

**A case study of organisational change in an employee wellness company and  
its effects on job satisfaction and organisational climate**

A dissertation in partial fulfillment of the requirements for the degree of

MASTER OF BUSINESS ADMINISTRATION

of

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By

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## **INTEGRATIVE SUMMARY**

The modern era has brought the phenomenon of organisational change closer to the average person. With the recent financial crisis placing more strain on businesses, organisations are always under pressure to review their business models in order to deliver a sustainable operational model and as result, hopefully a sustainable competitive advantage. In order to remain competitive, the leadership team has to constantly seek ways of differentiating their organisations from others with similar product offerings. When these changes are initiated, there is no doubt that the leadership gave extensive thought prior to execution. However, their motives are not always clear to their most important constitution, their employees. Often when these changes are implemented, employees believe that they've been left out of the decision making process. Furthermore, post change review with employees are also not given enough thought and are often not done.

This research used qualitative research methods to establish how employees experience job satisfaction and organisational climate subsequent to changes that transpired within their work environment. Semi-structured interviews and document analysis were used to collect data. The interviews were constructed by expanding upon well-documented quantitative dimensions of these behavioural variables. Questions were developed focusing on these dimensions in line with the changes experienced. The sample consisted of nine employees at an employee wellness organisation in Roodepoort, Gauteng.

There is evidence to show that in this short period of two years (May 2012 to June 2014), by implementing various changes, the new leadership has improved the financial viability of the organisation. However, insights from the interviews point to a number of areas where the leadership and management structures have to exert more effort. Communication processes have to be reviewed, especially to lower levels. As there exists limited opportunities for promotion, investigations into expanding existing roles, again at the lower levels may assist in raising job satisfaction levels. Employees felt that support structures are severely lacking when significant changes affecting them are implemented. A climate for innovation and risk taking has to be considered

which, if instituted, could aid the organisation in setting the pace for the organisational wellness industry.

The structure adopted for this research consists of three sections. Section one follows the **evaluation report** format, with the literature review and research methodology sections following thereafter. By making use of established literature as a basis, the findings and recommendations are therefore not exclusively applicable to this organisation. Hence other organisations intending similar change initiatives could benefit from this research.

## **DECLARATION**

I, Wahib Kassiem, hereby declare that this dissertation is my own original work, that all reference sources have been accurately reported and acknowledged, and that this dissertation has not previously, in its entirety or in part, been submitted to any University for assessment purposes.

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**Wahib Kassiem**

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**Date**

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## LIST OF ACRONYMS

ACRONYM	DETAIL
<b>AH</b>	Access Health
<b>BI</b>	Business Intelligence
<b>CCO</b>	Chief Commercial Officer
<b>CD4</b>	Cluster of Differentiation 4
<b>CE</b>	Chief Executive
<b>CEO</b>	Chief Executive Officer
<b>COO</b>	Chief Operating Officer
<b>CRM</b>	Client Relationship Management
<b>DMP</b>	Disease Management Programme
<b>EASA</b>	Europ Assistance South Africa
<b>GP</b>	Gross Profit
<b>HC</b>	Healthi Choices
<b>HIV</b>	Human Immunodeficiency Virus
<b>HR</b>	Human Resources
<b>ICT</b>	Information and Communications Technology
<b>IP</b>	Intellectual Property
<b>NBD</b>	New Business Development
<b>OPS</b>	Operations
<b>OWC</b>	Organisational Wellbeing Consulting
<b>PAT</b>	Profit as a percentage of turnover
<b>QA</b>	Quality Assurance
<b>SS</b>	Shared Services

# **1 SECTION 1: EVALUATION REPORT**

## **1.1 Executive Summary**

This evaluation report was commissioned by the CEO of Healthi Choices, Mr. Johnny Koortzen, for the purposes of providing insight into the organisational changes that his leadership team instituted after taking charge of the organisation in May 2012. These changes were in an effort to support the strategy of the organisation to expand the client base and increase revenue. In aiding this strategy, an expanded product range was offered to the organisation's clients, resulting in the restructuring of the organisation, including the appointment of additional employees. This research used qualitative research methods to establish how employees experience job satisfaction and organisational climate subsequent to the changes that transpired within their work environment.

The report concludes that there has been an increase in the client base, revenue and profits. However, employees felt that support structures are severely lacking when significant changes affecting them are implemented. A climate for innovation and risk taking has to be considered which, if instituted, could aid the organisation in setting the pace for the organisational wellness industry. Communication processes have to be reviewed, especially to lower levels. As there exists limited opportunities for promotion, investigations into expanding existing job roles, again at the lower levels may assist in raising job satisfaction levels.

## **1.2 Introduction**

Organisational change has become a necessary survival tactic for organisations in an environment of increasing turbulence and change (Weber & Weber, 2001:291). Maurer's (2010) study, estimates that there is a 70 percent failure rate when it comes to organisational change. Some organisations are better designed to implement change and as a consequence these organisations are able to overcome barriers to change that many other organisations struggle with (Rosenberg & Mosca, 2011). Furthermore, the ability of organisations to innovate is a primary factor in gaining and sustaining competitive advantage (Nelson & Winter, 2009). According to Mack *et al.* (1998:220), organisational change can also occur when the organisation changes the way it does business, such as changing its product mix or by moving to a more

computer-based processing environment. However, Schneider *et al.* (1996:7) caution that “changes in hierarchy, technology, communication networks, and so forth are effective only to the degree that these structural changes are associated with changes in the psychology of employees”. Lawler (1994:4) further emphasised that in an environment of rapid organisational change, the employee will be required to adapt to the changes in order to accommodate and/or facilitate the needs of the organisational changes.

Healthi Choices, the organisation that this qualitative case study is based upon, experienced episodic changes subsequent to a new leadership team taking control of the organisation. This researcher will not examine the justification provided by Healthi Choices for the changes implemented or assess the effectiveness of how these changes were implemented. However, this researcher will describe these episodic (major) changes that transpired from May 2012 until June 2014 as well as the impact of these changes on highlighted aspects of job satisfaction and organisational climate. According to Hoepfl (1997), qualitative researchers “seek illumination, understanding, and extrapolation to similar situations” as contrasted with quantitative researchers who seek “causal determination, prediction, and generalization of findings”.

### **1.3 Research Aim and Objectives**

By using a qualitative case study design, the aim of this research is to understand the outcomes of change for those employees of Healthi Choices that predated the leadership change within this organisation. The Healthi Choices leadership will form the primary audience of this study. Therefore, within the case study, the researcher will use analytic techniques as elaborated upon by Weiss (1997:271-293), specifically the describing stage, the various areas of comparison and the processes that underpinned the changes that transpired.

The objectives of this study were to:

- (1) Describe the changes that the new leadership instituted to facilitate the turnaround strategy at the organisation.
- (2) Describe how these changes affected employees in terms of the job satisfaction and organisational climate constructs.
- (3) Provide a comparison of these constructs under the old and new leadership as perceived by employees.

(4) Provide the leadership team with recommendations for future changes.

## **1.4 Literature Review**

### **1.4.1 Organisational Change**

Van de Ven and Poole's (1995:512) definition of change states that it "is an empirical observation of a difference in form, quality, or state over time" in an entity. Van de Ven and Poole further elaborate (1995:512) that an entity can be any of an individual's job, a work group, an organisational subunit, the overall organisation, or its relationships with other organisations. Organisational change and the resultant effects on employees within their work environment are not a new phenomenon. However, any form of research of the employee wellness industry in South Africa is limited (Sieberhagen, 2008:9). The researcher postulates that this could be due to the relative newness of the local industry. The South African Chapter of the Employee Assistance Programme Association (including employee wellness organisations) has less than thirty affiliated organisations in South Africa (Selelo, 2012).

### **1.4.2 Impact of Organisational Change on Employees**

From an employee perspective, Wanberg and Banas (2000:132) indicate that employees are facing greater changes, at a more rapid pace than ever before. Furthermore, these employees find that coping with change can be difficult for them. Weber and Weber (2001:296) found that when employees familiarise themselves with the change and its impacts, they show an increase in support for management and change effort. Armenakis *et al.*'s (1993) research showed that when readiness for change exists, resistance from employees within an organisation is reduced and hence the organisation is at an advantage to embrace change. The converse of this is that the change may be rejected if employees within the organisation are not ready. The behavioural variables identified within this study are job satisfaction and organisational climate. These are two of the work related outcomes of change that have been identified by Oreg *et al.* (2011) in their analysis of sixty years' worth of quantitative studies on organisational change.

### **1.4.3 Conceptualising job satisfaction**

Many researchers would see Locke's 1969 and 1976 treatises on job satisfaction as being seminal (Williamson *et al.*, 2005:123). Locke (1976:1304) defined job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience". Locke (1976:1300) holds that satisfaction is an emotional response i.e. an internal feeling, although it is also influenced by extrinsic (external) influences.

One of the earliest attempts at defining job satisfaction emanates from Hoppock (1935) where he refers to a combination of physiological, psychological and environmental circumstances that has the result in a person saying "I am satisfied with my job". Satisfaction is present and past orientated. It is different from morale which is future orientated (Locke, 1976). It is also of critical importance to note that job satisfaction applies to an individual (Locke, 1976:1300) as opposed to a group.

### **1.4.4 Job satisfaction as an outcome of change**

Staples and Higgins (1998:211) explain that the widespread interest in the job satisfaction construct can be explained by the fact that people spend a substantial part of their lives at work and hence are affected by it. A number of quantitative studies linking organisational change and job satisfaction are to be found in the literature. These include Judge *et al.* (1999) who linked employees' coping with change to positive job satisfaction, Wanberg and Banas (2000) who showed that lower levels of openness to changes resulted in employees experiencing lower levels of job satisfaction and Schweiger and De Nisi (1991), whose study of mergers/acquisitions highlighted employees' job dissatisfaction that arose when changes were not communicated in a timely manner.

Qualitative studies that investigated outcomes of change include Stensaker and Meyer's (2011) study, which investigated employees' perspectives during change. Their study showed how change capabilities can be developed amongst employees. Galanou *et al.* (2010) qualitatively examined reward management and job satisfaction within four different hierarchical levels of an organisation. Their study showed that aspects of job satisfaction were in accordance with different kinds of rewards.

Employees showed a need for non-financial rewards, such as recognition, achievement and personal growth.

#### **1.4.5 Conceptualising organisational climate**

Schneider *et al.* (2013:362) describe organisational climate as “a construct for conceptualising the way that employees experience and describe their work settings”. In contrast to the job satisfaction construct, organisational climate is perceived by multiple individuals in a shared (simultaneous) fashion. Denison (1996:624) considers climate as “relatively temporary, subject to direct control, and largely limited to those aspects of the social environment that are consciously perceived by organisational members”. Cahalane and Sites (2008:96) paraphrasing James and Jones (1974) defined organisational climate as “a collective perception of the work environment by the individuals within a common system”. The aforementioned definitions all refer to perceptions experienced by more than one individual.

Climate is often perceived differently by top, middle and lower levels of management, indicating that changes in climate can also be differently perceived and experienced by these management levels (Brand & Wilson, 2000:97).

Brand and Wilson (2000:98) suggest that evidence exists to show that organisations have climates that differ from one another, meaning that climate changes will impact differently on the various organisations. Organisational studies have clearly indicated that climate variables influence the predictability of such aspects as employee performance, job satisfaction and motivation. Changes in climate variables can thus also affect these aspects.

#### **1.4.6 Organisational climate as an outcome of change**

Brand and Wilson (2000:104-105) showed quantitatively that there is empirical evidence to support the assertion that organisation restructuring affects organisational climate and employee attitudes and perceptions regarding their jobs. In their findings, effective communication and performance systems provided employees with the opportunity to have a positive view of the organisational climate. Wynne (2004) qualitatively explored nurses' perceptions of organisational restructuring and impact on workplace performance. This study highlighted the need for communication platforms (i.e. discussion forums) for the employees affected by the restructuring. A

study by Bews and Uys (2002) using a mixed-methods approach suggested that employees do not necessarily regard organisational restructurings as negative. Holloway's (2012) study established that task-oriented and relations-oriented leadership behaviour are positively related to the employees' perception of organisational climate.

## **1.5 Method**

In order to ascertain the effects of the organisational changes on job satisfaction and organisation climate, qualitative data collection methods were used. The researcher conducted semi-structured interviews as the primary source of data collection. To assist with evaluating the effectiveness of the changes that transpired, document analysis was chosen as an additional data collection method. A further interview was conducted with the Chief Commercial Officer (the role was previously named CE-OWC) to further probe some of the thought processes behind the changes.

## **1.6 Sampling**

Participants were chosen using purposive sampling. Leedy and Ormrod (2005) suggests that studies using qualitative research methodologies will typically use between 5 and 20 participants to form the sample size. The participation of candidates in this qualitative case study was strictly voluntary.

## **1.7 Data Collection Strategies**

### **1.7.1 Semi-Structured Interviews**

Due to the fact that the researcher intended exploring defined constructs, the one-to-one semi-structured interview was deemed best suited for the purposes of this case study. The interviewer, by making use of an interview guide with predetermined questions, is able to guide and not dictate the interview process. This structure also allows for a standard set of questions to be asked, along with questions adapted specifically for each participant for the purposes of clarification or elaboration.

The employees to be interviewed were purposively selected from:

- (1) different structures including operational and leadership - to gain an understanding of the change outcomes in relation to areas of the business
- (2) different levels - employee, team leader, senior manager and executive
- (3) longevity within the organisation - those employees that predated the leadership change

In order to analyse the interviews, coding techniques and thematic analysis was used to formally represent this data (De Vos *et al.*, 2005:338). These analytic techniques allowed the researcher to link outcomes of the changes to the identified behavioural variables.

### 1.7.2 Document Analysis

The researcher reviewed documentation (Table 1) that assisted in providing the background to the changes as well as the actual changes that have taken place. These documents took the form of financial reports, annual reports, organisational organograms and operational/strategic plans. Where the researcher required clarification in understanding the detail, he consulted with the CCO to provide further insight.

**Table 1: Documents consulted as part of the data analysis component**

<b>Type</b>	<b>Title</b>
<b>Financial</b>	Access Health Annual Financial Statement (Audited) 2011
<b>Financial</b>	Healthi Choices Annual Financial Statement (Audited) 2012
<b>Financial</b>	Healthi Choices Annual Financial Statement (Audited) 2013
<b>Strategic and Operational</b>	Organogram – Healthi Choices 2012 (June)
<b>Strategic and Operational</b>	Organogram – Healthi Choices 2013 (August)
<b>Strategic and Operational</b>	Organogram – Healthi Choices 2014 (June)

<b>Strategic</b>	Healthi Choices Strategic Plan 2012
<b>Financial and Operational</b>	Healthi Choices 2012 Annual Report

### 1.8 Method used to gather Organisational Change data

Details of the changes were gathered qualitatively. The researcher consulted a number of documents as per Table 1 as well as liaising with the CCO to gather a more comprehensive understanding of these changes. During the interviews, the researcher used the interview guide to probe the participants' understanding of the changes.

### 1.9 Method used to gather Job Satisfaction data

This construct was explored exclusively via the interview process. The researcher used the main dimensions of the Job Descriptive Index (Smith *et al.*, 1985) as the basis for constructing the interview questions relating to the job satisfaction construct.

The five dimensions explored were:

- (1) Work on Present Job
- (2) Pay
- (3) Opportunities for Promotion
- (4) Supervision
- (5) Co-workers

An example of exploring the “work on present job” dimension during the interview process is as follows:

Question 3  
 Why did you choose this type of work? (Structural)

Follow-up questions: Can you please tell me about aspects of your work during the day that you find particularly satisfying (Job Satisfaction – work on present job). Why do you consider these aspects to be satisfying and not other aspects of your job?  
 (Job Satisfaction – work on present job).

### 1.10 Method used to gather Organisational Climate data

As part of the interview guide, the researcher used the dimensions of the Organisational Climate Questionnaire (Litwin & Stringer, 1968) to compile the organisational climate questions. The dimensions explored were:

- (1) Formalisation
- (2) Support
- (3) Nature of Work
- (4) Reward
- (5) Interpersonal Relations
- (6) Risk Taking
- (7) Communication
- (8) Decision Making
- (9) Innovation
- (10) Teamwork

Based on the research conducted by Yahyagil (2004), the organisational climate dimensions were further sub-divided to allow the researcher to further explore this construct with participants. Yahyagil developed a 20-item Organisational Climate Likert scale (refer Table 2) combining research performed by Litwin and Stringer (1968), Fey and Beamish (2001), Jones and James (1979), Kirsh (2000) and Schneider *et al.* (1996) in order to understand the interdependence between concepts of organisational culture and climate.

**Table 2: Items used in Likert scale developed by Yahyagil (2004) based on Litwin and Stringer's (1968) research**

<b>Sub-Question</b>	<b>Organisational Climate sub-theme</b>
Q01)	clearly defined jobs and business procedures
Q02)	information given about organizational activities
Q03)	getting assistance from top-management
Q04)	reward in proportion to involvement in business strategies
Q05)	involvement in decision-making process
Q06)	challenging nature of work
Q07)	emphasis given to teamwork
Q08)	red-tape is kept to a minimum
Q09)	new and original ideas to receive consideration
Q10)	warm relations between peers and superiors
Q11)	hierarchical procedures should be observed
Q12)	motivating nature of work
Q13)	availability of peer support
Q14)	risk taking encouraged
Q15)	easy-going work atmosphere
Q16)	accessibility to information on job flow
Q17)	no satisfactory team work
Q18)	recognition in proportion to individual performance
Q19)	management welcomes new ideas and changes
Q20)	emphasis on involvement in decision-making process

An example of exploring the “innovation” dimension during the interview process is as follows:

**Question 3**

Innovation (Organisational Climate)

Follow-up of questions: Have any of your ideas been considered by Management?

How has Management’s openness to new ideas changed in the last two years?

Relevance:

New and original ideas to receive consideration (Organisational Climate, Q9)

Management welcomes new ideas and changes (Organisational Climate, Q19)

### **1.11 Response**

During August 2014, nine employees were interviewed out of a possible twelve candidates solicited. Employees were drawn from all levels within Healthi Choices. The duration of each interview was between forty minutes and one hour. Each participant was ensured that the contents of the interview would remain confidential. Furthermore, the participants were informed that only the findings of the research would be made available to executive team of Healthi Choices. Participants were also reminded that the interview process was voluntary and that they could withdraw at any time. None of the interviewed participants chose this option. All the participants were female.

### **1.12 Case Description**

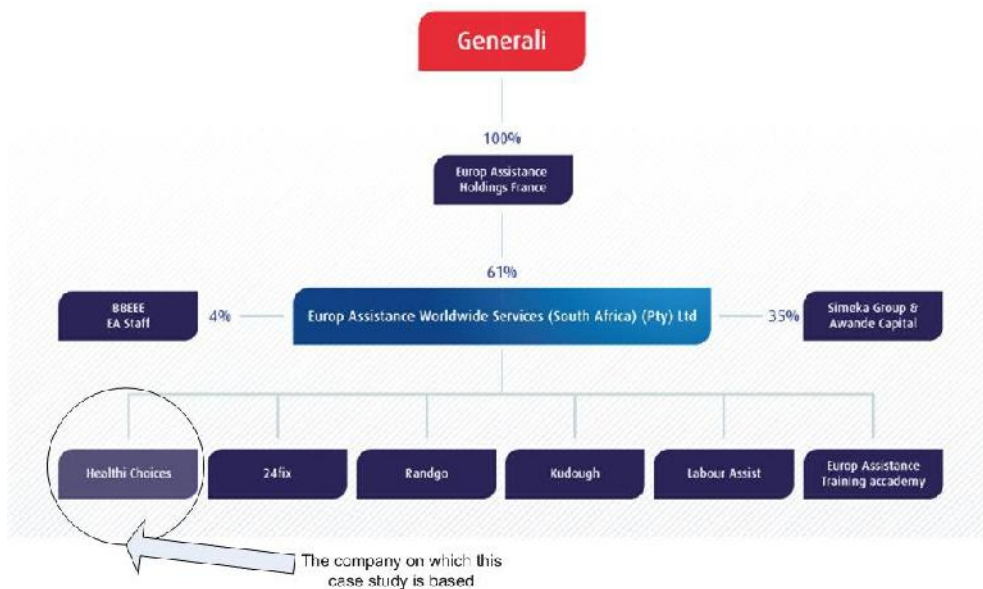
#### **1.12.1 The Employee Wellness Industry in South Africa**

Wellness programmes are intervention strategies intended to promote the well-being of employees (Els *et al.*, 2011:2). The concept of an employee wellness programme appears to have its origins in America during the nineteenth century as a result of employers attempting to rid individual employees of alcoholism within the workplace (Arthur, 2000:551). Employee Wellness Programmes (EWP) within South Africa have their origins in the mining industry as a result of a study undertaken by the Chamber of Mines of South Africa (Els *et al.*, 2011:2). Due to a number of factors including in-house skills and unpredictability in costs, employee wellness as an outsourced industry resulted. Organisations could then utilise programmes developed by (these) Employee Wellness organisations to offer these services as an additional perceived benefit to their employees. One of the primary catalysts within South Africa for the growth of this industry was the HIV/Aids pandemic that was particularly hard hitting. The South African Chapter of the Employee Assistance Programme Association

(EAPA-SA) was formed in 1997. Healthi Choices is one of approximately thirty organisations in South Africa that are affiliated with EAPA-SA.

### 1.12.2 Overview of the Organisation

Healthi Choices (Pty) Ltd. is an employee wellness organisation based in Roodepoort in Gauteng. It is a subsidiary of Europ Assistance South Africa (EASA). EASA forms part of the multi-national Europ Assistance Holdings (refer Figure 1), headquartered in France. EASA operates in an autonomous manner from the parent organisation. Although EASA is a fifty percent plus one i.e. the majority shareholder, in a similar fashion Healthi Choices is an independent organisation.



**Figure 1: Europ Assistance Organisational Structure (Europ Assistance, 2014)**

The structure of Healthi Choices is hierarchical in nature. When the new leadership took over the running of the organisation, the organisation was restructured as per the following organogram (Figure 2):

## Healthi Choices – June 2012

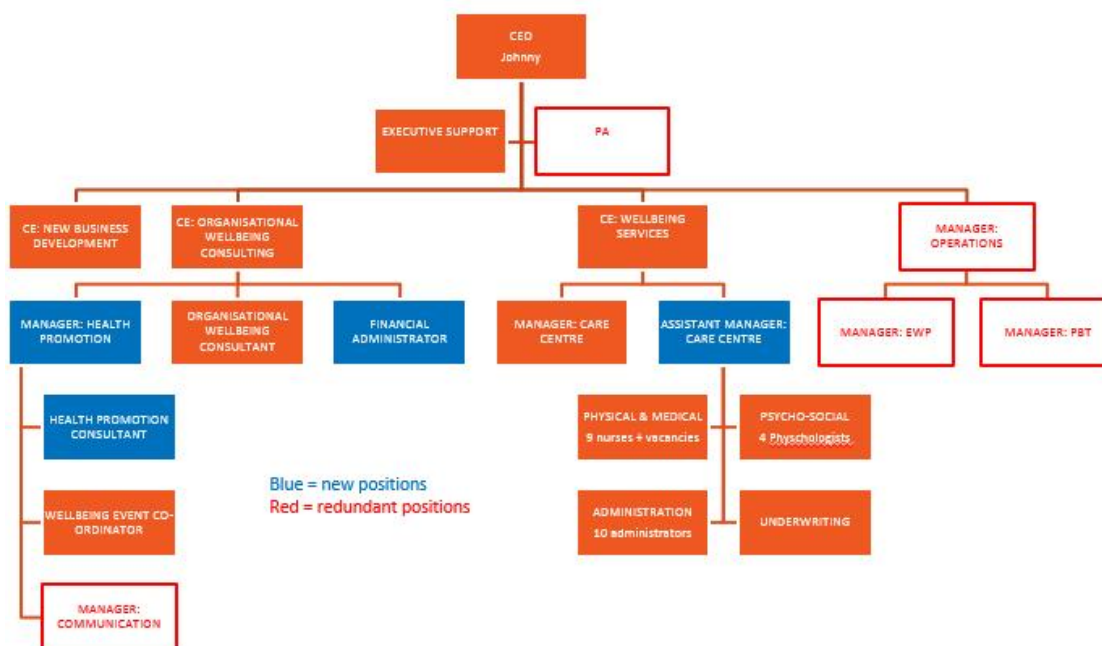


Figure 2: Organisational Structure post-new leadership (Healthi Choices, 2012a)

The leadership team included the following members:

- (1) Chief Executive Officer
- (2) Chief Executive – Wellbeing Services
- (3) Chief Executive – New Business Development
- (4) Chief Executive – Organisational Wellbeing Consulting
- (5) Manager – Operations

The next level of management consisted of senior managers with team leaders reporting into the various senior managers.

The new leadership team undertook a rebranding exercise soon after they started managing the organisation. After consulting with external branding consultants, they concluded that the previous name, Access Health, conjured specific service offerings to clients (Healthi Choices, 2011).

**Table 3: Old and New Product Mix**

Old Product Offering (pre May, 2012)	Expanded Product Offering
Disease management	Disease management
Maternity	Maternity
Organisational wellbeing	Organisational wellbeing
	Health promotion
	Care Programmes
	Executive wellbeing

This name suited the previous product offerings of Chronic Disease Management (CDM) and the Employee Wellness Programmes (EWP). However, the name was found to be limiting in terms of the new image that the leadership team intended to build. The Healthi Choices name was chosen as it was felt to be more holistic whilst allowing for a reconfiguration of the product mix. As a result, they reinvigorated their product range (refer Table 3) with a view to provide their clients (current and potential) with a wider product choice (Healthi Choices, 2011). Additionally, clients could make use of one or more of the new products.

There were a number of consequences resulting from this enhanced product offering:

- (1) Existing employee skills had to be matched to new products being offered (i.e. new competencies were required).
- (2) New employees had to be appointed for the new areas.
- (3) New computer systems were installed.
- (4) Teams were restructured to match the product combinations being offered.
- (5) A new middle management (team leader) tier was instituted.
- (6) New service providers were on-boarded.
- (7) Changing of shifts and working hours of wellness consultants were implemented.

During the first year of succession, the new leadership initiated a cost-cutting exercise as a result of a thorough analysis of their predecessor's financial position. Additionally by virtue of a major client cancelling their contract with Healthi Choices, some

members of the team that dealt with that client were retrenched. As a consequence, the CEO communicated to all employees that they would not be receiving their full annual bonus as this would not make sense given that a team lost their jobs (Healthi Choices, 2013b).

The Access Health organisational structure was fairly flat. The (then) CEO often interacted with employees across all levels. Employees felt that the work environment was like a second home. Quoting an employee, “ ... and it felt like being part of a family”. Access Health had a handful of large clients that contributed to the bulk of its annual turnover. Part of the strategy of the new leadership was to ensure that going forward, the business model was sustainable by not being dependent on only a few large clients.

Prior to assuming full responsibility of Healthi Choices, the incumbent executive team with some of their employees spent two months assessing the existing operational model. The official handover was in May 2012. For a short period after this date, the previous CEO stayed on in a consulting capacity. Subsequent to her departure, a number of ex-Access Health senior employees resigned for various reasons.

### **1.12.3 Healthi Choices post May, 2012**

Strategically, the new leadership team believed that fostering stronger ties with their South African parent, Europ Assistance South Africa, would benefit the organisation. The closer relationship would also allow Healthi Choices to showcase the bigger group when tendering for new business whilst keeping the bulk of the decision-making at the organisation in-house. In this regard, contracts were instituted covering areas such as ICT operations, operational human resource management, marketing, legal services and other ancillary services within the group.

### **1.13 Results**

Results will be presented for each of the following organisational change initiatives:

- (1) Changes in working hours and shifts
- (2) Implementation of new computer systems
- (3) Team restructuring and new business areas
- (4) Restructuring and non-payment of bonuses

### **1.13.1 Changing of shifts and working hours**

#### *Background:*

Due to the new product mix (refer table 1) that Healthi Choices intended to offer its existing and prospective clients, a change in working hours and shifts was necessary in order to address client demands. These changes primarily affected the case managers within the call centre as their working times changed. Some staff had to work on a Saturday on a rotational basis in accordance with the requirements of a particular client. The rotational shift work from 7am to 7pm was also made redundant.

#### **Interviews**

##### *The Employee Perspective:*

For those employees that were affected by the working hours and shifts, there were implications. One employee shared the following, "... then when the new company came over there were many changes whereby we were requested to work even on Saturdays which was not good because, sorry I have a small child and I don't have a baby-sitter on a Saturday". Another employee's response was "... and on Saturdays I had to come to work, not every Saturday but maybe once a month but I was not used to that. It took a lot of getting used to". The emotional impact was elaborated upon by another by sharing that she felt that it took her between a month and two months to get used to these changes.

Some of the affected staff were not satisfied with the lack of consultative processes pertaining to these changes. As per one employee, "Normally they say, people who are in the offices (management) make the wrong decisions because they are not face to face or hands-on with what's happening there. As people who work with these clients we have to be involved so that we can know what is it that is impacted, not like be told this what we're going to do". Others felt that the communication was one way, "... we're not even allowed to ask questions about what that is, you're just given (short silence); you're supposed to work this and this".

However, when queried as to whether the management acted correctly when changing the working hours and shifts, despite the initial reservations expressed by some employees that were interviewed, all bar one participant felt that management acted correctly. One interviewee expressed the following, "We got accommodated and so far no one is complaining. Let me speak for myself, I'm not complaining".

### *The Management Perspective:*

As a merger of two entities concentrating on different areas, i.e. the 'old' Access Health business was primarily focussed on disease management and the new team focussed on organisational well-being, a number of steps were followed in order to position the new organisation in a manner fit to serve clients. These included the reassignment of tasks based on certain team members leaving the organisation. Another step was to consult with affected teams, and to have one on one discussions with those team members whose roles changed drastically, to quote the CCO, "The way in which we consulted, we spoke one on one with the affected people where they job profiles were changed significantly or alternatively where certain jobs were moulded together".

### **1.13.2 Implementation of new computer systems (software)**

#### *Background:*

The practice management system used by Access Health was a bespoke IT system developed for their specific requirements. This system was not going to cater for all aspects for the Healthi Choices business, especially the employee assistance programmes, and would have been too costly to modify. Healthi Choices implemented a practice management system that is commercially available with the feature set being in accordance with their varied requirements.

#### **Interviews**

##### *The Employee Perspective:*

The new system was characterised by one of the respondents as follows, "The programme that we used before was, what can I say, user-friendly. This one (referring to the new system), depending on the number of people using it, or what time of the day, it becomes slower and slower. Sometimes you even lose a file with it. So, it's really, really giving us problems". Another view that was shared, "Even though it helped a little bit but we're still experiencing problems".

*The Management Perspective:*

Management acknowledged that the change to the new computer system was significant in terms of its impact. As per the CCO, “Probably the biggest change there was that there was a new system. So people had to do the same job on a different system”.

**1.13.3 Team Restructuring and new business areas**

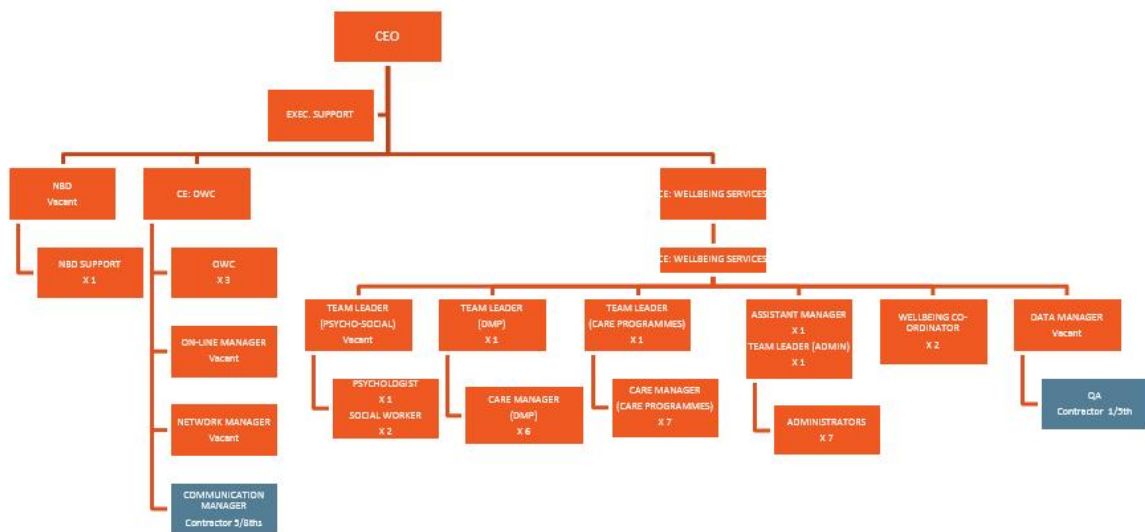
*Background:*

A number of factors resulted in teams being restructured. At a senior management level, the resignation of some of the key staff members, including the operations manager and the employee wellness manager, resulted in additional tasks being reapportioned to existing team members. Figure 2 shows the areas where certain posts were made redundant. With the addition of new business areas and the expansion of existing ones, additional employees were recruited. The leadership team instituted a team leader management tier in order to structure the new business areas more optimally.

*Documentary Evidence:*

After May 2012, the new leadership restructured the teams as per Figure 3:

Healthi Choices Organisational Structure – August 2013



**Figure 3: Organisational Structure after year one, (Healthi Choices, 2013c)**

The purpose of this restructuring was to cater for the growth in the organisation (refer Table 4), the additional business areas and to position itself to best serve the expanded client base.

**Table 4: Staff complement 2011-2014 (projected)**

	YEAR			
	2011	2012	2013	2014
<b>Staff Complement</b>	20	35	40	45

## **Interviews**

### *The Employee Perspective:*

The response from employees varied. Some felt that the restructuring exercise provided an opportunity to expand on their skills as there was an expanded service offering to clients. One participant shared, “Now I do a lot of things, I do accounts, I do lots of things compared to Access Health”. Others felt that the status quo remained, “It’s still the same, even though it is two different people”. However, the participants all shared the view that there were less hands on supervision and that they could work independently for the most part.

### *The Management Perspective:*

Management acknowledged that the restructuring exercise impacted the employees. The CCO shared, “I think it was a big impact. Primarily because the company grew so quickly. So it went almost from a family atmosphere where there was constant interaction, constant support, direct supervision on a day to day basis, to an environment where we now had an extra layer of supervision”.

## **1.13.4 Retrenchments and non-payment of bonuses**

### *Background:*

Refcorp Corporation<sup>1</sup> was one of Access Health’s major clients and responsible for a significant portion of the organisation’s turnover. Contracts with clients typically run from the January to December financial year. A dedicated team of seven employees serviced the Refcorp account consisting of a manager, administrative and call centre employees. During the second part of 2012, as a (loyal) client for more than five years of Access Health/Healthi Choices, Refcorp cancelled their contract with Healthi

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<sup>1</sup> For confidentiality purposes, all references to actual clients of Healthi Choices have been changed.

Choices. This came as a shock to the new leadership who then had to take remedial action. Specific steps taken were to:

- (1) Inform all employees of the impending loss of the client.
- (2) Schedule meetings with the impacted employees that the current jobs would be made redundant and hence that the organisation had to initiate retrenchment processes.
- (3) Notify all employees in November 2012 that annual bonuses would not be paid in light of the fact that certain employees would be retrenched.
- (4) Inform the employees that were affected by the retrenchment that they could apply for posts within the other areas of the Healthi Choices business.

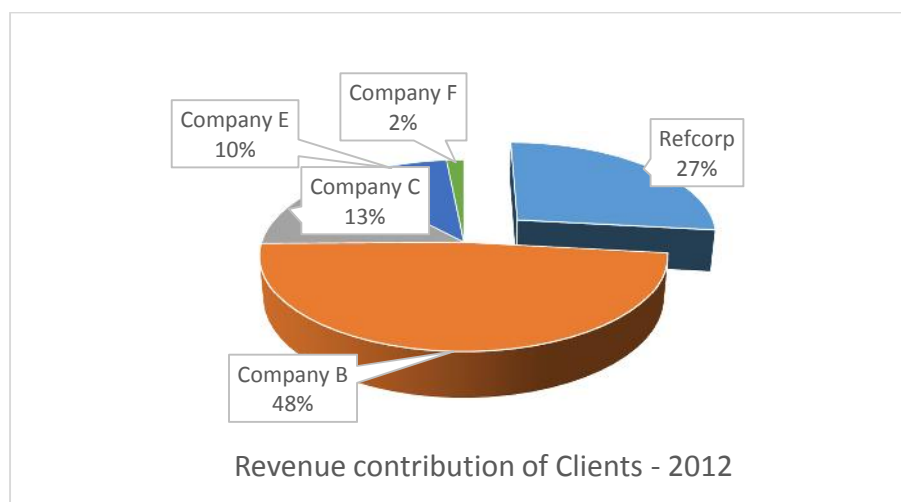
Three employees managed to secure positions in other areas of the business.

#### *The Employee Perspective:*

One participant was extremely vocal in terms of not receiving her bonus. To quote, “Can I be blunt? I hated them. I hated them because we did these – pauses – eish, I hated them. They told us after the 15<sup>th</sup> of November, a week before that we’re not getting any bonuses”. This sense of anger was felt by all the lower level employees.

#### *The Management Perspective:*

The Access Health business was able to secure some key clients which were responsible for a substantial part of their annual turnover (Figure 4). For the 2012 financial year, Refcorp contributed 14% of Healthi Choices’ turnover, an amount of R 3,4 million. Company D was brought on stream during 2012, and without that company’s revenue, Refcorp’s contribution to annual turnover would have increased to 27% which would have been in line with annual turnovers pre-2012 (Figure 5).



**Figure 4: Contribution of major client to annual turnover - part 1 (Healthi Choices, 2013a)**

When Refcorp informed the organisation that they would no longer be renewing their contract, it had significant knock-on effects.

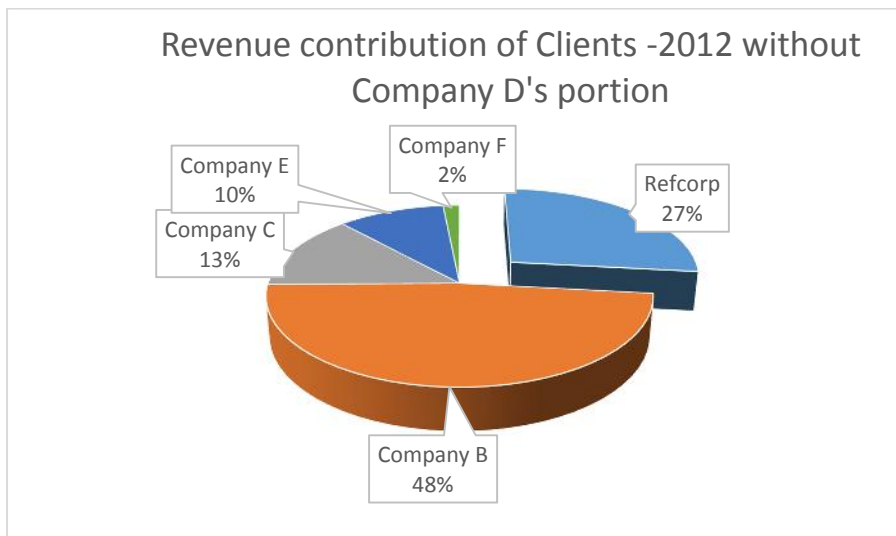


Figure 5: Contribution of major client to annual turnover - part 2 (Healthi Choices, 2013a)

The organisation found it prudent to keep some of the funds that would have been paid in bonuses for ongoing 2013 operational expenses. Quoting the CCO, “I think the first realisation of the impact was that there were now no more jobs for those particular people. The second impact to the broader group was that now we were not bankrupt but skating on thin ice. We’ve lost a huge amount of margin which was covering bonuses and all those wonderful things and we now no longer had that money”.

Findings from research by Freedman *et al.* (1992), showed that the larger the incentive (e.g. bonuses) that is offered, the more negatively employees will view the activity for which the incentive was received. However, their study also showed that when employees receive verbal reinforcement from management, they were more likely to develop intrinsic motivations to perform the job. According to Gray (2000), “incentive bonuses, which are intended to motivate people to exceed ‘standard’ performance, often get included in what people expect to be paid”. Some of the employees that formed part of this study, assumed incorrectly that the bonus was a given and when the non-payment of bonuses was announced, reacted negatively.

### 1.13.5 Comparison of Access Health and Healthi Choices

In relation to the constructs that were reviewed, the researcher compiled a matrix based on the perspectives of the interview participants for the periods prior and post

the new leadership. In terms of the Job Satisfaction construct, the researcher opted to categorise the responses using appropriate items from the various dimensions of the Job Descriptive Index (Smith *et al.*, 1985).

Comparison of Job Satisfaction dimensions pre and post new leadership:

Table 5: Access Health and Healthi Choices compared – Job Satisfaction dimensions

Access Health <i>Pre May 2012</i>	Healthi Choices <i>May 2012 to June 2014</i>
<b>Supervision</b>	
<p>It has changed - with Access Health we were supervised almost every day.</p> <p>With Access Health, for me, it's still that teamwork between the current team leader and the 'old' staff. I don't do anything wrong in that it then becomes an issue.</p>	<p><u>Around when needed</u></p> <ol style="list-style-type: none"> <li>(1) If you get a case and you're not sure about it, you can go to the team leader and discuss it.</li> <li>(2) With me I don't get that much supervision. The only time I would really need supervision is when senior management has to be involved in some decisions. I would discuss matters with her [team leader].</li> <li>(3) Not much, I'm not supervised every day. Maybe I'm given things to capture on the system, but most of the time I know what I must do every day.</li> <li>(4) Well, basically what goes, if an event goes wrong or something, definitely she is there to actually guide you and show you the right path.</li> <li>(5) It's quite minimal. I have a new manager as well and we meet weekly mainly to track on the progress of previous week's goals.</li> </ol> <p><u>Hard to please</u></p> <ol style="list-style-type: none"> <li>(1) The new person I don't understand at all, she's not open. I can't see what her character is. She just wants you to do what you have to do.</li> </ol> <p><u>Supportive</u></p> <ol style="list-style-type: none"> <li>(1) And then be able to decide what kind of action you need to do to solve that particular problem.</li> <li>(2) Now I do a lot of things, I do lots of things compared to Access Health. Now it has changed, I can do my work according to my time. I have my own timetable. Like</li> </ol>

	today, I'll be doing this, after an hour I'll be doing this where else at Access Health I was given a timetable and I had to follow it through.
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**Pay**

<p>Access Health was not a good paying company. Even though the money we felt was little, there was job satisfaction. There were things that were not correctly done, but you could still take this monies and continue working. My salary dropped when I started here but I loved the programme.</p>	<p><u>Underpaid</u></p> <p>(1) I don't like it. Getting an increase of 2 or 3% is an insult. I ask myself, why am I still here?</p> <p><u>Less than I deserve</u></p> <p>(1) I'm not happy. I've been with the company for five years. I've been told my salary is too high and it must come down to be the same as the people that started two years ago.</p> <p>(2) With Healthi Choices it is still the same – the only change was the time with the bonus.</p> <p><u>Fair</u></p> <p>(1) It's a lot better than with Access Health.</p> <p>(2) Well, it actually was much more better than when I started in Healthi Choices to Access Health.</p> <p>(3) I'm happy currently because if I compare my previous employer and now, yes I do earn more.</p> <p>(4) Umm, it's fine. Well, didn't expect it, but yes, it was fine. (pauses) - It's fine.</p>
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**Opportunities for Promotion**

<p>With Access Health they never made any promises of growth or anything. It's still the same to me.</p> <p>Access Health they didn't. There was no growth.</p>	<p><u>Very limited</u></p> <p>(1) Never seen anything like that. So it's been like that – there's no space for growth or anything, positions you can apply for.</p> <p>(2) There's no growth here. There's no growth. You'll be in your role for the next twenty years. I won't take a promotion here, even if I was offered it. I'd rather be a team leader in another company.</p> <p>(3) I'm not sure - I haven't seen any promotions.</p> <p><u>Opportunities somewhat limited</u></p> <p>(1) I think it depends who your team leader is. With Access Health there wasn't anything but with Healthi Choices there is.</p> <p>(2) I think there is a minimal opportunity because there isn't really much or we are</p>
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	<p>not that huge company that allows upward growth at the moment.</p> <p>(3) I think there's more opportunity in Healthi Choices because they're bigger.</p> <p><u>Unfairness in the promotion process</u></p> <p>(1) They trained the person, they groom the person, they make sure the person is right for the job and they come back to us and say if you want to apply for the job, you can. But they already train someone to that position. I said to myself why should I apply for something who they know they already know they want.</p>
<p><b>Co-Workers</b></p>	
<p>That time we had like a close-knit relationship.</p> <p>It was easy-going. It was nice! Family orientated and everything.</p> <p>We've (the 'old' staff) got a different relationship. We understand each other so much.</p> <p>I think I'm still loyal to the Access Health group. Healthi Choices, hah, I'm loyal to the 'old' group.</p> <p>For me it didn't change because I don't really associate with the Healthi Choices group. I'm still with the Access Health group.</p>	<p><u>Helpful</u></p> <p>(1) We're good together and we help each other, accommodate each other, we do respect each other.</p> <p>(2) So your co-workers it's like working as a team for the success of the organisation</p> <p><u>Indifference</u></p> <p>(1) Now it's mostly about work-related things.</p> <p>(2) No, it hasn't changed. It's very much work related.</p> <p>(3) No there was no change, we just work.</p> <p><u>Challenging</u></p> <p>(1) Well, You know within Healthi Choices there are lots of bodies, so definitely it is different. But with growth you are bound to have those kind of challenges. There are so many people you're dealing with. That's just the reality of the situation. But I think for us to be more comfortable with each other, there needs to be roles clarified and everybody needs to know where they start, where they end. And currently there's a lot of grey areas and that we tend to have like clashes there.</p>

Comparison of Organisational Climate dimensions pre and post new leadership:

Table 6: Access Health and Healthi Choices compared – Organisational Climate dimensions

<p><b>Access Health</b></p> <p><i>Pre May 2012</i></p>	<p><b>Healthi Choices</b></p> <p><i>May 2012 to June 2014</i></p>
<b>Innovation</b>	
<p>(1) At Access Health we, like I'm saying, we were a very small company but the management then was open for ideas, was open for discussions and implementing them.</p> <p>(2) When you suggest something, with Access Health they say they will look. And we were not big.</p> <p>(3) It's the same, because with the other one I was never the opportunity to say "If you have any ideas, you're welcome to come forward". Nothing like that with both companies.</p> <p>(4) No, it hasn't been different before.</p>	<p>(1) And with Healthi Choices, like I said there would be discussed and suggest but it would end there and it would not be taken further. I think it's more on basically not knowing people's strengths or not yet having confidence in them and you want to see how it first goes.</p> <p>(2) Ai, they never ask staff for any ideas. Nothing.</p> <p>(3) No [innovation].</p> <p>(4) I was never given the opportunity to voice my ideas.</p>
<b>Support</b>	
<p>(1) I think people from Access Health, we stood together. The 'old' team.</p>	<p>(1) I didn't get any help, any support from Healthi Choices.</p>
<b>Teamwork</b>	
<p>(1) I think it has improved, but with Access Health, teamwork we were more like a family. When you're not at work, everyone wanted to know why you're not at work. If you have a problem, they'll come and sympathise with you.</p> <p>(2) Whereas with Access Health we were a handful so it was easy to work around each other.</p> <p>(3) You then love it, realise that maybe the people around you that made you love it or maybe made it easier for</p>	<p>(1) Everything is still the same.</p> <p>(2) We work as a team more or less. It was painful, we meet new people and we don't really click. The culture was different and we have to learn to click to the culture.</p> <p>(3) So now when you have a problem some people will say don't tell the boss to tell the people to come and sympathise with me, even if they have a problem. I find it strange, why are you doing that, we are here for each other. But it doesn't look like we're here for each other. But that is not a fault for management, it's among ourselves.</p> <p>(4) I'm not going to force you to talk to me if you don't want to. So I will just leave you and give you the privacy that you want.</p>

you to fit in. And then we got too comfortable and to use to it and we were like home, and it was like home.	(5) When it comes work, we work well as a team. But socially, no. I don't really mind with that, because we are here for work.
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## 1.14 Core Themes

Subsequent to analysing the data, the recurrent themes that emerged were:

Table 7: Themes emerging from the interview process

Theme	Description	Affected Behavioural Variable(s)
<b>Work on Present Job</b>	The work that employees are currently performing.	Job Satisfaction
<b>Senior Management and lower level employee relationship</b>	The importance of the senior management and employee relationship to employee job satisfaction and decision making.	Job Satisfaction, Organisational Climate
<b>Communication between structures</b>	A need for more frequent and detailed communication.	Organisational Climate
<b>Management Support</b>	Support by management during organisational change.	Organisational Climate
<b>Innovation and Risk-taking</b>	Creating a climate for innovation and risk taking across all levels of the firm.	Organisational Climate
<b>Opportunities for Promotion</b>	The likelihood of promotion opportunities being created.	Job Satisfaction

### 1.14.1 Work on present job (Job Satisfaction)

Question three addressed the aspects of work that the participants found satisfying and aspects that were not satisfying. The predominant trend in responses indicated that satisfaction is achieved by virtue of assisting patients/clients. The researcher categorised these responses as per the relevant sub-items specified by Smith *et al.* (1985):

Work on present job sub- dimension as per Smith <i>et al.</i> (1985)	Participant Response
<b>Gives sense of accomplishment</b>	(1) With the health education that we give, especially HIV, you know that if you information to one person, it's going to help others. Like

	<p>maybe one of their friends or family members is HIV positive and they will be able to take the information that we've given them and be able to help others.</p> <p>(2) We are touching so many lives in so many ways.</p> <p>(3) Umm - pause - well I think by accomplishing a lot in a day at work with the stocks and the stuff like that. If any event goes well umm it makes you feel happy.</p>
<b>Rewarding</b>	<p>(1) As I said working with HIV means a lot. I wish I could do more.</p> <p>(2) Even though some of them default; mothering them, being their nurse, their educator, their counsellor, you know. That's what make me come to work, it's them.</p>
<b>Can see results</b>	<p>(1) So I think coming here, even though I don't speak to them every day, I see the difference that CDM is doing in people's lives.</p> <p>(2) So it's actually more reaching those lives and proactively managing their well-being.</p> <p>(3) In that context I look at it and say well, I believe the quality is good, I believe it was on time.</p>
<b>Satisfying</b>	<p>(1) Being able to encourage or make somebody take responsibility about their own well-being.</p> <p>(2) I think my patients give me satisfaction. I don't know how I can describe the satisfaction that I feel talking to them.</p> <p>(3) Seeing an HIV patient going from her CD4 count going from eight to being a thousand is very satisfying because I come from a township.</p> <p>(4) I think with the logistics part of it, it revolves more around an event, it revolves an event, so</p>

	<p>if the goes off well and there is no issues or no problems it makes you feel satisfied.</p> <p>(5) I think it is when I get to help someone that needs help on the phone and at the end of the call the person says thank you. I find it very satisfying.</p> <p>(6) I do the quality assurance which is important because it then gives you the objectives why we're doing the programmes in the first place. And that is satisfying because if you look at the number of lives we're touching or we're reaching, it gives you an indication that there is a need out there for the service.</p> <p>(7) So it's actually more reaching those lives and proactively managing their well-being. That is the part that is more satisfying to me.</p> <p>(8) When I can walk away and say that I managed to help that person and give them what they ask for, that for me is also satisfying.</p>
<p><b>Repetitive</b></p>	<p>(1) The other thing that we do is a little bit of admin which I don't like. Now there are so many people involved that you end up doing the same thing over and over again.</p>

### 1.14.2 Senior Management and lower level employee relationship

With the introduction of a middle management tier, the employees at the lower levels that predated the leadership change experienced a change in access to senior management. As previously explained, the previous CEO would interact with all employees. One possible reason is that the organisation had a relatively small number of employees before May 2012 (refer Table 4).

This theme was explored in question two and question five. The first part of question two explored the effect that changes in working hours and shifts had on them. All the participants that were impacted by this change, experienced an affective (cognitive

and emotional) response. One participant stated, "... and to a point, I got sick. I dreaded coming to work". She felt she was told about the changes "like a child" and "felt like nothing". Another participant shared, "Initially I was unhappy but I told myself, sometimes keeping quiet and not doing anything about something won't really help. So if you talk and you say something, somehow someone is going to listen and be able to assist and it will be attended to".

The second part of question two explored decision making processes within the organisation. Again, it was felt that these decisions were made in isolation and was one-sided. In the words of one participant, "Ja, informing. This is what they're going to do, this is the hours they're expecting, so this is the hours we're going to be working. No consultation, nothing". It was further felt that the senior management has a lack of understanding of what transpires at the coal-face. In the words of one participant, "Normally they say, people who are in the offices (management) make to the wrong decisions because they are not face to face or hands-on with what's happening there (in the call centre)".

In contrast to the views expressed from those that were directly affected, the management perspective in response to question two was that in order to serve the organisation's clients with the enhanced product mix, these changes (in working hours and shifts) were necessary in bringing together the Access Health and Healthi Choices parts of the organisation. The CCO admitted that "you can't necessarily speak to everybody and make everybody happy all the time". However, a consultative process took place with those employees whose duties changed dramatically. To quote the CCO, "And as I said, that was very much a one on one talk. The implications for each person were very, very different".

Question five explored the issue of non-payment of bonuses in November 2012 and the retrenchment of some employees due to the non-renewal of a contract. Non-management participants responded to this question in the harshest terms. More than one participant indicated that they were angry with management and that it was the worst time of their employ at Healthi Choices. In the words of one participant, "It may me so angry, it made me so disappointed and I hope it will never happen again".

Participants at a more senior level had the understanding that the non-payment of bonuses was a business decision based on the loss of a key contract. One senior employee shared, "and even though it was not only that team or that division that was

affected, but it was the entire company that was affected”. The management perspective of this issue highlighted the fact that the bonus was in fact dependent on company profits and not a given.

#### **1.14.3 Communication between structures**

Although communication formed part of question four, aspects of this theme was highlighted from responses to questions two, four and five in the areas of decision making, restructuring of teams and the bonus and retrenchment announcements.

In response to question two, participants at lower levels felt communication was one-way, i.e. from management down. One participant said the following, “We were told this is what’s going to happen. This is what the contract says, this is what we’re going to be doing. They decided, they did the contract, they decided what is the hours is going to be whoever we’re going to be working with”. Question four explored the restructuring process. Participants felt that they had limited or no input in influencing the decisions made. As per one participant, “...because as part of the employees, it was going to be nice if we were going to be called by management to voice our questions”. This sentiment reinforces the sense of one-way communication.

#### **1.14.4 Management Support during challenging periods**

This theme was explored in question four. All participants indicated that during the restructuring process, there was a lack of support from management. Statements such as “I don’t remember any kind of support”, “I didn’t get any help, any support from Healthi Choices” and “there was no support, you just had to work” were expressed by the participants.

However, management felt that they created an environment for dialogue and that any employee could engage with the most senior members of the organisation. To quote the CCO, “We tried to create as many open forums as possible but sometimes in a group meeting people are a little bit sensitive and won’t really make their voices heard”.

#### **1.14.5 Innovation and Risk-taking**

These themes were explored in question three. By unpacking the innovation part, participants felt that a climate for innovation is lacking within Healthi Choices. Specific

remarks included, “I was never given the opportunity to say anything, to put my ideas forward”, “Ai, they never ask staff for any ideas. Nothing” and at a higher level, “... we do have sessions where we can discuss and brainstorm, but that is where it ends” (refer Table 6).

From a management perspective, it was felt that the organisation’s structure allows ideas to be raised through the ranks. The organisation’s leadership team relies on the lower level management structures to feed information through where these ideas can be discussed and evaluated.

Participants felt that there was a lack support for risk taking within Healthi Choices. However, they acknowledged that in an environment that dispenses medical advice, taking risks could put the organisation at risk financially and could impact the organisation’s reputation. When a situation presented itself that attracted an element of risk, the common understanding was to escalate to someone in authority.

The management view is that a risk taking climate has to be created over time. This is mainly due to the fact that the bulk of the employees are relatively young and new to the employee wellness industry and therefore require guidance with certain decisions that could be construed as being risky.

#### **1.14.6 Opportunities for Promotion (Job Satisfaction)**

Question six interrogated participants as to whether there was evidence of opportunities for promotion. There was consensus from the participants that there were very little evidence (refer Table 5).

According to management, the organisation is relatively small, even though the organisation has doubled in size since May 2012. This limits the ability of employees to be promoted. However, opportunities for promotion do arise when people leave their posts (e.g. resign) or the organisation initiates a restructure. As per the organisation’s organograms, this happens periodically. At the time of compilation of this case study, forty two employees were in the organisation’s fulltime employ. This is up from the twenty employees in the organisation’s employ as at May 2012 (Healthi Choices, 2014b).

## 1.15 Discussion, recommendations and key conclusions

### 1.15.1 Comparison of financial status before and after the leadership change

The researcher examined the financial statements of Healthi Choices and in conjunction with the CCO, constructed the following financial summary:

Table 8: Healthi Choices Income Statement

	Access Health		Healthi Choices		
	2010	2011	2012	2013	2014
Income Statement:	Audited results (Rm)	Audited results (Rm)	Audited results (Rm)	Audited results (Rm)	Forecast (Rm)
Revenue	15 570 506	16 312 564	33 774 631	64 366 089	65 152 105
Gross Profit	8 141 488	8 616 538	18 673 454	29 159 390	34 463 848
GP%	52%	53%	55%	45%	53%
Profit/(Loss) after Tax	-374 791	371 493	1 322 642	6 182 816	6 507 564
PAT% (*)	-2%	2%	4%	10%	10%

(\*) Profit as a percentage of turnover

An analysis of Table 8 shows that during the two-year period under review, there is financial evidence to show that the organisation is on a better footing than its predecessor. However, due to the scope of this case study, the researcher is unable to provide further insight into the underlying reason(s) for this improvement in the financial fitness of this organisation. A further analysis could be undertaken to ascertain the reason(s) for this improvement i.e. is this change as a consequence of

a single change, a combination of the changes, all of the changes or none of the changes implemented.

### **1.15.2 Work on Present Job**

The front-line employees that were interviewed all felt that they made a positive difference in their patients/clients' lives. This aspect made them come to work. The participants that interacted with patients felt that the expanded product mix allowed them to expand their skillset and would potentially make them more flexible and marketable. However, a perceived lack of training in new areas initially limited their effectiveness. It was also felt that some administrative tasks could be automated which would allow employees to spend more time with their patients. At the senior levels of the organisation, employees were satisfied with their job when the output that they delivered was on time and of a high quality.

Kanfer (1994) cited in Gray (2007:223) emphasises that incontrovertible evidence exists to show that the satisfaction employees achieve from tasks, increases their motivation to perform that task. As a result, a positive impact on outcomes is achieved. In contrast, when employees don't derive satisfaction from their work they become demotivated, frustrated, and on occasion, resentful.

### **1.15.3 Senior Management and lower level employee relationship**

It is evident from this research that lower level employees cannot relate to senior management. It is an "us and them" situation that warrants investigation. The interviews highlighted the fact that the previous regime engendered a warm and family atmosphere, "It was easy-going. It was nice! Family orientated and everything". One participant used an analogy to describe the current environment, "How can I explain it. When you get up and you're going to the farm, I must make sure that the tractor is full of the goods that is to be harvested and then deliver the goods and go home". Employees yearn for environments where they feel wanted. The Healthi Choices management has to find a way to strike a balance between the business objectives and creating an environment where employees feel that they can engage with all levels. With some employees being reluctant to engage with senior management, alternate methods encouraging feedback should be instituted. This would include

employee surveys, focus groups attended by senior management and suggestion boxes.

Reichers and Schneider (1990) suggest that the behaviour of the employee's supervisor/manager strongly influences his/her perception of the organisational climate. Irrespective of whether these perceptions can be objectively justified, organisational climate is affected. Therefore, the logical deduction from this assertion would be that if the managers change their behaviour, employees will perceive an improvement in the climate.

Gray (2007:214) postulates that an experienced observer that is external to the organisation can be requested to provide feedback pertaining to the organisational climate. By virtue of this person's experience, he/she should be able to detect the prevailing mood which is not apparent to the daily 'inhabitants' of the organisation. The author notes that a criticism of this observation process would be that it is merely a superficial attempt at understanding this aspect of the climate. However, due to the impartial nature of the observer, useful insights between the management and subordinate relationship are realisable.

#### **1.15.4 Communication across levels**

Employees expressed the desire to have forums where they can engage with the senior management tiers. The research indicated that when certain decisions were taken, the team leaders were unable to answer questions posed by their staff. In the words of one participant, "because sometimes we find that they are the people who attend the meetings, they come and tell us what is happening there, but they are not able to answer all the questions that we have".

Brand and Wilson's (2000) research into an organisation that experienced a successful restructuring exercise, highlighted effective communication as a way of overcoming resistance to change. The authors explain that information pertaining to the change, including desired outcomes, has to be made available in a timeous manner. The management team in conjunction with the change agent can then address any employee concerns in order to minimise resistance.

According to Gomes (2009:190), the development of change processes must cater for the involvement of employees as they are directly impacted by it. As part of an adjusted communication strategy, individuals that are responsible for the organisational

communication function are advised to plan internal communication by using diversified channels when targeting employees. Although some employees may be unhappy about the outcome of change processes, studies in social justice have shown that these employees are less dissatisfied when they understand the process through open communications and see it as fair (Schweiger & De Nisi, 1991:128).

Gray (2007:46-47) suggests that part of an overall communication strategy, management at each level should convene regular formal meetings with their direct reports. The content of these meetings must serve to:

- (1) address current work issues
- (2) answer questions and,
- (3) pass down information that the leadership team intended to disseminate to all employees.

The author cautions that in the process of passing down this information it is critical that it remains uncontaminated and uncensored. Additionally, appropriate mechanisms must be instituted to ensure that anything that is of concern for senior management must be allowed to flow in the opposite direction.

#### **1.15.5 Management support in times of organisational change**

This study highlighted the fact that employees felt that there was a lack of support from management during certain change initiatives, with particular reference to the restructuring process. Management on the other hand believed that they had created an environment where employees could discuss issues in a group or on a one-to-one basis. A study conducted by Eisenberger *et al.* (2002) concluded that “employees who believed that the supervisor valued their contributions and cared about their well-being showed increased Perceived Organisational Support (POS), which in turn was related to decreased turnover”. Within in the context of Healthi Choices, it is evident that more work needs to be done by the management team to have a better understanding of employee needs during times of change.

Bilmes (2001:8) notes that “most companies claimed to offer training, performance evaluation and employee involvement in decision-making, yet only a third of employees said they received such benefits”. Hence, the message to management is that they have to assess whether this gap exists and if so, eliminate it.

### **1.15.6 Climate for innovation and risk-taking**

According to Llopis *et al.* (2014), a simplistic definition of innovation is the successful implementation of new ideas that has to include new ways of problem solving as well as the achievement of commercial success. Employees have the sense that there are no forums to put forward their ideas. In the limited instances where ideas could be tabled, it is not implemented. Healthi Choices has to create a climate where brainstorming and idea generation is encouraged at all levels and seen to be acted upon by management.

Using the Litwin and Stringer (1968) description of risk as the “sense of riskiness and challenge in the job and organisation i.e. is there emphasis on taking calculated risks or is playing safe the best way to operate”, Healthi Choices has a low propensity for risk. As was earlier highlighted, staff members will escalate issues/decisions when they are unsure or concerned as to whether they will be taking the correct decision. The CCO has alluded that an authority/decision matrix is in the pipeline. This will ultimately allow employees a higher degree of autonomy with the caveat that certain decisions would still require to be escalated.

According to Cox (1993), an organisation cannot survive without innovation. A distinction needs to be made between organisational level innovation and the individual freedom to innovate. Whereas innovation at the organisational level would take the form of tightly controlled processes, innovation at the individual or team level can be much less formal (Gray and Judge, 2002). The implication of introducing innovation at an employee level involves risk. For various and sound reasons, employees have to date been reluctant to take risks within Healthi Choices. As a first step, the leadership team has to create an environment where ideas can be entertained. Obstacles prohibiting the flow of ideas, such as rejection of suggestions, fault finding, indifference and a lack of effective communication channels by which ideas can be shared must be removed (Gray, 2007:219). Management needs to be cognisant of that the fact that trying out new things will not always result in success. Therefore management and subordinates have to establish a partnership where boundaries are established and consequences are agreed upon for potential mishaps. A point of note is that managers have to consciously make it part of their everyday behaviour to welcome their subordinates' ideas. By being open in this manner a constant flow of ideas will be ensured. Healthi Choices can decide whether a formal

or informal idea/suggestion scheme needs to be instituted. The main consideration must be that these ideas are acknowledged.

### **1.15.7 Opportunities for Promotion**

As per the CCO, the organisation is relatively small with limited opportunities for promotion. The employees concur with this sentiment albeit from a different perspective. The leadership team has to investigate alternate interventions to retain employees and when necessary, attracting potential employees. Applicants to an organisation are influenced by perceptions of the image of that organisation as suggested by Turban and Greening (1996:659). However, it is imperative that attention is paid to existing employees. As elaborated upon earlier, the previous leadership engendered a family atmosphere which appears to have been lost with the growth in the number of employees and the transition to the new leadership. This could be a starting point from which the leadership team can take a cue. Other interventions which may be explored are expanding the roles of the lower level employees within the context of the core duties. Again, these employees have said that serving a wider client base is a positive development.

It is not realistic and for that matter possible for the Healthi Choices leadership team to ensure that all employees derive job satisfaction. However, by following the principles of good job design as extolled by Hackman and Oldham (1975), the likelihood of this happening will increase. Although the Job Characteristics Model (Hackman and Oldham, 1975) was conceived almost four decades ago, the leadership team should consider its components when constructing or modifying the roles of employees. The components to consider are:

- (1) Skill Variety – the job or tasks must rely on the different skills and abilities of the individual.
- (2) Task Identity – the extent to which an *identifiable* piece of work requires completion from beginning to end.
- (3) Task Significance – the perception that the individual's job has a positive impact on other people (internal or external to the organisation).
- (4) Autonomy - giving the individual who performs a task considerable discretion and control in deciding how to carry it out. In this dimension, issues such as independence, freedom and discretion are highlighted.

(5) Feedback - this dimension refers to the individual receiving clear and direct feedback regarding his/her performance and work outcomes.

The above guidelines pertaining to job design provide a good place to for the leadership team to start looking for ways to improve job satisfaction.

### **1.16 Conclusion**

The changes instituted by the Healthi Choices leadership team has shown a definite improvement on the balance sheet. Existing and new employees have contributed to the growth of the organisation. The challenge for the organisation is to sustain this growth whilst creating an environment that employees believe they are valued. By addressing concerns within the highlighted areas within this study, this researcher envisages that this is indeed possible.

The researcher suggests that a longitudinal study using a mixed methods approach encompassing both 'new' and 'old' employees, and that includes male participants, can be conducted within the next three to five years in order to revisit these and other constructs. The researcher believes that due to the growth of the organisation, there will be a sufficient number of employees to warrant a quantitative approach. By combining this with a similar qualitative approach to that used in this study, a more comprehensive data analysis can be conducted. This form of research will only make sense if the leadership team acts on the highlighted concerns.

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## **2 SECTION 2: LITERATURE REVIEW**

### **2.1 Organisational Climate**

The aim of this section is to discuss organisational climate with focus on key issues, including the manner in which climate is constituted, the level of measurement used and the dimensions of organisational climate.

#### **2.1.1 Introduction**

Theorists are turning to the environment for part of the explanation in trying to account for variations in behaviour. Research conducted by Daniel Goleman and the Hay Group into organisational climate concluded that “organisational climate can directly account for up to 30 percent of the variance in key business performance measures” (Watkin & Hubbard cited in Castro, 2008). Patterson *et al.* (2004:194) contend that “measures of climate seek to represent employees’ experiences of important organisational values and processes and thus have often been thought of as possible predictors of organisational performance”. Srivastava (2005) believes that organisational climate is concerned with “studying the organisation as a milieu – as a determinant of behaviour”. Likert (1967) suggested that a more human oriented climate produces both a higher level of performance and greater job satisfaction. Hence it is fair to conclude that it is in an organisation’s best interest to understand and influence the variables contributing to its climate in order to optimise its performance.

#### **2.1.2 Origins of Organisational Climate**

Much has been written about organisational climate during the past sixty years. Lewin *et al.* (1939) used the term ‘atmosphere’ when he and his colleagues performed leadership decision experiments of Boy Scout groups supervised by adult leaders. By allowing the leaders of these groups to influence the atmosphere of each of these groups by using different leadership styles within each of these groups, they arrived at the authoritarian, democratic and laissez-faire modes of leadership styles (Lewin *et al.*, 1939). In this manner, the style of leadership was shown to be a component (variable) in having an effect on organisational climate.

According to Litwin and Stringer (1968), the concept of organisational climate developed through the application of motivation theories to behaviour in organisations. The purpose was to describe the effects of organisations and organisational life on the motivation of employees in order to ultimately describe and explain behaviour. Lewin's concept of atmosphere (in this instance, the concept of social climate could be alluded to here) contributed significantly to understanding the relationship between the person and the environment (Litwin & Stringer, 1968).

### **2.1.3 Definition of Organisational Climate**

Forehand and Gilmer (1968) postulated that "behaviour is a function of the interaction between organism and environment". On the other hand, attempts to predict what an individual will do on the basis of his own personal characteristics often lead to the reluctant conclusion that behaviour depends in part on the situation (Tagiuri, 1968). When contrasting organisational climate with that of climate found in nature, it becomes difficult to deal with situational variables due to the enormous complexity of the environment (Srivastava, 2005). The theorist/researcher therefore would find it easier to look at this construct in terms of its characteristics. In one of the earliest and most often cited defining characteristics of organisational climate, Forehand and Gilmer (1964:362) described organisational climate to be "the set of characteristics that describe an organisation and that:

- (1) distinguish the organisation from other organisations,
- (2) are relatively enduring over, and
- (3) influence the behaviour of people in the organisation".

Schneider *et al.* (2013:362) describe organisational climate as "a construct for conceptualising the way that employees experience and describe their work settings". In order to gain a better understanding of the organisational climate concept, it is useful to consider the various definitions that have been used in the past. Individuals' perceptions of the work environment are a central theme in several definitions; for example, James and Jones (1974) stated that "organisational climate is a collective perception of the work environment by the individuals within a common system".

According to Hellriegel and Slocum (1974:256) organisational climate refers to “a set of attributes which can be perceived about how a particular organisation and/or its subsystems deal with their individuals and environment”. Ekvall (1996:105) viewed organisational climate as a feature of the organisation, a conglomerate of attitudes, feelings and behaviours that characterises life in the organisation and that exists independently of the perceptions and understandings of the individuals of the organisation.

Organisational climate can be described as “dealing with organisational characteristics which are perceived by the (individual) employees i.e. anything in the organisation which employees interpret or attach meaning to in their attempt to make sense of the organisational environment” (Govender, 1998:1). Gray (2001:104) provided a simple explanation for the concept by stating that organisational climate is “what it feels like to work here”.

Although organisational climate has been defined in many different ways, most of the definitions include three behavioural levels, namely the individual, the interpersonal and the organisational (Cilliers & Kossuth, 2002). The individual level includes the individual’s frame of reference, the individual’s perception of the nature of the organisational climate and the way in which the individual perceives and reacts to the atmosphere at work. The interpersonal level refers to the nature of managerial support, which has both directive (structure, role clarity, job standards, managerial effectiveness, job satisfaction) and interactive (communication, team functioning, contributing to profits, reward, conflict handling) properties. In order to describe the behavioural level, Cilliers and Kossuth (2002) referred to the contributions of researchers from the 1960 such as Likert in 1967, Litwin and Stringer in 1968 and Taguiri and Litwin’s research also in 1968. According to these researchers, this level consists of formal (structure, policy, objectives, management practices, task specialisation, decision-making, standards, rewards) and informal (identity, responsibility, interactive communication, employee needs, information sharing, support, warmth, conflict handling) dimensions.

According to Rousseau (cited in Schmidt *et al.*, 2004:681) “individual descriptions

of the social setting or context of which the person is a part” constitute the essence of organisational climate. Schmidt *et al.* (2004:682) defined organisational climate as “a collection of an individual’s perceptions about a wide range of concepts within a particular context”. More recently authors have qualified the concept of organisational climate. Luthans *et al.* (2008:225) referred to supportive organisational climate, which they defined as: “the overall amount of perceived support employees receive from their immediate peers, other departments and their supervisor that they view as helping them to successfully perform their work duties”.

Table 9 on the page following provides an overview of some of the definitions of organisational climate. This table also shows how the definitions of this concept have evolved and shifted over time. Based on these existing definitions, this researcher defined organisational climate as the feelings, attitudes and behavioural tendencies that characterise organisational life and that are expressed through the perceptions of the organisation’s members.

**Table 9: Various understandings over time pertaining to the definition of Organisational Climate (Cloete, 2011:46)**

<b>Date</b>	<b>Author</b>	<b>Core idea of definition</b>
<b>1974</b>	Hellriegel and Slocum	A set of attributes that can be perceived regarding how a particular organisation and/or its subsystems deal with their members and environment.
<b>1988</b>	Rousseau	Individual descriptions of the social setting.
<b>1996</b>	Ekvall	Attitudes, feelings and behaviours that characterises life in the organisation.
<b>1998</b>	Govender	Anything in the organisation that members interpret or attach meaning to in their attempt to make sense of the organisational environment.
<b>2001</b>	Gray	Feeling experienced at work place.
<b>2002</b>	Cilliers and Kossuth	Individual, interpersonal (directive and interactional), organisational (formal and informal) behavioural levels.
<b>2004</b>	Schmidt, Wood and Lugg	A collection of an individual's perceptions about a wide range of concepts.
<b>2008</b>	Luthans	Perceived support received to conduct tasks at work.

#### **2.1.4 Levels of Measurement**

There are three levels to consider when measuring organisational climate, namely the individual, interpersonal and organisational levels (Cilliers & Kossuth, 2002). People's frame of reference will influence their perceptions of the climate (Cilliers & Kossuth, 2002). The organisational and interpersonal levels have specific attributes that each are linked to and therefore different aspects of the organisation's climate are measured for each of these.

Various authors have commented on the appropriate levels of measurement when it comes to organisational climate (Cilliers & Kossuth, 2002; Drexler, 1977). This links to the debate on whether climate is an organisational variable (Drexler, 1977), a team variable or an individual variable (Cilliers & Kossuth, 2002). Drexler (1977), in a multi-organisational study of climate, found that although the questions are responded to by individuals, the majority of the variance (42.2%) in climate was accounted for by organisations. He also found that there were differences in climate within organisations, across different departments. Moreover, although there may be different climates within the same organisation across different departments (Joyce & Slocum, 1982), this accounts for lower variance. Where different climates exist within an organisation, this could be the result of management in those units and how they manage these climates (Drexler, 1977).

Although organisational climate is an organisational variable (Drexler, 1977), it is measured at an individual level, whilst acknowledging that climate perceptions are influenced by interaction with other employees. Over and above this, once a climate survey is conducted, the resulting climate reports are usually aggregated at different levels (Schneider, 1975) – i.e. teams, leadership, departments, functional area and the organisation as a whole. The level of detail at which the results are aggregated will be determined by whether there are questions in the survey relating specifically to that area. Employee engagement is an important concept in organisations that current research is focusing on (Rothmann & Rothmann, 2010). If the organisation's climate survey included questions that measure employee engagement, the organisation can get a score that indicates how engaged its employees are. This analysis can be made at organisational

level, or even broken down to the departmental level, as these scores could yield different results.

With the question of level of measurement clarified, the next section will focus on dimensions that are generally measured in most organisational climate surveys.

### 2.1.5 Organisational climate dimensions

Some of the definitions and theories of organisational climate dimensions are discussed below. Litwin and Stringer (1968) developed a survey consisting of 9 dimensions. These are structure, responsibility, reward, risk, warmth, support, standards, conflict and identity.

These dimensions are expanded as follows:

**Table 10: Organisational climate dimensions (Litwin and Stringer, 1968:81-82)**

Dimension Name	Definition
<b>Structure</b>	The feeling that employees have about the constraints in the group, how many rules, regulations and procedures there are - is there an emphasis on "red tape" and going through channels or is there a loose and informal atmosphere.
<b>Responsibility</b>	The feeling of being your own boss; not having to double check all your decisions; when you have a job to do, knowing that it is your job.
<b>Reward</b>	The feeling of being rewarded for a job well done; emphasizing positive rewards rather than punishments; the perceived fairness of the pay and promotion policies.
<b>Risk</b>	The sense of riskiness and challenge in the job and in the organisation; is there an emphasis on taking calculated risks or is playing it safe the best way to operate.
<b>Warmth</b>	The feeling of general good fellowship that prevails in the work group atmosphere; the emphasis on being well-liked; the prevalence of friendly and informal social groups.
<b>Support</b>	The perceived helpfulness of the managers and other employees in the group; emphasis on mutual support from above and below.
<b>Standards</b>	The perceived importance of implicit and explicit goals and performance standards; the emphasis on doing a good job; the challenge represented in personal and group goals.
<b>Conflict</b>	The feeling that managers and other workers want to hear different opinions; the emphasis placed on getting problems out in the open rather than smoothing them over or ignoring them.
<b>Identity</b>	The feeling that you belong to a company and you are a valuable member of a working team; the importance placed on this kind of spirit.

Martins and von der Ohe (2003:44) quoting Furnham and Gunter (1993) explains that "a major debate in organisational climate research concerns not so much how to measure climate, but rather what to measure". Martins and von der Ohe (2003:45-47) further presents a South Africa perspective based on the summary

dimensions of autonomy, cohesion, trust and pressure by extending these to include support, recognition, fairness and innovation.

The system map (Figure 6) shows fifteen distinct dimensions as per the views of various researchers. Gray (2007:62) explains that each element may exert an influence on, and/or be influenced by, other elements, hence the lines of connectivity between the elements.

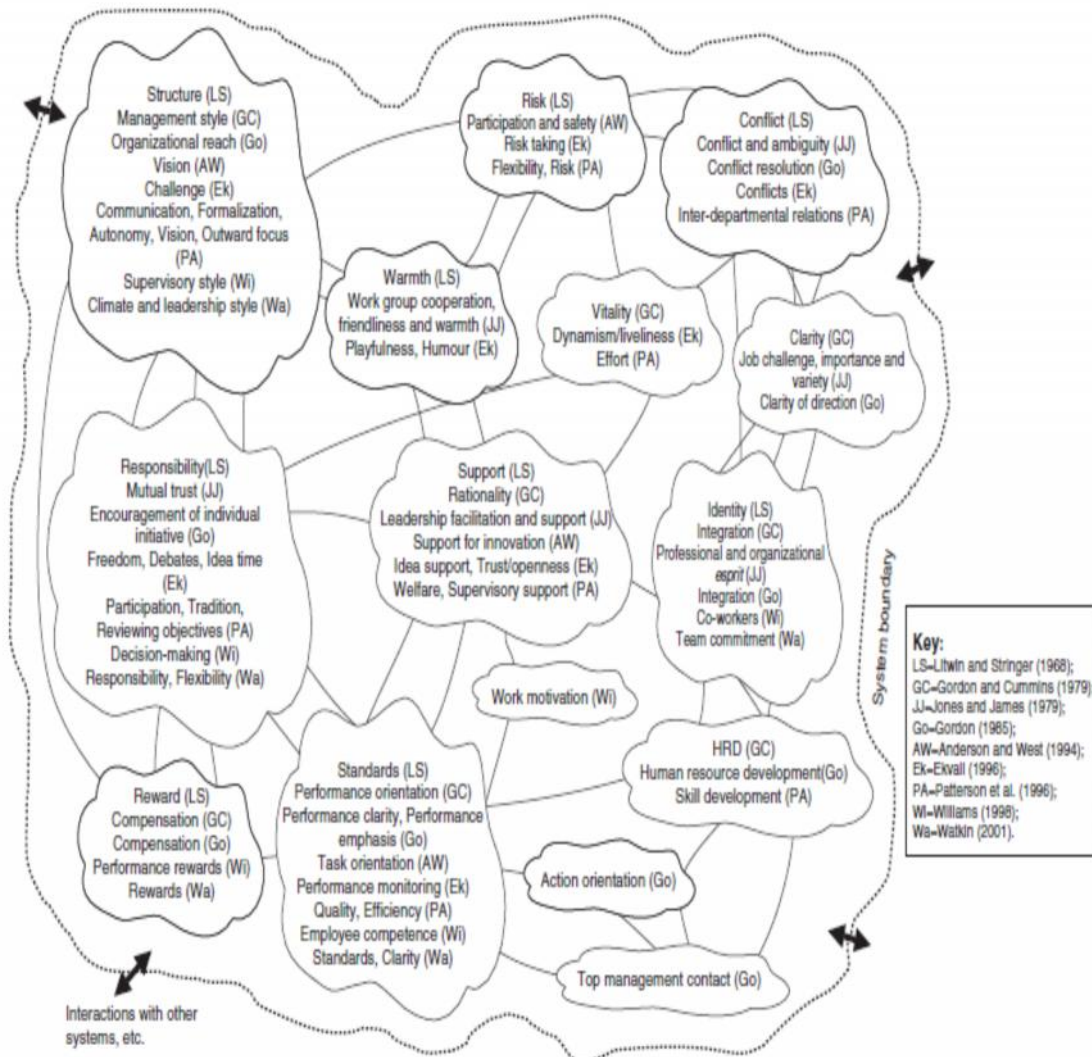


Figure 6: A system map of climate dimensions (Gray, 2007:62-63)

## 2.1.6 The emergence and formation of organisational climate

Schneider and Reichers (1983:20) contend that “the climate approach to understanding how work contexts affect behaviour and attitudes, grounded as it is in perceptions, provides a much needed alternative to motivation theories as explanations for just about everything that happens to people at work”. Schneider and Reichers (1983) further elaborates that a deeper understanding of the concept (how climates are formed) will lead to further conceptual and methodological progress. Moran and Volkwein (1992:19) explained that although (at the time) organisational climates can be empirically verified, there is a lack of understanding of how climates emerge or are formed in an organisation.

As per Moran and Volkwein (1992) there are four perspectives that are mainly used to describe the formation of organisational climates. These are the structural perspective, the perceptual perspective, the interactive perspective and the cultural perspective. Table 11 expands on the various approaches relating to the formation of climate.

**Table 11: Summary of Approaches to the Formation of Organisational Climate**

(Moran and Volkwein, 1992:23-24)

Approach	Description	Criticism	Representative researchers and main influences
<b>Structural</b>	Climate is regarded as an objective manifestation of the organisation's structure. It forms because members are exposed to common structural characteristics of an organisation. As a result of this exposure, they have similar perceptions. These similar perceptions represent their own organisation's climate.	It cannot account for groups within the same organisation forming different climates. Organisational Structural characteristics are often inconsistent with the climate. Inadequate consideration of subjective response to structural characteristics. Does not consider the interpretative processes of groups in forming climate.	Guion (1973), Indik (1965). Inkson et al. (1970). Payne and Pugh (1976)

## Summary of approaches to the formation of climate continued:

Approach	Description	Criticism	Representative researchers and main influences
<b>Perceptual</b>	The basis for the formation of climate is within the individual. Acknowledges that individuals respond to situational variables in a manner that is psychologically meaningful to them. Climate is a psychologically processed description of organisational conditions.	By placing the source of climate entirely within the individual perceiver, it denies the possibility of a composition theory- or explanation for the formation of climate as an organisational property. Assumes that meaning is something individuals bring to and impose on a situation, rather than create through interaction with others.	James et al. (1978). James and Jones (1974). Joyce and Slocum (1982, 1984). Schneider and Reichers (1983)
<b>Interactive</b>	Basic contention is that the interaction of individuals in responding to their situation brings forth the shared agreement which is the basis of organisational climate.	Does not consider the broader context, or the extent to which a shared organisational culture influences interaction among group members.	Blumer (1969). Joyce and Slocum (1979). Poole and McPhee (1983). Schneider and Reichers (1983), Terborg (1981). (Edmund Husserl and George Herbert Mead)
<b>Cultural</b>	Organisational climate is created by a group of interacting individuals who share a common abstract frame of reference, i.e. the organisation's culture, as they come to terms with situational contingencies.	Requires continuing clarification of the relationship between organisational culture and climate.	Allaire and Firsirotu (1984). Ashforth (1985). Berger and Luckman (1967), Clark (1972). Geertz (1973), Goodenough (1971). Keesing (1974). McPhee (1985). Selznick (1957)

### 2.1.7 Conclusion

In this section organisational climate was discussed and explored. Various definitions of organisational climate were provided. Some organisational climate perspectives were discussed and a selection of studies that have explored the different dimensions in organisational climate were presented.

## **2.2 Job Satisfaction**

The aim of this section is to discuss job satisfaction with focus on its definition and dimensions including the related theory and models. The measurement techniques pertaining to job satisfaction will also be explored.

### **2.2.1 Introduction**

Brief (1998:10) relates that the number of published studies on job satisfaction had grown from Locke's (1976) estimate of 3300 in 1972 to 12400 by 1991. This confirms the assertion that this topic remains of value to researchers across diverse disciplines including psychology (industrial, organisational and social), organisational behaviour and human resource management (Staples & Higgins, 1998:211). Staples and Higgins (1998) further assert that the widespread interest in this construct can be explained due to most people spending a substantial part of their lives at work and hence are affected by it.

Active research of this construct was preceded by research such as the Hawthorne studies that investigated the contributory factors of workers' productivity. According to Locke (1976:1299), Elton Mayo concluded from this research (Hawthorne studies) that "workers have minds, and that the appraisal they make of the work situation affect their reactions to it". Landy (1978:533) refers to the linking of job satisfaction with a number of factors such as productivity, motivation, absenteeism, accidents, mental health, physical health and general life satisfaction. With respect to job satisfaction, an affective state (ranging from a strongly positive to a strongly negative emotional state) is implied (Landy, 1978:533).

### 2.2.2 Defining job satisfaction

One of the earliest attempts at defining job satisfaction emanates from Hoppock (1935) where he refers to a combination of physiological, psychological and environmental circumstances that has the result in a person saying “I am satisfied with my job”. Locke (1976:1300) further holds that satisfaction is an emotional response i.e. an intrinsic feeling, although it is also influenced by extrinsic influences.

The two types of job satisfaction that have an affective (emotional) response on employees are:

- Global job satisfaction – this refers to the overall feelings employees have about their jobs (Mueller & Kim, 2008) and
- Job facet satisfaction – this refers to feelings about specific job dimensions, such as salary, benefits, and the quality of relationships with one’s co-workers (Mueller & Kim, 2008).

A non-exhaustive summary of definitions pertaining to job satisfaction is presented as per Table 12. In addition to showing the approaches to this construct by various researchers, these definitions show the lack of unanimity amongst researchers. Locke (1976:1300) believes that the rationale for this lack in agreement is due to researchers in part developing operational definitions of this construct i.e. “job satisfaction is whatever my (*the respective researcher*) measure of it measures”.

**Table 12: Various understandings over time pertaining to the definition of Job Satisfaction**

<b>Date</b>	<b>Researcher(s)</b>	<b>Core idea or definition</b>
<b>1935</b>	Hoppock	He was the first industrial psychologist to conceptualise job satisfaction. He defined job satisfaction as “any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say, I am satisfied with the job”. He has included both on-the-job and off-the-job factors. This concept has been redefined and reformulated in many different ways since Hoppock gave his “logical” definition.
<b>1946</b>	French, Kornhauser and Marrow	They compiled a list of ‘on-the-job’ and ‘off-the-job’ factors which were found by various investigators as underlying causes of satisfaction and dissatisfaction of workers. These are: <ul style="list-style-type: none"> <li>(1) Factors in the individual</li> <li>(2) Factors in life away from work</li> <li>(3) Factors in employment relations</li> </ul>
<b>1952</b>	Bullock	An attitudinal response that results from evaluating and aggregating of the likes and dislikes in connection with the job. This is based on the perception of the individual upon his own success or failure in the achievement of personal objectives and upon the perceived contribution of the job and company toward these ends. Thus a worker may like certain aspects of his work yet thoroughly dislike others.

Table continued on next page:

Date	Researcher(s)	Core idea or definition
1955	Ghiselli and Brown	<p>These researchers have many different points of reference and few workers indeed are satisfied with all aspects of their jobs. The satisfaction a worker derives from his job is not only varied but highly sensitive to change. According to these authors, job satisfaction is a function of the occupational level for as a rule, individuals at the higher occupational levels are more satisfied with their jobs than those at the lower levels. Other determinants are race and age, though no definite conclusions can be advanced as these factors vary widely in different countries and in various communities.</p>
1956	Blum and Algie	<p>These researchers suggested that the term job satisfaction is a general attitude which is the result of many specific attitudes focused in three areas:</p> <ul style="list-style-type: none"> <li>(1) specific job factors such as wages, supervision and steadiness of work,</li> <li>(2) individual characteristics such as the employee's age, health, temperament, desires and level of aspirations, and</li> <li>(3) group relationship outside the job, such as his/her family relationship, social status, recreational outlets and his activities in organizations like labour, political or purely social.</li> </ul> <p>These attitudes are similar to the factors put forward by French <i>et al.</i>(1946).</p>

Continued on next page:

Date	Author(s)	Core idea or definition
1952	Weitz	Satisfaction from a job is a function not only of how much a worker receives from the job or the environment but also of where he stands with respect to his level of aspiration.
1953	Morse	
1957	Brayfield, Wells and Strate	These researchers studied the interrelationships among measures of job satisfaction and general satisfaction. They also report a significant relation between the two (i.e. job and general satisfaction) for male workers but not for female workers. They suggest that because work is more important to men, job satisfaction plays a major role in their general satisfaction. Since the work does not hold the prime of place in the life of women, there is no relationship between job satisfaction and general satisfaction. They concluded that general satisfaction also does not necessarily determine job satisfaction but job satisfaction may determine general satisfaction.
1964	Harrell	<p>Harell found that job satisfaction is derived from and caused by many different factors. Broadly speaking these are divided into:</p> <ol style="list-style-type: none"> <li>(1) personal factors i.e. age, gender, number of dependents, time on the job, intelligence, education and personality.</li> <li>(2) factors inherent in the job i.e. type of work, skill required, occupational status, geography and size of the plant.</li> <li>(3) factors controlled by the management i.e. security, pay, fringe benefits, opportunity for advancement, working conditions, co-workers, responsibility and supervision.</li> </ol>
1971	Roberts	Job satisfaction may come from the product or item produced from the speed with which it is accomplished or from other features relating to the job and its performance
1976	Locke	Job satisfaction is defined as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience”

Continued on next page:

<b>Date</b>	<b>Author(s)</b>	<b>Core idea or definition</b>
<b>1980</b>	Du Brin	To quote the researcher, "Job satisfaction is the amount of pleasure or contentment associated with a job. If you like your job intensely, you will experience high job satisfaction. If you dislike your job intensely, you will experience job dissatisfaction"
<b>1975</b> <b>2002</b>	Schneider and Snyder Sempene, Rieger and Roodt	An individual's personal evaluation of the current conditions of the job or the outcomes that arise as a result of having a job. The individual's perception is influenced by his/her unique circumstances such as needs, values and expectations.
<b>1991</b>	Pestonjee	This is a summation of employee's feelings in four important areas. Two of these areas encompass factors directly connected with the job (intrinsic factors) and the other two include factors not directly connected with the job but which are presumed to have a bearing on satisfaction. These four areas are: <ol style="list-style-type: none"> <li>(1) Job-nature of work</li> <li>(2) Management</li> <li>(3) Social relations</li> <li>(4) Personal adjustment.</li> </ol>
<b>1998</b>	Brief	Developed a working definition of job satisfaction as "an attitude to one's job" to further develop theory around the attitudinal aspect. Also developed models to understand the relationship between an individual's disposition and job satisfaction
<b>2000</b>	Mc Kenna	Looked at the whether the personal expectations of employees at work were in line with outcomes. Satisfaction is achieved when an employee receives fair rewards; in line with his/her expectations. On the contrary, in the event that employees believe that they did not receive a fair reward, even though they worked hard, job dissatisfaction may result.
<b>2002</b>	Weiss	It's an attitude which is informed by the individual's feelings, beliefs and behaviours

Date	Author(s)	Core idea or definition
2007	Langton and Robbins	Looked at employees' level of job satisfaction in terms of a general attitude. Positive attitudes are found in employees that enjoy a high level of job satisfaction with negative attitudes experienced by those who are dissatisfied with their job.
2008	Judge, Heller and Klinger	Examined the dispositional sources and showed a contrary view to previous literature pertaining to the link(s) between affective nature (positive and negative affectivity), personality taxonomy (Five forces model) and core self evaluations (CSE). Independently, these 3 measures are all useful predictors of job satisfaction. However, when examined at the same time, only the CSE typology is uniquely related to job satisfaction.
2010	Hackman and Oldman	Not really a definition. Important due to its link to JS. Revisited their Job Characteristics Theory (JCT) that they developed in 1976 to ascertain whether the Job Characteristics Model is still applicable in light of the change in the way jobs are perceived in the modern context

As per the above table, a number of the core ideas / definitions relate to the individual's emotional (affective) responses. However, the cognitive and (to a lesser degree) behavioural dimensions of job satisfaction cannot be excluded. In essence, the dimensions of job satisfaction, as intimated by Locke (1976), are complex and inter-related with each other. An interesting point noted by Saura *et al.* (2005:501) is that most of the *measurements* regarding job satisfaction relate to the cognitive aspect.

### 2.2.3 Models of job satisfaction

In order to engage with the various models of job satisfaction, the research of theories for motivation needs to be considered. According to Roos and van Eeden (2008:55), the rationale for this is due to "theories on job satisfaction involving motivational, emotional and informational components and, as such, overlap with theories on motivation". Gilbert and Walker (2001:62) highlight

the fact that essentially the theories pertaining to motivation can be broadly categorized into content theories and process theories. The former focuses on 'what' motivates e.g. Maslow's (1943) Hierarchy of Needs and Herzberg's (1966) Two Factor Theory, whilst the latter focuses on 'how' motivation occurs e.g. Adam's Equity Theory (1963) and Locke and Latham's Goal Setting Theory (2002).

### 2.2.3.1 Content theories

Staples and Higgins (1998:212-213) posits that within the work environment content theories allow for factors which lead to job satisfaction or dissatisfaction to be identified. Two content theories are presented.

#### 2.2.3.1.1 Maslow's Needs Hierarchy

Maslow (1943) asserted that human behaviour is directed by a number of physiological and psychological needs. These are represented in a hierarchy as per Figure 7:

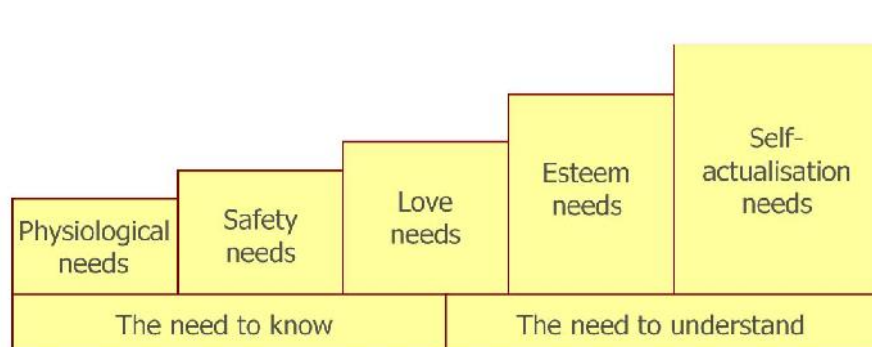


Figure 7:A. H. Maslow's hierarchy of needs (Maslow, 1943)

He further differentiated between two types of needs:

- Primary (deficiency/'D') needs. These are physiological needs, safety needs, love and belonging needs and esteem needs.
- Secondary or growth (being/'B') needs. These entail the needs for self-actualisation.

According to Maslow (1943), individuals are satisfied when certain needs are met. Higher order needs can only be satisfied after the needs at the lower orders have been met.

### 2.2.3.1.2 Herzberg's Two-factor Theory of satisfaction and motivation

Hertzberg (1966) presented his two-factor theory, which looks at motivators and hygiene factors. Motivators are intrinsic to the job. The presence of motivators in the workplace caused enduring states of motivation in employees and will increase job satisfaction, with their absence not leading to dissatisfaction. Hygiene factors are extrinsic (to the job) but do not result in job satisfaction, but if they are inadequate, may cause job dissatisfaction (Herzberg, 1966).

The following classification relates to motivators and hygiene factors:

Motivators	Hygiene factors
Responsibility	Supervision
Recognition	Salary
Promotion	Work environment
Achievement	Company policies
	Relationship with colleagues

House and Wigdor (1967:372) criticised the categorization techniques used to measure job dimensions in Herzberg's two-factor theory. These researchers assessed that there is an interpretation component due to the fact that in sum the rating system does not determine the coding procedure.

### 2.2.3.2 Process Theories

In relation to human behaviour in the workplace, Steers *et al.* (2004:381) provides the explanation that process theorists seek to establish causal relationships across time and events by looking at the dynamic perspective of work motivation.

Equity theory (Adams, 1963) and the Job Characteristics Model (Hackman & Oldham, 1975) will be reviewed below.

### **2.2.3.2.1 Equity theory**

Equity Theory (Adams, 1963) is different from assessing reward and effort by adding the perspective of comparison with people the individual considers being in a similar situation (Chapman, 2013). Only when the rewards and efforts are seen as reasonable in terms of the rewards of other people is there satisfaction (Gruneberg, 1979:20).

Locke (1976) asserts that due to individuals valuing work facets differently, this process becomes complex. An individual may value the level of pay as very important while another individual could value responsibility as more important.

### **2.2.3.2.2 Job characteristics model**

Friday and Friday (2003:427) emphasize that work motivation and job satisfaction are affected by five core job dimensions as described in Hackman and Oldham's (1975) job characteristics model.

The five core job dimensions identified by Hackman and Oldham (1975) are as follows:

- (1) Skill Variety - relies on the individual's skills and abilities in performing a specific job.
- (2) Task Identity – the extent to which an identifiable piece of work requires completion from beginning to end.
- (3) Task Significance – the perception that the individual's job has a positive impact on other people (internal or external to the organisation).
- (4) Autonomy - giving the individual who performs a task considerable discretion and control in deciding how to carry it out. In this dimension, issues such as independence, freedom and discretion are highlighted.
- (5) Feedback - this dimension refers to the individual receiving clear and direct feedback regarding his/her performance and work outcomes.

Figure 8 illustrates the 5 core job dimensions, 3 critical psychological states and the 3 affective outcomes.

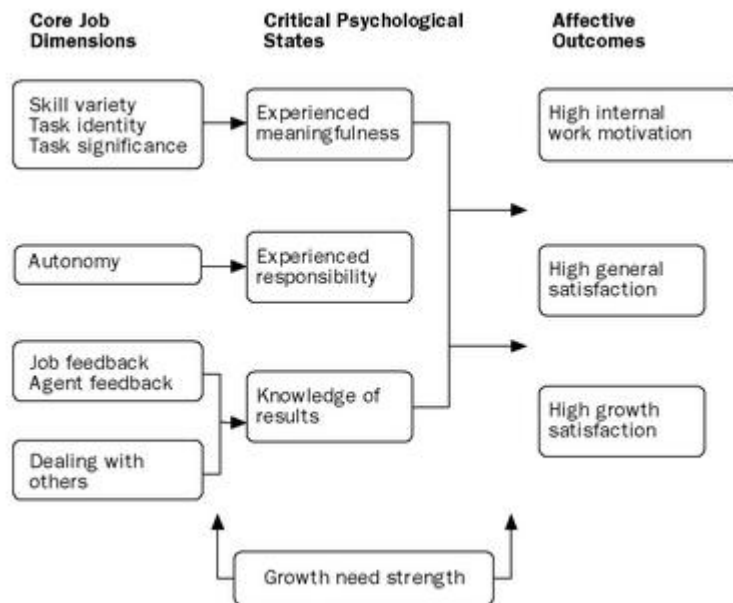


Figure 8: Job Characteristics Model (Hackman and Oldham, 1975:161)

Birnbaum *et al.* (1986) indicate that a limitation of job characteristic research is the fact that most of the research has been conducted in the United States and other Western societies and hence cultural and societal bias have to be factored in when consulting research in this domain.

#### 2.2.4 Job Satisfaction measures

Ghiselli and Brown (1955) believe that there are a number of variables that influence job satisfaction and that only a small proportion of employees are satisfied with all aspects of their jobs. Saura *et al.* (2005:502) mentions that the measurement of job satisfaction is relevant as (in relation to the employee's work environment) it explains employee behaviours such as motivation and loyalty.

#### 2.2.5 Job Satisfaction measures – considerations

There are number of job satisfaction measures that have been developed. Some of these are:

- (1) Overall Job Satisfaction (Cammann *et al.*, 1983)
- (2) JDI or Job Descriptive Index (Smith *et al.*, 1969)
- (3) Global Job Satisfaction (Warr *et al.*, 1979)
- (4) Minnesota Satisfaction Questionnaire (Weiss *et al.*, 1967)

The equivalence of global job satisfaction measures and faceted job satisfaction measures forms a basis for debate. Judge *et al.* (2001:389) conclude that “although our results cannot address this issue, at least as far as the satisfaction-performance relationship is concerned; it appears that global measures display somewhat higher correlations with job performance than do measures formed from a composite of job satisfaction facets”. Wanous *et al.* (1997:247) cite the research of Scarpello and Campbell (1983) that concluded that a single-item measure of overall job satisfaction was preferable to a scale that is based on a sum of specific job facet satisfactions. Wanous *et al.* (1997:247,250) found that measures should be used that are fit for purpose, i.e. researchers should use well-constructed scales if single-item job satisfaction measures are not indicated.

## **2.2.6 Conclusion**

In this section job satisfaction was discussed and explored. An extensive review of various definitions was provided. Models of job satisfaction including content and process theories were explored, including Maslow’s Needs Hierarchy, Herzberg’s Two-factor Theory, Equity Theory and the Job Characteristics Model. An overview of Job Satisfaction measures, including some considerations when using these measures, concluded this section.

## **2.3 Organisational Change**

The aim of this section is to provide an overview of organisational change with focus on change readiness, resistance to change, and the effects of change on job satisfaction and organisational climate.

### **2.3.1 Introduction**

The body of research pertaining to organisational change is vast with research covering various areas, including factors leading managers to initiate changes, resistance to change among employees, readiness for change, employee attitudes and the efficacy of using different modes of change (Grunberg *et al.*, 2008:217). Weber and Weber (2001:291) argues that organisational change has become a necessary

survival tactic for organisations in an environment of increasing turbulence and change. However, Gilmore *et al.* (1997) conducted research to show that the effects of changes often produce conflicting results. For example, change initiatives at an organisation showed an improvement in product quality and productivity but a reduction in employee commitment and morale.

### **2.3.2 Defining Organisational Change**

According to Wood (2000), organisational change can be understood to be “any structural, strategic, cultural, human or technological transformation, capable of generating impact in an organisation”. Van de Ven and Poole’s (1995:512) definition of change states that it “is an empirical observation of a difference in form, quality, or state over time” in an entity. These researchers further elaborate that an entity can be any of an individual’s job, a work group, an organisational subunit, the overall organisation, or its relationships with other organisations. Van de Ven and Sun (2011:58) argue that for one to conclude that an organisational entity has changed, the entity has to be observed over two (or more) points in time. If a measurable difference is noticeable across a defined set of characteristics then the entity has changed.

In light of the multitude of definitions available, this researcher will define organisational change as a process that an organisation initiates in order to respond to a specific need that requires to be changed or implemented.

### **2.3.3 Reasons for Organisational Change**

Gomes (2009:183) posits that many organisational changes occur “based on dealing with changes in the responsibilities of workers, their tasks and with the restructuring of workplaces”. As per Passenheim (2010:7), “change is an alteration of a company’s strategy, organisation or culture as a result of changes in its environment, structure, technology or people”. According to Armstrong (2001), organisations restructure (a form of change) for many reasons, including:

- Cutting costs.
- Improving competitive advantage.

- Sharpening strategic focus on key accounts, core products, and new technology.
- To better leverage talent.

### 2.3.4 Lewin's Three-Step Change Model

Lewin's (1947) seminal work pertaining to the change process resulted in a model consisting of three steps or stages. Many of the change models have evolved from this older and more generic model (Burnes and Cooke, 2012). As per Weick and Quinn (1999:363), "Lewin's three stages of change - unfreeze, change, and refreeze - continue to be a generic recipe for organisational development".

According to Burnes (2004:313), "Lewin conceived of this [Three-step Change Model] as one part, along with Field Theory, Group Dynamics and Action Research, of an integrated approach to analysing, understanding and bringing about planned change at the group, organisational and societal levels". Figure 9 shows the components of Lewin's model.

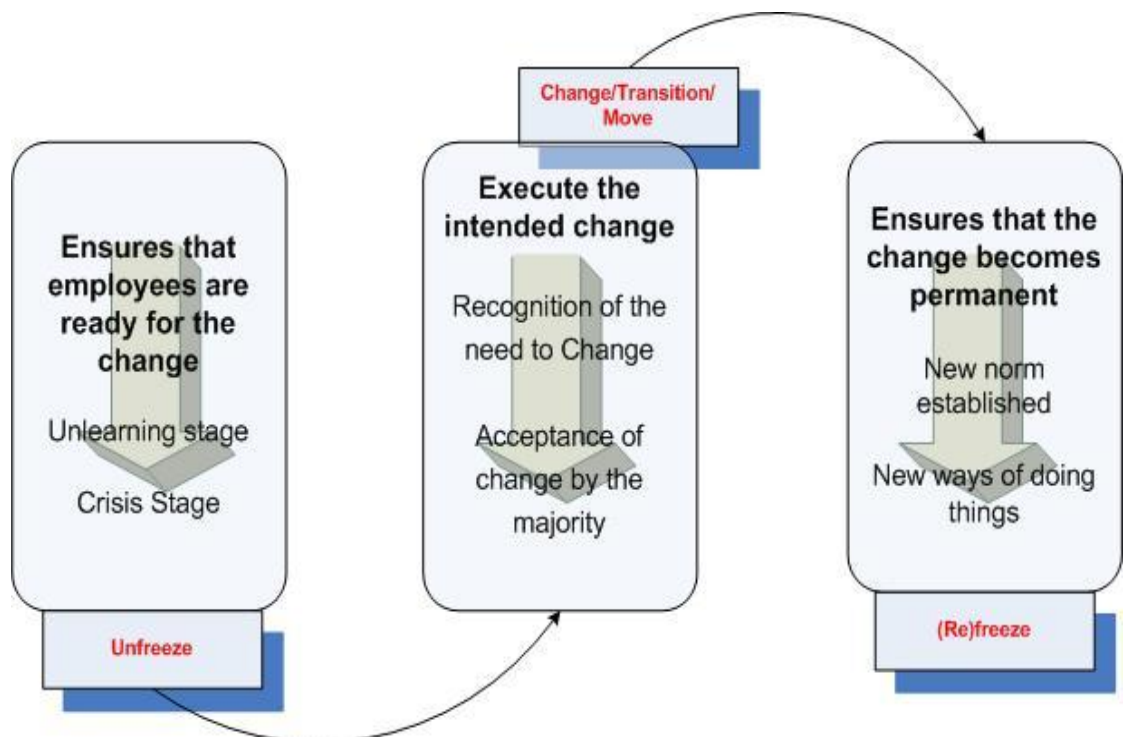


Figure 9: Adapted from Graetz *et al.* (2011:88)-Lewin's classic Change Model

The steps of the Lewin (1947) model are briefly described:

### **Step 1: Unfreezing**

According to Burns (2004:313), this step is about preparing to move away from the current comfort zone by breaking down the status quo. Lewin (1947:38) uses the term “quasi-stationary equilibrium”. Schein (1996:62) elaborates that unfreezing is not an end in itself; it “creates motivation to learn but does not necessarily control or predict the direction”. This is in accordance with Lewin’s assertion that any attempt to predict or identify a specific outcome from planned change is not a straightforward exercise due to the complexity of the forces concerned. Change agents should endeavour to take into account all the forces at work and identify and evaluate, on a trial and error basis, all the available options. This step entails a weighing of the positives and negatives of the impending change(s). The change(s) will proceed if there is a greater (perceived) benefit for proceeding with the change(s). Hence, the organisation has to create an environment in which change is able to take place. This includes the ability of the affected employees to psychologically ready themselves for the impending change(s).

### **Step 2: Change or Moving or Transition**

Morrison (2010) explains that only once the psychological preparedness of those that will be affected is in place, the change(s) can start. Morrison elaborates that “the change process can be a dynamic one and, if it is to be effective, it will probably take some time and involve a transition period”. This step may result in some change participants being unsure and fearful about the change. This is due to the fact that the change is new and requires understanding and sometimes reskilling (ref the article where it talks about some people are better geared than others). During this step, support in the form of training and coaching is crucial. The change agents have to continually communicate the benefits of the desired change in order to sustain interest within those that are participating.

### **Step 3: (Re)Freezing**

As the final step of this process, freezing seeks to create a sense of permanency in the change by establishing a new ‘quasi-stationary equilibrium’. Lewin believed that successful change was facilitated as a result of group decision(s) that are independent of individual behaviour or preferences (Lewin, 1947:37). The logic behind this assertion is that unless group norms and routines are also transformed, changes to individual behaviour will not be sustained.

### **2.3.5 Episodic versus Continuous Change**

Weick and Quinn (1995:365) assert that 'episodic change' is a collective term for the grouping of changes within the organisation that tend to be infrequent, discontinuous and intentional. Change(s) of this nature follow the Lewinian three-step model (Weick and Quinn, 1995:366), being dramatic in nature as stated by Lewin (1947:35), "To break open the shell of complacency and self-righteousness it is sometimes necessary to bring about deliberately an emotional stir up".

'Continuous change' as a collective term, groups together ongoing, evolving and cumulative changes within an organisation, with the distinctive quality being the idea that "small continuous adjustments, created simultaneously across units, can cumulate and create substantial change" (Weick and Quinn, 1995:375). The characteristics of improvisation, translation and learning are associated with organisations that opt for continuous change (Orlikowski, 1996:88.89).

### **2.3.6 Criticisms of the Three-Step Change Model**

Burnes (2004:978) shared that certain researchers criticised the three-step model due to its relevance within certain conditions. The criticisms levelled against this model included the notion that the change(s) had to be effected in stable conditions, was applicable to small-scale changes only and took place in the absence of organisational conflict and politics. Kanter cited in Burnes (2004:988) posited that due to the nature of the world as an ambiguous place, flexibility is essential and detailed plans are not possible.

### **2.3.7 Organisational Change and Job Satisfaction**

Schouteten and van der Vleuten (2013:3) assert that organisational changes influence job and organisational characteristics and hence by implication, job satisfaction. These researchers concur that organisational change is complex in that it can affect an entire organisation, a division, a team or specific jobs. As a consequence, the nature of the changes affects job satisfaction differently.

With relevance to this study, Mack *et al.* (1998) conducted research providing evidence that employees experienced increasing levels of job dissatisfaction due to

an increase in uncertainty during the change process. Beer's (1964) extensive review of the literature showed that higher levels of formalisation as a result of organisational growth contributed to decreasing levels of job satisfaction. Beer (1964) concluded that organisational growth also resulted in decreasing levels of job satisfaction, primarily as a result of the gap between senior and junior employees.

### **2.3.8 Organisational Change and Organisational Climate**

As was highlighted earlier in this section, multiple climates within an organisation may exist (Joyce & Slocum, 1984). The challenge for change agents is to be aware of these multiple climates and address these differently when implementing changes.

Llopis *et al.* (2014) state that for organisational change that enables innovation to occur, it is not enough for the leadership team to have strong convictions towards innovation. This type of change requires that a critical mass of shared belief must be generated with all stakeholders. Within this context, these authors argue that managers have the power of determining the organisational climate towards risk-taking. They conclude that innovation has more chances of emerging once a risk-taking climate has been achieved.

Gomes (2009:190) suggests that those responsible for organisational communication have to be aware that organisational change processes should be accompanied with the concern of informing, involving and integrating the employees in the change process.

### **2.3.9 Change Readiness**

According to some estimates, seventy percent of change programmes are doomed to fail (Maurer, 2010; Balogun & Hailey, 2007). It therefore stands to reason that as a first step, organisations that are planning change initiatives must ensure that readiness for change exists in order to not become part of the aforementioned statistic.

Armenakis *et al.* (1993:298) define change readiness as the "cognitive precursor to either engaging in or resisting change initiatives" and compares this with the unfreezing change of the three-step model. Holt and Vardaman (2013:10) defines

readiness as “the degree to which those involved are individually and collectively primed, motivated and technically capable of executing the change”. Holt *et al.* (2007:235) assert that change readiness is a ‘comprehensive attitude’ influenced by four components, i.e. content, process, context and the individuals involved.

Cunningham (*et al.*, 2002) further elaborated that when readiness for change exists, resistance from employees within an organisation is reduced and hence the organisation is at an advantage to embrace change. The converse of this is that the change may be rejected if employees within the organisation are not ready, resulting in negative reactions such as “sabotage, absenteeism and output restriction” (Bouckennooghe *et al.*, 2009:561).

According to Holt *et al.* (2007:235), the individual’s adoption of or resistance to the change initiative is related to his/her change readiness. Lyons *et al.* (2009:461) distinguish between the attitudinal aspect i.e. a belief characterising one’s attitude, and the intentions that represent thoughts toward a goal or activity.

Armenakis *et al.* (1993:304) recommend that organisations should assess their current state of readiness for change via some form of survey methodology. This will assist with preparation for readiness of the impending change. In order to create readiness for change, a proactive effort on the part of the change agent must be made “to influence the beliefs, attitudes, intentions, and ultimately the behaviour of a change target” (Armenakis *et al.*, 1993:299).

### **2.3.10 Resistance to change**

According to Dent and Goldberg (1999:34), a number of publications associate resistance to change as a psychological phenomenon within the employee that has to be overcome by management. Zander (1950:9) defines resistance to change as the “behaviour which is intended to protect an individual from the effects of real and imagined change” which is in accordance with the employee-centric view. This is in contrast to Lewin’s (1947) assertion that resistance to change is a systems concept that equally affects both employees and managers.

Atkinson and Atkinson (2005:15) are of the opinion that regardless of the type of change initiative, the host and sponsors driving the change will encounter resistance

and would therefore have to deal with and manage this resistance. Despite the need for the change, this resistance to change cannot be excluded and should be seen as the norm and is natural (Atkinson & Atkinson, 2005:15-16). However, Winslow *et al.* (1992:9) argue that believing in resistance to change as being a natural phenomenon ultimately results in it becoming a self-fulfilling prophecy. These hosts and sponsors will “take any and all and all actions to overcome this assumed resistance, which then, surprise, surprise, leads to the appearance of the very phenomenon that was hoped to be avoided” (Winslow *et al.*, 1992:9).

Dent and Goldberg (1999:31) credit Coch and French (1948) with the first known published research on resistance to change in organisations. Coch and French (1948) concluded that full participation of groups in the design and development of changes resulted in much lower resistance than groups that did not or partially participated.

Based on the review of the literature, Rosenberg and Mosca (2011) highlighted twenty reasons for employees’ resistance to change (refer Table 13) and categorised these as follows:

- 1 through 8 are largely personal factors for resistance,
- 9 through 18 are largely organisational factors for resistance,
- and 19 and 20 are factors that are specific to the change itself.

**Table 13: Reasons For Resistance To Organisational Change**

No	Reason
1	Employees' attitudes/disposition toward change
2	Fear of the unknown (uncertainty)
3	Lack of understanding of the firm's intentions
4	Fear of failure
5	Disruption of routine
6	Increased workload (due to downsizing or employees leaving voluntarily/involuntarily)
7	Lack of rewards for implementing change
8	Perceived loss of control, security, or status
9	Poor leadership
10	Dysfunctional Organisational culture
11	Organisational size and rigidity
12	Lack of management support for the change (Organisational commitment)
13	Lack of trust between management and employees
14	Inability or unwillingness of management to deal with resistance
15	Lack of participation due to top-down steering
16	Organisational politics/conflict
17	Internal conflict for resources
18	Lack of consequences for inadequate or poor performance
19	The content of the change (an ill-conceived change/relevance of the goals of change)
20	Poor implementation planning

Rosenberg and Mosca (2011:143) suggest that in order to lessen resistance, factors including appropriate communications and employee participation schemes have to be considered. These researchers acknowledge that due to the diverse nature of organisations there is no “one size fits all” approach to change resistance.

### **2.3.11 Conclusion**

In this section an overview of organisational change was provided. Some definitions of organisational change were explored. Episodic change was contrasted with continuous change and Lewin's three-step model was elaborated upon. The reader's attention was drawn to the importance of change readiness and resistance to change as precursors to change.

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## **3 SECTION 3: RESEARCH METHODOLOGY**

### **3.1 Introduction**

The aim of this section is to set out the methodology that was used to undertake the research and the rationale for the approach used. Firstly the paradigm informing the research will be described, followed by the choice of the case study methodology. The sampling technique used and the justification of the sample selected will be explored. Thereafter, the data collection approach used and analysis techniques employed will be elaborated upon. This chapter concludes with an overview of the research quality and ethical considerations that were considered for this research.

### **3.2 Research Aim and Objectives**

As previously elaborated upon in section one of this document, briefly, the aim of this research is to understand the outcomes of change for those employees of Healthi Choices that predated the leadership change within this organisation.

The objectives of this study are to describe the changes that were instituted by the new leadership to facilitate the turnaround strategy at the organisation and to describe how these changes affected employees in terms of the job satisfaction and organisational climate constructs.

This research provides the Healthi Choices leadership team with insight into the impact that the changes they initiated, have had on employees in terms of job satisfaction and organisational climate. By gaining an understanding of how employees experienced these changes, it is hoped that future changes within the organisation will take into consideration findings from this research. Furthermore, research of the employee wellness industry in South Africa is limited (Sieberhagen, 2008:9), possibly due to the relative newness of the local industry. This study therefore intends to develop a greater understanding of some of the employee responses to change, within this industry context.

### **3.3 Research Paradigm and Methodology**

Using a constructivist approach, the researcher will explore and give meaning to a social process by understanding each participant's subjective experience of reality i.e. a relativist ontology (Guba & Lincoln, 1994:110-111). The epistemological approach

is transactional and subjective due to the fact that the observations and findings will emerge from the interaction between the researcher and employees/participants (Guba and Lincoln, 1994:111).

Although quantitative measures for the job satisfaction and organisational climate constructs are well developed, the researcher chose a qualitative approach for this case study as the aim is to explore via detailed descriptions 'the richness of the data' and not to analyse 'the amount of data' via statistical methods (Carey, 1995:492). An inductive approach has also been decided upon, as this approach allows the researcher to be guided by data from the case study, as well as to view the research design as emergent (Hoepfl, 1997). Through careful inspection and continuous comparison of the data, themes and categories emerge by mainly inductive reasoning (Ravari *et al.*, 2012).

The primary method of data collection was via semi-structured interviews administered by the researcher to specific individuals at their workplace. Documentary analysis of selected documentation of the organisation under review provided further information pertaining to the research. An additional interview was conducted with the CCO of the organisation. This interview allowed the researcher to gain insight into some of the detail contained within the documentary analysis that was part of the research.

### **3.4 Limitations of the study**

This study had a number of limitations. Only female employees were interviewed as there were no male employees that formed part of the team that predated the leadership change. This was not by design. The researcher also had limited time at his disposal to conduct and analyse the research. Due to the (relatively) small sample size, the findings may not represent the views and beliefs of all the employees that predated the leadership change. However, Creswell (2005:253) noted that limitations acknowledged and discovered within a study allows for a "useful bridge" into exploring future studies that will address the identified weaknesses.

### **3.5 The Case Study methodology**

In order to address the research aim, the researcher concluded that a qualitative case study would be most appropriate. Merriam (1988:21) defines a qualitative case study in terms of its end product by being "an intensive, holistic description and analysis of

a single phenomenon, or social unit". Yin's (1994:13) perspective of a case study defines it in terms of the research process where a contemporary phenomenon is investigated empirically in its real-life context. He continues by emphasising that the context of the case study and boundaries of the phenomenon are not clearly evident. Stake's (1995) focus tries to isolate the case as the unit of study. It is therefore clear that there are various approaches to case study research, with each approach contributing to the nature of this kind of research. Merriam (1998:27) sees the case being studied as a single entity which has boundaries. The boundary aspect of a case is critical as it allows the unit of study to be delimited (Babbie, 2011:301). Miles and Huberman (1994:25) uses the analogy of a circle with a heart at its centre. The focus of the case study concentrates on the heart i.e. what this study is based on. The circle i.e. the edge of the case will be outside the scope of the study. According to Merriam (1998:27) a case therefore must be intrinsically bounded. Researchers following case study methodology seek out both what is common and what is particular about the case, but the end result regularly presents something unique (Stouffer, 1941). The case study research method has a distinct advantage over other research methods when the researcher is seeking to answer "how" and "why" questions (Yin, 1994:9).

This case study satisfies the bounded criteria in that this sample population has the following characteristics:

- A single organisation is being reviewed.
- The interview sample is to be drawn from a fixed number of employees within the organisation.

Case studies are differentiated from other research design by what Cronbach (1975:123) calls "interpretation in context". MacDonald and Walker's (1975:2) definition of a case as the "examination of an instance in action". These researchers' choice of the word 'instance' is significant in this definition, because it implies a goal of generalisation. Furthermore, this definition is congruent with Guba and Lincoln's (1981:371) statement that the purpose of the case is to "reveal the properties of the class to which the instance belongs".

A case study must be descriptive and the end product of a case study is a rich 'thick' description of the phenomenon under study (scrutiny). The concept of 'thick' in this context means a complete literal description of the incident or entity being investigated (Merriam, 1998:30).

As per Merriam (1998:31), the investigative quality of a case study is suggested by the following aspects. A case study can:

- (1) explain the reasons for a problem, the background of a situation, what happened, and why.
- (2) explain why an innovation worked or failed to work.
- (3) discuss and evaluate alternatives not chosen.
- (4) evaluate, summarize, and conclude, thus increasing its potential applicability.

In order to address the aims of this research, this descriptive case study will utilise parts of points (1), (2) and (4) above.

### **3.5.1 Strengths and Limitations of Case Studies**

#### **3.5.1.1 Strengths of Case Studies**

According to Miles and Huberman (1994), a case study is flexible in that a researcher can select a focus area within the extent of the research topic and decide the boundaries of this. The flexible nature of case studies extend to the methods as well as the data collection procedures (Hopkins, 1993; Robson, 1993). Multiple methods of data collection can be used by the researcher in seeking out reality. Hsieh (2004:95) elaborates on the notion that flexibility of the data collection procedures emanates from the perspective that there is no fixed end point in data collection as there can be a shift in the subject(s) at which point data collection can resume. According to Yin (1994), case studies seek to understand contemporary phenomena in human society within their natural settings. This approach differentiates case studies from experimental research that necessitates a controlled environment.

#### **3.5.1.2 Limitations of Case Studies**

According to Merriam (1998:41), a strength that experimental design has over case studies is “the predictive nature of the research findings” due to “tightly controlled conditions, random sampling, and use of statistical probabilities”. Merriam (1998:42) posits that due to the researcher being the primary instrument of data analysis and collection, the integrity and sensitivity of the researcher limits the case study when the researcher has a lack of training in observation and interviewing. Guba and Lincoln (1981:377) cautions that readers may think that case studies are accounts of the

whole, “That is, they tend to masquerade as a whole when in fact they are but a part- a slice of life”.

### **3.6 Case Study Population**

#### **3.6.1 Sampling**

In employing purposive sampling, the researcher engaged with the CEO of Healthi Choices to delineate prospective employees for the interview component of the research. MacDonald and Carnevale (2008) suggested that it is acceptable to use purposive sampling for certain situations when the research being conducted has an interest in selecting special cases or special participants. Silverman (2006) notes that within purposive sample, the researcher selects a group of people as they comply with the features that the researcher is interested in. For this research, potential interviewees had to be:

- a) in the organisation’s employ prior to the leadership takeover in May, 2012 and
- b) over eighteen (18) years old as part of the ethical criteria (code).

Twelve potential candidates were identified for the interview component of the research across the various hierarchical levels within the organisation. These candidates were informed of the research being conducted and were then asked to volunteer. Of the potential candidates, nine female candidates agreed to be interviewed. This is a satisfactory sample size within the context and constraints (time and other) of this study (Baker & Edwards, 2012:10). Within the context of this study the candidates that were ultimately selected represented all employee levels. However, due to the size of the organisation, the demographic profile of the interview candidates will not be elaborated upon. This will allow for compliance of the ethical considerations of this study by safeguarding the identity of the candidates to an external audience.

The organisation under consideration has a disproportionate number of female employees. Within this organisation, the bulk of the employees are qualified nursing professionals. This is congruent with the statistics of nursing professionals within the South African context, where females account for almost 93% (107029 out of 115244) of the total registered nurses (South African Nursing Council, 2011:1-2).

As part of the interview process, participants were asked about their level of education. One participant had a post-graduate qualification, one participant had two tertiary qualifications, five participants were qualified at tertiary level and two participants were qualified at secondary level.

As a requirement for participation in the interview process each candidate had to have been in the organisation's employ prior to May, 2012. It stands to reason that all participants had more than two years tenure at the organisation.

### **3.7 Data Collection Strategies**

#### **3.7.1 Interviews**

Within qualitative research, De Vos *et al.* (2005:287) maintain that performing interviews are the predominant mode of information or data collection. Qualitative interviews according to Kvale (in Sewell, 2001:1) are "attempts to understand the world from a participants' point of view, to unfold the meaning of people's experiences, to uncover their lived world prior to scientific explanation". Contrasting qualitative interviewing from other interviewing types, Rubin and Rubin (1995: 43) describe the distinction being that its design "makes it more flexible, iterative and continuous, rather than prepared in advance and locked in stone". Babbie (2011:312) posits that qualitative interviews are conversations where the interviewer sets a general direction for the interview and thereafter directs the interview in relation to the topics raised by the participant.

#### **3.7.2 Semi-structured interviews**

Due to the fact that the researcher intended exploring defined constructs, the one-to-one semi-structured interview was deemed best suited for the purposes of this case study. Semi-structured interviews are used when a detailed picture of a participant's belief pertaining to a particular subject is warranted (De Vos *et al.* 2005:296). The interviewer, by making use of an interview guide with predetermined questions, is able to guide and not dictate the interview process. This allows for a measure of flexibility for both the interviewer and the participant. This structure also allows for a standard set of questions to be asked, along with questions adapted specifically for each participant for the purposes of clarification or elaboration.

The employees to be interviewed will be purposive and selected from:

- different structures including operational and leadership - to gain an understanding of the change outcomes in relation to areas of the business
- different levels - employee, team leader, senior manager and executive
- longevity within the organisation - those employees that predated the leadership change

In order to analyse the interviews, coding techniques and thematic analysis will be used to formally represent this data (De Vos *et al.*, 2005:338). These analytic techniques will allow the researcher to link outcomes of the changes to the identified behavioural variables

### **3.7.2.1 Interviewing Technique used**

Seidman (2006:78-93) describes in detail his method of conducting qualitative interviews. De Vos *et al.* (2005:288-289) summarise these and the researcher, fulfilling the role of the interviewer, used these tips in conducting the interviews:

- The participant must do 90% of the talking. The interviewer should listen more and talk less.
- Ask clear and brief questions. It is important to use words that make sense to the participant.
- Ask single questions. Ask one question at a time.
- Ask truly open-ended questions. Open-ended questions do not pre-determine the answers and they allow room for the participants to respond in their own terms.
- Avoid sensitive questions. The participant may feel uneasy and adopt avoidance tactics if the question is too deep without the necessary rapport.
- Sequence questions. Funnel questions from general to specific.
- Don't worry if your questions are not as beautifully phrased as you want them to be for posterity. A few fumbled questions might help to put your participant at ease.
- Ask questions when you do not understand.
- Avoid leading questions.
- Repeat key questions throughout the interview
- Encourage a free reign but maintain control
- Allow for pauses in the conversation

- Return to incomplete points
- End the interview at a reasonable time.

### 3.7.3 Interview Guide and Process

The researcher constructed the following mapping to assist with the compilation of the interview guide (refer to Appendices 4.2 and 4.3 for the complete guide).

Table 14: Linking the Organisational Climate and Job Satisfaction dimensions

Organisational Climate Elements Based on dimensions of Org. Climate Questionnaire, Litwin & Stringer (1968)	Job Satisfaction Elements Based on revised Job Descriptive Index Smith <i>et al</i> (1985)
Formalization	Work on Present Job
Support	
Nature of Work	Pay
Reward	
Interpersonal Relations	Opportunities for Promotion
Risk Taking	
Communication	Supervision
Innovation	
Decision Making	Co-Workers
Teamwork	

The Organisational Climate dimension were further sub-divided to allow the researcher to further explore dimensions of organisational climate with participants based on the research conducted by Yahyagil (2004). In order to understand the interdependence between concepts of organisational culture and climate, Yahyagil developed a twenty-item Organisational Climate Likert scale (refer Table 15) combining research performed by Litwin and Stringer (1968), Fey and Beamish (2001), Jones and James (1979), Kirsh (2000), Schneider, Brief and Guzzo (1996).

**Table 15: Items used in Likert scale developed by Yahyagil (2004) based on Litwin and Stringer's (1968) research**

Sub-Question	Organisational Climate sub-theme
Q01)	clearly defined jobs and business procedures
Q02)	information given about organizational activities
Q03)	getting assistance from top-management
Q04)	reward in proportion to involvement in business strategies
Q05)	involvement in decision-making process
Q06)	challenging nature of work
Q07)	emphasis given to teamwork
Q08)	red-tape is kept to a minimum
Q09)	new and original ideas to receive consideration
Q10)	warm relations between peers and superiors
Q11)	hierarchical procedures should be observed
Q12)	motivating nature of work
Q13)	availability of peer support
Q14)	risk taking encouraged
Q15)	easy-going work atmosphere
Q16)	accessibility to information on job flow
Q17)	no satisfactory team work
Q18)	recognition in proportion to individual performance
Q19)	management welcomes new ideas and changes
Q20)	emphasis on involvement in decision-making process

The researcher used central themes (Table 16) to assist with constructing the interview questions.

**Table 16: Compilation of the 20-item scale (Yahyagil, 2004)**

Organisational Climate Category	Researcher(s) responsible for measure				
	Litwin & Stringer	Schneider, Brief & Guzzo	Fey & Beamish	Jones & James	Kirsh
<i>1- Formalization</i>					
<i>Q01</i>	x	x	x		x
<i>Q08</i>	x	x			
<i>Q11</i>	x	x	x		
<i>2- Support</i>					
<i>Q03</i>	x	x		x	x
<i>Q13</i>	x	x		x	x
<i>3- Nature of Work</i>					
<i>Q06</i>		x		x	
<i>Q12</i>	x	x		x	
<i>4- Reward</i>					
<i>Q04</i>	x	x			x
<i>Q18</i>	x	x	x		x
<i>5- Interpersonal Relations</i>					

	Q10	x	x	x	x	x
	Q15	x	x	x	x	x
	6- Risk Taking					
	Q14	x	x		x	
	7- Communication					
	Q02			x		
	Q16		x	x		x
	8- Innovation					
	Q09	x				x
	Q19				x	
	9- Decision Making					
	Q05		x	x		x
	Q20			x		x
	10- Teamwork					
	Q07		x		x	x
	Q17		x			

Based on the mapping as per Table 14 and the combined measures of Table 16, with the intention of linking the questions to the changes that transpired, the researcher proceeded to construct the interview guide:

An example of one of the constructed questions is provided:

Leading Question

Why did you choose this type of work? (Structural)

Follow-up questions: Can you please tell me about aspects of your work during the day that you find particularly satisfying (Job Satisfaction dimension – work on present job).

Why do you consider these aspects to be satisfying and not other aspects of your job? How has this changed over the last two years? (Job Satisfaction dimension – work on present job).

Nature of Work (Organisational Climate Dimension)

Follow-up questions: Please elaborate on aspects of your work that challenges you in a positive way. Please elaborate on aspects of your work that serve to motivate you.

Relevance:

- Challenging nature of work – (Organisational Climate, Q6)
- Motivating Nature of work – (Organisational Climate, Q12)

As the purpose of the interview was to ascertain how participants experienced the two year period from May 2012 to June 2014, in order to ascertain how things have changed, the interviewer often had to probe into the period prior to May 2012 when participants were in a different structure with different leadership. The line of probing enabled the researcher to gather insight into the way some participants experienced the new regime.

The guide contained an introduction to the purpose of the case study and the role of the interview process as part of the data gathering process. The interviewer proceeded to read through the guide providing brief definitions of the job satisfaction and organisational climate constructs (Appendix 4.2). Participants were provided with the research participant consent form and were then asked to read through the document. They were requested to ask any questions for clarification and were again reminded that the interview was voluntary. Once they were satisfied, the interviewer requested that they sign this form. One participant requested to sign the form after the interview was complete as she felt that she may have questions in response to the process followed.

#### **3.7.4 Recording of interviews**

As per Smith *et al.* (1995:17), tape recording equipment allows for a more complete record of the interview than what is achievable by note-taking. As part of the research participant consent form (see Appendix 4.1), participants were asked for their consent to an audio recording of the interview. The researcher used an Olympus DSS-4000 digital voice recorder for accurate recording of the interviews. These recordings were then downloaded to a laptop computer for subsequent transcription. In transcribing the recordings, the researcher attempted to 'capture' nuances within the interview process. The following snippet of an interview provides some insight into this aspect in response to the interviewer asking the question:

“What aspects of your work do you not find satisfying?”

C7: I think it may be weakness, but I’m a bit of a perfectionist (giggles). So when I have to review sloppy work, when I have to review something and send it back, send it back and send it back, it drives me dilly (laughs).

Another example is provided below in response to the researcher probing further about retrenchments:

“... and were you retrenched?”

C3: No, I wasn’t. I had reapply for a job in GEMS. (pauses) and I was already doing GEMS and I didn’t understand why I had to reapply for that position.

### **3.7.5 Interview length**

The duration of the interviews were between 40 minutes and an hour. Whilst, conducting the interviews, the researcher allowed the participants to speak freely and tried to interrupt as infrequently as possible. The interview length was in line with what the researcher estimated prior to conducting the research.

## **3.8 Content Analysis**

As per Krippendorff (2004:xvii), “content analysis is an empirically grounded method, exploratory in process, and predictive or inferential in intent”. This is the study of recorded human communications (Babbie, 2011:328) which is deemed appropriate for the nature of this type of research. Newton (2010) argues that in the case of unstructured data, content analysis can be used quite successfully with the results comparable to other forms of analysis. Babbie (2008:355) refers to coding as the process of “transforming raw data into a standardised form”. The author further elaborates that content analyses are coded forms of communication that are classified according to some conceptual framework.

### **3.8.1 Instrumentation**

#### **3.8.1.1 Interviews**

In order to build rapport, the researcher initiated the interview process by requesting each interview participant to provide an overview of themselves. In addition to providing the researcher insight into the varied nature of the work that each participant performed, the second question pertaining the participant’s daily routine added to the

rapport building. Based on the responsiveness and conversation style of each participant, each interview was of a different duration. The researcher had to deviate from the interview guide on occasion. This was done for two reasons:

- (1) Emerging themes warranted further interrogation and
- (2) Not all questions were applicable to all participants with the result that the questions needed modification where necessary. As an example, the follow up part of question five dealt with bonuses. Two of the affected participants were retrenched and had to apply for new roles. These employees did not leave the physical employ of the organisation at any stage during the period under review. Hence the original question was not applicable. In this case, the question was modified as follows from:

*“Please explain how not receiving a full bonus made you feel about Healthi Choices.”* to

*“Please explain how being retrenched made you feel about Healthi Choices.”*

The researcher took notes during the interview as a means of supplementing and reflection of the interview process. To ensure that coding was accorded sufficient accuracy, each interview was reviewed several times.

Question two explored the changes that management made in working hours and shifts by asking how participants were effected emotionally. As part of this question, participation of the interviewees in this decision making process was also explored. This question introduced the concept of change and its effects on both job satisfaction and organisational climate to the participants. As the first question specifically dealing with the aims of the research, this question allowed the researcher to establish a foundation for more sensitive questions pertaining to the behavioural constructs under scrutiny.

Subsequent to the first day’s interviews, the researcher reflected on the process and used the opportunity to strengthen his approach where there was a perceived lack of clarity in the questions.

### **3.8.1.2 Document analysis**

The researcher reviewed documentation (refer Table 1) that assisted in providing the background to the changes as well as the actual changes that have taken place. These documents took the form of financial reports, annual reports, organisational

organograms and operational/strategic plans. De Vos *et al.* (2005) described the advantages of this technique as being low cost, non-interactive and non-reactive. However, document analysis could suffer from quality issues in that these documents may be biased, be incomplete or not be in a standard format (Yin, 2009:102). Where the researcher required clarification in understanding the detail, he consulted with the CCO to provide further insight.

### 3.8.2 Core Themes

Roughly eight and a half hours of audio were recorded. These interviews were coded and these codes grouped into various themes. The researcher compiled the major themes based on the fact that multiple participants provided similar responses. This technique assisted with the development of the core themes (refer Table 17) in conjunction with extensive and careful examination of the transcripts. Identification of phrases helped to focus on the experiences of the employees in relation to the effects of organisational change on job satisfaction and organisational climate. Strydom (2012:109) states that within data analysis, “it is inevitable that some parts of the data will be richer and will necessitate more detailed descriptions and notes than other parts”. This statement resounded with this researcher and in this regard, he tried to stay true to the respective participants’ true meaning and intention in the process of compiling the themes (Strydom, 2012:109).

The recurrent themes that emerged were:

**Table 17: Themes emerging from the interview process**

Theme	Description	Affected Behavioural Variable(s)
<b>Work on Present Job</b>	The work that employees are currently performing.	Job Satisfaction
<b>Senior Management and lower level employee relationship</b>	The importance of the senior management and employee relationship to employee job satisfaction and decision making.	Job Satisfaction, Organisational Climate
<b>Communication between structures</b>	A need for more frequent and detailed communication.	Organisational Climate
<b>Management Support</b>	Support by management during organisational change.	Organisational Climate
<b>Innovation and Risk-taking</b>	Creating a climate for innovation and risk taking across all levels of the organisation.	Organisational Climate

<b>Opportunities for Promotion</b>	The likelihood of promotion opportunities being created.	Job Satisfaction
<b>Work on Present Job</b>	The work that employees are currently performing.	Job Satisfaction

These themes are further elaborated upon in Section 1 of this document.

### 3.9 Validity and Reliability

Qualitative researchers have different perspectives on what validity and reliability constitute within qualitative studies. Lincoln and Guba (1985:316) asserts that “Since there can be no validity without reliability, a demonstration of the former [validity] is sufficient to establish the latter [reliability]”. Riege (2003:84) argues that management is able to use results of studies for decision-making purposes with confidence only if there is “a high degree of validity and reliability”. Four tests and techniques, namely credibility, confirmability, transferability and dependability are presented by Riege (2003:78-82). These tests not only establish validity and reliability in case study research, but also the quality thereof (Riege, 2003:85). According to Hsieh (2004:110), with reference to research credibility, these terms are often mentioned together. Each of these tests will be briefly explored.

Credibility, sometimes referred to as truth value, in qualitative research is analogous to the validity measure in quantitative research (Ulin *et al.*, 2005:25). Part of this requirement is that the participants in the study have to consider the findings of the case study to be accurate (Miles & Huberman, 1994). Although the researcher endeavoured to ensure the accuracy of the assembled data, this aspect can only be confirmed once the case study has been presented to the organisation under review. Ulin *et al.* (2005:25) advise that there has to be consistency in the findings in terms of the explanations supported. Additionally the narrative data has to be sufficiently ‘rich and meaningful’ in order to support the findings (Riege, 2003:81).

Riege (2003:81) states that confirmability examines whether data was interpreted in a “logical and unprejudiced manner” i.e. after examining the data, were the conclusions the most reasonable ones that the researcher could arrive at. The method and manner (procedure) that the researcher followed were fully described earlier in this section. In order to provide a ‘complete picture’ to the target audience, the researcher provided

background to the organisation using source documents as well as including discussions with the CCO relating to the 'thinking' for some of the changes made. As per Riege (2003:81), documents and audio recordings of interviews, both electronic and transcribed, has been retained by the researcher for possible reanalysis.

Transferability, within the qualitative realm, addresses the aspect of "whether the conclusions of a study [are] transferable to other contexts", (Miles & Huberman, 1994:279). In terms of this study, there were a number of contextual factors that may limit the conclusions to other contexts. This research "produced data that are conceptually representative of people in a specific context" and hence the conclusions may be extended to similar populations (Ulin *et al.*, 2005:27). However, as per Lincoln and Guba (1985:404), "The original inquirer cannot know the sites to which transferability might be sought, but appliers can".

Riege (2003:81-82) equates dependability with the concept of reliability in quantitative research. Within qualitative research, the results must be dependable and the research process consistent (Ulin *et al.*, 2005:26). In line with these objectives, the researcher has attempted to ensure that the research questions were clear and connected to the purpose and design of the research. Furthermore, the process of conducting this research was extensively elaborated upon during this section.

### **3.10 Ethical Considerations**

Consent for the case study was provided by the CEO of Healthi Choices. The researcher has to ensure that participation in the study is voluntary and informed without fear from the participants of any negative consequences should they refuse to participate (De Vos *et al.*, 2005:67). The researcher attempted to ensure the anonymity of participants by assigning a random code to each participant for identification purposes. Although the organisation's employees deal with client confidential health related data, from an informed consent perspective the researcher does not believe that this should be a factor in ensuring ethical conduct. Client data did not form part of the investigation.

### **3.11 Conclusion**

This section described the methodology used to carry out the research for this study in accordance with the intended aim and objectives.

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## 4 APPENDICES

### 4.1 Research Participant Consent Form

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#### INFORMATION SHEET and CONSENT FORM

**Title of Research Study:** A case study of organisational change in an employee wellness company and its effects on job satisfaction and organisational climate

**Researcher's Contact information:**

Wahib Kassiem

Email: [REDACTED]

Phone: [REDACTED]

**Supervisor Contact information:**

Professor Noel Pearse, PhD(Rhodes), MSocSci(UCT)

Email: [n.pearse@ru.ac.za](mailto:n.pearse@ru.ac.za)

Dear Participant:

My name is Wahib Kassiem. I am a Masters in Business Administration student under the supervision of Professor Pearse at the Rhodes Business School at Rhodes University located in Grahamstown. You are being invited to participate in my research project entitled: *A case study of organisational change in an employee wellness company and its effects on job satisfaction and organisational climate*. Before you decide to participate in this study, you should read this form and ask questions about anything that you do not understand.

**Description of Project:** The purpose of the research is to understand the outcomes of change from an *employee* perspective by:

1. Describing the changes that were instituted by the new leadership to facilitate the turnaround strategy at HealthiChoices and
2. Describing how these changes affected employees in terms of the job satisfaction and organisational climate constructs.

This study has been approved by the Higher Degrees Committee of Rhodes University on the 21<sup>st</sup> of March, 2014.

**Explanation of Procedures:** Participation in this study is confidential. Each participant will be assigned a pseudonym ensuring that no personal names and information are identified. Participation in this research is completely voluntary and you may choose not to participate, or to withdraw at any stage, without any adverse consequences for you. Your participation will take the form an interview between the researcher and the participant. With your permission, audio recordings of each interview will be conducted. The purpose of the recording is to allow the researcher to transcribe the interview dialogue accurately for the sole purpose of analysis. These recordings will **not** be made available to any HealthiChoices staff member or any other institution.

**Time Required:** The interview will take between 40-60 minutes to complete.

**Risks or Discomforts:** There are no known risks anticipated as a consequence of participating in this study.

**Benefits:** A summary of the findings will be made available to the Senior Management Team of HealthiChoices in order that they may reflect on the changes initiated by them during the term that they've been in office. These findings may be of use for future endeavours within HealthiChoices.

**Compensation:** You will receive no compensation for participating in the research study.

**Confidentiality:** The results of this participation will be anonymous. Anonymity will be attempted by not including names of participants on the research packets and confidentiality will be maintained as each participant will be assigned a pseudonym.

**Inclusion Criteria:** You must 18 years of age and in HealthiChoices' employ

As your participation in this research is voluntary. I would like to take this opportunity to thank you for assisting me with this case study.

Sincerely,

Wahib Kassiem

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**CONSENT FORM**

I hereby agree to participate in this research.

\_\_\_\_\_  
Signature of participant

\_\_\_\_\_  
Date

## 4.2 Interview Guide used by Researcher for this case study (Introduction Page)

### Interview Guidelines

**Research Topic:** A case study of organisational change in an employee wellness company and its effects on job satisfaction and organisational climate

**Job Satisfaction Questions** - questions based on the dimensions of the revised Job Descriptive Index - Smith *et al* (1985)

**Organisational Climate Questions** - questions based on dimensions of Litwin and Stringer's (1968) Organizational Climate Questionnaire, and the study of Schneider, Brief and Guzzo (1996)

**Introduction** (to be read to the interviewee before questions are posed):

Since taking over the reins in May 2012, the management team of HealthiChoices has implemented a number of changes in order to position the company more strategically in the employee wellness industry. By instituting these changes, employees are impacted in various ways. This interview process is to allow the researcher (me) to engage with employees (you) to see how these changes affected employees from a job satisfaction and organisation climate perspective.

Job satisfaction can mean different things to different people, though it is likely to include key elements such as recognition, reward, business environment, being treated with respect, meeting career aspirations, having the support from the organisation (in decision making), business challenges and personal development. In one of the earliest attempts to define job satisfaction, it was conceptualised as a combination of physiological, psychological and environmental circumstances that has the result in a person saying "I am satisfied with my job".

One researcher conceptualised organisational climate as the way that employees experience and describe their work settings. Organisational climate varies from company to company and multiple climates may exist within a single company. Key elements of organisational climate include decision making, the nature of the work, innovation, reward and recognition and teamwork.

Hence, the interview with your participation, will probe the changes that transpired in the context of job satisfaction and organisational climate by asking why you believe these changes were made and under what circumstances it happened.

### 4.3 Interview Guide used by Researcher for this case study

#### Questions:

1. Please tell me about yourself.
2. What does your typical daily routine consist of? (Descriptive)

Follow-up questions: Were you affected by the changes in working hours and shifts. If so, how did you respond to these changes in relation to your work? How did these change affect you emotionally? In your opinion, was this the correct thing to do by management? (JS – work on present job).

#### Decision Making (OC)

Follow-up question: How were you consulted with the changes that management intended to implement regarding working hours and shifts? In your opinion, did management approach these changes correctly?

#### Relevance:

- involvement in decision-making process (OC, Q5)
- emphasis on involvement in decision-making process (OC, Q20)

3. Why did you choose this type of work? (Structural)

Follow-up questions: Can you please tell me about aspects of your work during the day that you find particularly satisfying (JS – work on present job).

Why do you consider these aspects to be satisfying and not other aspects of your job? How has this changed over the last two years? (JS – work on present job).

#### Nature of Work (OC)

Follow-up questions: Please elaborate on aspects of your work that challenges you in a positive way. Please elaborate on aspects of your work that serve to motivate you.

#### Relevance:

- Challenging nature of work – (OC,Q6)
- Motivating Nature of work – (OC,Q12)

#### Innovation (OC)

Follow-up of questions: Have any of your ideas been considered by management? How has management's openness to new ideas changed in the last two years? Do you believe that this is the right decision by management? Why?

#### Relevance:

- new and original ideas to receive consideration (OC, Q9)
- management welcomes new ideas and changes (OC, Q19)

#### Risk Taking (OC)

Follow-up of questions: Do you think that there is support by management for employees to take risks under certain conditions? How has this changed over the last two years? Do you believe that this is the right decision by management? Why?

#### Relevance:

- risk taking encouraged (OC, Q14)

#### 4. Please describe the kind of supervision you get in your job. (JS – Supervision)

Follow-up question: Please explain how the team restructuring exercise by management impacted on the supervision that you experienced.

#### Communication (OC)

Follow-up question: How did HealthiChoices communicate the restructuring to you? What do think was right or wrong about the way that the firm communicated the restructuring?

#### Relevance

- information given about organizational activities (OC, Q2)
- accessibility to information on job flow (OC, Q16)

#### Support (OC)

Follow-up questions: How did HealthiChoices support you during this process? How did your colleagues support you during this process?

#### Relevance

- getting assistance from top-management (OC, Q3)
- availability of peer support (OC, Q13)

#### Formalisation (OC)

Follow-up questions: Since the new management team have been running HealthiChoices, have you experienced a change in your job description; red-tape; business procedures? How did this change? In your opinion, what this the correct thing to do?

#### Relevance

- clearly defined jobs and business procedures (OC, Q1)
- red-tape is kept to a minimum (OC, Q8)
- hierarchical procedures should be observed (OC, Q11)

5. How do you feel about your current remuneration package? (JS – Pay). In your opinion, how did the change in leadership affect your remuneration package?

Reward (OC)

Follow-up question: During November 2012, the leadership team of HealthiChoices announced that a full bonus will not be payable to staff members due to:

- A contract that was not renewed and
- Certain staff members that had to be retrenched as a result of the business impact in losing the contract.

Follow-up question: Please explain how not receiving a full bonus made you feel about HealthiChoices.

Relevance

- reward in proportion to involvement in business strategies (OC, Q4)
- recognition in proportion to individual performance (OC, Q18)

6. Please tell me how HealthiChoices provides opportunities for promotion to its staff members. (JS - Opportunities for Promotion).

How has this changed within the last two years? In your opinion, did the leadership implement the appropriate methods of doing this? Why do you think so?

7. In which way do you value your relationship with your co-workers? (JS – Co-workers)

Did this change during the last two years? Why did your relationship change? How did your relationship change?

Interpersonal Relations (OC)

Follow-up question: Describe the type of relationship that you have with your co-workers? Has this changed in the last two years? How did this change?

Relevance

- warm relations between peers and superiors (OC, Q10)
- easy-going work atmosphere (OC, Q15)

Teamwork (OC)

Follow-up question: Please explain how team work is encouraged in your work environment? Has this changed in the last two years? How did this change?

Relevance

- emphasis given to teamwork (OC, Q7)

- no satisfactory team work (OC, Q17)

**References:**

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#### 4.4 Letter requesting organisation to conduct research

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6 June 2014

**Attention: Johnny Koortzen**

CEO - HealthiChoices  
Valley View Office Park  
680 Joseph Lister Street  
Constantia Kloof  
1715

#### **Request for permission to conduct research at HealthiChoices**

Dear Mr. Koortzen

My name is Wahib Kassiem. I am a Masters in Business Administration student under the supervision of Professor Pearse at the Rhodes Business School at Rhodes University located in Grahamstown. My proposal titled:

*A case study of organisational change in an employee wellness company and its effects on job satisfaction and organisational climate*

has been approved by the Higher Degrees Committee of Rhodes University on the 21<sup>st</sup> of March, 2014.

I am hereby seeking your consent to:

1. select between 8 and 12 of HealthiChoices staff members for interview purposes. These participants will be drawn from different structures including operational and leadership as well as from different levels i.e. employee, team leader and senior management. These staff members must also have been in the company's employ at the time (May, 2012) when your team took over from the previous executive team. Each interview will be approximately 40-60 minutes in duration.
2. be granted access to the following documents: financial reports, annual reports, standard operating procedures, policies and performance evaluations of staff members.

By validating the data using cross verification of the various data sources, i.e. the interviews and the documents, I anticipate that the rigour of the study will be enhanced.

I have provided you with a copy of my research proposal as well as the consent form that will be provided to each participant. Upon completion of the study, I undertake to provide you with a copy of the full case study. If you require any further information, please do not hesitate to contact me. Thank you for your time and consideration in this matter.

Thank you for allowing me to make use of the staff members of HealthiChoices to assist me with my research.

Sincerely,

Wahib Kassiem

Rhodes Business School, Rhodes University

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**Researcher's Contact information:**

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