

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

The People Dimension of Change Management for Small-to-Medium Organisations in the New Zealand Business Environment

A 90 Credit Research Report presented in partial fulfilment of
the requirements of the Masters of Business Studies at Massey
University, Albany

Heather Stephens
04115740
2017

Supervisors: Prof. Jane Parker and Dr. Frieder Lempp

Abstract

Change occurs recurrently in business organisation. Change Management (CM) is the instrument that guides how the organisation formulates, prepares and supports employees to effectively accept changes in order to drive organisational accomplishments and results. The aim of this research is to explore the people dimension of CM. This study took a qualitative approach using semi-structured interviews with 10 employees from a small-to-medium enterprise (SME) and three employees from a large-sized organisation. Whilst there is a range of literature on CM, this research seeks to address gaps within that body of literature relating to the importance of including people when making changes within an organisation. It highlights the necessity of giving thought to people for any successful change implementation. People are at the core of an organisation and without them collectively on board with the change, the implementation of the new process could be put in risk of failing.

The key findings identified six major themes regarding the people dimension of CM: communication, culture, resistance, conflict, change leadership and empowerment. Communication is a key component in the change process. Many participants in the study reported that the change plan was communicated to them by the Chief Executive Officer (CEO) who they felt was open and transparent through the whole process. Organisational culture comes in the form of shared beliefs and values. It is the commonly accepted behaviours in an organisation and the way one behaves and conducts oneself. Some participants felt that the culture of the organisation has changed however, they felt that it still needs to progress to being one of change ready. Resistance can come in many forms and this brings with it a lot of emotional reactions to change. If left unchecked, resistance to the change process can put the whole programme at risk and therefore potentially damage the organisation. Conflict can happen when a person feels that they have not been heard or feel unsupported through the process. The idea around conflict is to not make it about personal issues and focus on what is best for all concerned. However, conflict can also be seen as being

important in that it is a pointer for detecting faulty processes and therefore become an indicator for corrective action to be taken by change leaders and senior management. Change Leadership findings were that managers were aware of the need to be supportive of employees and transition them into the change plan thereby valuing open and clear communications with everyone involved. Employee feedback is an integral part of the change process as employees can feel empowered in that they feel heard. It was also found that empowerment can come through social interactions at work situations and not just through the pay and reward systems.

This report focuses on how to successfully implement change, not only through leadership but also employee empowerment and targeting behaviours as an effective driver for reconfiguring the organisation. It will discuss the theoretical implications as well as the extent to which the study addresses some identified research questions. Then it will discuss workplace policy implications on CM and if there are any learning for CM and Human Resource (HR) professionals. These implications predominantly relate to an increased awareness to value people when designing and implementing a change process in today's SMEs in New Zealand (NZ). It also discusses the methodological implications arising from the semi-structured interview design used in this study. This report concludes with a summary of the people dimension of CM for SMEs in the NZ business environment.

Acknowledgments

Firstly, I would like to thank the organisations and the people who took part in this research, without you all this would not have been possible. Thank you for welcoming me into your organisations and allowing the time in which to interview the participant's. Thank you to all the participants, their time, their information and their interest in this topic. Without their support and involvement, I would not have been able to draw significant findings and conclusions from the study on which this report is based.

Secondly, I would like to thank two wonderful supervisors, Professor Jane Parker and Doctor Frieder Lempp. Thank you for all your brilliant support to make this research happen. I am deeply grateful for your mentoring and encouragement, the many emails and the countless Skype conversations to which even our cats attended. I am deeply indebted to you both for your time, your support and your wonderful inspiring comments throughout. Thank you Jane and Frieder, you have both been absolutely amazing.

I would also like to thank my daughter, Rhiannon, and my son, Logan, for your unwavering support and for always believing in me that I could even come this far. Without both your encouragement and support, I would have never even started studying. For this, I thank you both.

Table of Contents

	Page	
Abstract	02	
Acknowledgements	04	
Table of Contents	05	
Table of Acronyms	07	
Chapter One	Introduction	
1.0	Introduction	09
1.1	Aims of the researcher	09
1.2	The researcher	09
1.3	The study	13
1.4	Study contributions	13
1.5	Summary	11
Chapter Two	Literature Review	
2.0	Introduction	13
2.1	Change management	15
2.2	Communication	16
2.3	Culture	16
2.4	Resistance	18
2.5	Conflict	19
2.6	Change leadership	21
2.7	Empowerment	22
2.8	Summary	22
Chapter Three	Methodology	
3.0	Introduction	24
3.1	Qualitative research	24
3.2	Selection of participants	25
3.3	Conducting the research	26
3.4	Data analysis and management	29
3.5	Ethical considerations	30
3.6	Challenges	31
3.7	Methodological implications	31
3.8	Summary	32

Chapter Four	Findings	
	4.0	Introduction 34
	4.1	The participants 34
	4.2	Communication 34
	4.3	Culture 38
	4.4	Resistance 41
	4.5	Conflict 44
	4.6	Change Leadership 47
	4.7	Empowerment 51
	4.8	Summary 55
Chapter Five	Discussion	
	5.0	Introduction 58
	5.1	Theoretical implications 58
	5.2	Practical implications 64
	5.3	Workplace level policy implications 69
Chapter Six	Conclusion	
	6.0	Introduction 72
	6.1	Research aims 72
	6.2	Main findings 72
	6.3	Further areas of research 74
	6.4	Limitations 75
	6.5	Summary 75
References		80
Appendices		
	Appendix A:	Participant handouts: 82
		- Information Sheet
		- Consent Form
		- Authority of Release of Transcripts Form
		- Interview Questions
	Appendix B:	Ethics application 91
	Appendix C:	List of participants from the SME 92
	Appendix D:	List of participants from larger organisations 92

Table of Acronyms

CA	Change Agent
CEO	Chief Executive Officer
CM	Change Management
EA	Executive Officer
HR	Human Resource
HR(M)	Human Resource Manager
NZ	New Zealand
SME	Small-to-Medium Enterprise
UK	United Kingdom
VOIP	Voice Over Internet Protocol