otherwise, we end up having a very sick employment structure, the overall structure becomes quite ill and it doesn't work, cohesion's lost and I think that's important.../

Clearly managers need to recognise that emotions inevitably run high during periods of change (Gooley 1999), and that to be successful, large scale change requires

management of the emotional process involved in changing beliefs, structures and practices (Scott & Jaffe 1991).

6.6.5 Relationship Maintenance

Most transformative managers share this belief in people. They know that change will only occur through people and therefore they place great value on personal relationships; they spend time in planning how to select, deploy and develop people; they spend more time getting amongst their people rather than trying to manage from the remote fastness of a head office. They tend not to limit their contacts within formal hierarchies, but move about their organization, listen to people at all levels, be seen by them, and speak to them, as far as possible, on a face-to-face basis. (Dunphy & Stace 1992:163).

As the underpinning essence and behaviouristic factor of the employee expectations framework for change, *relationship maintenance* was a term that emerged from the data. Relationships as an issue were raised early in the data collection process, but its richness was not realised until the question was asked of the data, 'What is it that the employees are seeking through constant contact, communication, attention, consultation, involvement, personal discussion, support, encouragement and demonstrations of trust?'.

There was no doubt that employees were indicating that many managers within their organisations required better people skills and needed to recognise the human factors within change (Buchanan, Claydon & Doyle 1999); however, there was an emergence of something different, something that was distinct from 'What makes effective change?'. More important was *how* effective change is made. Relationship maintenance is that *how*. It is the factor that ensures that employees are recognised, through the incorporation and reaffirmation of the importance of their role within the organisation, both at an individual level and as a collective force.

The focus of employees within organisations can be traced through shifting paradigms of mechanistic, human relations and open system approaches to future projections of cellular and networked organisational forms that invest in individual know-how (Clarke 1999). For most employees, though, it is the hierarchical paradigm that

dominates their world of work; hence, the sense-making principles (Weick 2001) that govern their working environment are those of 'bureaucratic technical efficiencies'.

The chief merit of bureaucracy is its technical efficiency, with a premium placed on precision, speed, expert control, continuity, discretion, and optimal returns on input. The structure is one which approaches the complete elimination of personalized relationships and nonrational considerations (hostility, anxiety, affectual involvements, etc) (Merton 1968:250).

The findings within this research indicated that the traditional endeavour to depersonalise and bureaucratise work relationships is not one preferred by the LG1 and LG2 respondents.

/...people feel that there is no real closeness between employees and a manager, if the manager doesn't inform.../...It also affected people personally. There was no sort of personal discussion with people whether change was going to affect their jobs or affect their work or anything like that.../

While bureaucracies have worked effectively to eliminate personalised relationships, at least at an explicit level, shifting work practices as a result of organisational diversity and globalisation are challenging the tacit relationships. "Restructuring. Downsizing. Organizational change. As ... these have become fixtures in the new landscape of work, as companies scramble to meet the challenges of an increasingly competitive marketplace" (Moses 2000:134) employees have been placed under conflicting pressures of change, as supported by the following finding.

/...a sense that people are doing a lot, they are perhaps the old rubber band and how far can it go.../...the pressure is on everyone because no one has time to keep up their reports like it is due next week and the pressure comes on everyone.../

Conflicting pressures relating to compliancy, creativity, empowerment and conformity all require new behaviours and responses from employees in the workplace.

The pressures on people in organizations are unlikely to abate for the foreseeable future. Instead we will likely see much more of the same. Jobs will continue to change or disappear entirely; companies will

continue to sell off, or shut down, whole business areas; new technology will continue to transform how people do their work; market changes will require an ever-shifting mix of skills. There will be more restructuring, more downsizing and even more pressure on the individuals caught up in these changes (Moses 2000:134).

The challenge of the future for organisations is thus to ensure people feel that they are making real contribution in their jobs and they are valuable both to themselves and to the organisation (Moses 2000). The challenge lies in the distinction between explicit knowledge and tacit knowledge (Richter 1998); knowing *what* is required and *how*.

Relationship maintenance is therefore presented as the way in which change strategists are able to 'make sense' and 'give sense' to the context of change (Gioia & Chittipeddi 1991) at a more tacit level. The findings and theory in combination suggest that relationship maintenance is the element that includes an emotional resonance (Weick 1999) within the employee expectations framework.

Relationship maintenance as the *how* of change is what differentiates between external (explicit) and internal (tacit) aspects of change (Argyris 1998). External includes the perceived organisationally requirements of change:

1. strategic efficiencies;
2. organisational unity;
3. skills and capabilities; and
4. humanistic application.

Internal relates to the employees' personal levels of involvement and commitment 'from within'.

Relationship maintenance is not presented by employees as a way of gaining involvement and commitment, although this may be a *latent function*: "an unintended and unrecognized consequence" (Merton 1968:116). It is presented as an expectation in the change process by employees that cuts across all change activities. It is the defining element that has emerged from their own sense-making experiences (Weick 2001) and through their own efforts to identify what they perceive as important, which ultimately focussed on the *how*.

6.6.6 Relationship Maintenance and Strategic Efficiencies

Strategic efficiencies within the area of relationship maintenance relates to *how* employees experience the creation or implementation of strategy: through direct contact, consultation, ownership, involvement, questioning, recognition of employee value, feedback regarding processes and progress, and being acknowledged at an 'internal' level. While Michael and Lawson (2000:68) support the benefits of such views, in that "individuals who perceive their organization provides more information about the changes being implemented are more likely to engage in the desired change behavior than individuals who perceive the organization provides little or no information" it is still the *how* of change that matters.

Each method raised above is intrinsically linked to providing opportunity for 'meaning construction and reconstruction' by the employee, as they attempt to understand the nature of the intended strategic change and what its effect on them would be, what their role in it entails (Gioia & Chittipeddi 1991) and how it will affect them. Further to this, they provide the opportunity for face-to-face interaction that Weick (2001) states is the only form of interaction that enables individuals to keep up with a rapidly changing environment. Meaning is not solely sought from the operational facts presented, but in the manner that the information is presented, the signals and interactions, and the pending possible shifts in existing personal relationships with managers and colleagues. To build and maintain relationships, there is a need to create opportunities where:

/...you can sit down and actually listen to what people are saying without being distracted.../...have more participation down through the ranks.../ [or step outside prescribed change activities to where] /...one day I might be walking down the corridor and see Joe Bloggs and say, 'how is it going, um, how are the changes going?'.../ [to demonstrate] /...that they are being considered, I would say that they are part of the working of doing things.../.

It is these actions that were perceived as essential in openly recognising the impact of change on employees and openly maintaining an ongoing focus on the management of effected relationships due to strategic shifts in organisational practices.

6.6.7 Relationship Maintenance and Organisational Unity

The *how* of organisational unity at a relationship maintenance level is the demonstration of unity between individuals and management levels, and the alignment between change requirements and actions where behaviours are not contradictory. As stated by Weick (2001:114):

... partnerships that endure are likely to be those that adhere to Campbell's three imperatives for social life ... : (1) Respect the reports of others and be willing to base beliefs and actions on them (trust); (2) Report honestly so that others may use your observations in coming to valid beliefs (honesty); and (3) Respect your own perceptions and beliefs and seek to integrate them with the reports of others without deprecating them or yourself (self-respect).

Such 'respectful interaction' (Weick 2001) provides a basis for strong relationships within organisations: those that are able to move the organisation collectively forward; hence, employees clearly recognise that:

/...it's not just a change process,... you want the organisation to function on an ongoing basis in a particular way ... a structured, but homogenous entity.../ [but are very quick to detect anomalies] /...I think there are a set of rules of managers and a set of rules for the worker .../...there are double standards within the change.../... I would say that tradition of how this has been run in the past is always going to come through regardless, until the top changes.../...you have got to gradually get everybody on-side.../.

Employees therefore perceive that effective relationships can only be maintained if everybody is responding to the change in a collective uniformed manner. Anomalies only result in distrust, and high suspicion regarding honesty.

6.6.8 Relationship Maintenance and Skills and Capabilities

It is *how* skills and capabilities are applied that addresses relationship maintenance; *how* the internal needs of employees are addressed. The desire to listen, discuss, guide and encourage staff by managers demonstrates to employees their value in the change and helps reaffirm their links with the decision makers. While Gooley (1999:99) states that it is "important to provide training that gives employees the skills they will need to carry out their new responsibilities", employees within this research support Buchanan,

Claydon and Doyle's (1999:20) views relating to the need for those implementing change to possess skills and capabilities that include "well developed negotiating, persuading and influencing skills" reflective of interpersonal and social skills. The lack of such skills does not provide opportunities for positive interaction, sense-making or relationships. Employee support of such views was inclusive of:

/...there's also got to be that rapport that you have with your managers, and it's essential that you can approach them and talk to them about the changes.../... he is the one who said 'I am not a people's person and I have trouble communicating with people'. Well, ok, that is probably why he has got a reputation of being a toe cutter.../... if it had been somebody else who had lots of people skills they could have done anything with everybody and achieved so much more.../...not being a dictator, not just frighten the life out of everyone.../.

6.6.9 Relationship Maintenance and Humanistic Application

It is the attention, closeness, empathy and degrees of contact that employees seek under the humanistic application factor. It is *how* employees perceive that people should be treated within a change process at this level that meets our most basic personal needs and addresses the emotionality of organisational change. As Goleman (1996) reports, studies completed in the 1970s presented a view that many executives feared that feeling empathy or compassion for those they worked with would put them in conflict with their organisational goals, or that sensing the feelings of those who worked for them would make it impossible to deal with people.

In today's changing work environment, such attitudes are enormously detrimental and, the market forces that are reshaping our work life are putting an unprecedented premium on 'emotional intelligence' for success (Goleman 1996). Emotional intelligence enables us to not only manage our own emotions but to effectively handle relationships with others. Employees further support these views, in recognition that:

/... the formal processes we need to use in order to work well at what we do, so that's the sort of mechanical things that should work well and that is the formal thing, but in a sense that's a skeleton that holds everything together but the actual - everything around it should be very non-corporate, in the sense that you're looking at quite an empathetic approach to dealing with relationships.../...and if they have done a good job come down and thank them personally...complete trust and basically faith in that I'm being up-front with them. That would be very important to me. If you can establish that relationship with your staff it's a very essential component. It just leads to so much.../.

6.6.10 Relationship Maintenance Summary

As a perception that filters across all four capability factors, relationship maintenance is the balance between what Argyris (1998) described as *external* and *internal*, or Beer and Nohria (2000) refer to as *theory E* and *theory O*, the economic and organisational strategies of change. Strategic efficiencies, organisational unity, skills and capabilities, and humanistic application represent the capabilities required and relationship maintenance is the process of sense-making (Weick 2001) for employees, the behaviouristic focus of change.

Employees clearly understood that there was a range of skills required to implement change, but those alone do not lead to effective change. It is *how* the change is implemented through existing and future relationships that makes the difference. Relationships based on behaviours and attitudes that effect the management of interdependency roles, loyalty, challenge levels of intimacy, and the opportunity to 'gain personal sustenance' from the workplace were all directly linked to relationship factors within this research and supported by the work of Morrison (1994) in his work associated with psychological contracting in the workplace.

At the most basic level, the psychological contract is "what we expect to give and what we expect to get from the organization" (Boyatzis & Skelly 1991:2). In an implicit format, it sets out:

... mutual expectations — what managers expects from workers, and vice versa. In effect, this contract defines the behavioural expectations that go with every role. Management is expected to treat employees justly, provide acceptable working conditions, clearly communicate what is a fair day's work, and give feedback on how well that employee is doing. Employees are expected to respond by demonstrating a good attitude, following directions, and showing loyalty to the organization (Robbins 1993:297).

As reviewed by Morrison (1994) in relation to changing work environments, he states that these contracts do

... not just change over time; change itself modifies the contract. Change profoundly affects relationships; it may completely disrupt

them. Furthermore, during times of change, new expectations are built and reinforced. The way change is handled creates new or reinforces old expectations for future change (Morrison 1994:355).

Under Morrison's revised psychological contract, the focus is on "how we get our human needs met as we do our work", what we anticipate "will keep us in the relationship during the tough time", and it is mutually respected agreements that solve practical human problems by giving structure to them (Morrison 1994:356). The crux of Morrison's view is that "Change creates new dangers and alters old interdependent relationships, diminishing predictability" (Morrison 1994:357).

While the components of the psychological contract may be standard, the specifics have to be discovered. All parties to the contract participate in that discovery. It isn't something the leaders define for everyone else. People develop their expectations by perceiving and remembering what happens. Contracts are created from what people do, not from what they say they will do or from what someone says that they should do. For this reason the psychological contract is more a reality than are the formal policies. In fact, it is the reality as opposed to what someone says reality should be (Morrison 1994:357).

It can be supported that relationships as an issue in change are no longer in the domain of the organisational psychologist but are becoming more an emergent issue for change strategists and managers. As such, relationships are becoming more commonly addressed within change literature itself. This is shown by Maurer's 1998 addition to his five touchstones dealing with resistance (1996) of a sixth touchstone: 'building strong working relationships'. The revision focuses on talking about issues that are important to employees, being available, making it easy for others to communicate with and listening to the needs of others:

Most resistance is linked directly to the quality of the working relationship: the better the relationship, the less resistance. So, take the time to create relationships that are based on mutual respect and understanding (Maurer 1998:16).

Jaffe and Scott (2000:13) assert that effective change addresses systems, work processes and relationships: "Relationship elements such as trust, credibility, congruence between words and actions, sharing of relevant information, development coaching, and teaching of relevant skills for the cornerstones of change management".

How has change placed relationships on the agenda? Simply by changing many of the basic principles that have guided past contracts of employment. For example, mutual implicit and explicit understandings that employees were to provide satisfactory attendance, and demonstrate an acceptable level of effort and loyalty. In return, employers were to provide fair pay, advancement based on seniority and merit, and job security (Weidenbaum 1995). Or more simply, "the exchange of hard work and loyalty for security" (Cashman & Feldman 1995:12).

The transformation from a manufacturing to an information-based and service-based economy, downsizing, restructuring, mergers, acquisitions, "technological advances, global markets and fierce competition, have created new demands on employers and employees" (Sommers 1995:21). These new demands have shifted the goal posts, leaving both employers and employees in a position of uncertainty relating to their relationship and their futures. Some authors believe that there has been "a gradual evolution in our ways of managing change. Gradually the focus has moved to the most inner aspect of what constitutes organization and its purpose: the relationships among its members" (Darling 2000:14).

Relationship issues are consistently cited as the major causes of product, market, and technology failures, as the culprits behind unsuccessful mergers, and as the failures of new leaders and managers. Many mergers fail because of power struggles between chairmen, and because of failure to build good relationships with peers and subordinates (Darling 2000:14)

Darling is suggesting that it is time organisations come to understand their 'relationship capital'. Capital is built from common aspirations and deep caring, through learning to interact and coordinate effectively, the connections and coordination of action in order to achieve high levels of relationship capacity. Relationship maintenance, as presented in this research, is directly linked to achieving such outcomes. It is presented by

employees as the *how* of change, the connection between *what* needs to be done and *how*. Relationship maintenance will not only support the process of realigning psychological and social contracts but, when working collaboratively with concepts such as Darling's (2000) 'relationship capacity', will institutionalise employee relationship maintenance as a permanent component in processes of change.

6.7 The Analysis of Employees' Expectations With a View to Developing a Significant Guide to Effective Implementation Strategies

At the very least the approaches described should be used as a checklist to stimulate thinking, so that an implementation process can be defined. The underlying message must be to give attention to both the hard and the soft aspects of management. Neglect of either may cause failure in implementation (Hussey 1996:14).

Hussey (1996) presents a six-step approach to implementation: the EASIER way to implement strategic change: *envisioning, activating, supporting, installing, ensuring and rewarding*. Hussey is clear that this approach is not to be viewed prescriptively. Further to this, as a direct effort within this research not to create what might result in a mechanistic structure, a prescriptive implementation strategy based on the employees' perceptions has not been developed. This is to avoid the presentation of a 'fix it', mechanistic design approach (Sitzer Jr. & Tobia 1994). Thus the findings previously presented in the form of a framework will remain as located in figure 6.1 (located on page 207).

The framework aims to provide a more informative view of change, from a capabilities and behaviouristic perspective as presented by the participants within this research. Overall, it aims to provide change strategists and implementers with a useful means to analyse, review or develop their selected change strategies. Along with Tichy's (1983) view of models, the employee expectations framework is presented as a guide to action based on personalised and intuitive interpretation at both an explicit and implicit level. It is presented as a means of diagnosing information and for arranging the information into meaningful patterns. The framework supports Weick's (2000) view that the world does not consist of separation between the subject and the object, or cognition to the exclusion of emotion. It is a framework that challenges the

'emotional intelligences' (Goleman 1996) through its application and consideration and is viewed as a tentative framework that is exploratory in nature and which requires a customised approach by its users.

Implementation strategies for change are plentiful, and articles outlining 'six steps to successful change', or more, are numerous. The framework presented in this research provides a unique approach, based on what employees perceive as effective strategies within a change program. Not just *how* to implement the change, but *what* they perceived should be included in the change design program, *and* how to deliver the change. Implementation within the context of change refers to steps and actions required to enact the designed change program, and/or to enact processes to introduce change as a phenomenon to the workplace.

From an implementation perspective, the information in this research can be linked across all three stages of Lewin's change model (unfreezing, moving and refreezing), or Kanter's ten commandments or Kotter's eight steps, thus demonstrating alignments with existing theory and practice. *Unfreezing* is achieved through shared visions, joint involvement (organisational unity), *moving* being inclusive of all four factors and *refreezing* through ownership, feedback regarding processes, leadership, talking, listening, discussing (relationship maintenance).

Both in Kotter (1996) and Kanter, Stein and Jick (1992), connections can be made with Kotter's communicating (strategic efficiencies) and creating (organisational unity and skills and capabilities); Kanter's developing enabling structures (strategic efficiencies, skills and capabilities); and communicating, involving people and being honest (humanistic application and organisational unity). Its most appropriate use would be to expand existing frameworks and extend conversations into new areas of consideration reflective of employees' perceptions.

While employees have clearly stated their expectations within organisational change, it would be naive to represent the developed framework as an implementation strategy in its own right. Instead, its best application would be to either generate thinking in the process of change design, or as a means of assessing established change design strategies from an employee's perspective. The framework should be used to generate such questioning as:

- How will information and plans be communicated to employees?
- Are the current actions of managers demonstrating commitment and support to the aims of the change program?
- Is there a shared understanding and vision at all levels?
- Are people at all levels skilled and capable of fulfilling new requirements?
- Are people able to approach this in a way that is professional, and in an open positive manner that supports a humanistic approach?
- How will we ensure that we develop and/or maintain secure relationships between employees, and between employees and their direct managers and other relevant management?
- How do we move the organisation forward while demonstrating to all levels of employees that we want them working with the change and not being left behind through their choices or our actions?

6.8 The Research Questions

As a means of steering the research, the questions posed at its commencement focussed on the core aim of the research. The aim was to seek a deeper understanding of the complex issue of change from a recipient's perspective:

- What are the perceived needs and strategies for the implementation of change from the employees' perspective?
- What are the ingredients for success in implementing change as employees see it?
- What factors influence acceptance of a change event?

The questions at the most basic level were aimed at asking 'How would you do it if you were in charge?', a question posed to all employees interviewed. Responses to this were varied and provided an excellent means of identifying what they perceived as the ingredients for success, and the factors that influenced acceptance of change for them. As outlined in chapter 5, figure 5.8 located on page 153 and figure 5.15 located on page 177, these responses, along with their expressed expectations, all contributed greatly to generating the framework and gaining a clearer understanding of the *what* and the *how* of effective change. A cross section of employee responses related to the above were:

/...I was encouraged to keep going, and think up different things and coming up with ideas. That's what I'd like to encourage if I was a Chief Exec - that's how I'd want to operate.../...you really have to put it down to perhaps rewarding those people that really tried, and really made the effort to be more of a leader in the organisation and proactive.../...I guess we have to start thinking more like business.../...completely involving them right from the start in what needs to be done and how can we do it rather than having one executive manager saying, 'this is what needs to be done, and this is how we're going to do it'. So I think that would be the first strategy.../...if I was in a position to do it because that in itself would mean that you have a fairly well structured but homogenous entity that can flex as it's needed.../ ...you would really probably have to speak to everyone and get their fears and what they feel they want to come out of it... /...For sure, but also give them the time and resources to do it. That is probably the main thing.../...I would have a much closer relationship with the staff, for sure, I would let them know what is happening.../

Comments such as these, along with clear statements regarding what was perceived to be happening within the organisation, all contributed to the generation of an informative framework that focuses on both the hard and soft issues of change. It demonstrates the range of 'ingredients' perceived by employees as required to contribute to the successful implementation of change. As discussed previously, this does not present a whole implementation strategy to deal with planned organisational change, but a framework that is able to be viewed as the permeable essence across the full context of organisational change.

The crux of the employee expectations framework lies in its underpinning essence of relationship maintenance. As a soft, essential element of change it is more complex and less tangible and will be frequently less well understood and, hence, neglected in the design process. Unfortunately, the oversight of such sensitive issues often limits the success of the overall change effort. Although designing new business units and accompanying work processes is complex, "a far more difficult challenge is to find managers with the appropriate set of experiences and skills to manage the requirements of change" (Ketterer & Chayes 1995:192).

While managing strategic relationships as successful business practices are common, "relationships with customers, suppliers, vendors, affiliates, partners, and any other stakeholder group or organization that helps your company extend its reach, gain new knowledge, produce value for end users, and fuel growth" (Kanter 2000b:18, Leuchter

1997) recognition of relationships with employees is only beginning to gain attention within the context of change. While employees have always been considered an element in change, they have traditionally been viewed as players or resisters. Recognising the role of relationships between individuals, not in a reporting sense but in a human-interaction sense, has the power to shift such views to include partnership. This is more appropriately aligned with concepts of involvement, empowerment and collaboration, which are achievable through “a dose of humanity and interpersonal and social sensitivity” (Kanter 2000a:4).

It must be recognised that relationships in the workplace do exist, and that they need to be managed to maintain or create a healthy workplace. “Not all fun at work comes from using our skills, it also comes from personal relationships. When relationships with other people go well they add a zest for work” (Morrison 1994:354). Morrison (1994) discusses further the way in which change brings about a shift in the position of existing relationships, often both at a quality and an understanding level.

Change creates new dangers and alters old interdependent relationships, diminishing predictability in what is private or shared. While relationships remain complex in a whole range of situations within or outside of the world of work, the view that they cause difficulties in the workplace is misleading. As Tichy (1983:70) states, “They are, in fact, neutral and take on desirable or undesirable characteristics depending on how they are managed”. Unless the competencies and skills needed to make the new structure work are defined in advance — and unless relationships are recognised as the window to effective change, along with the capability requirements previously outlined — it is likely the change effort will fall far short of its goals (Ketterer & Chayes 1995).

As the essence that emerged across all factors of the employee expectations framework, relationship maintenance is viewed as the factor influencing acceptance of change. It is this essence that will replace the ‘security for loyalty’ equations of the past with ‘responsibility for responsiveness’. It is the framework as a whole that employees perceived as the ‘ingredients for success’.

6.9 Summary

The new formula for high performance and growth requires a critical mass of employees to take the initiative to connect their talents to the evolving needs of the organization in a relevant way. However, getting that critical mass of self-managed people is no small task. The past decade of tumultuous change has made a dramatic impact on employees and leaders alike (Cashman & Feldman 1995:15).

Recent changes have revolutionised the way in which work is performed. Half a century ago, people entered a vocation, and practiced that work for a lifetime. Today, with change impacting every job and the way everyone works, employees can no longer learn a trade and rely on those skills to last for a lifetime of employment. Organisations are now looking to employees to keep pace with change, anticipate changes and even create some of the change (Buhler 2000).

In this transition, employees and organisations are struggling with ambiguity, anxiety, low morale, shifting loyalty, more pressure, more stress, less control, more work, greater distractions, untapped potential, and growing frustration (Cashman & Feldman 1995:15).

Change has become the dominant factor of organisational life. How to change, what to change and the impact of change on employees are the guiding concerns of contemporary organisations. The framework presented within this research is recognised as a tentative framework that is dependent on further investigation and study. It is a framework that provides a useful perception of what employees believe would create effective organisational change, and it demands close and careful consideration by strategists and practitioners. The framework is unique in its structure and unique in regard to its information source. This framework has been informed solely by employees who reflected on their own experiences within a recent management-endorsed change event. It is presented utilising as much as possible of their direct language and meaning. At no point have management be asked to share their views on what they believe the experience has been like for their employees. These factors all contribute to the uniqueness of this research and its findings. It

presents both the *what* and the *how* of change as perceived by employees; i.e. what needs to be done and how.

As a framework, it is malleable and is not prescriptive. Its ultimate use will be strongly guided by the skills of its user and the depth of its effectiveness will reflect its users' beliefs in employees as contributing resources. As argued by Charles Handy (2002) in his recently published work, capability is the core of a humane society; that is, the ability to recognise what needs to be done to improve the world we live in. This itself needs to be accompanied by one other focus, though, and that is concern for others. It is not just *what* we can achieve but *how* we achieve it that counts. In organisational change, employees within this research would suggest that it is the focus of relationship maintenance that counts.

6.10 Future Research Agenda

In concluding this research a future agenda is proposed based on three emergent opportunities to further enhance current understandings of organisational change. These opportunities are proposed by the researcher and build on the approach of this research and further promote employees as an untapped source in informing the field of organisational development.

The future research agenda therefore proposes that a greater level of employee centred research be undertaken, that more research into the gaps between what managers think employees hold as important strategies for change and what finding of this research suggests they do be explored and that research involving employee engagement where 'their voice' is the central theme be more widely pursued.

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Appendix 1: LG1: List of Focus group Categories and Constructs

business unit operations consequences cost action plan business accountability	Strategic planning
government reform	Industry Changes
pre-business units reason for existence	Historical Aspects
confusion re requirements changing change processes organisational outcomes team customer services not a lot of good operational changes process and documentation flatter hierarchy design not well designed thing that was missing do it right from the start can't-wont work employee input-consultation outsourcing uncertainty	Change Process
the problem new executive managers people who still don't know knowledge of change executives employees reasons for change not told told why understanding cynicism creation of cynicism	Change Implementation
over my head	Reaction To Change

could have been done better	
felt left out still don't know not informed attempts goals techniques upfront – positive and negative stages – step by step shire doesn't listen to staff	Communication
disunity in executive employees perspective impact on acceptance understanding of organisation – skill base communicating instructions verbalising non support for change message to employees understanding of existing/past organisational processes view of the past expectations of managers and employees no local government background requirements demonstrated success communication skills reputation	Executives Action (including change strategist)
change of role lack of leadership uncertain of what exec's require previous role current roles – skill levels grip on change process responses to change requirements missing link	Managers Action
turnover unhappy people defacto managers job insecurity lack of confidence cost cutting bigger workloads	Impact On Employees
the opportunity	Skill Levels
no morale	Morale

Appendix 2: LG2: List of Focus group Categories and Constructs

<p>legal requirement</p> <p>purchaser-provider model</p> <p>managers initial planning meetings</p> <p>no cut back message</p> <p>purchaser-provider difficult across all the organisation</p> <p>departmental change focus</p> <p>thick and fast at start</p> <p>put people in working teams</p> <p>group meeting</p> <p>smooth</p> <p>flatten hierarchy</p> <p>outside staff</p> <p>spewing</p> <p>resigned</p> <p>organisational culture</p> <p>mixed feelings</p>	<p>Process</p>
<p>training closer still evolving reliant on leaders official view v's reality</p> <p>some obvious</p> <p>some chucked together</p> <p>some picked themselves</p> <p>others were selected</p> <p>changes peoples attitudes</p> <p>different perspectives</p> <p>purpose to delegate powers and wipe out middle management</p> <p>good</p> <p>response to needs</p> <p>enables you to fit in</p> <p>team meetings</p> <p>could be more team activity</p> <p>own responsibility</p> <p>training</p> <p>autonomy</p> <p>all different</p>	<p>Teams</p>

hard work less cynicism through workshops moods changing all the time some resigned more work taking more work home	Employees Responses
his role didn't go to training interested only in money has an organisation to run	CEO
could trust prepared to give one to one person well known in organisation team person passionate about it was going to stay there door always open been there for a while helpful approach wasn't one of the boy's – exec had been part of the union	Change Strategist
changing role	Management
more accountable increased hours proving our performance purchaser-provider self directed work teams independent groups continuous improvement key performance indicators	EBA
major incentives 3-4% limitations	Pay Rise Incentives
lots of training workshops about change kpi's what was realistic about the work place	Training

<p>those who didn't attend felt apart</p> <p>all linked in</p> <p>gave big picture</p> <p>enables you to fit in</p> <p>compulsory</p> <p>got lots</p> <p>some exec didn't attend – annoyed staff</p>	
<p>everybody lost jobs</p> <p>purchaser-provider experience</p> <p>not as a threat</p> <p>need person with positive reputation</p>	External Consultant
<p>groups</p> <p>message very clear</p> <p>did their best</p> <p>new or returning staff not clear</p> <p>soft counselling approach</p> <p>not directive</p> <p>strategy</p> <p>letting us all know</p>	Communication
<p>need to know what we where we were going</p> <p>new process</p>	Outcomes

Appendix 3: Guide for Individual In-depth Interviews

How I would like to start off is with your understanding or perspective of the change program in the organisation over the past two years.

Employees' Perception Prompts:

What were your initial expectations of the change process

Implementation

Outcomes

How has it been implemented?

How involved did you feel?

Level of employee participation?

Understanding of purpose?

Communication prompts:

Easily understood

Reinforced

Clear goals

Clear regarding requests and requirements of staff

Accessible information

Perception of the managers role prompts:

Change management

Communication

Skills

Confidence (performance/commitment to change process)

Relationship with Change Strategist/Exec

Grip on it

Perception of the executives and the change strategists role prompts:

Who has been perceived as the main person regarding the change program?

What role have the others played?

What about the CEO?

Employee perceptions of effective/ineffective strategies that have impacted on creating a positive result prompt:

How have employees been involved?

Human Element/Relationship

Responsible for making change prompt:

Concluding prompt:

Imagine you are responsible for implementing the change process. How would you design it, taking into consideration your experiences over the past few years?

Appendix 4: LG1: List of all Categories, Subconstructs and Constructs

government reform		Industry Changes
evolution or extinction customer focus and service re-defining and documenting processes and policies operational and financial accountability consequences more competitive like & with private sector business unit creation reports consequences quality focus steering committee structural manager less operational more strategic outsourcing		Change Purpose
no clear plan no clear outcome top-down not communicated down requiring employee specifics to much at once complex a lot just jargon need to understand it insular change in action: changing change consequences employee confusion re requirements: consequences employee involvement: no pre change consultation no post change feedback through committees expectations of employees	The Change Design	Change Process

benefits consequences negative consequences positive not wanting involvement some opportunities for involvement impacts on operational effectiveness		
this time more significant similar previous attempts poor initial implementation too much all at once no recognition of past - or existing processes rhetoric v's action v's process strategic shock pressure at beginning the beginning just evolved	Implementation	Change Process
poor attention to human element staff cuts and outsourcing no bloodletting consequences to services feared by employees used to cut costs 65 external staff felt aggrieved need for inclusion in staff induction - mixed	Staff Management in Action	Change Process
training provided for managers provided for employees not enough or used afterwards values different understandings-interpretation gaps between levels name - external facilitator the of business plans the use of teams the development of a strategic plan (-) a new building (-) customer service unit (+and-) timesheets voice mail rationalised departments quarterly reports	Tools and Strategies	Change Process

believe executive well intentioned need for direction and leadership receiving direction and leadership need to create employee attitude change forceful and softly softly forceful consequence softly consequence community service organisation v's money making positive outcomes	Employee Responses	Change Process
engineering finance parks dept building unsure records customer service recreation aged care transport health development approvals community services	Specific Departments	Change Process
employees perceptions		Communication
everybody to get the same message focus groups from the top follow-up to check communication received remember everybody is different reinforce - follow-up unsure one to one smaller groups combination of approaches listening to employees staff meetings awareness days use apostles difficult not too much	Employees Proposed Methods	Communication

feedback surveys provide information		
lack of communication exec to managers unclear exec to staff via managers getting better exec to staff general lack of occasionally the message more valuable and trustworthy general message - lump it managers to staff don't tell you directly passes on a lot of information same words different meanings written info but no communication external staff aggrieved word of mouth hard to get right for everybody poor timing big picture not communicated information not understood kept in dark to signify the beginning across departments breakdown failing computer information systems information not correct purpose not understood	In Action	Communication
mistrust communication channelling done more to allay fear than provide information no closeness resistance threatened leadership unclear opposition stressing them out made to feel bad dissatisfaction overwhelming	Reactions To	Communication

exec road show to employees link it back to business plan meetings newsletters - limited open door policy staff meetings emails documentation memo's co-ordinators work group informal chats	Tools and Strategies	Communication
good bad	Consequences of	Communication
previous experience with change helped LG1 need change LG1 needed new operational strategies LG1 could become more effective and efficient employees wanting to give it a go	Positive - General	Reaction To Change
years of service textbook v's reality confusion re job roles and security first experience with major change thought local government was excused from change people don't like change worried about potential expectations because it was forced upon them seen as unfortunate experience because of process because of no intrinsic value to employees	Negative	Reaction To Change
losing job and or conditions seen as inevitable	Initially	Reaction To Change
CEO's communication style - fait accompli rhetoric v's action don't understand what they need to do politicking and questionable integrity	In Action	Executives

consequences not united getting better who's in charge openly not supporting change CEO has an onerous job positives		
should be talking to the people should be leading it should be leading - communicating - uniting executive team	Employees Expectations	Executives
non-local government background no knowledge of LG1 operations: consequences poor previous reputation: BMA	Suitability to LG1	Change Strategist
change knowledge good questionable impact of past work history	Skills and Abilities	Change Strategist
people skills: difficult consequences of difficult others positive approaches	In Action	Change Strategist
aggressive difficult personality ego driven	His Style	Change Strategist
reputation in LG1 his brief is create change questionable influence over other executives he is not good for the organisation aggressive interaction with managers no interaction with employees 'name'	Employee Perceptions	Change Strategist
should be able to message across to be empathetic with employees	Employee Expectations	Change Strategist
suggestions not well accepted by employees no team environment		Change Strategist

<p>huge negative impact</p> <p>poor leadership role</p> <p>no acknowledgement of staff knowledge</p> <p>2poor communication skills</p> <p>can't communicate vision or instruction</p>		
<p>less time for employees</p> <p>management acceptance</p> <p>negativity filtering down</p>	Impact On Employees	Managers
<p>initial lack of support</p> <p>eventual acceptance</p> <p>negative</p> <p>fear and job dissatisfaction</p> <p>scared of losing jobs</p> <p>becoming positive</p> <p>questioning self worth in organisation</p> <p>apathy</p>	Reactions To	Managers
<p>business plan training</p> <p>just pick it up as you go</p> <p>colleague assistance</p> <p>training</p>	Tools and Strategies	Managers
<p>shift from operational to management</p> <p>overall performance</p> <p>quite well</p> <p>out of their depth</p> <p>being compromised by increased workload</p> <p>big learning curve</p> <p>gone with it</p> <p>a lot of indecision</p> <p>didn't understanding</p> <p>pre Xmas '98 fears</p> <p>infighting with executives</p> <p>questioning goals</p> <p>turnover</p>	In Action	Managers
<p>good</p> <p>poor</p>	Grip on Change	Managers
<p>should be driving and empowering employees</p> <p>should have been allowed ownership</p> <p>should be decision makers</p>	Employees Expectations	Managers

should defend departmental needs		
very capable out of depth has been poorly instructed some teach better than others mistakes impacted on confidence rhetoric v's action	Skills and Capabilities	Managers
not communicating vision power games not questioning goals they are the messengers down trying to keeping people on side - top and down trying to keep their jobs relationship with change strategist no ownership initial negativity role to implement change through employees		Managers
low morale resistance questioning self worth in organisation to management unhappiness 'used' as vehicles for change 328 (1 11 1 6) not that interested stressed out	Reaction To Change	Employees
no input not be lead who's in charge? assume exec knows plan	In Action	Employees
no understanding of the why's wanting guidance too complex want good things for organisation feel it is not quite right	Seeking Direction	Employees
positive negative	Confidence In Managers	Employees
jobs being threatened change in job focus no role or position security	Security and Changing Role	Employees

changing responsibilities turnover: why impact of temporary employees lost career paths changing work role		
good none not expressed no intrinsic value no recognition of staff contributions	Benefits To Employees	Employees
to know what is happening benefits should be communicated hopeful to be part of it	Employee Expectations	Employees
training received	Tools and Strategies	Employees
employee perceptions questionable 100% commitment		Employees
no real closeness nurturing teams personal discussion - contact empathetic approach not negotiable need for trust benefits of positive relationships the decline the redefinition of		Relationships
380 (1 13 1) not me 381 (1 13 2) CEO and Exec Managers 382 (1 13 3) everyone 383 (1 13 4) the people 384 (1 13 5) the Council		Resp ... For Making It Work
needs a shared vision and understanding needs a clear detailed plan with stated outcomes and requirements requires joint ongoing involvement not just top-down	Change Process	Emerging Phenomena

needs to address initial and ongoing impact re human element		
require a strong human side need to demonstrate a positive united front and lead the change	Executives	Emerging Phenomena
should be confident in their actions should provide strong analytical direction hold no restrictive set agenda have knowledge of organisational type and it's history be open with an allowance for mistakes requires good communication skills and people skills	Change Strategists	Emerging Phenomena
need to be approachable - social people have good knowledge and skills provide information and feedback be able to communicate and direct have a good balance of the human side have a positive approach that supports the change	Manager	Emerging Phenomena
need for adaptability	Employee	Emerging Phenomena
require leadership and a certain communicative style communication needs acknowledgement of the human side must be upfront and trustworthy	Relationships	Emerging Phenomena
requires variety of approaches to include followup for feedback and levels of understanding to address human -rel ... requirements as well as info dissemination requires a strategy that is clear and for all levels	Communication	Emerging Phenomena
encourage participation express a clear vision include consultation consequences get everybody on-side start off with executive agreement clarify positive aspects of organisation think like a business create ownership-involvement	Process	What They Would Do

provide more training use positive staff as advocates provide simplified employee requirements develop homogenous entity create a cultural shift more gradual implementation		
have direct contact with employees directly question outcomes with employees check employees are happy demonstrate endorsement of purpose and process	As An Executive	What They Would Do
don't be a dictator	As A Change Strategist	What They Would Do
need good rapport with staff	As A Manager	What They Would Do
provide assurances have an empathetic approach recognising value of employees maintain trust throughout reward leadership	Address Relationships	What They Would Do
keep people informed create a communication strategy in a sociable manner through direct contact top down bottom up seek feedback 452 (3 6 7) check message has been passed on	Regarding Communication	What They Would Do

Appendix 5: LG1: *In-Action* Subconstructs

<p>changing change: consequences employee confusion re requirements: consequences employee involvement: no pre change consultation no post change feedback no creation of employee ownership through committees expectations of employees benefits consequences negative consequences positive not wanting involvement some opportunities for involvement impacts on operational effectiveness</p>	<p>Change In Action</p>	<p>Change Process</p>
<p>poor attention to human element staff cuts and outsourcing: no bloodletting consequences to services feared by employees used to cut costs external staff felt aggrieved need for inclusion in staff induction – mixed</p>	<p>Staff Management In Action</p>	<p>Change Process</p>
<p>lack of communication exec to managers unclear exec to staff via managers getting better exec to staff: general lack of occasionally the message more valuable and trustworthy general message - lump it managers to staff: don't tell you directly passes on a lot of information same words different meanings</p>	<p>In Action</p>	<p>Communication</p>

<p>written info but no communication</p> <p>external staff aggrieved</p> <p>word of mouth</p> <p>hard to get right for everybody</p> <p>poor timing</p> <p>big picture not communicated</p> <p>information not understood</p> <p>kept in dark</p> <p>1to signify the beginning</p> <p>across departments breakdown</p> <p>failing computer information systems</p> <p>information not correct</p> <p>purpose not understood</p>		
<p>CEO's communication style - fait accompli</p> <p>rhetoric v's action</p> <p>don't understand what they need to do</p> <p>politicking and questionable integrity:</p> <p>consequences</p> <p>not united:</p> <p>getting better</p> <p>who's in charge</p> <p>openly not supporting change</p> <p>CEO has an onerous job</p> <p>positives</p>	In Action	Executives
<p>people skills:</p> <p>difficult</p> <p>consequences of difficult</p> <p>others positive approaches</p> <p>his style:</p> <p>aggressive</p> <p>difficult personality</p> <p>ego driven</p> <p>suggestions not well accepted by employees</p> <p>no team environment</p> <p>huge negative impact</p> <p>poor leadership role</p> <p>no acknowledgement of staff knowledge</p> <p>poor communication skills</p> <p>can't communicate vision or instruction</p>	In Action	Change Strategist

<p> shift from operational to management overall performance: quite well 28 out of their depth being compromised by increased workload big learning curve gone with it a lot of indecision didn't understand pre Xmas '98 fears infighting with executives questioning goals turnover grip on change: good poor not communicating vision power games not questioning goals they are the messengers down trying to keep people on side - top and down trying to keep their jobs relationship with change strategist no ownership initial negativity role to implement change through employees </p>	In Action	Managers
<p> no input not be lead who's in charge? assume exec knows plan seeking direction: no understanding of the why's wanting guidance too complex want good things for organisation feel it is not quite right confidence in managers: positive negative </p>	In Action	Employees

security and changing role: jobs being threatened change in job focus no role or position security changing responsibilities turnover why impact of temporary employees lost career paths changing work role benefits to employees: good none not expressed no intrinsic value no recognition of staff contributions questionable 100% commitment		
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Appendix 6: LG1: *Employees' Proposed Methods* Subconstructs

everybody to get the same message focus groups from the top follow-up to check communication received remember everybody is different reinforce - follow-up unsure one to one smaller groups combination of approaches listening to employees staff meetings awareness days use apostles difficult not too much feedback surveys provide information	Employees' Proposed Methods	Communication

Appendix 7: LG1: *Employee Expectation* Subconstructs

employees expectations: should be talking to the people should be leading it should be leading - communicating - uniting executive team	In Action	Executives
should be able to message across to be empathetic with employees	Employee Expectations	Change Strategist
should be driving and empowering employees should have been allowed ownership should be decision makers should defend departmental needs	Employees Expectations	Managers
to know what is happening benefits should be communicated hopeful to be part of it	Employee Expectations	Employees

Appendix 8: LG1: *What They Would Do* Subconstructs

<p>encourage participation</p> <p>express a clear vision</p> <p>include consultation:</p> <p>consequences</p> <p>get everybody on-side</p> <p>start off with executive agreement</p> <p>clarify positive aspects of organisation</p> <p>think like a business</p> <p>create ownership-involvement</p> <p>provide more training</p> <p>425 (3 1 10) use positive staff as advocates</p> <p>provide simplified employee requirements</p> <p>develop homogenous entity</p> <p>create a cultural shift</p> <p>more gradual implementation</p>	Process	What They Would Do
<p>have direct contact with employees</p> <p>directly question outcomes with employees</p> <p>check employees are happy</p> <p>demonstrate endorsement of purpose and process</p>	As An Executive	What They Would Do
<p>don't be a dictator</p>	As A Change Strategist	What They Would Do
<p>need good rapport with staff</p>	As A Manager	What They Would Do
<p>provide assurances</p> <p>have an empathetic approach</p> <p>recognising value of employees</p> <p>maintain trust throughout</p> <p>reward leadership</p>	To Address Relationships	What They Would Do
<p>keep people informed</p> <p>create a communication strategy</p> <p>in a sociable manner</p> <p>through direct contact</p> <p>top down bottom up</p> <p>seek feedback</p> <p>check message has been passed on</p>	Regarding Communication	What They Would Do

Appendix 9: LG1: Executive-Analysis Table

CEO has an onerous job positives	As An Executive and Employees Expectations	What They Would Do and Executives (how)
	In Action	Executives (what...why)

employees expectations/should be talking to the people

Positive Links

Negative Links

in action/CEO's communication style - fait accompli

employees expectations/should be leading it

Positive Links

in action/getting better

Negative Links

in action/openly not supporting change
in action/who's in charge
in action/not united
in action/don't understand what they need to do

employees expectations/should be leading - communicating - uniting executive team

Positive Links

in action/getting better

Negative Links

in action/openly not supporting change
in action/who's in charge
in action/not united
in action/politicking and questionable integrity
in action/don't understand what they need to do

what they would do/have direct contact with employees

Positive Links

Negative Links

in action/CEO's communication style - fait accompli

what they would do/directly question outcomes with employees

Positive Links

Negative Links

in action/rhetoric v's action
in action/CEO's communication style - fait accompli

what they would do/check employees are happy

Positive Links

Negative Links

in action/CEO's communication style - fait accompli

what they would do/demonstrate endorsement of purpose and process

Positive Links

in action/getting better

Negative Links

in action/not united
in action/don't understand what they need to do

Positive Link: what is currently happening that employees perceive as contributing positively to the concept

Negative Link: what is happening or what employees perceive needs to happen

Appendix 10: LG2: All *In-Action* Subconstructs

<p>EBA:</p> <p>lengthy ongoing process</p> <p>formalised some of our methods of improving</p> <p>involved trade offs</p> <p>traditions of top causes contradictions</p> <p>some aspects not realistic</p> <p>driven by employees</p> <p>performance and percentage driven</p> <p>next one broader approach looking at conditions</p> <p>generated lots of work</p> <p>at first</p> <p>provided our division with common thread</p> <p>agreement outstanding compared to others</p> <p>Reports:</p> <p>purpose</p> <p>unclear</p> <p>justify resources, recording output and improving processes</p> <p>to link KPIs with EBA</p> <p>unclear at first</p> <p>waste of time - could be on the job</p> <p>doing them because we have to</p> <p>rehashing and not getting any benefits out of it</p> <p>pressure on everyone at report time</p> <p>feedback - re next report from Sam</p> <p>feedback - stats and measurements of time</p> <p>appear cautious about measuring in too much detail</p> <p>required new systems and ongoing systems review</p> <p>requirements confusing</p> <p>first batch of reports we got wrong</p> <p>frustrating if you got it wrong</p> <p>4appeared a lot harder than they were</p> <p>requiring on going clarification</p> <p>not bad with right systems in place</p>	<p>Change In Action</p>	<p>Change Process</p>

<p> service agreement delays cause difficulties just extra bureaucracy waste of time if you know what you are doing feedback - no feedback feedback -no indication of efficiency feedback - no individual performance info feedback -takes a long time feedback - not re-emphasising purpose kpi's a dirty word interpretations different for each department confusing something's difficult to measure had to be all things to all men teams theory to create ownership at employee level theory v's management cultural norms theory v's individuals comfort zones to act as forums for discussion and reporting there is a weakness in having a small team created an us and them between departments creation of team leaders created myth of contracting out initial rivalry breaking down some teams not finalised or clearly definable allows for variety our dept operates as one team training negative about it need for ongoing refresher courses use of Americanisms negative need for local council relevance did helped people understand why a lot to take in initial workshops cultural conflict between EBA and traditional local government could be viewed as economical rationalism waste of time put people under pressure </p>		
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<p>took up lots of time adding to workload</p> <p>a lot to take on board - large expectation re skills and abilities</p> <p>tenure question at back of mind</p> <p>crap when already organised</p> <p>still not understood by some</p> <p>always evolving</p> <p>changing requirements</p> <p>human element poor</p> <p>has improved processes</p> <p>hasn't made any improvement</p> <p>lacking resources to implement requirements</p> <p>people have left over the years</p> <p>have received pay rises</p> <p>trade offs could lead to declining conditions for new employees</p> <p>no induction</p> <p>my introduction</p> <p>haven't concerned myself - not a priority</p> <p>I guess they are enhancing their policies and strategies</p> <p>induction through doing</p> <p>big picture not communicated</p> <p>comprehensive induction would be of benefit</p> <p>introductions to other people would help</p>		
<p>seems to be pretty good between departments</p> <p>couldn't offer any suggestions to improve it</p> <p>message re purpose and process got lost along the way</p> <p>employees fearful to ask questions</p> <p>employee input not taken seriously</p> <p>employees tend not to ask questions</p> <p>has broken down</p>	In Action	Communication
<p>what I presume he is doing</p> <p>little contact with employees</p> <p>driving it through 'name'</p> <p>CEO has public face of driving it</p> <p>CEO old school approach to management</p> <p>seems to be warming to it</p> <p>communicates via 'name' and Directors</p>	In Action	Executives

<p>good at picking up on issues</p> <p>role to get consistency</p> <p>'name' focus on implementation and progress</p> <p>'name'-external consultant -trainer</p> <p>external consultants don't connect enough</p> <p>'name' available for individual in-depth's and feedback on reports</p> <p>started out with 'name'</p> <p>not a cranky bugger-dictator-like one of us</p> <p>not getting support from managers</p> <p>organised initial workshops</p> <p>viewed as resource</p>	In Action	Change Strategist
<p>some unsure what is expected of them</p> <p>no improvements in relationships with officers</p> <p>unwilling to put as much effort in</p> <p>mine are actively involved and encouraging</p> <p>struggled with concepts</p> <p>positive behaviours and practices</p> <p>encouraging, support, forward thinker etc</p> <p>even when frustrated will give it a good go</p> <p>very professional, non favouristic, open mind</p> <p>provides feedback and guidance</p> <p>good with KPI's</p> <p>who goes into bat on behalf of team</p> <p>requires a greater hands on approach</p> <p>teams</p> <p>nervous about letting it happen</p> <p>need to let everybody have their reign</p> <p>not actively creating or directing teams</p> <p>haven't got flexibility to bend</p> <p>still wanting their signature on it</p> <p>not recognising employees abilities</p> <p>agreeing with theory but still doing the same</p> <p>hierarchy definitely there</p> <p>not supporting change strategist</p> <p>too comfortable</p> <p>lack of availability</p> <p>no communication or rapport with employees</p> <p>they are the key to any change</p>	In Action	Managers

<p>don't know if to believe them or not</p> <p>talk of change gets half people off side</p> <p>I don't think anybody felt discouraged</p> <p>in action</p> <p>fears of contracting processes</p> <p>struggled with requirements</p> <p>no communication</p> <p>not happy and not giving 100%</p> <p>involved through workshops</p> <p>trying to get decision making power to employees</p> <p>not being directed</p>	<p>Reaction To Change</p>	<p>Employees</p>
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Appendix 11: LG2: *Employee Expectation* Subconstructs

<p>must direct vision</p> <p>develop vision through consultation</p> <p>have got show they believe in it</p> <p>acknowledgement of extra work</p> <p>has to promote message to managers</p> <p>should develop positive relationships with staff</p> <p>key to any change</p>	<p>Employees' Expectations</p>	<p>Executives</p>
<p>to encourage and get message across</p> <p>need to be proactive</p> <p>manager to talk, listen and discuss</p> <p>to have a public and private face</p> <p>overlook negatives</p> <p>have a human face and approach</p> <p>to be able to respect managers decisions</p> <p>let people get on with their jobs</p> <p>to be acknowledged</p> <p>include employees as part of vision</p>	<p>Employees' Expectations</p>	<p>Managers</p>

Appendix 12: LG2: *What They Would Do* Subconstructs

What They Would Do	Subconstruct	What They Would Do
provide reassurance everybody mixing in training more post implementation support have a dynamic c ... strategist - like Sam create a clear understanding of reasons for change take a bottom up consultative approach provide time and resources provide feedback re processes and progress outline clear purpose and expectations address incentives such as \$\$ and conditions simple reports that all departments can relate to develop a closer relationship with employees	Process	What They Would Do
drive it and know their stuff	As A Change Strategist	What They Would Do
not make it a directive communicate and seek feedback	As A Manager	What They Would Do
no us and them gain respect	To Address Relationships	What They Would Do