# MAKERERE UNIVERSITY MAKERERE UNIVERSTY BUSINESS SCHOOL

ORGANIZATIONAL CULTURE, ORGANIZATIONAL CAPABILITIES,
CHANGE PROCESSES AND CHANGE IMPLEMENTATION;
A CASE OF MAKERERE UNIVERSITY BUSINESS SCHOOL

BY

BOSCO AMERIT
MBA: 2005/HD10/2819U

PLAN A

DISSERTATION SUBMITTED AS PARTIAL FULFILMENT FOR THE AWARD OF THE MASTER OF BUSINESS ADMINISTRATION DEGREE OF MAKERERE UNIVERSITY.

# **DECLARATION**

I, Bosco Amerit, declare to the best of my knowledge that, this research dissertation is my original work and has never been presented to any University or any other authority for the award of a degree or any other award. Where it is indebted to the work of others, due acknowledgements have been made.

Signed:	Date
Bosco Amerit	
Students	

# **APPROVAL**

This dissertation has been submitted in partial fulfillment of the requirements for the award of the Masters of Business Administration (MBA) with the approval of University supervisors.

Signed:	Date
Professor Waswa Balunywa,	
Makerere University Business School	
Signed:	Date
Dr. Joseph Ntayi,	
Makerere University Business School	

# **DEDICATION**

This book is dedicated to God, my mum; Cecilia Omongot and dad; Mzee Quirino Omongot, my uncles Mzee William Ekallo and Silver Okwii, daughter Brigiter Kongai and son Shawn Freeman Omongot, my wife; Josephine Ariao Amerit, brothers; Francis Koluo, Martin Ojulong, David Omongot, Silver Okwii, sisters; Josephine Asamo, Caro Akello, Norbert Alupo, former classmates, workmates; Esther, Flavia and Patience, relatives and friends. Thank you for your prayers, support and encouragement.

#### **ACKNOWLEDGEMENT**

The completion of this course would not have been realized if it was not for the encouragement and support I received from various personalities. I therefore wish to extend my acknowledgement to the following individuals whose contributions enabled the completion of this particular study and the entire programme:

I sincerely thank Prof. Waswa Balunywa and Dr. Ntayi Joseph, who were my lecturers and research supervisors, for their professional guidance, inspiration, encouragement, and support they provided me throughout the study. Their mentorship and guidance creates a historic indelible mark in my career path and in my entire life time. I shall live to acknowledge their input in my road to success and for all these and others, I pray God further blesses the works of their hands.

I thank management and staff of Makerere University Business School, my parents Mzee. Omongot Q and Mrs Omongot Cecilia Kongai, my uncles William Ekallo and Silver Ojakol who jointly created opportunities and contributed to my education. I thank all the respondents from Makerere University Business School for enabling my success in this research.

Special thanks go to my former boss, Assoc. Prof Dr. Samuel Sejjaaka for his encouragement and administrative support, and to my former classmates Bamugye, Mutibwa, Kasedde, Kintu, Makata, kasangaki and C. Katongole, for their support and teamwork during the course of my study and to Katamba D for his support in formatting this report. Last but not least, I thank all my course mates especially my discussion group, whose ideas, encouragement and academic precision made my course achievable. May God Almighty reward the works of each of these personalities and lead them in the light, peace and love Jesus Christ.

# LIST OF ABBREVIATIONS USED

MUBS : Makerere University Business School

Mak : Makerere University

NCBS : National College of Business Studies

SPSS : Statistical Package for Social Science

MCM : Management Committee Members

ICTs : Information and Communication Technologies

CVF : Competing Value Framework

#### **ABSTRACT**

The study was instituted to examine the relationship between the Organizational culture, Change processes and the effectiveness of the implementation of change conducted in Makerere University Business School. It was prompted by the fact that, although change management is a pronounced competence of most successful organizations in the world, most institutions underestimate the influence of the organizational culture, capabilities and change processes on change implementation.

Basing on a wide review of literature on organizational culture, organizational capabilities, change processes and change implementation, a foundation for the development of the conceptual model was created and tested for robustness. A cross sectional survey was undertaken using a stratified sample of 220 respondents. Subsequently, the data was analyzed using a correlation and regression model.

The results of the study variables; organizational culture, Organizational capabilities, change processes and change implementation revealed a significant positive correlation between all the study variables. The regression model showed that organizational capabilities were a significant predictor, explaining 60% of the variance in change implementation. It is therefore recommended that for better change implementation in MUBS, more emphasize be taken to improve on the organizational capabilities of the Institution.

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#### **CHAPTER ONE**

#### 1.0 INTRODUCTION

This chapter covers the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, and significance and the scope of the study.

#### 1.1 BACKGROUND

Recent research has shown that organizational culture is inbuilt in all organizational systems in terms of values, attitudes and norms shared across the membership of an organization. For change initiative to succeed, cultural issues must be put into context as predictors of change implementation (Kotter 1996). However, there has not been a clear consensus on the definition of organizational culture, (Howard, 1998; Zammuto et al., 2000), although many researchers have adopted Schein's (1990) three dimensional view of organizational culture consisting of assumptions, values, and artifacts. Given its organizational culture, coupled with technological deficiencies, Makerere University Business School (MUBS) has lately had to cope with a variety of challenges attributed to change implementation which have contributed to the slowing of its growth.

The Institution's capacity to renew technological competences so as to achieve congruence with the changing business environment has been limited. This has created a feeling of apathy amongst employees towards many change initiatives (Departmental reports 2007), a state that contravenes the works of Teece and Pisano, (1994); Teece et al., (1997). The situation is further compounded by the insufficient study facilities and poor infrastructural development especially given their disproportionate growth rates against the students' population. Consequently, the costs of maintenance and quality management increased tremendously (Internal Audit report 2007). Issues on staffing and study facilities have had a role to play in the MUBS' phenomenal growth (Balunywa, August 2007 p 23). The lecturer: students' ratios are undesirable although it is notable that the academic staff membership grew from 60 full time and part time staff in 1998 to about 300 in 2007

(MUBS Secretary, August 2007). What is evident however is the fact that there was an element of change. The underlying factor involves change processes that link the change initiative with implementation, through strategic innovations and creative adaptations (Ahuja 2000). Change processes, methods, or management techniques become the status quo while the old, less-productive behaviours are eliminated, (Kelloway, (2004); (Yuraporn 2004); (Armenakis and Harris 2002); Jennifer, (2002). Some concerns related to change processes in MUBS could be attributed to the protracted implementation of the Socket-Works ICT project which, instead of providing ICT solutions for students' admissions and registration, financial and administrative functions, largely remained an internet provider. Change in this case would have been important for the purpose of furthering the creation of efficient academic management processes, as supported by the works of Porter and Millar, (1985); Brady et al., (2002).

Quite often, it is technology that drives change, and change demands technology (Cela, 2005). This probably explains why MUBS has attempted to adapt to ICTs usage, in a bid to improve efficiency. Given the increased number of students and activity, MUBS took up the challenge of changing from manual to technology driven operations through computerization starting in 2001. A complete computerization plan was drawn but implementation has not been smooth up to date (Departmental Reports, 2006/7). MUBS continues to rely on some of Makerere's computer systems and software because of the limited implementation of its computerization plan. Most administrative processes remained largely manual and less efficient. Consequently, this has in many occasions impacted on the quality of the output due to human errors arising from the nature of manual work involved.

Whereas the view is that MUBS grows into a more dynamic and efficient institution, the obstacles of change implementation in the Institution seem not to have been fully overcome, the challenge is whether it is organizational culture, organizational capabilities and change processes that impact on the levels of change implementation in MUBS.

#### 1.2 STATEMENT OF THE PROBLEM:

Despite the fact that MUBS adopted many changes in its ten year life span, the change effort has been disjointed, (MUBS Principal, April 2007). For instance, the School Registrar's office continues to register students manually alongside relying on the Makerere University Academic Records Information System (ARIS) as at academic year 2007/2008 students' registration. Notwithstanding management's effort to create and adapt to change, a number of changes introduced continue to be deficient; these range from usage of teaching aides, timely commencement of Semester lectures to timely submission and display of examination results (AY 2007/2008). Also, with further reference to the digitization of MUBS; whereas there was an acquisition of software from Socketworks to facilitate the digitization of the Institution, members of the management committee (MCM) agreed to the idea in a meeting but, many of them appeared not to own the idea when implementation started (Intranet communications, July 2007), despite the many meetings and committees set up to effect the change. The challenge is whether these deficiencies in change implementation are attributable to organizational culture, organizational capabilities and change processes.

## 1.3 PURPOSE OF THE STUDY

The study aimed at establishing the relationship between organizational culture, organizational capabilities, change processes and change implementation.

# 1.4 RESEARCH OBJECTIVES:

This study was guided by the desire to find answers to the following objectives:

- To establish the relationship between Organizational capabilities and Organizational culture in MUBS.
- To establish the relationship between Organizational capabilities and change Processes in MUBS
- To establish the relationship between Change processes and Change implementation in MUBS.

- 4 To establish the relationship between Organizational culture and Change implementation in MUBS.
- To establish the relationship between Organizational Capabilities and Change implementation in MUBS.

# 1.5 RESEARCH QUESTIONS:

- What is the relationship between Organizational capabilities and Organizational culture in MUBS?
- What is the relationship between Organizational capabilities and change Processes in MUBS?
- What is the relationship between Change processes and Change implementation in MUBS?
- What is the relationship between Organizational culture and Change implementation in MUBS?
- What is the relationship between Organizational Capabilities and Change implementation in MUBS?

# 1.6 SIGNIFICANCE/JUSTIFICATION:

The study's findings should be useful to managers and all stakeholders of Makerere University Business School including other higher Institutions of learning who wish to consult on change implementation.

The study contributes the following areas:

- 1 Provision of knowledge about organizational culture, organizational capabilities and change processes.
- 2 Guiding staff and the students in the processes of Change Implementation within the course of their work and study respectively.
- 3 Support in processes associated with improving Change Implementation by providing reference material for Makerere University Business School staff.
- Improvement of productivity among staff by providing good reference for improved resource utilization during change implementation.

## 1.7 SCOPE OF THE STUDY

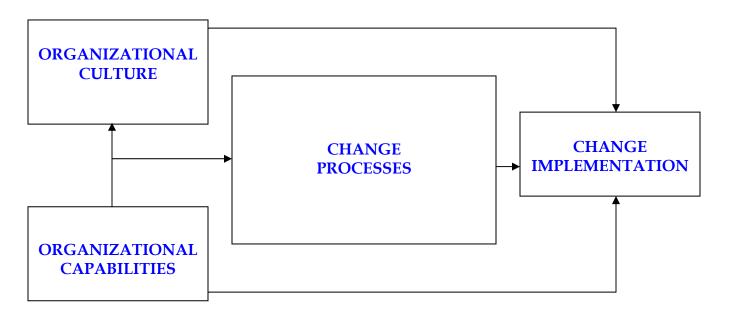
#### 1.7.1 CONCEPTUAL SCOPE

The study examined the relationship between organizational culture, organizational capabilities, change processes and change implementation within Makerere University Business School. It was developed from the works of various change implementation theories and models.

# 1.7.2 GEOGRAPHICAL SCOPE

The research was carried out from Makerere University Business School. It targeted a representative sample of 220 staff as per the guidelines given by Kregie & Morgan 1970. The study examined data ranging from 1999 the time of the Institution's inception to date (2008)

#### 1.8 CONCEPTUAL FRAME WORK



Source: Adapted and improved from J. Kotter Model 1996, 1995, 2002 and Literature review The Model demonstrates that in order for change implementation to occur there is need to consider the performance of the three variables; Organizational Culture, Organizational Capabilities and Change processes.

#### CHAPTER TWO: REVIEW OF RELATED LITERATURE

#### 2.1 INTRODUCTION

# CHANGES IN MAKERERE UNIVERSITY BUSINESS SCHOOL (MUBS)

MUBS was formed in October 1997 by the statutory order known as Makerere University Establishment of Contituent College Order 1997. This created the merger between faculty of Commerce, Makerere University and the former National College of Business Studies, Nakawa. The merger was successful although it involved unequal institutions with two different cultures and many individuals with many objectives. What was done was that committees were set up to map out the future of the institution which included; committee on staff affairs, committee on academic programmes, committee on student affairs among others. There role was to see were the institution would be in 5 – 10 years. As the Faculty of Commerce in Makerere University moved to Nakawa in 1997 with two departments; the Department of Accounting and the Department of Marketing, they ran only two degree programmes; Bachelor of Commerce and the bachelor of Business Administration. At that time, the total number of students was about 3,000 (three thousand); 1,000 on degree programmes and 2,000 on Diploma programmes. Ten years down the line, the numbers have grown to 12,000 (twelve thousand) with new departments being created and with new degree programmes designed. As the students' numbers grew, MUBS Council approved the creation of two faculties in 2001. These were Faculty of Commerce and Faculty of Management which led to creation of new academic departments. Presently, MUBS boasts of 14 academic departments which grew to five faculties, an indication of rapid growth in the Institution.

#### 2.2 THE CONCEPT OF CHANGE

Change is a shift in some condition or situation from its present state to a new and different state. Mecca, (2004) contends that in today's world, the word 'change' is used so much that it's meaning has been confusing. Organizational change typically includes the introduction of new and perhaps unfamiliar processes, systems,

procedures, way of doing things and technologies, which represent a departure from what individuals most times view as the established, practical, and familiar ways of doing their work. At the individual level, change can engender emotions and reactions that range from optimism to fear, including anxiety, challenge, resistance, ambiguity, energy, enthusiasm, helplessness, dread, motion and pessimism, (Nilakant & Ramnarayan 2005).

In practice, "There is nothing in the whole world which is permanent except change (Roman poet Ovid, 43 B.C.—A.D. 17); (Adams, Kingsley and Smith, n.d). While according to Heraclitus, (9544-483 B.C) the Greek philosopher wrote that only "change a lone is unchanging and nothing endures but change. It has been often said that the only thing that is constant is change. In fact the roots of thinking about change are documented in early history. In the 16thcentury, Niccolo Machiavelli stated in his treatise that, "there is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success than to take the lead in the introduction of a new order of things". According to Bruck (2002), the roots of Change Management can be found in so-called soft science of psychology where Change Management is applied to help people deal with traumatic emotional issues like death in the family.

Traditionally the change process was described as moving from a stable state through the unstable state of changing to the desired state based on Lewin's model of change. This is characterized by three stages: 'unfreezing, changing and refreezing' the organization. Similarly, Nickols (2000) states that "a useful framework for thinking about the change process is problem solving". He sees managing change 'as a matter of moving from one state to another, specifically from the problem state to the Solved state." Many researchers such as Senge (1999); & Wagner, (2001) found out that due to the economic environment of constant and accelerated change, the stable states of organizations are becoming shorter and / or diminishing. Consequently leading to the researchers' remark that there also

has to be a constant change process within an organization and that the change process has to be viewed as a learning process.

# 2.3 ORGANIZATIONAL CHANGE MODELS.

It is good practice for good research work to be built and supported by models and a good theoretical background. It's against this background that this study incorporates a theoretical view of change. Research and Literature by various scholars indicate that change as a body of knowledge is based on various theories and models. Authors contend that the increase in concepts, theories and models of change in the 1980s and 1990s has been almost exponential. For those in the field, wishing to draw from the theory for practical application, there is an array of approaches, but little testing or validation of those approaches in real time situations has been done.

Looking at the models of change developed by Jick (1991), Kotter (1995), Kanter, and General Electric by Garvin, the analysis made in their studies established that most of the steps advanced in the models were right and should be applicable by change managers if they are to succeed in their change efforts (Grove 2001; Nilakant & Ramnarayan 2005) believe that it is essential for those interested in change management to be equipped with appropriate theoretical insights and relevant change models before they venture into any form of change. This bears in mind that organizational change is complex, uncertain and a difficult phenomenon that requires careful planning and thoughtful analysis, knowledge of change models and theoretical perspective. It is therefore an asset for managers and change leaders to be able to clarify key issues in managing organizational change successfully.

Nilakant & Ramnarayan, (2005) identifies four theoretical perspectives on change; the first one being the **Contingency theory** which focuses on Structure. It's based on the philosophical question whether the structure is compatible with the

environment. The second Perspective is the **Resource dependence theory**, which looks at the Strategy. It is concerned with strategic planning which is very essential if change is to be managed successfully. According to Nilakant & Ramnarayan, (2005) this perspective is intended to reduce on dependence and to increase control over the environment. The third perspective is the **Population -ecology perspective**, which focuses on ecological niche. This poses questions like what is the sustainability of the niche? How resistant is the organization to change and how we can deal with this resistance to enable stakeholders embrace the change initiative. What other niches or domains are consistent with the organizations capabilities? The fourth is the **Institutional perspective** which focuses on the Norms, Values, and standards. This perspective looks at issues such as; what can we learn from other successful organizations? How do we need to change in order to comply with environmental pressures from the environment? (Government and Market demands) and what is the body of knowledge can we learn from/ acquire by using professionals?

According to Cork (2005) a close look at change management models provides us with techniques skills and competences that underpin any successful change. As cited by Egan, (2005) Management expert Peter Druker; "For new technology as one of the change initiatives to be embraced, it has to have 10 times the advantages of what people previously did." If the change has to be 10 times more effective, then we need to have a methodology or model to effect the change. This explains why an understanding of change models is important in this study.

## 2.2.1 LEWIN'S FORCE FIELD ANALYSIS MODEL OF CHANGE.

Valerie and Kim (2001) and Lewin, (1951) developed the Force Field Analysis Theory, a diagnostic technique that has been applied to ways of looking at the variables involved in determining whether Organizational change will occur. The theory is based on driving forces that initiate change (competition, new technology, incentives, new people, and managerial pressure) and restraining

forces (skills deficit, job insecurity, complacency and established work patterns) that restrain the driving forces for change. Lewin looks at change in terms of the current state and desired state. This is in agreement with Beekhard & Harris (1987).

Social psychologist Kurt Lewin (1950) likened the process of change as going from one steady state to another. He recognized that change, whenever conducted too quickly and without due regard to the people involved, tends to "shatter the equilibrium" and lead to (almost inevitable) resistance (Aird, 2001). Grove (2004) asserts that in order for organizations to be successful they must adapt to the many changes they face in their environment. This adaptation to change in order to survive is contextualized in terms of Kurt Lewins' (1950) Force Field Analysis of Change. Although Lewin (1950) proposed this theory of Organizational change as early as the 1950's, it still continues to influence thinking on organizational change today. Lewin's model of Organizational change proposes that organizations contain numerous powerful opposing forces, those that drive Change and those that resist change. If the organization does not adapt to these opposing forces, thereby leading to equilibrium, it will cease to exist. However, the organization will maintain its status quo when these two forces are balanced. Since the achievement of such balance occurs over time, organizations tend to resist any change that would upset this equilibrium. Therefore, in order to effect future change, forces for change must be stronger than those that resist change. Lewin proposed an ideal 3-stage process through which organizations pass during change; unfreezing, transformation or changing and refreezing. Unfreezing is the first stage of change and refers to the recognition by the organization of a need for change in the status quo. "Unfreezing" is the process of preparing for change, which may involve: Greater dialogue with employees, Leadership guidance on the reasons for change, a simple, compelling case as to why change is needed and why the "status quo" is not a satisfactory situation. This argument is supported by Egan (2005).

"Unfreezing" takes place when existing practices and behaviours are questioned and dissatisfaction with the status quo such as current management practices and organizational performance. This dissatisfaction leads to motivation to change and forces that resist change are accordingly reduced while forces that drive change are strengthened. This is unfreezing old attitudes. In essence it is about helping as many people as possible to understand the realities of the situation and the need for change. It is telling the people that look, we have been doing things the wrong way and we need to change (Grove, 2004). This can be reinforced by motivating people with training in new skills for improvement and doing the job even better (Kent, 2004).

Once the organization understands the need for change, then the change can begin. During the period of change, people in the organization will be interested in getting the answer for this question "what is in it for me?". This is about involvement, one of the change processes. Armenakis & Harris, (2002); (Mento, Jones and Dirndorfer 2002) argued that for many managers there is a natural reluctance to be open and honest. This is often because they fear the reaction of employees however, the overwhelming evidence from case studies indicates that the situation is much worse when information is withheld.

Transformation or Introduction of the change refers to the second stage of change in Lewin's model and has to do with the change itself. During this stage, various Organizational Practices and processes are changed or transformed. Employees learn new behaviours as new policies and practices are implemented (Grove, 2004).

Grove (2004) contends that Refreezing is the final stage of change in Lewin's model. (Re-freezing attitudes around the new approach) "Re-freezing" is the process by which the new way becomes regular behaviour and practice. However this can never happen by simply telling people to change. The only effective way is leading by example, with supervisors playing their part to create an

environment that constantly and openly reinforces the new behaviours desired change. During this stage, all changes in the transformation stage are made permanent and a new equilibrium results. Employees' newly learned behaviours with regard to the recently implemented practices and processes are embedded by way of coaching, training and appropriate reward systems. Lewin (1950) model is relevant to change implementation in that it gives change managers an insight into the drivers of change. It also directly and indirectly highlights on building competences such as coaching, training and appropriate reward management systems. The opposing forces require change managers to develop competences that would offset them, these may include; communication, training, involvement and participation. Lewins unfreezing stage means getting people and other things ready for change. Refreezing is making sure that change sticks as part of the new routine. It is therefore the process of positively enforcing the desired outcomes and positive extra support to make sure that change is made a success story. However, the model does not exhaustively give all the change driving force and does not come out explicitly as it remains indirect and subtle.

# 2.2.2 BEECKHARD AND HARRIS MODEL OF CHANGE:

Organizational change involves three distinct conditions (Beeckhard & Harris, 1987); the present state, transition state and future state.

- i) The present state: Where is the stage of the organization at the current stage?
- **ii) The transition state:** These are conditions and activities that the organization must go through in order to move from the present state to the future state. It is the period during which the actual changes take place.
- **iii) The future state:** Where does the organization want to be?

Based on the above assumptions, Beeckhard *et al* (1987) developed a model for managing the change process. The model involves three basic activities:

First; to set goals and define the future state, or the organizational conditions desired after the change. Second; to diagnose the present state in relation to the

set goals. Thirdly; to define the transition state. This implies developing strategies and action plans as a way to reach the future state. With out change competence in strategy development, planning and goal setting it becomes difficult for change agents/Leaders to reach the desired future state.

According to Quintero (n.d) the models of Lewin (1950) explained change at the group and organizational level. The added value of these models is that they provide leaders with a framework for developing and implementing change; leaders have to establish a need for change (unfreezing), they need to manage the transition (moving), and they need to institutionalize the change in order to make it stable (refreezing). The models therefore act as a guide to what change leaders need to know to be able to manage organizational change successfully. According to Schein (1988), no change will occur unless the system is unfrozen, and no change will last unless the system is refrozen. Once these models are analyzed in depth, we can see that they do not take into account the differences in reacting to change at the individual level. In this sense, individuals who have problems with change are therefore likely to be deemed as problematic. Another weakness is that those models are too general in nature, and therefore do not offer some guidelines for managers to implement the change. Models describing change at the group and organizational level are likely to be more relevant to this study.

However, models that explain change at the individual level highlight important aspects of how to deal with resistance to change and in relation to this study, this is a case of readiness of change. The two groups of models seem to agree that a change process includes three phases. The sequence is an essential aspect of the change process. As has already been mentioned, a weakness of the explained models is that they see change as a linear process. They do not figure out what the challenges are likely to be in the next stage in the change process. Another aspect is that they focus on change as an outcome, rather than seeing it as a continuous process.

#### 2.2.3 CONTEMPORARY MODELS OF ORGANIZATIONAL CHANGE

According to Mento, Jones, and Dirndorfer (2002) and Adams; (2003) three of the most well known models used to manage and implement change in organizations today are Kotters' (1995) eight step model for transforming organizations, Jick's (1991) tactical ten step Model for implementing change, and General Electrics' seven step change Process model by Garvin. On the other hand Nilakant and Ramnarayan (2005) also provided two other change models by Beer and Associates and Kanter and associates Ten Commandments while comparing them with Kotters model. There is no difference between these models and, the steps and themes provided are virtually the same.

#### 2.2.4 KOTTER'S MODEL OF CHANGE:

Establish a sense of urgency, Create a guiding coalition, Develop a vision and strategy, Communicate that vision, Empower employees for broad-based action, Generate short-term wins, Consolidate gains to produce deeper change, Anchor the change in the culture Egan, (2005). The main focus is on Kotters' (1995) model because it provides a process of implementing and managing change in order to avoid major errors in the change process. Kotters' (1995) study of over 10 organizations varying in size and industry type showed that the majority of change efforts failed. As a result, this model proposes that the change process should follow a series of sequential phases. Each of these phases last a considerable amount of time and significant mistakes. Also, any one of these phases can negatively impact on the whole momentum of the change process (Mento et al, 2002).

According to Kotter (1995) these failures occur as a result of a number of errors made by senior management in organizations undergoing change. These errors can be overcome by following an eight sequential step process which includes; the establishment of a sense of urgency about the need for change;

- 1. The creation of a powerful guiding coalition responsible for leading the Change process;
- 2. The development of a vision and strategy that will guide the Change process; The creation and implementation of a change communication strategy that will consistently communicate the new vision;
- 3. The elimination of Change barriers and the encouragement of creative problem solving and risk taking;
- 4. The generation of short term wins;
- 5. The consolidation of gains through short term wins in order to produce more change and finally,
- 6. The reinforcement of the changes and the anchoring of such changes in the organizations culture.

Kreitner *et al.* (1999) point out that Kotters' (1995) model emulates Lewin's (1951) model in that the first four steps assume an unfreezing process, Steps five to seven correspond with the change or transformation process, and the last step may be seen to represent the refreezing process outlined by Lewin in 1951. According to Adam, (2003) and Egan, (2005), three models of change that are relevant to change management are;

- 1. Kotter's eight-step model for transforming organizations.
- 2. Jick's ten-step model for implementing change.
- 3. General Electric's (GE) seven-step model for accelerating change.

Looking at hundreds of companies and their efforts to remake themselves developed Kotter's model. While a few were successful while a few failed, the majority were somewhere in-between and so were as the phrase goes, less successful than originally envisioned. From this Kotter, (1995) learned several lessons and developed them into eight steps. The first and probably most important lesson is that change takes time and must be done in phases. While skipping steps seems like you are progressing faster, it is in fact only an illusion

and does not produce the results desired. The second lesson is that critical mistakes can have severe impact, slowing the change and negating previous gains.

# 2.2.5 JICK'S MODEL OF CHANGE

Jick, (1991) introduced ten steps or Commandments that should guide all successful change initiatives these are;

- 1. Analyze the organization and its need for change,
- 2. Create a shared vision and common direction,
- 3. Separate from the past,
- 4. Create a strong sense of urgency,
- 5. Support a strong leader role,
- 6. Line up political sponsorship,
- 7. Craft an implementation plan,
- 8. Develop enabling structures,
- 9. Communicate, involve people, and be honest,
- 10. Reinforce and institutionalize change.

As can be observed there is a clear overlap of Kotter and Jick's critical steps to be followed if change implementation is to be a success story Mento *et al* (2002).

# 22.6 GENERAL ELECTRONICS MODEL OF CHANGE

The GE model came from an extended large-scale reorganization done at GE and reported by Garvin (2000) and cited from Mento *et al* (2002). The seven steps include;

- 1. Give a clearly explanation of reasons for change,
- 2. Establish the vision,
- 3. Line up leadership,
- 4. Mobilize the workforce (make them part of planning/definition of change),
- 5. Measure the progress,

- 6. Maintain consistency / stay the course and
- 7. Change the systems and structures.

When critically analyzed, it is notable that the GE model also overlaps Kotter and Jick.

To Egan (2005), argued that the change management process can be summarized into four essential steps which fit into the overall model nicely and are seem to cut a cross all models. The steps include;

- 1. Establishing the need for change,
- 2. Developing a vision business case and sharing that vision/a business case,
- Getting a quick win and
- 4. Aligning organizational structure and performance measurement systems

Similarly, Langvardt, (2007) contends that there is increased focus on the need to create and shape a vision of the expected change. Most models emphasize the need to reinforce and institutionalize the change in order to make it last. However, each model gives different weight and importance to the other required tasks based on their particular perspectives. Kotter's and Jick's models focus on the need to communicate the vision to ensure that people are involved and participate in the change.

The GE model places less emphasis on communication, by making it one element of the changing systems and structures step. Similarly, the Jick's and GE models argue the need for a strong leadership role, while Jick and Kotter both stress the need to build a power guiding coalition to encourage teamwork. The Jick's and GE models give greater attention to changing systems and structures, as Kotter argues that such changes are a component of any effort to consolidate improvements and to produce more results.

Both the Kotter and Jick's models serve as the guide or framework for change effort implementation plan, however Jick's model, emphasizes that a change implementation must be created based on the unique requirements of each situation. This means that every change initiative is unique and needs unique interventions. Nevertheless each of these theoretical models offers valuable insight into the steps required in managing the change process and serve as useful guide to anyone considering transformation or change initiatives within their organizations Langvardt, (2007).

# 2.2.7 MENTO ET AL CHANGE FRAME WORK

Mento *et al.* (2002) introduced a framework that incorporates all three of the above theoretical models in order to provide guidance\_to practitioners leading organisational change processes. Mento *et al.* (2002) argue that this model is grounded in both theory and practice as it is also based on a change process undergone at a Fortune 500 defense industry firm. Mento *et al.* (2002) proposed twelve steps outlined below as appropriate for implementing change:

- 1. Recognize the need for change by highlighting the idea of what needs to be changed. This step may be seen as similar to the proposition made by Jack Welsh that leaders must first face reality in order to initiate change
- 2. Define the change initiative by, Identifying the need for change, creating a vision of the desired outcome, deciding what change is feasible, and choosing who should sponsor and defend it.
- 3. The leaders and managers of change must evaluate the climate for change in order to develop an effective change implementation plan. The main reason given for this climate evaluation is the probability that "no product development or improvement ever occurs without someone else's effort being hindered"
- 4. Develop a change plan that not only includes specific goals but that also details responsibilities for all participants.
- 5. Find and cultivate a sponsor, a notion similar to that of Kotters' (1995) development of a powerful guiding coalition.

- 6. Prepare the recipients of change for the change. Mento et al. (2002) includes this step arguing that unless people themselves are willing to change, change in the organization will not take place because people will not support change initiatives this argument agrees with many other models of change such as Lewin, Beeckhard and Harris and Armenakis and Harris. Mento et al. (2002) contends that employees must not only accept the general concept of change, but must also internalize the specific change outlined, or such change will not occur.
- 7. Get employees to accept that change is necessary and to ensure that the organizations culture supports such change. This step is essentially about ensuring that the change is not in conflict with the organizational culture. In order to achieve this, reward systems, performance measurement systems, training initiatives, and Reporting roles and responsibilities would need to compliment and reinforce that change.
- 8. The organization should identify a change leader team. Mento et al. (2002) believes that by appointing a team rather than an individual a broader set of skills and competencies can be applied to the change process that would increase the likelihood of it being successful.
- 9. This step is similar to that of Kotters' (1995) sixth step in that it calls for the creation of small wins to aid motivation. In other words, employees involved in the change initiative are recognized for their progress. Goals that are far in the future are seen as being more achievable since recent goals are celebrated along the way.
- 10. Constant communication of the change. According to Mento et al. (2002) this change communication should reduce confusion and resistance to change. The other two steps required more analysis to suit this study.

#### 2.2.8 BEER AND KANTER'S MODELS OF CHANGE

Nilakant & Ramnarayan (2005), in their book they gave Beer and associates sixapproach /model to change as well as Kanter and Associate's ten commandments of change. Beer's model emphasizes commitment to change through joint diagnosis of business problems, develop a shared vision of how to organize and manage for competitiveness, foster consensus for the new vision create competence to enact it, and cohesion to move it along. Spread revitalization to all departments without pushing it from the top, Institutionalize revitalization through formal policies, systems and structures. Monitor and adjust strategies in response to problems in the revitalization process. On the other hand, Kanter's commandments are; Analyze the organization and its need for change, create a shared vision and common direction separate from the past, create a sense of urgency, support a strong leader role, line up political sponsorship, craft implementation plan, develop enabling structures, communicate, involve people and be honest, reinforce and institutionalize change. The above argument does not depart from the other models and theories. The information given about change management tools seem to significantly agree with other models and theories developed by various authors; Egan, (2005); Languardt, (2007); Mento *et al*, (2002); Kotter, (1996); Nilakant and Ramnarayan; (2005)

Research by authors like; Bruck, (2002); Nilakant and Ramnarayan, (2005); Selby and Sutherland; (2006) indicates that there are different types of change that require different management strategies, approaches and methods. In a business context therefore, the scope of change management ranges from planned evolutions and reforms to business transformation. Top-down approaches like business transformation (i.e. Business Process Reengineering or crisis management) are characterized by a high degree of intervention. Whereas bottom-up approaches like planned evolution or reforms (i.e.

organisational development) are characterized by less intervention and by harmonized goals of the corporation and the affected employees.

# 2.2.9 SCHEINS' PLANNED CHANGE THEORY

Most change models focus on leading and managing change. These models focus on the process and implementation of change from an organizational perspective. In contrast, Schein's planned change theory takes a more human centric approach. This model was first proposed by Lewin, (1952), and Lippitt (1958), and his collaborators then later elaborated by Schein (1972), Mento *et al.* (2002) as cited by Grove (2004). The authors make a number of assumptions on organizational change; they contend that change not only involves learning but also unlearning something already well established both in the personality and in the social relationships of the individual. As such, a considerable amount of adaptation would be required in order to change the present behaviour, attitudes and replace them with new ones.

The second assumption is that change will not occur unless there is a motivation to change. The creation of motivation involves three specific mechanisms, namely; disconfirmation of present behaviours and attitudes through the set up of sufficient guilt or anxiety to motivate change, and the creation of psychological safety. There should be an appropriate change message aimed at creating change readiness in terms of positive attitudes towards change. According to Schein, modern organizations engaging in change initiatives need the ability to communicate change message reliably and validly. They need the ability to manipulate structural flexibility, integration and commitment to the goals of the organization from which comes the willingness to change. In addition there must be creation of internal climate of support and freedom from threat and allow participation in formulation of organizational change objectives which enhances commitment and willingness of all stakeholders to support change initiatives. This argument is also supported by Hunt and Weintrub (2002). The third assumption

holds that organizational change can only take place through individual changes in key members of the organization. This means that organizational change is always mediated by individual change.

The fourth assumption is that adult change involves attitudes, values, and self image. The unlearning of these established responses is at first inherently painful and threatening. As such, the change process more often than not results in increased stress in the affected individual, especially when that individual perceives that they have no control over the situation. Involvement and participation of all stakeholders therefore is the right intervention in this respect. Finally, the theory assumes that change is a multi-stage cycle, which includes the creation of motivation to change, the development of new attitudes and behaviours or changing, and the refreezing or stabilization of the changes. Schein's model and argument on change management seems to agree with other models developed by Kotter, Jick, Armenakis and Harris, Beer, Kanter, Lewin and Mento et al., Grove (2004); Schein, (1988); Nilakant and Ramnarayan, (2005); Egan & Fjermestad, (2005); Langvardt, (2007); Kotter, (1995); (1996)

Change implementation takes different shapes, it may take the shape of change of strategy or purpose, introduction of new products or services, change in the way of production and sale, change in technology, entry of new competitors, closure or merger of departments, creation of new departments, reduction or hire of employees or acquisition of new organizations. Some times organizations change radically but retain their names thus the new organization may be like the old one except the name, (Mamdani, 2007). According to Grove (2004), change is viewed as 'any alteration that occurs in the work environment'. Hostile takeovers, mergers, acquisitions, management buy-outs, outsourcing, organizational restructuring and re-engineering are all examples of Organizational change. Organizational change refers to alterations in shifts in organizational structures, systems, processes, strategies and staffing Bennett and Durkin, (2000).

Carter (1999), views organizational change in regard to organization wide initiatives as opposed to small and trivial changes such as adding a new person or a mere programme modification and review. Examples of organization wide change management include; change and orientation of mission, restructuring operations, (eg. Restructuring of self managed teams, layoffs) major collaborations, 'right sizing', adding new programmes such as total quality management new forms of organizational change including restructuring, down sizing/right sizing, mergers, market repositioning, new technology, closures and acquisitions.

Balunywa and Munene, (2005), view change as a continuous shift from one status to another. It is the continuous unfreezing from the position you are in to another. It is a variation of the status quo. Change is continuous and it is about organizational renewal. Change has been, it is and it will continue to take place everywhere. Change demands for innovations in products processes structures, systems and policies.

#### 2.3 ORGANIZATIONAL CULTURE AND CHANGE PROCESSES

Change implementation greatly depends on Organization Culture (the way of doing things) since culture is inbuilt in all systems in terms of values, attitudes and norms shared across members of the organization. For change implementation to succeed, cultural issues must be looked into as predictors of change implementation, supported by Kotter (1996). There is no clear consensus of an organizational culture definition (see Howard, 1998; Zammuto et al., 2000). However, many researchers in the area have adopted Schein's (1990) three dimensional view of organizational culture – consisting of assumptions, values, and artifacts. Assumptions are the taken-for-granted beliefs about human nature and the organizational environment that reside deep below the surface. Values are the shared beliefs and rules that govern the attitudes and behaviours of employees, making some modes of conduct more socially and personally acceptable than others (Rokeach, 1973). Artefacts are the more visible language, behaviours, and material symbols that exist in an organization. Given that values are considered to be so central to understanding an

organization's culture (Ott, 1989) and they are also seen as a reliable representation of organizational culture (Howard, 1998), the measurement of organizational culture has typically focused on values. Indeed, Quinn and his colleagues used the notion of values to develop the Competing Values Framework (CVF) of organizational culture (see Quinn, 1988; Quinn and Hall, 1983; Quinn and Kimberly, 1984; Quinn and Rohrbaugh, 1981, 1983). The CVF explores the competing demands within an organization on two axes. In this respect, organizations are classified according to whether they value flexibility or control in organizational structuring (i.e. flexibility versus control). In addition, organizations differ in terms of whether they adopt an inward focus towards their internal dynamics or an external focus towards the environment. An organizational culture emphasizing human relations values aims to foster high levels of cohesion and morale among employees through training and development, open communication, and participative decision-making. An open systems orientation also values high employee morale but places more of an emphasis on innovation and development. This is achieved by fostering adaptability and readiness, visionary communication, and adaptable decision-making. An organizational culture with high internal process values strives for stability and control attained through formal information management, precise communication, and data-based decision- making. Lastly, an organizational culture possessing a rational goal orientation promotes efficiency and productivity, typically gained through goal-setting and planning, instructional communication, and centralized decision-making. The latter two culture types tend to have lower levels of cohesion and morale among employees. Based on these descriptions, it would appear that each type of organizational culture is mutually exclusive. As pointed out by Quinn, however, all four culture types can exist in a single organization, although some values are likely to be more dominant than others (Quinn, 1988; Quinn and Cameron, 1983; Quinn and Kimberly, 1984; Quinn et al., 1991). Indeed, there is a growing body of empirical evidence to suggest that organizations simultaneously emphasize multiple value orientations, as defined by the CVF (e.g. Buenger et al., 1996; Howard, 1998; Kalliath et al., 1999; Zammuto and Krakower, 1991).

Kotter's model (1995) is aimed at the strategic level of the change management process. Kotter identifies common themes based on research conducted in over 100 organizations, and identifies the big issues that must be considered before any change effort. In other words Kotter focuses on the frequent issues found among organizations that have successfully orchestrated change. This argument is also supported by Balunywa and Munene, (2005).

Jicks model takes a slightly more tactical view, by looking at the change process as an ongoing process of discovery. He says that the implementation of change is a process of discovery; therefore change management is a blend of art and science. It's not about the use of checklists. How well the implementation is managed in a particular situation is more important in the success of the effort than the definition of a specific change process Languardt, (2007). According to Egan and Fjermestad (2005), the GE model by Garvin (2000), in contrast emphasizes a more disciplined, detailed and formal step-by-step approach. According to GE model, the change process is not about discovery of the unique issues of a particular organization, but about the process of change. The model focuses on the essential steps required for change, and is intended to ensure each task is performed successfully. The use of checklists is to instil discipline, and make sure that no required step is overlooked. In GE's approach, the process is the key to consistent success. Nevertheless each of the three models provides valuable insights into the change process irrespective of a few differences presented. Kotter summarizes best practices gained from extensive research of over 100 firms. Jick's provides a guide or framework for change management emphasizing the need for flexibility for the unique requirements of every organization. Since each change initiative is unique in one way or the other. The GE model focuses on the need for consistency and structure as change is managed and provides a detailed step-bystep methodology.

Langvardt (2007) contends that major change effort has helped some but not all organizations adapt significantly to shifting conditions; some have improved their competitive standing, while others have been better positioned for the future. Many more have failed to achieve their plans to achieve change. Too many times the effort has led to disappointments, even appalling results, with wasted resources and demoralized employees. Langvardt, (2007); Egan and Fjermestad, (2005); Kotter; (1995), suggest some key issues that all organizations should keep in mind as they plan for change. Not to allow too much complacency. The biggest mistake people make when trying to change organizations is to plunge ahead without establishing a high sense of urgency in fellow managers and employees. When complacency levels are high, this error is fatal because transformation fails to achieve their objectives.

Failure to Create a Sufficiently Powerful Guiding Coalition; According to Kotter (1995), there is a powerful reason as to why most change efforts have failed this is partly because there is lack of readiness\_to change and yet this variable is vital for orchestrating successful organizational change. Most research suggest that major change is nearly impossible unless the key leadership of the organization is committed and an active supporter of the change initiatives. In successful transformations, the president, division general manager, or department head and other key executives with the commitment to improved performance pull together as a team. Although it's unlikely to include all senior management people because some of them just won't buy in, at least at first, most successful cases is often a result of a powerful coalition in terms of formal titles, information and expertise, reputations and relationships, and the capacity for leadership. Individuals alone, no matter how competent or charismatic, never have all the assets needed to overcome tradition and inertia except in very small organizations Langvardt, (2007).

Underestimating the Power of Vision Urgency and a strong guiding team are necessary but insufficient conditions for major change. With no vision, no change

can be expected to work. Of the remaining elements that are always found in successful transformations, none is more important than a sensible vision. This is in agreement with Palmer, (2003), whose central message is that if change managers are to have any chance of success then they had better get the change vision right and make sure that this is adequately communicated to those impacted by the change. Failing to Create Short-Term Wins complicates efforts to change or the strategies to restructure businesses risk losing momentum if there are no shortterm goals to meet and celebrate. Most people are reluctant to make the effort unless they see compelling evidence that the journey is producing expected results in the near future. Without short-term wins, too many employees give up or actively join the resistance. Real transformation takes time (Kotter, 1995). Declaring Victory Too Soon by people involved in change can be tempting. Whereas celebrating a win is exemplary, any suggestion that the job is almost complete is generally a mistake. The process of change takes time. Until change sinks down deeply into the culture, which for an entire company can take three to ten years, new approaches are fragile and subject to regression (Kotter, 1995).

Neglecting to anchor changes firmly in the Corporate Culture may fail change implementation Kotter, (1996). Change sticks only when it becomes an integral part of corporate culture. Described as "the way we do things around here," corporate culture must change at all levels to reflect the new environment. Until new behaviors are rooted in social norms and shared values, they are always subject to degradation as soon as he pressures associated with a change are removed. The consequence of paying no attention to potential problems or errors in the process is failure of the change implementation. If new strategies aren't implemented, then acquisitions don't achieve expected synergies, reengineering takes too long and costs too much, downsizing doesn't get costs under control, and quality programs don't deliver hoped-for results, Kotter, (1996).

Richard Beckhard & David Gleicher(1987), sometimes called *Gleicher's Formula* provides a model to assess the relative strengths affecting the likely success or

failure of organisational change programmes: D x V x F > R. Three factors must be present for meaningful organizational change to take place. These factors are: D = Dissatisfaction with how things are now; V = Vision of what is possible; F = First, concrete steps that can be taken towards the vision. If the product of these three factors is greater than R = Resistance, Then change is possible because of the multiplication of D, V and F. If any one is absent or low, then the product will be low and therefore not capable of overcoming the resistance. To ensure a successful change it is necessary to use influence and strategic thinking in order to create vision and identify those crucial, early steps towards it. In addition, the organization must recognize and accept the dissatisfaction that exists by communicating industry trends, leadership ideas, best practice and competitive analysis to identify the necessity for change. Some documentation also refers to the resistance to change as the cost of change. It is then subdivided into the economic cost of change (monetary cost) and the psychological cost of change. What this tries to demonstrate is that even if the monetary cost of change is low, the change will still not occur should the psychological resistance of employees be at a high level and vice versa. In this case the formula for change is represented as: D x V x F > C(e+p).

What this allows managers to do is to isolate the actual problem areas of change and develop unique strategies specifically designed to resolve the correct form of resistance. Eveline, (2004) identifies similar values in terms of Change Implementation, there is a need to reconcile competing interests of different stakeholders, and although, achieving a consensus on important changes in most university departments may stop a change in its tracks (Knight and Trowler, (2001).

As noted earlier, perceptions of readiness for change may differ within an organization and this has been attributed not only to individual differences, but also to cultural memberships that polarize the beliefs, attitudes, and intentions of members, Armenakis et al., (1993). To illustrate, Zammuto and O'Connor (1992) ascertained that organizational cultures with flexible structures and supportive climates were more conducive to the successful implementation of advanced

manufacturing technologies than more mechanistic organizations. In light of this finding, it was proposed, in the present study, that employees who perceive their workplace to be dominant in either human relations values or open systems values are more likely to hold positive views towards organizational change. Indeed, a human relations orientation is characterized by the training and development of its human resources, which may relate to an employee's confidence and capability to undertake new workplace challenges. Also, the dynamic and innovative nature of the open systems culture type would suggest that employees who perceive their organizational culture to be an open system are more likely to possess positive attitudes towards organizational change. It is also important to note that factors already empirically demonstrated to be associated with readiness for change (e.g. communication and employee involvement) are characteristic of the human relations and open systems culture types (see Zammuto and Krakower, 1991).

While the failure of planned organizational change may be due to many factors, few are so critical as employees' attitudes towards the change event. Schein (1987, 1988, 1999) has addressed the failure of organizational change programmes by arguing that the reason so many change efforts run into resistance or outright failure is traceable to the organization's inability to effectively unfreeze and create readiness for change before attempting a change induction. In this respect, organizations often move directly into change implementation before the individual or the group to be changed is psychologically ready. From this observation, researchers in the area of organizational change have begun to direct their attention to a range of variables that may foster change readiness among employees, as well as examining the extent to which readiness for change leads to change implementation success. The notion of readiness for change can be defined as the extent to which employees hold positive views about the need for organizational change (i.e. change acceptance), as well as the extent to which employees believe that such changes are likely to have positive implications for themselves and the wider organization (Armenakis et al., 1993; Holt, 2002; Miller et al., 1994). Other approaches to the study of readiness for

change have focused on whether employees perceive that their organization and its members are ready to take on large scale change initiatives Eby et al., (2000). In the present study, it is proposed that organizational culture and reshaping capabilities are influential in shaping how ready employees feel about impending organizational change. The extent to which employees' perceptions of readiness for change are predictive of better change outcomes also was addressed.

Bernerth, (2004) affirms that organizational change readiness is an intervention to offset change resistance. According to Lawrence, (2004), change readiness is defined as the cognitive precursor to the behaviours of either resistance or support for change efforts. An individual's perception of an organizations readiness for change is viewed as a similar concept to unfreezing, described as a process in which people's beliefs and attitudes about pending change are influenced to believe that the imminent change is viewed as useful. Readiness is therefore an opposite extreme end of resistance. The idea of change readiness was indirectly addressed by organisational development theorists Knickerbocker and McGregor, (1941), as they stated that; "We want to encourage enthusiastic cooperative effort; we want to increase efficiency to the utmost. We can accomplish these things only if the changes which have been made in technical processes are perceived as necessary and reasonable by those whom the changes affect." Bernerth, (2004).

Bernerth, (2004), posits that even Lewins description of organisational change from a metaphorical perspective of unfreezing- Moving and Freezing refers to change readiness which involves organizational members to unfreeze and begin the moving process.

## 2.4 ORGANIZATIONAL CAPABILITIES AND CHANGE PROCESSES

The concept of organizational capabilities has its foundations in the competitive advantage literature (Teece et al., 1997). The competitive advantage concept is grounded in the resource-based perspective that views an organization as a unique bundle of heterogeneous resources and capabilities (Barney, 1991; Grant, 1998). According to Sharma and Vredenburg (1998), the resource-based view implies that

an organization's competitive strategies and performance depend significantly upon organization-specific resources and capabilities. Teece and Pisano (1994) assert that organizational capabilities should be discussed in association with organizational and managerial processes, the current endowment of technology and intellectual property, and the strategic alternatives that are necessary for sustained business performance. Meyer and Utterback (1993) add that higher levels of these capabilities are associated with sustained success, be it in terms of product development, financial performance, or employee satisfaction.

Researchers such as Teece and Pisano (1994) believe that leading organizations in the current and future global markets will be those that can demonstrate timely responsiveness to effectively coordinate and redeploy external and internal competencies. The concept of organizations being flexible in manipulating current capabilities and developing new ones also has been acknowledged by several researchers (e.g. Penrose, 1959; Teece, 1982; Wernerfelt, (1984). However, only more recently have researchers begun to focus on capabilities needed to respond to shifts in the internal and external environment, more concisely, the capabilities needed for change Teece and Pisano, (1994). The capabilities required for successful change have been specifically addressed by Teece and his colleagues who refer to these capabilities as dynamic capabilities Teece and Pisano, (1994); Teece et al., (1997). Dynamic capabilities refer to the capacity to renew competences so as to achieve congruence with the changing business environment. Turner and Crawford (1998) also have discussed organizational capabilities needed for change. Turner and Crawford differentiated between operational capabilities and reshaping capabilities. Operational capabilities are required for sustaining everyday performance. They suggest that strong operational capabilities do not generally help the organization to manage change effectively. Indeed, the 366 R. A. Jones et al. capabilities needed to achieve change implementation success are very different from those required for current business performance. In an attempt to define reshaping capabilities more precisely, Turner and Crawford proposed a taxonomy consisting of engagement, development, and performance management capabilities. Engagement is based on

informing and involving organizational members in an attempt to encourage a sense of motivation and commitment to the goals and objectives of the organization. Development involves developing all resources and systems needed to achieve the organization's future directions. Proactively managing the factors that drive the organization's performance to ensure it consistently and effectively achieves the intended change is the capability Turner and Crawford label performance management.

Miller and Chen (1994) claimed that successful change implementation will be the result of the development and reshaping capabilities such as these. Indeed, in an analysis of 243 cases of organizational change, Turner and Crawford (1998) found that, as the strength of reshaping capabilities rises, so too do the rates of change implementation success. Effective change outcomes are undermined when organizations have low levels of reshaping capabilities. More specifically, they found that there was a strong positive relationship between reshaping capabilities and change implementation success. Interestingly, the impact of engagement and development capabilities upon current business performance was much weaker.

However, performance management capabilities were identified as being important for current business performance. Overall, Turner and Crawford concluded that reshaping capabilities are needed whenever organizational change is needed. However, the potential to draw strong conclusions about these findings was limited, given that few studies have examined the direct relationship between reshaping capabilities and change implementation success. Furthermore, no studies to date have examined the extent to which reshaping capabilities help to foster a sense of readiness for change among employees. Indeed, readiness for change perceptions may be the mediating variable that helps to explain the positive relationship between reshaping capabilities and change implementation success.

A more recent phenomenon is organizational silence defined by Morrison and Milliken (2000: 707) as 'the dominant choice within many organizations is for employees to withhold their opinions and concerns about organizational problems – a collective phenomenon that we have termed organizational silence'. This concept

highlights a challenge for change communications that regardless of their effectiveness employees may choose not to change, yet remain silent. ICTs potentially enable two way communications with implications for how change is managed, potentially enabling senior management to achieve greater employee participation. Argenti (2007: 143) argues for upwards, as well as, downwards internal communications in the belief that it ' can generate a dialogue throughout the company, fostering a sense of participation that can make even the largest companies feel smaller in the hearts and minds of employees.' In the past, the challenge of internal communications with large groups of dispersed employees was practical.

The arrival of company intranets at the end of the 1990s offered a channel for companies to reach their employees quickly with important when faculties merge: Communicating change 29 news on events and key management initiatives. Intranets may serve as interactive platforms where employees can rally together and share their views (Argenti 2007).

There is evidence to suggest that senior managers are using ICTs in order to facilitate change, with Pitt, Murgolo-Poore and Dix (2001) offering examples of how intranets have been used as catalysts for change. The potential of internet technologies for the public sector has been noted in terms of facilitating cultural change required to cope effectively with the demands of changes in the operating environment (McIvor 2002).

According to Mecca, (2004), Organizational readiness refers to an organization's ability and willingness to accomplish a specific change. It is the degree of the strength of the organization's culture that affects the ability of participants to make the necessary transition through the emotional impacts caused by the change. To be truly institutionalized and integrated into the organization's life, change must occur at the deepest level of the organization, its culture. On the other hand Misra, (2006) looks at change readiness as Human Resource Capability Creation (HRCC) reflected into pre - acquisition of resources to facilitate change initiatives. Similarly Rafferly and Simons, (2005) contends that

readiness to change is reflected in trust and self efficacy mobilization of logistics and other resources, training, planning and rewarding.

Armenakis, Harris and Mossholder, (1993) define Change readiness as the organizational beliefs, attitudes, and intentions regarding the extent to which changes are needed and the organizational capacity to successfully make and effect those changes. Yuraporn, (2000), pointed out that skill and job matching, and ability to reward employees competency are vital change readiness attributes which are key success factors for successful change implementation.

According to Ramyah and Mei (n.d), creating change readiness involves proactive attempts by a change agent to influence the beliefs, attitudes, intentions, and behaviour of change participants. Individuals usually have preconceived notions about the extent to which the organization is ready to make the desired change, and some may react differently to the same message. For example, the 'innovators' are likely to respond positively to programmes for fundamental change using different mental processes and requiring new skills while the 'adaptors' may respond more positively to programmes for incremental change needing minor modifications in thought patterns and fine tuning existing skills. This would require an appropriate change message communication and training for skills and attitude change.

Smith, (2005), stated that people who make up organizations are the ones who are the real source and vehicle for change. They are the ones who will either embrace or resist change. If organizational change is to take hold and succeed then organizations and the people who work in them must be readied for such transformation.

On the other hand Grove (2004) looks readiness to change from the individual point of view thus believes that unless the individual is motivated to accept

change by creating a sense of one's ability to successfully accomplish change (which translates to mean elf-efficacy) and an opportunity to participate in the change process the individual will not be able to support change initiatives. Madson, (2003) states that readiness for change can be captured from employee wellness and reflected in the fundamentals such as skills training and communication.

Wanberg and Banas (n.d) found that pre-implementation measures of several change-specific variables (which included self-efficacy, information provision, and active participation) were predictive of readiness for change (assessed two months after the collection of the first wave of data) for 130 employees working in a public housing association undergoing large-scale restructuring. However, studies examining the role of employees' perceptions of the organizational environment in fostering readiness for change perceptions are scarce. This is inconsistent with the organizational change literature that has proposed that an examination of organizational culture and organizational capabilities (as they relate to organizational change) is essential for understanding the processes that lead to successful change implementation, Cummings and Worley, (2001); Detert et al., (2000); Paton and McCalman, (2000). Some preliminary empirical evidence in support of the potential role of broader contextual variables in developing positive change attitudes was provided by Eby et al. (2000). They found that employees who rated their division as having flexible policies and procedures were more likely to evaluate their organization and the people working there as being more responsive to change.

In addition, Beckard and Harris (1987) believe that readiness for change should be examined in relation to organizational capabilities, proposing a matrix to examine the relationship between existing organizational capabilities and levels of readiness for change. They state that an assessment of organizational capabilities will assist organizations to focus on specific areas that need to be addressed in order to create the critical energy for change to occur. In light of this idea, a second aim of the present study was to test the extent to which employees who rate their workplace as

having adequate organizational capabilities relevant to the management of change (i.e. reshaping capabilities) also will report higher levels of personal change readiness.

Boyett and Boyyet (1998) argue that no chief executive officer (CEO) is accomplished enough, powerful enough, smart enough to navigate the treacherous shoals of major organizational change without help. Successful change requires a sponsoring team, a guiding coalition of executives, line managers, technical and informal leaders who can help the CEOs articulate the vision, communicate with larger numbers of people, eliminate, generate short term wins, lead project teams, and embed the new approaches in the corporate culture (Kotter 1996, Corner 1992). Boyett and Boyett (1998) observed that rarely does top management ever fully agree to do something different. Normally what they agree about is keeping things pretty much the same. Therefore the idea of a powerful and committed guiding coalition is an ideal which is hard to achieve.

## 2.5 CHANGE PROCESSES AND CHANGE IMPLEMENTATION

Successful Change implementation is attained when the goals and targets for which the change initiatives or project was intended to achieve have been largely achieved. According to Craig, (2002), successful change is achieved or determined when looking at the motives for change. The reasons normally advanced for change first and fore most are; improved chances of survival, productivity and pursuit of quality. The demands of employees such as improving workers conditions or their representatives arising from collective bargaining are very rarely cited as motives for change. Specifically, motives for change are but not limited to; quality improvement, cost reduction, increased total output, decrease in absenteeism and turn over, reduction in the number of employees. The answers to these motives inform those who are implementing the change projects whether they have registered a successful change Grove, (2004); Laing; (2001)

Successful change implementation must involve top management, including the board and chief executive. Usually there's a champion who initially instigates the

change by being visionary. A change agent role is usually responsible to translate the vision to a realistic plan and carry out the plan. Change is usually best carried out as a team-wide effort. Communications about the change should be frequent and with all organization members. To sustain change, the structures of the organization should be modified, including strategic plans, policies and procedures. This change in the structures of the organization typically involves an unfreezing, change and re-freezing process .Kotter (1995)

The best approach to address resistances is through increased and sustained communications and education. For example, the leader should meet with all managers and staff to explain reasons for the change, how it generally will be carried out and what will be the benefits to those involved. This argument is supported by authors such as Armenakis and Harris (2002); Amanda, (2001); Green, (1997); Lorenzi and Riley, (1999); Beeckhard and Harris (1987) the above authors contend that if there is stability during the change or transition then this depicts success of the change initiatives.

Kotter, (2002) and Chapman, (2005) observed that managing organizational change will be more successful if change leaders apply these simple principles which translates to also mean change competences; Thoughtful planning and sensitive implementation, and above all, consultation with, and involvement of, the people affected by the changes. If you force change on people normally problems arise. Change must be realistic, achievable and measurable. These aspects are especially relevant to managing personal change. Before starting organizational change, ask yourself: What do we want to achieve with this change, why, and how will we know that the change has been achieved? Who is affected by this change, and how will they react to it? How much of this change can we achieve ourselves, and what parts of the change do we need help with? These aspects also related strongly to the management of personal as well as organizational change. This view is also supported by Palmer (2003)

Skinner *et al* (2005), point out that successful change achieves desirable outcomes reflected in; positive contribution to effectiveness of workers, teams and the wider organization, no undue distress experienced by employees, increased job satisfaction and commitment, increased and improved out put and timely meeting of performance targets, improved quality of services, organizational stability, ownership of the change results by all stakeholders Job satisfaction, increased morale and commitment, of employees and increased Organizational reputation, all supported by the works of Laing, (2001); Skinner et al, (2005); Duncombe and Molla, (2006); Elving, (2005); Bob, Jane and Ken, (2001); Anuradha and Kevin, (2004).

Kelloway, (2004); Yuraporn, (2004); Armenakis and Harris, (2002); Jennifer, (2002) all contend that successful change means that new processes, methods, or management techniques become the status quo and that old, less-productive behaviors are eliminated. For organizational change to be successful, conditions such as adequate motivation (e.g. reward opportunity to develop) are provided, increased trust, better working climate, people knowing the goals of and reasons for change. People are given chance to air out their objectives accurate and complete information is provided, and those affected in the change are involved in its planning, Lawrence (2004); Aird, (2001).

#### CHAPTER THREE: METHODOLOGY

#### 3.1 RESEARCH DESIGN

The study employs a cross sectional design based on a snapshot of events as they existed in Makerere University Business School.

#### 3.2 POPULATION

The study was carried out on academic, administrative and support staff constituting a population of 612 employees as per the records provided by MUBS Human resource office; 306 academic staff, 103 administrative staff and 203 support staff.

#### 3.3 SAMPLE SIZE

Based on the general rule given by Krejcie and Morgan (1970), the study had a sample size of 220 respondents drawn from various categories in the academic, administrative and support staff of Makerere University Business School. Using the proportional method (306/612\*220) to arrive at 110 respondents from academic staff category, 37 respondents from administrative staff (103/612\*220) and 73 respondents from support staff (203/612\*220)

Table 3.1 Indicates proportions of the sample elements

Item	Number	Percentages
Population (N)	612	100%
Sample (n)	220	36%
Academic staff	110	18%
Administrative staff	37	6%
Support staff	73	12%

#### 3.4 SAMPLE AND SAMPLING PROCEDURE

The sampling included members of Academic and Administrators staff. A stratified sampling procedure was used to select the respondents from different clusters (Academic, Administrative and Support staff). This procedure was used because of the differing and distinct population strata and, the groups had differing degrees of participation in the affairs of change implementation. Following the above

classification, a purposive sampling method was used to select the respondents from each stratum. The purposive method minimized bias by creating focus, supported by the works of Sekaran, (2000).

#### 3.5 SOURSES OF DATA

Data was collected from both primary and secondary sources. It involved acquiring information from primary sources such as the input of the various respondents and from the secondary sources which involved analyzing departmental reports and training needs.

## 3.6 DATA COLLECTION INSTRUMENTS USED

The primary data collection was through, self-administered questionnaires and observation. The quantitative measure on the variables was administered by structured questionnaire. These were adopted because they elicited specific responses that were easy to analyze. It was also economical in terms of time since it was easy to fill. Secondary data was collected from the management and administrative sectional reports, academic departmental and faculty monthly and annual reports and documentation.

#### 3.7 VALIDITY AND RELIABILITY

**Validity:** In order to determine the validity of the process and tools or instruments used, at least 5 experienced colleagues in the academic field were requested to verify the instrument and to make comments and recommendations which were considered.

**Reliability:** Performance test was held and reliability analysis of concerned scales was undertaken in order to ensure consistency and to build confidence in the results arising from the use of the instrument. Cronbach's alpha was used to measure how well variables faired and those that measured above 0.5 were upheld. The results of the test are presented in table 3.2 below:

## **Table 3.2** Reliability Coefficients

The results in the table below show that the instrument used in the survey was quite reliable as all the items for the variables had reliability coefficients that were above 0.5 as indicated by the table below:

Variable	Anchor	Cronbach Alpha Value
Organisational Culture	5 Point	.8854
Organisational Capabilities	5 Point	.8547
Change Processes	5 Point	.8428
Change Implementation	5 Point	.8671

#### 3.8 MEASUREMENT OF VARIABLES

Multi-item scales were used to ensure adequate measurement of each variable. Reliability of the measures was assessed using Cronbach's (1951) alpha coefficient.

3.8.1 Organizational culture: Organizational culture was assessed with a measure developed by Zammuto and Krakower (1991). This measure was used in several studies examining organizational culture (e.g. Bradley and Parker, 2001; Gifford et al., 2002; Parker and Bradley, 2000). Levels of readiness for change were measured with five items designed to assess the extent to which employees were feeling positive about the changes introduced by the new HRIS (adapted from items developed by Miller et al., 1994). Items asked employees if they considered themselves to be open or resistant to the changes, if they were looking forward to the changes in their work role, and if the changes would be for the better, particularly in relation to how they did their job. Participants responded on a five-point scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

The works of Lehman et al., (2002); Hoagwood, 2005; Sharp et al., (2003) also supported self administered questionnaires. It also involved observation and examples of methods for observing as discussed in Evangelista (2006: 5) included:

- Direct observation of the person carrying out his/her work
- Discussion of case studies

- Testimonies from colleagues and supervisors
- Examination of documentation produced by the person whilst carrying out their work.
- Examination of portfolio based evidence (the use of portfolio evidence is significant where non-formal learning was being accredited) and reports were analyzed with a view of gauging subsequent actual performance. Also, a review of related literature, and documentation was conducted.

**3.8.2 Organizational capabilities**: The notion of capabilities has received little empirical investigation (Turner and Crawford, 1998; see also Teece et al., 1997). Thus, the choice of instruments to measure capabilities is limited. Respondents were asked to indicate the existing strength or weakness of each capability for their division on a five-point scale, ranging from 1 (very weak) to 5 (very strong).

# 3.8.3 Measurement of Change Processes:

These were measured as adapted from Bandura's scale and the works adapted from the provisions in Beckhard and Pritchard (1992), premise expounded by T J Larkin in Communicating Change McGraw Hill, (1994) and the works adapted from the provisions of Cohen and Brand (1993).

# 3.8.4 Measurement of Change Implementation

This was measured as adapted from provisions in McGraw-Hill, (1994). Additional information was got through the use of the 5 point Likert scale which were arranged in ascending order from 1 as Strongly Disagree to 5 as Strongly Agree with the aim of determining perception

#### 3.9 DATA ANALYSIS:

This involved questionnaire analysis and the data collected from the respondents was sorted, classified according to codes and loaded into a computer to effect the analysis using the software called statistical package for social sciences (SPSS). Both

Regression and Correlation analysis tools were used to determine the nature of relationship.

# 3.10 LIMITATIONS ENCOUNTERED

The following problems were encountered during the study:

- The variables in the study needed well informed levels of response. This was however overcome through careful choice of the sample elements.
- The study required responses on matters of culture and practices which were fairly personal to some respondents. To remedy to this however, questionnaires were sorted after being collected in order to minimize bias.
- 3. The members of top management were usually very busy and quite engaged in international assignment, getting their input was a very big challenge. This was countered through making appointments with the respective respondents.
- 4. Possibility of (higher level) of subjectivity in the responses from respondents which may include 'biases in opinions.

## CHAPTER FOUR: PRESENTATION OF FINDINGS OF THE STUDY

## 4.1 INTRODUCTION:

This chapter presents the findings of the study in accordance with and in relation to the research variables and research questions of the study. It gives the demographic characteristics of the sample, correlation statistics, regression model and ANOVA tests. The variables are organizational culture, organizational capabilities, change processes and change implementation.

# 4.2 Demographic Characteristics of the Sample

The demographic characteristics of the sample are presented through statistics that give background information of the respondents in their gender, employment nature, tenure, age and education.

Table 1: Employment Nature by Gender Cross tabulation

	-		Ge	nder	Total
			Male	Female	Total
		Count	25	7	32
	Academic Staff	Row %	78.1%	21.9%	100.0%
		Column %	53.2%	22.6%	41.0%
		Count	19	18	37
Employment Nature	Administrative Staff	Row %	51.4%	21.9% 100 22.6% 41. 18 37 48.6% 100 58.1% 47. 6 9 66.7% 100	100.0%
		Column %	40.4%	58.1%	47.4%
	Support Staff	Count	3	6	9
		Row %	33.3%	66.7%	100.0%
	Column %  Count  Row %  Column %  Column %  Count		6.4%	19.4%	11.5%
		Count	47	31	78
Total		Row %	60.3%	39.7%	100.0%
		Column %	100.0%	100.0%	100.0%

Table 1 above is derived from the analysis of the information got from the respondents and it shows that the employee composition in MUBS seems to be

dominated by males especially among academic staff while the female employees seem to be majority among the support staff. However the situation appears to be even within the administrative staff.

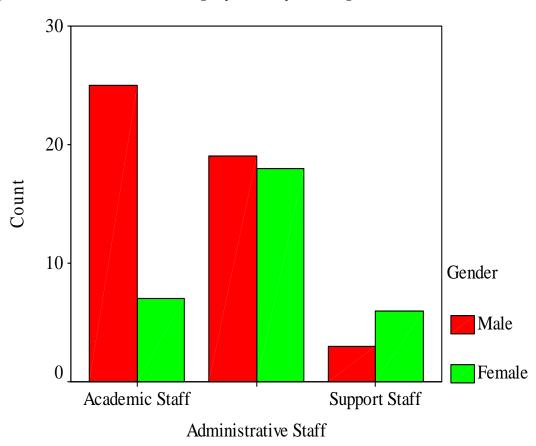


Figure 1: The nature of employment by the respondents

**Employment Nature** 

**Figure 1** above is also derived from the analysis of the information got from the respondents and it reflects high proportions of male staff among the academic staff.

Table 2 Age Group by Education Level Distribution
Cross tabulation results were used to explore the distribution of education level by

age group of the respondents (Table 4.22)

			<b>Education Level</b>			
			Diploma	Degree	Post Graduate  23  46.9%  57.5%  15  55.6%  37.5%  2  100.0%  5.0%  40	Total
		Count	2	24	23	49
	18-30 yrs	Row %	4.1%	49.0%	46.9%	100.0%
		Column %	25.0%	80.0%	57.5%	62.8%
		Count	6	6	15	27
Age Group	31-45 yrs	Row %	22.2%	22.2%	55.6%	100.0%
		Column %	75.0%	20.0%	37.5%	34.6%
	46-60 yrs	Count			2	2
		Row %			100.0%	100.0%
		Column %			5.0%	2.6%
		Count	8	30	40	78
Total		Row %	10.3%	38.5%	51.3%	100.0%
		Column %	100.0%	100.0%	100.0%	100.0%
		$X^2 = 11.028$		df = 4	Sig. = .026	

Table 2, derived from the analysis of the information got from the respondents presents results for the distribution of age group by education level. It shows that the greater percentage of the respondents hold Post Graduate qualifications (51.3%), while only 38.5% and 10.3% hold Bachelors degrees and Diplomas respectively. Furthermore, among the Post Graduate qualification holders, it was observed that the majority are of the 18-30 year age group (57.5%) while only 5.0% are of the 46-60

year age group. In addition, an association was observed between ones age group and their highest education level (Sig.=.026). The results were further presented using a figure below (Figure 2)

Figure 2: Age Group by Educational Level of the Respondents.

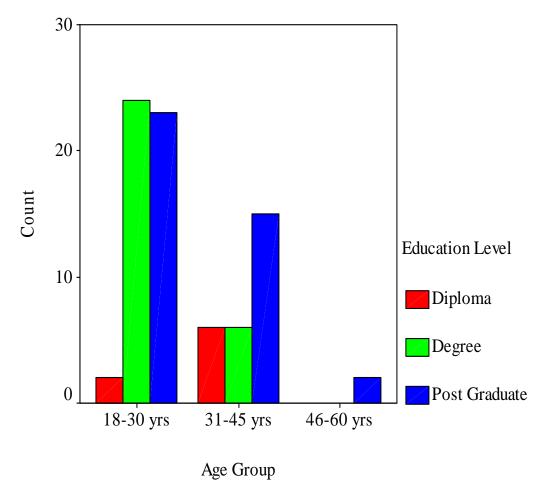


Figure 2 above, derived from the analysis of the information got from the respondents is a graphical reflection of the MUBS staff by age group and educational levels as given by the respondents. The sampled employees reflect a high level of degree and postgraduate degree qualifications to be held by employees at the age bracket of 18 to 30 years. While, as employees holding degree qualifications at the age of 31 to 45 relatively reduce, the Postgraduate qualifications still remain predominant within this age bracket. Most employees holding Diplomas are aged between 31 and 45.

**Table 3:** Education Level by Tenure Distribution

Cross tabulations were further used to present the distribution of the tenure periods of the respondents by Education level.

			Tenure			
			1-5 yrs	6-15 yrs	Above 15 yrs	Total
		Count	5	3		8
	Diploma	Row %	62.5%	37.5%		100.0%
		Column %	10.0%	12.5%		10.3%
		Count	25	5		30
Education	Degree	Row %	83.3%	16.7%		100.0%
Level		Column %	50.0%	20.8%		38.5%
	Post Graduate	Count	20	16	4	40
		Row %	50.0%	40.0%	10.0%	100.0%
		Column %	40.0%	66.7%	100.0%	51.3%
	'	Count	50	24	4	78
Total		Row %	64.1%	30.8%	5.1%	100.0%
		Column %	100.0%	100.0%	100.0%	100.0%
		$X^2 = 9.940$	)	df = 4	Sig. = .041	

The results in Table 3 above are derived from the analysis of the information got from the respondents and show that the majority of the MUBS staff sampled had been working for 1-5 years (64.1%), while 30.8% had been working for 6-15 years

and only 5.1% had worked for Above 15 years. Furthermore, it was observed that the respondents, who have been working for above 15 years, are all holders of post graduate qualifications. Also among the respondents who have been around for 6-15 years, the majority were holders of Post Graduate qualifications. On the other hand, among the staff members who have worked for 1-5 years, the greater percentage is for holders of Degrees (50.0%). An association was observed between ones tenure period and their qualification (Sig. = .041).

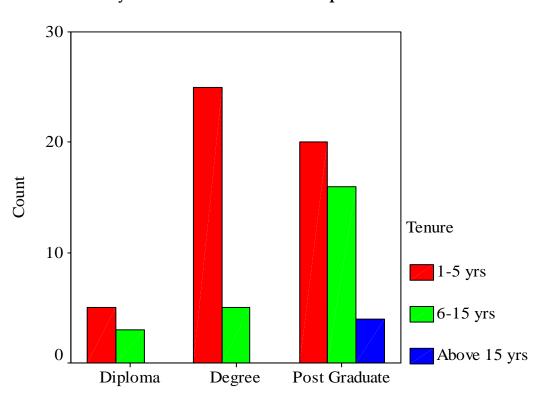


Figure 3: Tenure by Educational level of the respondents:

Figure 3 above is derived from the analysis of the information got from the respondents and reflects tenure by educational level of the respondents. The results show that majority of the staff have worked in MUBS for a period between 1-5 years, led by degree holders and followed by Postgraduate degree holders and Diplomas respectively. The respondents reflect that majorly employees with Postgraduate qualifications have worked in MUBS for a period of over 15 years.

**Education Level** 

# 4.3 Table 4: Relationships between the Variables

Pearson correlations (r) were used to examine the relationship between the variables and the results are indicated as in the table below.

	1	2	3	4
Organizational Culture (1)	1.000			
Organizational Capabilities (2)	.588**	1.000		
Change Processes (3)	.495**	.614**	1.000	
Change Implementation (4)	.493**	.728**	.568**	1.000

Source: Derived from the analysis of the information got from the respondents

# 4.3.1 The relationship between Organizational culture and Organizational capabilities

The results of the Table 4 above showed a significant and positive relationship between the Organizational culture and the Organizational capabilities (r =.588\*\*, p<.01). These results imply that the strengthening of organizational culture could better the Organization's capabilities to implement change.

### 4.3.2 The relationship between Organizational capabilities and change Processes

A significant and positively relationship was observed to exist between the organizational capabilities and the change processes (r = .614\*\*, p < .01). This implies that improvement in the organizational capabilities leads to an improved change processes.

#### 4.33 The relationship between Change processes and Change implementation

The results in table 4 present a significant and positive relationship between change processes and change implementation (r = .568\*\*, p < .01). This also means that presence of improved change processes in MUBS help to strengthen the levels of change implementation.

# 4.34 The relationship between Organizational culture and Change implementation

It is observable that there is a significant positive relationship between organizational culture and change implementation (r = .493\*\*, p < .01). This implies that presence of improved organizational culture in MUBS creates better change implementation.

# 4.35 The relationship between Organizational Capabilities and Change implementation

The results present a significant positive relationship between organizational capabilities and change implementation (r = .728\*\*, p < .01). The implication is that improvement of organizational capabilities betters change implementation.

## 4.4 Table 5: The Prediction Model

The regression model in the table 5 below was generated to show the extent to which the predictors i.e. Organizational Culture, Organisational Capabilities and Change Processes could explain the dependent variable (Change Implementation).

	Un standar Coefficien		Standardized Coefficients	t				Sig.	Dependent Varia	ıble:
Model	В	Std. Error	Beta		<b>316.</b>	Implementation				
(Constant)	.271	.268		1.012	.315	R Square	.616			
Organisational Culture	7.453E-02	.075	.092	.995	.323	Adjusted R Square	.600			
Organisational Capabilities	.693	.110	.639	6.291	.000	F Change	38.485			
Change Processes	9.310E-02	.068	.130	1.374	.174	Sig. F Change	.000			

Source: Derived from the analysis of the information got from the respondents

Results in Table 5 above show that the predictors can explain up to 60.0% of the variance in the change implementation (Adjusted R Square = .600) and the regression model was presented significant relationships (Sig. F Change = .000).

# 4.5 Analysis Of Variance (ANOVA) Results

**4.5.1 Table 6: ANOVA Results for Employment Category by Variable** The results in the table 6 below indicated that there are significant differences on only perceptions of Organisational culture among the Staff members (sig. = .031).

		Mean	Std. Deviation	Std. Error	F	Sig
0	Academic Staff	3.208	0.833	0.147	3.651	.031
Organisational Culture	Administrative Staff	2.802	0.721	0.119		
	Support Staff	3.444	0.850	0.283		
	Academic Staff	3.322	0.651	0.115	1.422	.248
Organisational Capabilities	Administrative Staff	3.220	0.540	0.089		
	Administrative Staff         3.220         0.540         0.089           Support Staff         3.598         0.716         0.239					
	Academic Staff	3.172	1.037	0.183	1.295	.280
<b>Change Processes</b>	Administrative Staff	3.347	0.835	0.139		
	Support Staff	3.750	0.802	0.283		
	Academic Staff	3.119	0.761	0.135	1.196	.308
Change Implementation	Administrative Staff	3.036	0.604	0.099		
	Support Staff	3.445	0.656	0.232		

Source: Derived from the analysis of the information got from the respondents

On the rest of the variables i.e. organisational capabilities, change process and change implementation, there were no significant differences. On Organisational culture, the Support staff (Mean = 3.444) were observed to rank much higher than the Academic and the Administrative staff (Mean = 3.208 and 2.802 respectively).

4.5.2 Table 7: ANOVA Results for Gender by Variable

		Mean	Std. Deviation	Std. Error	F	Sig
Organisational Culture	Male	3.082	0.814	0.119	.269	.605
	Female	2.984	0.812	0.146		
Organisational Capabilities	Male	3.296	0.579	0.084	.029	.865
	Female	3.320	0.668	0.120		
Change Processes	Male	3.378	0.880	0.131	.490	.486
Change Processes	Female	3.226	0.999	0.179		
Change Implementation	Male	3.122	0.647	0.095	.020	.889
Camingo ampromentumion	Female	3.100	0.739	0.133		

Source: Derived from the analysis of the information got from the respondents

On the overall, there was a significant relationship in all variables; organizational culture, organizational capabilities, change processes and change implementation although at slightly varying degrees.

# CHAPTER FIVE: DISCUSSION, CONLUSIONS AND RECOMMENDATIONS 5.0 INTRODUCTION:

This chapter presents a discussion of the findings of the study, conclusions derived, recommendations given and areas of further research identified. As earlier indicated, the study investigated the relationship between Organization culture, organization capabilities, change processes and change implementation. For purposes of ease of presentation, this chapter is divided into four sections; discussion, recommendations, conclusion and areas of further research.

The discussion is guided by the objectives and research questions stated in chapter one of this report. The study focused on getting answers to the research questions referred to above. Further guidance was derived from the analysis of facts stated by the recognized authors in the area of management, models and other provisions of the literature reviewed. In effect, the research was conducted to:

- Establish the relationship between Organizational culture and Organizational capabilities in Makerere University Business School.
- 2 Establish the relationship between Organizational capabilities and change Processes in Makerere University Business School.
- 3 Establish the relationship between Change processes and Change implementation in Makerere University Business School.
- 4 Establish the relationship between Organizational culture and Change implementation in Makerere University Business School.
- 5 Establish the relationship between Organizational Capabilities and Change implementation in Makerere University Business School.

The above are summarized in the purpose of the study, stated as; to establish the relationship between organizational culture, organizational capabilities, change processes and change implementation in Makerere University Business School.

## 5.1 Research Questions:

The study had five research questions that were set out to be answered, these included the following:

- What is the relationship between Organizational culture and Organizational capabilities in MUBS?
- What is the relationship between Organizational capabilities and change Processes in MUBS?
- What is the relationship between Change processes and Change implementation in MUBS?
- What is the relationship between Organizational culture and Change implementation in MUBS?
- What is the relationship between Organizational Capabilities and Change implementation in MUBS?

## 5.2.0 DISCUSSION OF THE STUDY'S DEMOGRAPHIC DATA:

As earlier stated, the study centered on establishing the relationship between variables. In the findings, the study established that there was significant strong positive correlation among all the study variables. This means that all research objectives were met and the research questions answered.

The study found out that that on the organisational culture, the support staff (Mean = 3.444) were observed to rank much higher than the Academic and the Administrative staff (Mean =3.208 and 2.802 respectively), (p=.031, f=3.651). The results on the other variables however, that is; organisational capabilities, change processes and change implementation, presented no significant differences in reference to the staffing categories. The respondents therefore understood the organizational culture differently. This is probably reflective of the fact that the Institution as a whole has had no uniformity in its organizational culture, although respective units may be having unique culture related practices. Therefore, since culture is known to anchor well in the organizational systems, practices and values,

it is probable that the continued difficulties in the change implementation effort in Makerere University Business School could be attributed to lack of a clear and well pronounced Organizational Culture.

This is supported by the works of Kotter, (1996), who states that; neglecting to anchor changes firmly in the organization's culture may fail change implementation. It should also be noted that, change sticks only when it becomes an integral part of corporate culture which could be best described as "the way we do things around here." Therefore, organizational culture must be supportive of the change initiatives at all levels and should resonate well with the environmental. Unless new behaviours are rooted in social norms and shared values, they are always subject to degradation as soon as the pressures associated with the change are removed, supported by the works of Kotter, (1996).

# Relationship between Organizational culture and Organizational capabilities:

The results showed a significant and positive relationship between the organizational culture and the organizational capabilities. These results imply that, strengthening of organizational culture could better the organization's capabilities to implement change. This therefore indicates that the first objective of the study was met and similarly, the research question answered. This finding concurs with the works of Mecca, (2004), who states that organizational readiness refers to an organization's ability and willingness to accomplish a specific change. It is the degree of the strength of the organization's culture that affects the ability of the participants to make the necessary transition through the emotional impacts caused by the change.

# Relationship between Organizational capabilities and change Processes:

Results presented a significant and positively relationship between the organizational capabilities and the change processes. This implies that

improvement in the organizational capabilities could lead to improved change processes.

# Relationship between Change processes and Change implementation:

Results present a significant and positive relationship between change processes and change implementation. This also means that presence of improved change processes in MUBS help to strengthen the levels of change implementation.

## Relationship between Organizational culture and Change implementation:

Results present a significant positive relationship between organizational culture and change implementation. This implies that presence of improved organizational culture in MUBS creates better change implementation.

# Relationship between Organizational Capabilities and Change implementation

Results presented a significant positive relationship between organizational capabilities and change implementation. The implication is that improvement of organizational capabilities betters change implementation. Luckily, all these findings do not depart from the information given about change management tools as provided in the models and theories developed by various authors like; Egan, (2005); Langvardt, (2007); Mento *et al*, 2002; Kotter, (1996); Nilakant and Ramnarayan; (2005).

## 5.3 CONCLUSION

Given the findings of the study above, it is evident that change implementation is critical to the survival of organizations. All stakeholders in the organization are relevant in the success or organizational change implementation. It must be noted that the aspects of organizational culture, organizational capabilities and change processes could explain up to 60% of the variance in change implementation in Makerere University Business School.

#### 5.4 RECOMMENDATIONS

In reference to the findings of the study and the guidance derived from the literature review, it is evident that while there are several factors that are crucial to the implementation of change in MUBS, organizational capabilities as reflected above, play a major role. Others include organizational culture and change processes which have a strong significant relationship with change implementation. Therefore, basing on the literature review and the results of the study, the following recommendations are suggested:

As evidenced by the results of the sampled respondents, organizational capabilities are so pronounced in influencing change implementation in MUBS, therefore it is important that management puts more emphasis on the development of organizational capabilities such as organizational systems, resources and facilities / infrastructure.

It is also important that while the organizational capabilities are being improved, the creation of a corporate culture should as well be emphasized. In effect, management should attempt to strengthen its systems alongside its corporate culture. This is because it is notable that culture affects participants during the implementation of the required change processes, especially through the emotional impacts caused by the change. It should try to create an institutionalized culture/corporate culture that should be integrated into the MUBS' life line since change is in most cases oiled by culture. Finally, since culture is paramount in the creation of psychological safety during the change implementation effort, it therefore requires sufficient attention.

## 5.5 AREAS OF FURTHER RESEARCH AND IMPROVEMENT

The area of change implementation presents great opportunity for further research. One may for example investigate the existence of other variables that affect change implementation. Alternatively, specific research may be carried out on the following areas such as:

- 1. Change drivers, change management and change outcomes
- 2. Change competences, change systems and change management
- 3. Change culture, operations and change outcomes
- 4. A replica of the same study may be carried out using a comparative analysis of various institutions of government
- 5. Technology adoption and Usage in Makerere University Business School

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