

**AN ASSESMENT OF CHANGE READINESS
PRIOR TO SIGNIFICANT ORGANISATIONAL CHANGE**

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Integrative Summary

This research paper is broken up into three sections, namely an evaluation report, a literature review and research methodology. The evaluation report section is the assessment of the current state of change readiness within the Eskom Contact Centre's based upon what the literature on change readiness prescribes. The timing of the change readiness assessment is just prior to significant organisational change. The organisational change that was about to be initiated by the organisation was initiated from the boardroom of the most senior echelons of the organisation, and was directed in a top down approach, being a strategic organisational change. The change is deemed to be critical to the organisation being able to meet its long term strategic and sustainability objectives.

A critical examination of the literature explored the meaning of change readiness, the importance of it and explained the consequences for organisations that commit to transformational agendas without being ready. Key concepts such as such resistance to change and organisational inertia are described and differentiated from change readiness.

The ADKAR change model and its change readiness assessment instrument were used due to the organisations preference for the model. The ADKAR model formed the framework for the analyses of the data, the discussion of the results and the recommendations to the organisation.

The research conducted was quantitative in nature; a questionnaire was distributed to the employees of the seven Eskom Contact centre sites around the country through an email. A slightly modified version of the ADKAR change readiness questionnaire was sent via email with an on-line questionnaire link on it; and questions on individual readiness for change were used to assess the level of readiness of the employees.

Most of the descriptive and inferential statistics were analysed with the use of Excel (version, 2010), with Factor Analysis being done in Statistica. The results of the research showed that:

- The factors as proposed by the ADKAR change readiness assessment questionnaire (i.e. Awareness, Desire, Knowledge, Ability and Reinforcement) are not different enough to be considered as independent factors for this data set. Based on factor analysis, the factors were subsequently amended from five to three, namely Readiness, Opportunity Realisation and Uncertainty.
- The Contact Centre employees were *somewhat* ready for change.
- The Contact Centres needed to focus on all amended ADKAR factors in order to improve the readiness of the department.
- The readiness levels in response to the roll out were more or less uniform.

The study shows that given Eskom's preference for the ADKAR model, future research within Eskom should therefore be conducted more circumspectly with respect to ascertaining the validity of the ADKAR factors.

The study also makes mention that future work and/or research will need to be conducted, specifically on the readiness of the organisation itself, in order to improve the probability of transformational success.

The ADKAR assessment is a people focused assessment and therefore focuses only on the readiness of the individual. Factors such as the adequacy of the current state of resources within the organisation, which incorporate aspects such as infrastructure, technology and staffing, will also need to be assessed to make a more holistic statement of change readiness.

A concise review of the literature is incorporated into the Evaluation Report of Section 1 to underpin the study. In Section 2 a more extensive review of the literature is presented. Similarly, the design of the research is discussed in more detail in Section 3 to both describe and justify the appropriateness of the research methodology, and to give a detailed account of the way in which the research was carried out.

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Section 1 – EVALUATION REPORT

1.1 EXECUTIVE SUMMARY (ABSTRACT)

This evaluation report is presented to the Eskom Structured Operating Steering Committee by Mark Bedser, Senior Advisor, Customer Service. The purpose of the evaluation report is in response to Mr Bedser's mandate, which was issued to him by the General Manager of Operations, Mrs Marion Hughes (2011), to complete a scientific study on change readiness of the Contact Centre Department. The objective of the evaluation report is to highlight to the Eskom Structured Operating Steering Committee the overall state of readiness of the Contact Centre employees for the impending strategic organisational *turnaround* change initiative; and to investigate if there were any differences of readiness between the seven Contact Centre sites.

The evaluation report considered a number of process Change Models under which to conduct the study; but chose the ADKAR model for change, developed by Hiatt (2006) due to it being the organisation's preferred model, which is currently being used as a rule.

The evaluation report concluded that the factors as proposed by the ADKAR change readiness assessment questionnaire (i.e. Awareness, Desire, Knowledge, Ability and Reinforcement) were not different enough to be considered as independent factors. The factors were subsequently amended from five to three, namely Readiness, Opportunity Realisation and Uncertainty. Moreover, the report concluded that the overall level of readiness was *somewhat* ready, that there were no significant differences in change readiness results between the sites, but there were significant differences between the amended ADKAR factors, Uncertainty scoring the lowest of the factors.

It was recommended that a holistic engagement of all of the ADKAR factors was needed to improve the overall levels of employee change readiness and proposed

that the change management team keep to the uniform rollout approach due to similarity in scores at all sites. It was recommended that:

- Eskom put together a change communications package highlighting the benefits and business reasons for the change for Eskom and for individual employees. Illustrations of declining customer ratings and reputation damaging press clips could be incorporated to make the change more compelling to the employee. Furthermore, a “journey map” should be designed and accompany communications so that the progression of the change can be visualised.
- The communication strategy should incorporate mechanisms to recognise and celebrate small wins.
- Changes to processes will need to be fully articulated within extensive training packages.
- Supervisors should have a coaching performance measurement requirement in their performance appraisals, so as to ensure that they coach their employees through the change process.

1.2 INTRODUCTION

Predicting openness and commitment for change through the use of change readiness research and the concentration on employee-focussed change initiatives is an important organisational change success factor (Chalwa and Kelloway, 2004). Success in transformational change depends on a strategic and sequential approach to change (Kotter, 2007), and by creating a state of change readiness before the change, eliminates the need for later action to cope with resistance (Smith, 2005). Assessing the extent of change readiness, prior to organisational change, therefore mitigates the potential waste of significant resources due to failure of the change later on.

The outcome of a recent Eskom strategic review process (Eskom, 2011) was that the leadership of the organisation identified five strategic imperatives:

1. To become a high performing organisation.
2. To lead and partner with key stakeholders to keep the lights on.
3. To reduce its carbon footprint and pursue low carbon growth opportunities.
4. To secure future resource requirements, an energy mandate and the required enabling environment.
5. To ensure financial sustainability.

Customer Centricity was identified as a key lever to becoming a high performance organisation (Von Berge, 2011). Eskom defines customer-centricity as the process of aligning all of its resources to effectively respond to the ever-changing needs of its customers, while building mutually beneficial relationships (Von Berge, 2011).

Eskom has the view that a customer-centric organisation will steer Eskom towards the overall objective of achieving satisfied customers (Eskom, 2011). The ultimate vision of the Group Customer Service's Division is satisfied customers who consistently rate Eskom in the top quartile of South African businesses. The vision is set to be achieved through improved business performance and customer centricity (Eskom, 2011).

Although the idea of Customer Centricity within the contemporary business environment is not a very new one, Day *et al.* (2006) argue that many organisations struggle to make the change. Organisational change to customer centricity is usually a significant one, which normally includes fundamental changes to organizational culture, structure, processes and the financial metrics of the firm (Day *et al.*, 2006).

One of the key objectives for embracing customer-centricity in Eskom is managing the service offering, by offering world-class services and products delivered through optimum channels to fulfil customer needs in every segment (Von Berge, 2011). It was therefore realised that there is a need to optimise Eskom's current customer touch points (Eskom, 2011) in order to provide that world-class service. The Structured Operating Units initiative, approved by the Eskom Board under a project called Customer Centricity, encompasses all aspects of the planned change. The SOU initiative therefore includes the transformation of the following primary customer touch points within Eskom: the Contact Centres (CCs), the Walk-in Centres (WIC's) and Vending Services (VS) (Eskom, 2011).

A strategic gap analysis (Louw and Venter, 2006) of the current Contact Centre environment by the core team responsible for the design (Eskom, 2011), confirmed that Eskom will need to make holistic changes to many aspects of its current customer service business in order to become customer centric. Moreover, structural changes would entail drastic changes to some employee's present job descriptions, where they work, and possibly also where they live.

The change is an initiative from the boardroom of the most senior echelons of the organisation, which is directed in a top down approach and is a strategic organisational change (Appelbaum *et al.*, 1998) in nature. It is therefore a critical initiative, should the organisation want to meet its strategic objectives.

A review of the literature on change reveals that as much as half of all change initiatives fail (Kotter, 2007). Kotter, (2007) argues that most of the failure is due to organisations not following a sequential change management process, the readiness for change being an early part of this change process.

A thorough understanding of change readiness, the consequences of the contrary and an assessment of the status quo is therefore of utmost importance to the organisation. Beer (1980:80) argues that failure to fully understand and analyse change readiness prior to organisational change “can lead to abortive organization development efforts”. The aim of this research paper therefore is to assess the level of employee readiness and differences of readiness in the Contact Centre department at all seven regional sites throughout the country. Given the dire consequences of employees not being ready, the results of this paper are therefore important and pertinent should the organisation want its transformation objectives to be met.

1.3 LITERATURE REVIEW

1.3.1. Introduction

Moving from the status quo involves a myriad of complicated human dynamics. Leaders of organisations, who need to have their innovations realised, need employees to move from the present mode of operating to a future state. This is usually only accomplished through fairly significant and complex organisational transformations - a phenomenon known as organisational change (Cummings and Worley, 2001).

Smith (2005:408) defines organisational change as a “process of moving to a new and different state”. Smith’s (2005) definition implies the movement of any process, structure, product or anything which causes the organisation to operate differently or move to a new state, be viewed as organisational change. Cummings and Worley (2001:14) argue that change is realised by identifying, involving and ultimately “improving the alignment between organisational strategy, structure, culture and systems”. This suggests a more purposeful process to ensure congruence and hence improvement, but also implies change as a structured or planned event.

Cummings and Worley (2001:52) propose that it is important and necessary for the organisation to distinguish between change that just “happens” to the organisation,

or is forced onto the organisation namely “unplanned change or emergent change” (Nel *et al.*, 2001); versus a “planned change” intervention or “transformation”, that is purposely designed to increase organisational effectiveness.

1.3.2. Types of Change

The difference between planned and unplanned change as proposed by Nel *et al.* (2001), is that a planned change occurs when organisations take deliberate decisions to make alterations to the status quo and thereby making changes to the organisation. However, according to Mintzberg (1989) managers - through normal operations - may make a host of different decisions regarding different external or internal operating challenges; and these decisions bring about a change. The seemingly unrelated decisions eventually form a common thread and purpose and a change occurs, albeit unplanned. Moreover, other internal as well as external factors to the organisation, such as culture, history, skills, knowledge or lack of knowledge; politics and/or the economy; will also influence pressures for change, be they planned or unplanned.

Change, however well planned, should not be seen as a fixed process within a vacuum that is chronological and fixed by nature, but rather, there are emergent or unplanned (Mintzberg, 1989) qualities within a planned process that also need to be considered and managed. Moreover, Dawson cautions (1996) that even the most well planned change events have elements of unplanned or emergent change. In this research, all change and change readiness elements related to the impending *planned* change intervention acknowledge the likelihood of associated emergent change that will also need to be managed.

Another important distinction in the management of change is the understanding of the change itself, whether it is of a gradual and continuous nature or related to a specific period with a particular goal in mind. This leads to the differentiation of the type of change experienced, namely episodic or continuous change. According to Weick and Quinn (1999) it is important to distinguish between continuous and

episodic change in order for the organisation to react or manage the change accordingly. Episodic change is normally related to an intentional periodic change event and can be radical in nature and implies a significant purposeful change event at a specific period in time. In contrast to this type of change, continuous change is related to change of an evolutionary nature or an on-going process of gradual change.

Ackerman (1997) elaborates on the different types of changes in relation to what and how much change is needed, or the scope of the change, by introducing the concept of transformational change. Transformational change is episodic and radical in nature and relates to the emergence of an organisation which is operating and structured fundamentally differently to its pre-change state. The transformation is usually brought on by a change of organisational strategy (Ackerman, 1997) and is change that “radically alters an organization’s products, services, customers, skills, competitive advantage and persona” (Nutt & Backoff, 1997:229). An organisation which is experiencing transformational change therefore is one which is experiencing change of a substantial nature and is defined as episodic.

The type of change that is being planned at the Eskom Contact Centre, namely the *turnaround strategy*, which proposes to change the structure, culture, and processes of the organisation, can therefore be understood as an episodic, transformational change journey.

1.3.3. Change Readiness

1.3.3.1. Defining Change Readiness

Some of the first literature documented on Change and in particular Change Readiness, lies in the seminal works of Lewin (1951). In this work, Lewin (1951) coined the phrase of *unfreezing* the way employees do things to ensure that the change process can begin. The unfreezing Lewin (1951) referred to was a holistic disengagement of the past, both physically and psychologically, in order to embrace

the future. So without unfreezing the present, change would not be possible. Change readiness therefore refers to ensuring that the change programme's methodologies focus on this unfreezing.

Holt, Armenikas, Field and Harris (2007:235) however argue that change readiness is best defined as an attitude which is "influenced simultaneously by the content, process, context and the individuals involved". That is, what, how, and under which circumstances is the change prescribed being proposed and by whom is the change required. Jones (2005) suggests that positive thinking and positive views on the need for change will increase the readiness for change. A positive attitude and a belief of how the change will benefit the change participant individually, as well as a belief on how it will benefit the organisation as a whole, can be described as a manifestation of change readiness and an organisational situation which is "change ready".

The articulation of the change needed by the change initiator, combined with the organisation's ability and capacity to change, displays a state of organisational change readiness. The capacity and ability of organisations to change was proposed by Beckard and Harris (1987) who articulated the view that change readiness is not only related to issues pertaining to the human resource of the organisation (i.e. the cultural, attitude, skills and psychological issues) but also the capabilities and abilities of the physical resources needed to make the change. It must therefore be noted that change readiness goes further than the psychological nature of the readiness of the change participant and includes the total organisational ability to make the change a reality. Self and Schraeder (2008) argue that in order for an organisation to successfully implement change, the organisation must ensure that it is ready for change, which presupposes that both individual employee and organisation readiness are critical for change. Change Readiness therefore, is the precursor to any successful transformation.

For the purposes of this research paper, the definition of change readiness of Armenakis and Harris (2009:681) is relevant and applicable, defining change readiness as "the cognitive precursor of the behaviours of resistance to or support

for organizational change". It is later described by Armenakis *et al.* (1993) as a transformation of individual cognitions. The definition implies that change readiness is a cognitive characteristic (Backer, 1991) driven by beliefs and perceptions. It therefore also implies that change readiness is not frozen in time. Different snapshots or assessments of change readiness can vary, meaning that change readiness can be influenced and therefore enhanced.

1.3.3.2. The importance of Change Readiness

The understanding of change, in particular planned organisational change, is of utmost importance to leaders who want to see their strategic initiatives become realities (Ford and Greer, 2005). Smith (2007) argues that successful organisational change can only be possible once the organisation is ready to change. However, from the literature reviewed, it is clear that an obvious yet frequently made mistake is that organisations assume that they are automatically ready for change. Much of the literature refers to failure of change before the change even begins. Meaney and Pung's (2008, cited in Armenikas and Harris, 2009) survey illustrated that some organisations fail to create change readiness through planning and purposeful execution. This - together with the erroneous assumption of readiness - is one of the major reasons for failure of change initiatives, even before they have begun. It is therefore clear that the presumption of readiness leads to the devaluing of the necessity to ensure change readiness through purposeful process and design. This incorrect assumption is at the organisation's peril.

Smith (2005) expands on the notion that change readiness is an important factor in the change process, by noting that the human resource is the real key to the success of all change. Intuitively therefore, if organisations are serious about wanting their change initiatives to work, consideration should be given to the readiness for change of this particular resource, the individual. The people, or individual, aspect of change readiness must therefore be an active and important part of the change process.

It is therefore the change initiator or change agents fundamental purpose to ensure that the cognitions of the various beliefs of all of the change participants be in congruence with the beliefs and feelings needed for the proposed change.

1.3.4. Resistance to change

Behavioural sciences scholars have long debated and studied methods and procedures to reduce resistance to change. Choch and French's (1948) study of resistance produced empirical evidence that simple encouragement can have drastic effects to lower resistance to change. It is important to note however, that decreasing resistance does not automatically equate to being change ready (Backer, 1991) but most of the contemporary literature on change agrees that if an employee is not ready for change, he/she will demonstrate resistance to that change (Prosci, 2004; Self and Shraeder, 2009; Smith, 2006).

Goldstein (cited in Armenakis *et al.*, 1993: 485) has a fairly simple definition for resistance to change, referring to employees showing a "wilful opposition to change". Armenakis *et al.* (1993) mention that the terms such as resistance to change and a lack of readiness, are sometimes used as synonyms. Chawla and Kelloway (2004:485) define resistance to change as an "adherence to any attitudes or behaviour that thwart organisational change goals".

Mauer (1996) refers to resistance to change as a force that impedes movement by completely stopping or slowing the movement of change. This thought is clarified by mentioning that resistance is any display or action by the change participant that actively tries to keep the status quo (Mauer, 1996). Mullins (1999:824) simplifies the definition further by proposing a holistic view, in which they include that resistance to change equates to all "forces against change in work organizations".

Kotter and Schlesinger (1979) propose that it is the manager's task to manage resistance, as with all change comes some form and level of resistance. To manage resistance, the manager would not only need to understand what resistance to change is but also where it originates from. Swanepoel *et al.* (2000) argue that

resistance to change may originate from the individual (namely, individual resistance to change), or from the organisation as organisational resistance to change. Alternatively, there could be a manifestation of a blend of both, each needing to be understood as potential sources of resistance and therefore needing to be managed accordingly.

1.3.5. Change Management Process Models

Mento *et al.* (2002) argues that different organisations make use of a multitude of different process change models, as illustrated within the literature, to help guide them through the change process. This paper briefly examines the comparisons, similarities as well as the short comings of a few change models, as it is important for the organisation to use a model that is a) fit for purpose and b) applicable to the context of the proposed change.

It is important to note that for this evaluation research, the ADKAR model has been adopted by Eskom and will therefore be applied. The ADKAR model however, tends to limit its focus to the early stages of change, while there are other complementary change models which cover the entire change process, such as Lewin's (1951) "unfreeze – change – re-freeze" model, Kotter's (2007) eight step model and the Transtheoretical Model (Levesque and Prochaska, 1999). The ADKAR model will now be briefly discussed.

1.3.5.1. The ADKAR model (Hiatt, 2006)

ADKAR is an acronym for the five sequential steps that the individual needs to go through in order for any change to be successful (Hiatt, 2006). Prosci Research (2004) argue that while the organisation is following the three phases of organisational change in relation to the organisations objectives, which include *preparing* for the change, *managing* the change and *reinforcing* the change, it is important that the preparedness is assessed from the employee's point of view. The ADKAR model is designed to assess where in the change process employees are

stuck, or are having trouble with the change and then to manage the process from there (Hiatt, 2006). It also stipulates that change will not be successful unless all of the factors within the ADKAR process have been successfully completed. The ADKAR change steps are as follows:

1.3.5.1.1. A- Awareness of the need for change

The ADKAR model proposes that understanding why change is necessary is the first key aspect of successful change. Hiatt (2006) argues that this step in the ADKAR change model explains the reasoning and thought processes that underlies a required change. The awareness stage incorporates the understanding of both macro and micro, external and internal organisational change *push* factors that have created the need for change. These change push factors have been well enough articulated to ensure that the change participants are therefore thoroughly aware of the need for change.

1.3.5.1.2. D- Desire to participate in and support the change

The desire to change concerns an understanding on the part of the change participant on how the proposed change is going to impact him/her (Hiatt, 2006). After he/she is aware for the need for change, and the understanding of the impact of the change a desire to support the change is developed.

1.3.5.1.3. K -Knowledge on how to change

The third element of the change readiness assessment model relates to the change participants knowledge about the change. More specifically, it is the understanding by the change participant as to what knowledge is required by him/her due to the change. This knowledge is broken up into two subcategories namely, how to change (i.e. what is required during the transition) and how to perform once the change is implemented (Hiatt, 2006). The change participant moves from a state of awareness

of the change to the desire to change and now feels knowledgeable enough to make or deal with the change.

1.3.5.1.4. A- Ability to perform during and after the change

Hiatt (2006) argues that it is not just the theoretical knowledge of the change that needs to be assessed but the ability of the change participant to perform the change. The change participant may have an understanding of the knowledge required but he/she will need to also have the skill and aptitude to operate in the change environment.

1.3.5.1.5. R- Reinforcement to sustain the change

The final stage of the change readiness assessment is an understanding by the change participants as to whether the change proposed is sustainable (Hiatt, 2006). The change participant needs to be assured that appropriate changes that are proposed, such as changes to the processes, resources, procedure and technology of the organisation, are adequate to keep the organisation in the new changed state for the foreseeable future.

1.3.6. ADKAR Change Readiness Instrument

According to Hiatt (2006) organisations use many different models to assess readiness for change. The ADKAR systematically provides a focus of attention and compartmentalises the identification of potential problems so that solutions proposed can be more focused (Hiatt, 2006). Each category addresses a different, but significant change assessment criterion. Hiatt (2006) argues that the simplicity and focus of the model is an advantage over more complicated change readiness assessment tools and therefore is being used frequently within large organisations.

The research will be an analysis of the application of the ADKAR change readiness assessment tool.

It must be noted that it is a business rule that all change initiatives within Eskom use the ADKAR processes, methodologies and instruments. This did restrict the researcher to this particular instrument. However, Eskom have previously utilised it for empirical research (Van der Linde-De Klerk, 2009). Van der Linde-De Klerk's (2009) work entailed the examination of change readiness between prospective change agents and general employees. Van der Linde-De Klerk's (2009) empirical study showed the ADKAR questionnaire to be relevant as well as valid for the Eskom environment and results produced Cronbach Alpha reliability coefficients of 0.77, which were deemed favourable for the sample size. The ADKAR model has also been used for many organisational empirical and benchmark studies. According to Hiatt (2006), several hundred organisations, albeit in America, have used the ADKAR change methodology and change readiness assessments.

This research paper will therefore use the same instrument, but the questionnaire will be adapted for the purposes of this study.

1.4 RESEARCH METHOD

The population was 407 Eskom Contact Centre Department employees from seven sites with different geographic localities. The respondents included from the lowest level employee to supervisory levels. All of the employees in the sample group have a minimum educational background of at least grade 12 (with the vast majority having a tertiary qualification) and all employees in the sample can read, speak and write English fluently.

The questionnaire consisted of twenty questions. Each ADKAR factor had five questions relating to it and was of a *Likert Scale* format. The respondents were asked to rate their level of agreement with certain statements on a scale of 1 – 5. The questionnaire was constructed on line in Google Docs and a link to the

document was shared via an email that was distributed to all Contact Centre staff (i.e. the sample was the entire permanent population group).

Respondents were requested to complete the questionnaires during scheduled off-phone periods. The time that was scheduled for completion of the questionnaire is usually spent on personal administration or development; and since the questionnaire took only ten minutes, at most, to complete, the time spent on the questionnaire was approved by management.

The completion of the form was done by clicking on a link on the email which directed the participating employees to a one page online survey answer sheet. A brief explanation of the survey, instructions on how to complete it as well as the questions to be completed were on the page. (See Appendices A to C).

The simplicity of the process and scheduled time off from normal work activities was expected to increase the response rate and improve representativeness (Babbie, 2011).

1.5 RESULTS

After a specified period of time had elapsed (i.e. each site was given two weeks to complete the questionnaire), the data set of all the respondents was transferred to Micro Soft Excel (2010 version) in order to perform a series of statistical tests, while Factor Analysis was done in Statistica. Each of these tests and results are discussed below.

The statistical analysis of this evaluation paper addressed four research objectives namely: to confirm the reliability of the questionnaire, to describe the level of readiness, to identify whether any single ADKAR factors score significantly higher or lower than the rest and to identify if there are significant differences in the scores across the seven sites.

1.5.1. Biographic Results

Below, Table 1.11 illustrates the biographic data of the sample population.

Table 1.11 Respondents Biographical Results

Site	Questionnaires Sent	Percentage of Total	Responses	Percentage of Total	Response Rate
Belville	43	10.6%	15	11.9%	34.9%
East London	60	14.7%	37	29.4%	61.7%
Braamfontein	72	17.7%	13	10.3%	18.1%
Polokwane	49	12.0%	10	7.9%	20.4%
Witbank	65	16.0%	13	10.3%	20.0%
Bloemfontein	49	12.0%	14	11.1%	28.6%
Durban	69	17.0%	24	19.0%	34.8%
Total	407	100.0%	126	100.0%	31.0%
Age Profile	Responses	Percentage of Total	Race Profile	Responses	Percentage of Total
20 – 29	22	17.5%	White	21	16.7%
30 – 39	61	48.4%	African	68	54.0%
40 – 49	26	20.6%	Coloured	22	17.5%
Over 50	17	13.5%	Indian	15	11.9%
Total	126	100.0%	Total	126	100.0%
Years' Experience	Responses	Percentage of Total	Gender Profile	Responses	Percentage of Total
Less than 2 Years	8	6.3%	Male	42	33.3%
2 - 5 Years	39	31.0%	Female	84	66.7%
6 - 10 Years	33	26.2%	Total	126	100.0%
Greater than 10 Years	46	36.5%			
Total	126	100.0%			

Source: Respondents

Babbie (2011) argues that it is important for the researcher to understand the biographical makeup of the targeted sample as well as the respondents to ensure that they are representative of the total population in order to present results that are realistically representative of the total population.

Of the 407 questionnaires sent, 126 employees responded. East London and Braamfontein were the two outliers, albeit at opposite poles with respects to response rates. Although each region was given the same amount of time to respond East London managed to produce a response rate of 61.7% versus the 18%

of Braamfontein. The relatively poor response rate in Braamfontein, Polokwane and Witbank in comparison to the other sites should be noted as significant. The low response rates may well be a form of resistance to the change initiative that was being investigated (Babbie, 2011).

Sarvam Moonsamy (2012), a National Human Resources Manager in Eskom, confirmed that the race, gender, age and years' experience variable ratios are representative of, not only the total Contact Centres, but also the broader organisation, making the respondent results a representative sample.

1.5.2. Reliability

According to Carmines and Zeller (1979), it is imperative to ensure the reliability of data that was processed from a Likert-type questionnaire. A Cronbach's Alpha test will illustrate the reliability of the answers supplied by the respondents. George and Mallery (2003) argue that any Cronbach's Alpha score that is under 0.7 is questionable and below score under 0.5 are poor; scores above 0.9 are described as excellent.

Table 1.12 Cronbach's Alpha Reliability Results

ADKAR Element	Cronbach Alpha Scores
Awareness	0.9591
Desire	0.8930
Knowledge	0.7737
Ability	0.9375
Reinforcement	0.7940
All	0.9398

Source: ADKAR assessment, calculator: University of Connecticut (2012)

Table 1.12 provides the results of the ADKAR reliability assessment (n = 126) using the Cronbach's Alpha calculator (Sigel, 2012) Excel version. All scores are above the

0.7 threshold and Awareness and Ability, according to the Cronbach's Alpha calculation, can be described as excellent reliability results.

The very high overall Cronbach's Alpha score of 0.94 is however a concern. The high score may suggest that there may be concerns about the construct validity of the factors (Babbie, 2010). A correlation matrix is required in order to analyse the discriminant validity of the five factors, to see if they are sufficiently independent from each other (Trochim, 2006).

1.5.2.1. Correlation Matrix

Table 1.13 Correlation Table

	A	D	K	A	R
A	1				
D	0.762495	1			
K	0.797909	0.749962	1		
A	0.783237	0.768954	0.838723	1	
R	0.737203	0.759124	0.617382	0.801812	1

Source: ADKAR results, Excel (Version, 2010)

The correlation scores indicate to the researcher that there are fairly high correlations between the ADKAR factor responses, which suggest that the ADKAR questions, between factors, may not be vastly different from each other or that there could be fewer factors. Albeit that the factors of the ADKAR instrument do not consist of polar opposite questions which would result in very low correlation scores, the fact that only Knowledge and Reinforcement have a correlation score of less than 0.7 needs investigation.

1.5.2.2. Exploratory Factor Analysis

Exploratory factor analysis is primarily used to help the researcher understand and select the number of factors that need to be retained within the instrument (Costello

and Osborne, 2005). In relation to this research paper, it is used to firstly ascertain whether there are five factors, and if so, if these five factors reflect the five ADKAR factors. If so, this would imply that the ADKAR factors as measured in this study are indeed independent and separate factors.

1.5.2.2.1. KMO and Bartlett's Test

Table 1.14 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.947
	Approx. Chi-Square	2700.953
Bartlett's Test of Sphericity	df	190
	Sig.	.000

Source: SSP Statistica

The Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin measure of sampling adequacy were conducted to determine if the data set was suitable for factor analysis. The Bartlett's Test of Sphericity is significant (0.000) and the Kaiser-Meyer-Olkin measure of sampling adequacy is greater than 0.6 (0.947). Therefore the suitability of the data for factors analysis is confirmed.

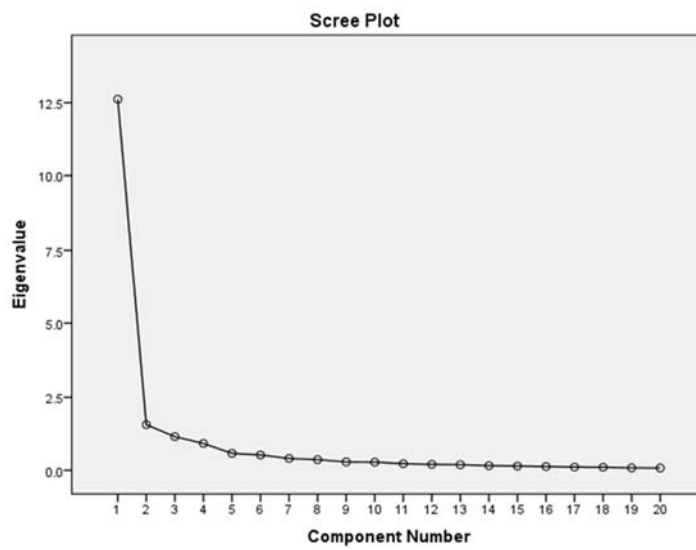
1.5.2.2.2. Factor Extraction

Table 1.15 Eigen Values

Total Variance Explained								
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings	
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	
1	12.62	63.098	63.098	12.62	63.098	63.098	9.398	
2	1.537	7.685	70.783	1.537	7.685	70.783	4.183	
3	1.135	5.677	76.46	1.135	5.677	76.46	1.711	
4	0.906	4.528	80.988					
5	0.572	2.862	83.851					
6	0.515	2.576	86.427					
7	0.398	1.99	88.417					
8	0.359	1.796	90.213					
9	0.283	1.413	91.627					
10	0.274	1.37	92.997					
11	0.221	1.106	94.103					
12	0.199	0.993	95.096					
13	0.187	0.936	96.032					
14	0.157	0.784	96.816					
15	0.142	0.711	97.527					
16	0.126	0.63	98.157					
17	0.108	0.542	98.699					
18	0.102	0.51	99.209					
19	0.082	0.41	99.62					
20	0.076	0.38	100					

Source: SSP Statistica

Figure 1.1 Scree Plot



Source: SSP Statistica

As reflected in Table 1.15 there are three factors extracted with eigenvalues greater than one. These three factors account for 76.46% of the variance in the data. On the other hand the Scree plot indicates that possibly a two-factor structure is more appropriate. A three-factor structure was first investigated.

1.5.2.2.3. Factor Rotation

Table 1.16 Factor Rotation

		Rotated Component Matrix ^a		
		Component		
		1	2	3
A1		0.884	0.202	
A2		0.872	0.235	
A3		0.858	0.251	
A4		0.848	0.299	
D1		0.672	0.428	0.177
D2		0.216	0.88	
D3		0.732	0.527	0.104
D4		0.416	0.813	
K1		0.754	0.373	0.112
K2		0.798	0.433	
K3		0.214		-0.816
K4		0.778	0.385	
A_1		0.809	0.325	0.102
A_2		0.742	0.474	
A_3		0.663	0.468	0.248
A_4		0.756	0.372	0.214
R 1		0.385	0.655	
R 2		0.76	0.307	0.3
R 3		0.375		0.764
R 4		0.504	0.583	0.427

Source: SSP Statistica

Using the Varimax rotation method with Kaiser normalization and rotation converged into four iterations, it is evident that for this data set there are not five ADKAR factors but three. The five factor construct of the ADKAR model is therefore not valid for this data set and proposes an error of construct validity. This could be attributable to the construction of the instrument itself, or could be unique to this data set.

According to the factor analysis above, the construct validity will be improved through the grouping of variables as illustrated in Table 1.16. Therefore the

Awareness, Desire, Knowledge Ability and Reinforcement constructs will have to be altered into different factors.

1.5.2.2.4. Amended ADKAR Factors

The researcher proposes the naming of the following factors due to the logical groupings of the variables as illustrated in Table 1.16:

Factor 1 Proposal: New name, ***Readiness*** (Due to the overwhelming loading of the factor by a large number of items).

Factor 2 Proposal: New name, ***Opportunity Realisation*** (Due to items associated with the factor that deal with skills and opportunities).

Factor 3 Proposal: New name, ***Uncertainty*** (Due to items dealing with uncertainty). Given the negative loading of item K3, this item was reverse scored when constructing Factor 3.

The researcher will therefore use the amended ADKAR factors for further analysis.

1.5.3. Level of readiness in each amended ADKAR Factor

This section describes the current level of readiness for the total sample on each amended ADKAR factor. Both Table 1.17 and Figure 1.2 below indicate a mean of 3.73 for Readiness, 3.57 for Opportunity Realisation and 2.68 for Uncertainty. The mean of the combined amended ADKAR factors is 3.59 for the total sample (n=126).

The standard deviation is relatively low for the total ADKAR sample as well as the separate amended ADKAR factors, ranging between 0.92 for the total sample to 1.10 for the Readiness factor. This implies that there are relatively uniform responses and indicating that there are relatively small variances from the mean (Johnson and Wichern, 1997).

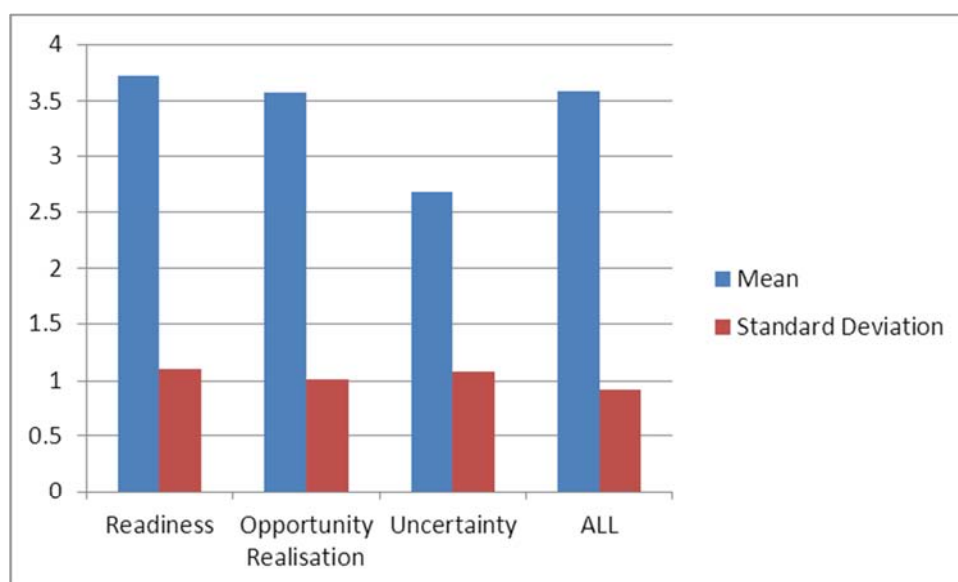
A 3.59 overall mean score of the total sample therefore categorises the Contact Centre employees in a “*somewhat* ready for change” position.

Table 1.17 Descriptive Statistics of ADKAR Factors

	Readiness	Opportunity Realisation	Uncertainty	ALL
Mean	3.727891156	3.573412698	2.682539683	3.592460317
Standard Error	0.098362736	0.090504208	0.096049454	0.082310036
Median	4.035714286	3.5	2.5	3.85
Mode	5	3.5	2.5	4.6
Standard Deviation	1.104118978	1.01590721	1.078152447	0.923927864
Sample Variance	1.219078717	1.03206746	1.162412698	0.853642698
Kurtosis	-0.488431014	-0.507172043	-0.678705316	-0.618858415
Skewness	-0.824461196	-0.48221948	0.245920407	-0.669358305
Range	3.857142857	4	4	3.55
Minimum	1.142857143	1	1	1.3
Maximum	5	5	5	4.85
Sum	469.7142857	450.25	338	452.65
Count	126	126	126	126

Source Eskom ADKAR assessment: Ms Excel (2010)

Figure 1.2 Amended ADKAR Factor Mean and Standard Deviation Results



Source Eskom ADKAR assessment: Ms Excel (2010)

1.5.4. Difference in amended ADKAR factors

With the aid of ANOVA, this section presents the results of testing whether any factors score significantly higher or lower than the others.

The **null hypothesis** for this test is that there is no significant difference in mean score across the amended ADKAR factors (i.e. $\mu_{\text{Readiness}} = \mu_{\text{Opportunity}} = \mu_{\text{Uncertainty}}$).

The **alternative hypothesis** is that there is a significant difference in mean scores across the amended ADKAR factors (i.e. not all μ are the same). The level of significance used for the test is 5% ($\alpha = 0.05$) and the test used was the Anova single factor. The decision rule to be used was to reject the null hypothesis if the p -value < 0.05 .

Table 1.18 Results of Anova Test

<u>Anova: Single Factor</u>						
SUMMARY						
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
Readiness	126	469.7143	3.727891	1.219079		
Opportunity Realisation	126	450.25	3.573413	1.032067		
Uncertainty	126	338	2.68254	1.162413		
ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	80.23168	2	40.11584	35.25573	9.33E-15	3.019792
Within Groups	426.6949	375	1.137853			
Total	506.9265	377				

Source Eskom amended ADKAR assessment: Ms Excel (2010)

Therefore:

Reject the null hypothesis as the p -value < 0.05 as seen in Table 1.18 ($p = 9.33E-15$). At the 5% level of significance, there is **significant difference** in mean scores

across ADKAR factors, the factor of Uncertainty ($\mu=2.68$) significantly differing from Readiness ($\mu=3.73$) and Opportunity Realisation ($\mu=3.57$).

1.5.5. Difference across sites

This test is to identify any significant differences in the mean scores across the seven regions using ANOVA.

The **null hypothesis** of this test is that there are no significant differences in total mean scores across sites (i.e. $\mu_{\text{Bellville}} = \mu_{\text{Bloemfontein}} = \mu_{\text{Braamfontein}} = \mu_{\text{Durban}} = \mu_{\text{East London}} = \mu_{\text{Polokwane}} = \mu_{\text{Witbank}}$).

The **alternative hypothesis** is that there is a significant difference in mean scores across sites (i.e. not all μ are the same). The level of significance used for the test was 5% ($\alpha = 0.05$) and the test used was the One Way Anova. The decision rule to be used was to reject null hypothesis if the p -value < 0.05 .

Results

Dependent variable is ADKAR scores and the factor is the sites.

Table .1.19 Univariate Tests of Significance for Scores

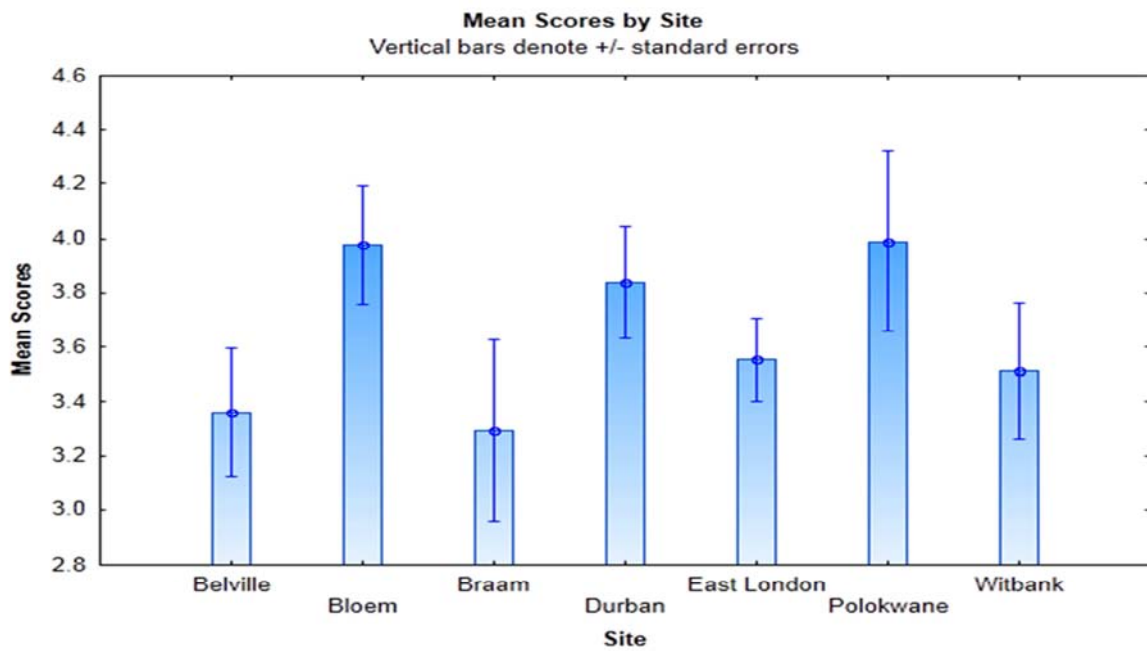
Effect	SS	Degree of Freedom	MS	F	P
Intercept	1413.748	1	1413.748	1492.913	0.000000
Site	6.973	6	1.162	1.227	0.297206
Error	112.690	119	0.947		

Source Eskom ADKAR assessment: Ms Excel (2010)

Therefore:

Fail to reject the null hypothesis as the p -value > 0.05 as seen in Table 1.19 ($p = 0.297206$). At the 5% level of significance, there is **no significant** difference in mean scores across sites.

Figure 1.3 Mean Scores by Site



Source Eskom ADKAR assessment: Ms Excel (2010)

Table 1.20 Sites Descriptive Statistics

Effect	Site	N	Scores Mean	Scores Std.Dev.	Scores Std.Err	Scores -95.00%	Scores +95.00%
Total		126	3.592424	0.923928	0.082310	3.462015	3.807033
Site	Belville	15	3.350000	0.905972	0.233921	2.858289	3.861711
Site	Bloemfontein	14	3.975000	0.819181	0.218935	3.502019	4.447981
Site	Braamfontein	13	3.292308	1.209484	0.335451	2.561424	4.023192
Site	Durban	24	3.837500	1.015023	0.207191	3.408893	4.266107
Site	East London	37	3.552703	0.931244	0.153096	3.242211	3.863195
Site	Polokwane	10	3.990000	1.056409	0.334066	3.234291	4.745709
Site	Witbank	13	3.511538	0.911079	0.252688	2.960979	4.062098

Source Eskom ADKAR assessment: Ms Excel (2010)

The Anova test also requires that the researcher test the assumptions that variances across the sites are homogenous.

The **null hypothesis** is therefore that the variances are homogeneous across the sites.

The **alternative hypothesis** is that the variances are not homogeneous across the sites. The level of significance used for the test is 5% ($\alpha = 0.05$) and the test used was the Levene's Test. The decision rule to be used was to reject null hypothesis if the p -value < 0.05 .

Results

Table 1.21 Levene's Test for Homogeneity of Degrees of Freedom

	Levene's Test for Homogeneity of Degrees of freedom for all F's: 6, 119			
	MS Effect	MS Error	F	p
Scores	0.297077	0.305596	0.972125	0.447225

Source Eskom ADKAR assessment: Ms Excel (2010)

Therefore:

Fail to reject the null hypothesis as the p -value > 0.05 as seen in Table 1.21 ($p = 0.447225$). Therefore we can assume the variances are homogeneous across the sites.

Conclusion for hypothesis 1.5.5: Therefore, fail to reject the null hypothesis as the p -value > 0.05 as seen in Table 1.19 ($p = 0.297206$). At the 5% level of significance, there is **no significant** difference in mean scores across the sites.

1.6 DISCUSSION AND RECOMMENDATIONS

1.6.1 Level and stage of readiness for change.

One of the objectives of this research paper was to assess to what extent the employees of Eskom Contact Centres are ready for the proposed change. The above results show an overall readiness mean score of 3.59. The score of 3.59 falls just over midway between the *somewhat agree and agree* on the scale used in the questionnaire, suggesting the overall state of readiness to be *somewhat* ready for the prescribed change.

The potential consequences of the organisation being considered somewhat ready for change are that this attitude could be transferred into other aspects of the change itself. Given the resources and effort that the organisation is placing on the change, this is a risk.

Hiatt (2004:41) argues that the first low score in the results of the change readiness assessment is referred to as the "barrier point". The "barrier point" (Hiatt, 2004:41) is explained as the first factor that will need to be focused on and addressed to increase the readiness for change. Hiatt (2004) suggests that any score below three can be defined as the barrier point. One of the objectives of the research paper was to investigate whether there were any differences in the ADKAR factors, this research has shown that there were significant differences in the mean score of the Uncertainty factor, which was below three, alluding to the fact that Uncertainty be the barrier point.

The overall mediocrity of the scores however, requires a holistic increase of each factor to improve the change readiness of the department. Each factor will therefore need to be revisited and addressed to improve the likelihood of transformation success of the entire department.

The ADKAR theory states that the ADKAR change process is sequential in nature and proposes that successful change is only derived after the fulfilment of each

preceding factor (Hiatt, 2006). According to the theory therefore this would suggest that each ADKAR factor score should have been less than the score of the factor that preceded it (i.e. The Reinforcement score should have been less than Ability, and Ability less than Knowledge, and so on). It could however be argued from a theoretical point of view however, that Opportunity Realisation would only happen if Uncertainty had been adequately addressed.

1.6.1.1 Recommendations on improvement on each amended ADKAR factor

Communication is critical to minimising resistance and thereby improving trust and co-operation (Chawla and Kelloway, 2004). This paper therefore suggests that Eskom put together a change communications package that should focus firstly on increasing the Awareness aspect of change.

While the factors in the questionnaire have been changed, the items were derived from the ADKAR literature. On this basis, the recommendations made are based on the principles documented within the ADKAR literature. The Readiness factor in the amended ADKAR constructs is loaded with variables from each of the initial ADKAR factors and the researchers recommendations will therefore follow in the order which the ADKAR literature prescribes.

1.6.1.1.1. Readiness

1.6.1.1.1.1. Awareness

Hiatt (2006) suggests that communication around awareness should include the benefits and business reasons for the change. The need for the change and the present gap in Eskom's operations with respects to issues of organisational sustainability (Eskom, 2011), must be explained in order for the employee to understand that current practices are unsustainable and could jeopardise the

organisations longevity if not changed. This explanation with respect to the current practices and how they threaten the sustainability of the organisations should not be limited to the internal forces of change but should also include external pressures of change (Hiatt, 2006).

The Awareness discussions must illustrate that customers' are increasingly demanding better service than ever before. This is translated into the need for efficient value based services provided from an easy to contact technologically advanced centre such as the Contact Centre. Due to risks of sustainability, a change from the status quo is required. Hiatt (2006) also suggests that to improve awareness, employees need to understand what will happen if the change is not made. Examples of what would happen to the organisation should be illustrated if Eskom were not to focus on sustainability issues such as the current high cost of current operations and the move towards a customer centric approach, as proposed in its strategic objectives (Eskom, 2011).

Illustrations of declining customer ratings and reputation damaging press clips could be used to make the change more compelling to employees. There is consensus within the literature that employees understanding of the need to change must be clearly articulated by the change proposers (Kotter, 2007; Hiatt, 2006). This paper therefore argues that the motivational readiness (Lehman, Greener and Simpson, 2002) will increase through the communications proposed. The recommendations on awareness proposed also show areas of congruence to other change theory models such Kotter's (2007) eight step model; which also argues for clear communications to create a positive climate and improving change readiness.

1.6.1.1.1.2. Desire

Hiatt (2006) argues that it is not sufficient that the employee knows and understands the reasons for change, but in addition, he/she must *desire* it. Recommendations to address this inherent desire to change are comprehended through the visualisation of both the future desired state and negative consequences of the status quo. Moreover, Hiatt (2006) suggests that in order to *desire* change, these consequences

of not changing must be severe enough to break through the normal barriers of resistance. An imminent negative consequence such as Eskom not meeting its customer service mandate issued by the National Electricity regulator and losing its license to trade, thereby affecting employment security, will help drive the desire element within employees.

1.6.1.1.1.3. Knowledge

Importantly, limited education and training may be a key issue for mediocre Knowledge scores. Employees, who are aware and desire the change but do not have enough training or education to successfully contribute to it, will not demonstrate readiness (Hiatt, 2006). Eskom should make available to employees clarity of everything that will be new including, processes, people and technologies (Hiatt, 2006). Given the virtual nature of the new Contact Centre design, it will be important for the employees to understand how the new technology will enable employees to service customers that are not in their immediate geographic regions. Management will need to ensure that changes to processes will be fully articulated within extensive training packages. Clarity in how the changes will affect each and every employee's day to day work should be established and an explanation of the new performance measures must also be included in the training package so as to increase the appetite for change.

1.6.1.1.1.4. Ability

A culture of coaching increases employee's abilities within the organisation (Hiatt, 2006). Coaching is an on-the-job related activity and is "the process whereby one person helps another to perform better than the latter would have done alone" (Klasen and Clutterbuck, 2002: 14). Ability is usually improved by practice and Eskom should ensure that supervisors, in particular, have a coaching performance measurement requirement in their performance appraisals. Appointment of change agents will also help in the facilitation of the change process (Schein, 1987) and will provide another layer of coaching and mentoring available to employees.

1.6.1.1.1.5. Reinforcement

Kotter (2006), Lewin (1951) and Hiatt (2006) agree that the final stages of the change process should be focussed on sustaining the change. Employees need to be assured that they will have the support of the change and management team to help solve future potential problems due to the changes (Hiatt, 2006). Recognition and reward plays a big part in ensuring that the desired behaviour is celebrated (Hiatt, 2006). The communication of small wins (Kotter, 2007) such as the first customer compliment for example, will reinforce a successful change and are key enablers to ensure that the desired employee's behaviour is reinforced (e.g. customer complimenting Eskom on the reduced time that they experience in the call queues, due to efficiencies of the virtual Contact Centre). These compliments should be highlighted and celebrated with employees. Recognition of employee attitude, behaviour and knowledge of the impending change, that is congruent with the future state, must be acknowledged through both formal structures (e.g. incentives) and informal means, such as individual mentions during meetings.

1.6.1.1.2. Opportunity Realisation

The amended ADKAR factor of Opportunity Realisation is loaded with questions on the change participant's understanding of potential personal gain as a result of the change and having the knowledge and skills to realise these.

Armenakis and Harris (2009) argue that, in order to improve the likelihood of success within transformation programmes, one of the key message components that the change initiators should be conveying is one of personal valence. An incentive based approach, or alternatively put, a "what's in it for me" approach, will accentuate the desire to change (Armenakis and Harris, 2009). Opportunities such as career advancement are good desire enablers (Prosci Research, 2004). It is therefore recommended that the change initiators within Eskom highlight to employees on an individual basis, that the change will improve job security and create future opportunities for advancement and additional compensation.

1.6.1.1.3. Uncertainty

The amended ADKAR factor of Uncertainty is related to concerns of a lack of clarity about the change and hence uncertainty. This element scored below three and Hiatt (2004) argues that if the score is below three, the factor will become a barrier point to change. Unless this element is properly addressed, change readiness is very unlikely (Hiatt, 2006).

Eskom should supply a detailed picture of the end state and a “journey map” should accompany communications of the proposed change to the change participants. The journey map should comprise of an info-graphic display of the change journey accompanied by an explanation of how the change will take place, exactly how it will affect them and what the end result will look like (Kotter, 2007). Kotter (2007) suggests that clarity on the change programme will help reduce uncertainty.

1.6.2 Change Readiness differences per site

This research goal was aimed at assessing if there were significant differences in the readiness of employees between the various Contact Centre sites around the country. The research showed that there were no significant differences in ADKAR scores across the seven different regional sites.

This finding is significant to the change leadership of the organisation. The finding implies that responses to the change were uniform, albeit that the scores were equally inadequate throughout the entire country. With no significant differences between the sites, the change team are assured that the change processes being followed are working to deliver a constant and uniform message. This paper however suggests that the messages may be uniform, but due to the mediocre scores, each of the ADKAR factors will need to be enforced in every site around the country, as explained in 6.1.1. of this report.

1.6 CONCLUSION

This evaluation research paper argued that with respect to the sample data of this research paper, the factors as proposed by the ADKAR change readiness assessment questionnaire are not different enough to be considered as independent factors. The factors were subsequently amended from five to three, namely Readiness, Opportunity Realisation and Uncertainty. Given Eskom's preference for the ADKAR model, future research within Eskom should therefore be conducted more circumspectly and first ascertain the validity of the ADKAR factors.

It was also concluded that the Eskom Contact Centre department will need more focused attention in readying employees for the change, if the proposed organisational transformational change is to be a success.

In addition, the organisation can learn from the research results that all of the sites score similarly and therefore the change approach is one of uniformity.

Given the unsatisfactory level of readiness, it is critical that Eskom act on the recommendations set out in this report if it is to achieve its transformational objectives.

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Section 2 – LITERATURE REVIEW

INTRODUCTION

Eskom is on the verge of significant organisational change. The aim of this research paper is to assess the readiness for this change, within the Eskom Contact Centres.

The main objective of the literature review is to describe, flesh out and critique (Saunders, Lewis and Thornhill, 2003) the key concept of the research which in this case is change readiness. The literature review will differentiate change readiness from other related core concepts such as resistance to change and organisational inertia. Change frameworks such as ADKAR (Hiatt, 2006), Lewin's (1951) three step model and Kotter's (2007) eight step model are introduced and compared, in order to highlight to the reader the reasons for the choice of the model and its related change readiness instrument.

The review of change readiness and the change model used is however preceded by a short summary of organisational change and change management. This summary serves to locate change readiness within the broader field of organisational change management.

ORGANISATIONAL CHANGE

2.2.1. Organisational Change

It is difficult to argue with the notion that change is a constant, unrelenting and inescapable reality of life. According to Silke (2011) organisations throughout the world are currently facing a new dawn with respects to changes within the workforce. Rapid changing working conditions and more flexible jobs, due to perpetual

innovative improvements in technology and changing business conditions, will require a more adaptable employee base in the future (Silke, 2011). A homogenous workforce is being replaced by employees of different upbringings, cultures and technological outlooks of life (Nel *et al*, 2001). The contemporary business environment is therefore in constant and perpetual change, which pre-supposes that any attempt by an organisation or business leader to try and maintain stability or try keep to the status quo for any particular length of time is futile (Daft, 1999).

The comparative stability of the industrial age is vastly different to the uncertainty and constant change of the post-industrial or information age (Daft 1999). Daft (1999) elaborates on this notion by noting that the industrial age was characterised by the constant search for stability and control where industrialists were fixated on uniformity and standardisation, whereas in today's contemporary business environment, perpetual change is the order of the day. Daft (1999) argues that in the current information age, collaborations of projects and people are prevalent. These collaborations exist in an ultracompetitive environment, which emphasises relationships, while also embracing diversity and change.

According to Daft (1999:9), in the business world today there exists a state of change which is more profound than "since the dawn of the modern age". Van Tonder (2004) argues that in the contemporary business environment, change is moving at a significant and increasingly faster pace. This notion is supported by Applebaum *et al* (1998) arguing that change is so rapid in the modern era, that it can almost be incorporated into organisational line functions as standard business practice. Organisational change therefore becomes an inevitable feature of organisational life and part of the day-to-day operations; and organisations that are unwilling or unable to change are left behind and face the serious possibility of compromising their sustainability (Cummings and Worley, 2001).

The outcome of a recent Eskom strategic review process (Eskom, 2011) illustrated that Eskom would need significant change to improve the probability of organisational sustainability.

2.2.2. The Nature of Change

Cummings and Worley (2001:52) propose that it is important and necessary for organisations to distinguish between change that just “happens” to the organisation, or is forced onto the organisation namely “unplanned change or emergent change” (Nel *et al.*, 2001); versus a “planned change” intervention that is purposely designed to increase organisational effectiveness.

The difference between planned and unplanned change as proposed by Nel *et al.* (2001) is that planned change occurs when organisations take deliberate decisions to make alterations to the status quo. According to Mintzberg (1989), through normal operations, managers can make a host of different operational decisions due to different operational challenges that arise from either external or internal operating pressures; and these decisions ultimately bring about a change. These seemingly unrelated decisions eventually form a common thread and purpose; and change occurs, albeit unplanned.

However well planned, change should not be seen as a process occurring within a vacuum that is chronological and static by nature, but rather, there are emergent or unplanned (Mintzberg, 1989) qualities within a planned process that also need to be considered and managed. Moreover, Dawson (1996) cautions that even the best planned change events have elements of unplanned or emergent change and while these elements should be embraced, they should also be carefully managed.

Another important distinction in organisational change is the understanding of the change itself, whether it is of a gradual and continuous nature or related to a specific period with a particular goal in mind. This leads to the differentiation of the type of change experienced as being episodic or continuous change. According to Weick and Quinn (1999) it is important to make this distinction in order for the organisation to react or manage the change accordingly. Episodic change is normally related to an intentional periodic change event and can be radical in nature and implies a significant purposeful change event at a specific period in time. In contrast to this

type of change, continuous change is related to change of an evolutionary nature, or can be viewed as an on-going process of gradual change.

Ackerman (1997) elaborates on the different types of changes in relation to what and how much change is needed, or the scope of the change, by introducing the concept of transformational change. Transformational change is episodic and radical in nature and relates to the emergence of an organisation which is operating and structured fundamentally differently to its pre-change state. The transformation is usually brought on by a change of organisational strategy (Ackerman, 1997) and is change that “radically alters an organization’s products, services, customers, skills, competitive advantage and persona” (Nutt & Backoff, 1997:229). An organisation which is experiencing transformational change therefore, is one which is experiencing change of a substantial nature, but is defined as episodic.

It is significant to mention that Eskom, which is the focus of this evaluation research paper, is about to embark on an extensive transformational change journey which proposes to change the structure, culture, and processes of the organisation due to a change in organisational strategy in a specified period of time. This change is both planned and episodic in nature.

CHANGE READINESS

Given that the reasons for change may be plentiful as well as varied, change itself tends to be unavoidable (Cummings and Worley, 2001). Todnem (2007) suggests that organisations need to be able to manage change effectively, should they intend to be sustainable and not meet an untimely demise. However, according to Balogun and Hailey (2007), more than half of all change programmes fail. Given the frequency of planned change within the contemporary business environment, this is an extremely concerning statistic for all organisations.

Much of the recent literature on organisational change concludes that the human resource elements, or the people elements of the change process and the

management of them, are the most critical element of the change in any change programme and generally the foremost reason for failure (Chalway and Kelloway, 2004). The argument that change readiness is a component of change (Haitt, 2006) presupposes the idea that change failure is therefore also due to a lack of change readiness within the individual and in turn will therefore need to be managed. This supports the idea that a change model that includes or focuses on the individual aspects of change, is essential.

2.3.1. Defining Change Readiness

Some of the first literature documented on Change and in particular Change Readiness, lies in the seminal works of Lewin (1951). In this work, Lewin (1951) coined the phrase of unfreezing, which represents the first phase of change, and where there was a deliberate breaking away from the way employees we used to doing things, so as to ensure that the change process can begin. The unfreezing Lewin (1951) referred to was a holistic disengagement of the past, both physically and psychologically, in order to embrace the future. He argued that without unfreezing, change would not be possible. Change readiness therefore refers to ensuring that the change programme's methodologies focus on this unfreezing phase of change.

Holt, Armenikas, Field and Harris (2007:235) however argue that change readiness is best defined as an attitude which is "influenced simultaneously by the content, process, context and the individuals involved". That is, what, how, and under which circumstances is the change prescribed being proposed, and by whom is the change required. Jones (2005) suggests that positive thinking and positive views on the need for change will increase the readiness for change. A positive attitude and a belief in the change by the change participant that the change will benefit him/her positively and individually, as well as benefit the organisation as a whole can be described as a manifestation of change readiness. When this is pervasive amongst employees, an organisational situation is reached which can be described as "change ready".

Susanto (2008:50) similarly argues that change readiness is reflected in the employees of the organisation by the “attitudes, beliefs and intentions” they display. Susanto (2008) makes the argument that employees can display a readiness for change without having yet been subjected to any change initiative. That is, a change that is needed is so intuitive to the employees that change readiness behaviour is observed.

The articulation of the change needed, when combined with the organisation’s ability and capacity to change, displays a state of organisational change readiness. The notion of organisations having the capacity and ability to change was proposed by Beckard and Harris (1987), who articulated the view that change readiness is not only related to issues pertaining to the human resource of the organisation (i.e. the skills, and the cultural, attitudinal, and psychological issues), but also the capabilities and abilities of the physical resources needed to make the change. It must therefore be noted that change readiness goes further than the psychological nature of the readiness of the change participant and includes the total organisational capability to make the change a reality. However, the focus of this research is limited to the psychological nature of change readiness.

Choosing the correct change strategy is critical for the success of a change initiative (Kotter and Schlesinger, 1979), the change readiness process by implication is therefore just as critical. The organisation needs to ensure that it follows a deliberate and recognised process to ensure change readiness (Kotter and Schlesinger, 1979). Kotter (2007) proposes that some of the reasons for transformation failure stem from organisations not following sequential steps of a change process and therefore missing important elements which need to be addressed. Hiatt (2006) agrees with this thinking by adding that the individual cannot successfully change without properly ensuring that the all the steps of the change process are sequentially and chronologically addressed. Change readiness is therefore the precursor to change and the start of the change journey.

For the purposes of this research paper, the definition of change readiness of Armenakis and Harris (2009:681) is relevant and applicable, who define change

readiness as “the cognitive precursor of the behaviours of resistance to or support for organizational change”, or as it is later described by the same authors as a transformation of individual cognitions (Armenakis *et al.*,1993). The definition implies that change readiness is a cognitive characteristic (Backer, 1991) driven by beliefs and perceptions. It therefore also implies that change readiness is not frozen in time, but dynamic implying that change readiness can be influenced and therefore enhanced.

2.3.2. Importance of Change readiness

The understanding of change, in particular planned organisational change, is of utmost importance to leaders who want to see their strategic initiatives become realities (Ford and Greer, 2005). Smith (2005) argues that successful organisational change can only be possible once the organisation is ready to change. However, from the literature reviewed, it is clear that an obvious, yet frequently made mistake is that organisations assume that they are automatically ready for change. Much of the literature refers to failure of change before the change even begins. Meaney and Pung’s (2008, cited in Armenikas and Harris, 2009) survey illustrated that one of the major reasons that organisations change efforts fail is that they omit to create change readiness through planning and purposeful execution. Together with the erroneous assumption of readiness, this is one of the major reasons for failure of change initiatives even before they have begun. It is therefore clear that the erroneous assumption of readiness leads to a devaluing of the necessity to ensure change readiness through purposeful process and design.

Smith (2005) expands on the notion that change readiness is an important factor in the change process by noting that the human resource is the real key to the success of all change. Intuitively therefore, if organisations are serious about wanting their change initiatives to work, consideration should be given to the readiness for change of this particular resource, the individual. The human aspect of change readiness must therefore be an active and important part of the change process.

It should therefore be the change initiator or change agent's fundamental purpose to ensure that the beliefs of all of the change participants be in congruence with the beliefs needed for the proposed change.

RESISTANCE TO CHANGE AND ORGANISATIONAL INERTIA

Having looked at the topic of change, and change readiness in particular, the relationship between change readiness, resistance to change and organisational inertia is now explored, examining whether readiness is simply the opposite of both resistance to change and organisational inertia.

2.4.1. Resistance to Change

Most of the contemporary change literature argues that if an employee is not ready for change, he/she will demonstrate resistance to that change (Smith, 2005; Armenakis and Harris, 2009). Armenakis *et al.* (1993) mention that the terms such as resistance to change and a lack of readiness, are sometimes used as synonyms.

Resistance to change is defined by Chawla and Kelloway (2004:485) as an "adherence to any attitudes or behaviour that thwart organisational change goals". Mauer (1996) refers to resistance to change as a force that impedes movement by completely stopping or slowing the movement of change. This thought is clarified by mentioning that resistance is any display or action by the change participant that actively tries to keep the status quo (Mauer, 1996). Mullins's (1999:824) argues that resistance to change equates to all "forces against change in work organizations".

Some of the other definitions within the literature with respects to resistance to change differ slightly in that it is viewed from two dimensions, of attitude and behaviour (Chawla and Kelloway, 2004). Chawla and Kelloway (2004) argue that attitudinal resistance factors are of a psychological nature and the behavioural aspects however are more of a visible kind of change resistance (i.e. the articulation of the resistance through physical behaviour).

A similar perspective is supported by Hultman (1995, cited in Self and Schraeder, 2009), who proposes that resistance is displayed in an active or passive manner. Active resistance can be witnessed through demonstrations of resistance such as actual sabotage and are behavioural by nature, while passive resistance refers to a more subtle yet as effective resistance technique but is attitude related. The active nature of resistance to change is however more typically associated with resistance to change (Pearse, 2005).

Armenakis and Harris (2009) prefer to use the term readiness for change rather than resistance to change, for reasons of its positive association and connotation. However, it is important to note that most organisations will face some resistance when introducing change. Most of the contemporary literature on change is of the view that if an employee is not ready for change, he/she will demonstrate resistance to that change (Smith, 2005; Armenakis and Harris, 2009). However, decreasing resistance does not automatically equate to being change ready (Backer, 1991).

Kotter and Schlesinger (1979) do not define resistance to change but mention that it the manager's task is to manage resistance, as with all change comes some resistance. To manage resistance, the manager would not only need to understand what resistance to change is but also where it originates from.

2.4.2. Sources of Resistance to Change

To clarify the distinction between readiness and resistance an understanding of the sources of resistance is pertinent. Swanepoel *et al.* (2000) argue that resistance to change may originate either from the individual-level as, individual resistance to change, or from the organisation-level, as organisational resistance to change, or there could be a blend of both, all of which will have a negative impact on change readiness. Self and Shraeder's (2009) potential sources of resistance are categorised into three domains, the first being the personal domain.

Self and Shraeder (2009) argue that in the personal domain, certain personality traits will relate to an individual being more or less open to change depending on their individual personality traits, as well as the current personal situation that they find themselves in. According to Greenberg and Baron (1997:560 - 561) a level of uncertainty of the future affects the level of resistance that an employee displays. Greenberg and Baron (1997) argue that if employees worry about how the change may affect their lives and their jobs this will increase resistance. Humans are creatures of habit and solace is found in habitual practices. The thought of getting accustomed to new habits and a new way of doing things can be a source of resistance. The thought of losing something, be it money or power or status is normally a far greater fear than the benefits that the proposed change promises (Greenberg and Baron, 1997). This expectation of presupposed loss through change, affects resistance (Greenberg and Baron, 1997). The prospect of economic insecurity due to potential job losses also creates resistance (Greenberg and Baron, 1997).

The organisational factors are the second domain of Self and Shraeder's (2009) potential sources of resistance. Issues such as credibility of both the organisation and the change initiator influence levels of resistance. Greenberg and Baron (1997) argue that the organisation itself also contributes to resistance to change. This occurs when the organisation has a tradition of being stable due to its design, or has a culture of traditionalism, as is prevalent in highly bureaucratic parastatal organisations such as Eskom. Del Val & Fuentes (2003) argue that there may be financial, technological or management reasons that make the organisation unfit for change at the time of the change proposed, therefore creating organisational resistance to change.

The last domain of resistance in Self and Schraeder's (2009) framework is the specifics of the change itself. Aspects such as whether the change is in fact the right one for the organisation and whether the proper planning was done, will greatly affect the levels of resistance to change.

Moreover, Swanepoel *et al.* (2000) highlight that while it is important to identify and understand the different sources of resistance and how they relate to the manifestation of resistance to change, it is also important to understand that they do not appear in isolation. Different combinations of resistance elements are likely to occur. Resistance to change therefore embodies a complex set of psychological and physical factors that are dynamic and change as the environment changes.

There is however, a counter argument in the literature that implies that not all change is positive and correct (Smith, 2005), change could be bad for the organisation and is not necessarily a good thing. Resistance in these circumstances would obviously therefore be welcomed. A critical analysis of the reasons for resistance may display real flaws in the change proposed, the resistance would therefore be looked on as a positive development as it may save the organisation from a change that could severely hurt it, or imply that the organisation is not ready for that particular change.

2.4.4. The Difference between Resistance and Readiness

To imply therefore that resistance is simply the polar opposite of change readiness would be incorrect (Self, 2007). Hultman (2006:84) suggests that the “absence of resistance does not necessarily mean that someone is receptive to change” and therefore change ready. While an individual may show no resistance to change, he/she may have other immediate “matters to attend to” Hultman (2006:84). Not having enough current information on the change or the correct skill will also reduce readiness, but does not imply resistance (Hultman, 2006)

Unfortunately though, much of organisational resistance is of a negative nature (Chawla and Kelloway 2004) and the causes of resistance will lead to a lack of readiness (Hultman, 2006). However, Chawla and Kelloway (2004) argue that in order to decrease these negative aspects of the resistance to change, trust and cooperation from the change participants is essential.

2.4.4. Organisational Inertia

Kinneer and Roodt (1998, as cited in Pearse, 2005:45) define organisational inertia as the “resistance of an organisation to make transitions and its inability to quickly and effectively react to change”. This inability to change is usually due to organisations that operate in a routine and homogeneous manner (Hannan and Freeman, 1984). Hannan and Freeman (1984) explain that organisations by nature are adverse to change and prefer to stay the same due to knowledge of the past i.e. they stick with what is familiar. This implies that unless major effort is placed on change, change will be elusive and the organisation will simply slip back into doing what it has always done. The persistence of the organisation that does not change the status quo and keeps to the strategies of old is termed organisational inertia.

Similarly, Hannan *et al.* (2002) argue that organisational inertia is the on-going and relentless resistance of the entire organizational setup, the construction and design. Inertia is exaggerated in big firms with complicated structure. That is, with size the complexity increases, as does the level of organisational inertia. Therefore the more energy needed to ensure successful change.

Montgomery (1995) has an interesting and colourful description of organisational inertia using an analogy of plasticity or malleability. Montgomery (1995) argues that in micro-economic theories, organisations are illustrated as malleable enough to respond to external factors such as pricing and demand shifts and make changes accordingly, seemingly almost automatically. However, change is hardly ever automatic, even if the external factors for the change are obvious. It is the lack of plasticity or malleability that Montgomery *et al.* (1995) refer to, which is termed organisational inertia.

There are many similarities between resistance to change and organisational inertia, the literature does however make distinction in that organisational inertia is of both a passive and active nature whereas resistance to change relates more to the active forms of resistance (Pearse, 2005).

As with resistance to change, organisational inertia is not always negative. For example, in institutions where stability, constants and prudence are heavily relied upon, organisational inertia can help to keep them from changing for the worse.

Resistance to change and organisational inertia may have many similarities but are not the same and nor is it accurate to say that the opposite or absence of inertia is change readiness.

For the purposes of this study however, due to Eskom's several challenges, the premise of the researcher is that the change proposed is sorely needed and is in the best interest of the organisation. Therefore resistance to the change and organisational inertia will need to be carefully managed to ensure that the organisation is firstly ready for the impending changes; and is then able to convert the change plan into a successful change initiative.

CHANGE MANAGEMENT PROCESS MODELS

Mento *et al* (2002) argues that different organisations make use of a multitude of different process change models, as illustrated within the literature, to help guide them through the change process. This paper briefly examines the comparisons, similarities as well as the shortcomings of a few change models, as it is important for the organisation to use a model that is a) fit for purpose and b) relevant to the context of the proposed change.

It is significant and important to note that the ADKAR model has been adopted by Eskom, and so it needs to be reviewed. However, it tends to focus only on the early stages of change. As a result, more comprehensive change models are looked at so as to place ADKAR within the broader context of the PHASES of a planned change programme. Lewin's (1951) "unfreeze – change – re-freeze" model and Kotter's (2007) eight step model along with the ADKAR model are therefore also briefly presented below.

2.5.1. Change Models

2.5.1.1. Lewin's (1951) "unfreeze - change - re-freeze"

Lewin (1951) introduced a concept of successful change being manifested through a three stage process.

Unfreeze:

According to Lewin (1951), the identification of the desire for change is witnessed, either a natural process or through purposeful design manipulations, the force. The forces that are the cause and effect of resistance and inertia are dealt with so that old habits are left behind.

Change:

The changes proposed are made in the unfrozen state due to the change participators dissatisfaction with the current state. The change itself needs to be clearly identified and known to the change participants in order for them to understand the current gap that exists and make the changes a reality (Schein, 1999).

Re-freeze:

Ensure the change is sustainable through enhancement of skills/culture/operations in order to ensure that the organisation does not slip back into its pre-change ways (Schein, 1999).

2.5.1.2. Kotter's (2007) eight step model

Kotter's (2007) eight step model firstly involves increasing the urgency for change. This is accomplished by highlighting the current performance gaps and then constantly emphasising to the employees how future opportunities and rewards may be obtained by closing the gaps. Secondly, building the guiding team is

accomplished by finding the right people and clarifying the programme goals and critical success factors. This is followed by ensuring that the correct vision is in place, as this paints a clear picture of the future proposed state (Kotter, 2007). The first three steps can be argued as creating a climate for change (Kotter, 2007).

The following three steps exhibit behaviours of engaging and enabling the whole organisation. This is accomplished by the use of effective communication. Employee buy-in of the strategic direction is critical. Kotter (2007) suggests that organisations should use metaphors and analogies to describe the intended proposed strategic direction. The leadership of the organisation must then ensure that employees have empowerment to produce the action needed and in the sixth step, Kotter (2007) advises that the organisation need to create quick and easily demonstrable wins to celebrate these actions.

The last two steps (seven and eight) consist of methods to sustain the change. That is, *not letting up* through continuous leadership involvement and *Making it stick* by tying results to new behaviours (Kotter, 2007).

2.5.1.3. ADKAR

First published by Prosci Research in 1998 after the research of approximately 900 organisations over a ten year period (Hiatt, 2006), the ADKAR change model proposes a model to manage change, and the early phase of change readiness in particular. The ADKAR model was developed with the view of creating a change framework and instrument that is diagnostic by nature and a tool that is able to indicate to organisations where the employees are in the change. According to (Hiatt, 2006), ADKAR is known as a change model mostly linked to change readiness levels in a change process. The ADKAR change process postulates the need to create awareness until the changes are reinforced, in order to ensure that they are sustained. The change readiness assessment for ADKAR is merely a tool that assists change management practitioners to determine current readiness levels of employees.

The theoretical basis for ADKAR can be related to other stage change models such as the Transtheoretical model (TTM) for stage of change readiness (Levesque, Driskel, Prochaska and Prochaska, 2008). The central construct of the TTM model is the stages of change (Levesque *et al.*, 2008), and argues that there are five sequential stages that an individual will go through in the readiness process. The TTM stages begin with a precontemplation stage, in this stage the individual is not aware of the change, the second stage constitutes an awareness and serious thought about the change by the individual (Levesque *et al.*, 2008). The third stage of the TTM is constitutes a preparation stage, which is followed by an action stage (Levesque *et al.*, 2008). The final TTM stage involves individual change until the desired state is accomplished (Levesque *et al.*, 2008).

Prosci Research (2004) argue that the organisation must following three phases of organisational change in relation to the organisations objectives. The three phases include *preparing* for the change, *managing* the change and *reinforcing* the change with roots very similar to core constructs of the Lewin theoretical model (1951).

The ADKAR model is designed to asses where employees are stuck or are having trouble in the change process (Hiatt, 2006). It also stipulates that change will not be successful unless all of the factors within the ADKAR process have been successfully addressed in a sequential fashion. While many change management projects generally focus on the steps necessary for organisational change, the ADKAR process emphasises that successful organisational change occurs only when each person is able to transition successfully from each of the five core elements which are Awareness, Desire, Knowledge, Ability and Reinforcement (Hiatt, 2006).

2.5.1.3.1. A- Awareness of the need for change

The ADKAR model proposes that understanding why change is necessary is the first key aspect of successful change. Hiatt (2006) argues that this step in the ADKAR change model explains the reasoning and thought processes that underlie a required

change. Both macro and micro change push factors that have created the need for change have been made clear to the change participants and the change participants are therefore aware of these factors. Kotter (2007) refers to the same as *creating urgency for change*, both authors describe the motivational effect of the understanding that operating in the status quo will bring about some downfall or missed opportunity. The need for change is clear and therefore there is a deep seated awareness of change needed (Hutton, 1994), this is a vital component of change readiness. Armenikas and Harris (1999) relates an obvious need for change or discrepancy, change recipients visualise a discrepancy in the current state or way things are done through a purposeful process, this enhances the awareness for change and with it, the readiness for change.

2.5.1.3.2. D- Desire to participate in and support the change

The desire to change concerns an understanding on the part of the change participant on how the proposed change is going to impact him/her (Hiatt, 2006). After he/she is aware for the need for change, and the understanding of the impact of the change, a desire to support the change is developed. The appropriateness of the change proposed by the change initiators must be understood as the right one (Armenikas and Harris, 1999). Change participants need to be assured that the change proposed will address the concerns highlighted or benefit from opportunities tabled. Hiatt (2006) argues for the importance of communication explaining that the target audience of this communication should be segmented to ensure that the appropriateness of the message is fit for purpose according to the segmentation, thereby ensuring that each segment has a collective understanding of the change needed and this increases the desire to change. The importance and relation between communication and change readiness is validated by Smith (2005) who argues that communication to be a critical component of change readiness.

An understanding that personal gain will be derived from the change or Valence, as Armenikas and Harris (1999) refer to it as, is a very human characteristic. The "What's in it for me?" questions should be covered in the Desire phase (Hiatt, 2006) and Smith (2005) argues that if the visualisation of a better and more sustainable

organisation due to the change is not enough, incentives to employees whom display the correct behaviour or operating in the way that the change prescribes, should be offered.

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2.5.1.3.3. K -Knowledge on how to change

The third element of the change readiness assessment model relates to the change participants knowledge about the change. More specifically, it is the understanding by the change participant as to what knowledge is required by him/her due to the change. This knowledge is broken up into two subcategories namely, how to change (i.e. what is required during the transition), and how to perform once the change is implemented (Hiatt, 2006). Hiatt (2006) argues that the change participant must move from a state of awareness of the change to then desire the change which will then make them feel knowledgeable enough to make or deal with the change.

2.5.1.3.4. A- Ability to perform during and after the change

Hiatt (2006) argues that it is not just the theoretical knowledge of the change that needs to be assessed but the ability of the change participant to perform the change. The change participant may have an understanding of the knowledge required but he/she needs to also have to skill and aptitude to operate in the change environment.

2.5.1.3.5. R- Reinforcement to sustain the change

The final stage of the ADKAR process is an understanding by the change participants of whether the change proposed is sustainable, or not (Hiatt, 2006). Assessments of assurances that the appropriate changes have been made to the resources and procedures that will keep the organisation in the new changed state for the foreseeable future. The support of the change needs to be collective, visible and unwavering, and coming from the entire principle change team (Armenikas and Harris, 1999). Kotter (2007) argues that the change team should be an ensemble of

people with enough power to lead the change. This, combined with collective principled support is an important component of change readiness. Efficacy, as described by Armenikas and Harris (1999), relates to the likelihood of success. A high degree of success assurance is also a component of change readiness reinforcement; employees will accept change more readily if they believe the change will work, this is possible through the celebration of small victories (Hiatt, 2006).

2.5.2. ADKAR within the Context of the Change Process Model

The Lewin (1951) three step model is simple to communicate to both leadership and employees of organisations, applicable to a variety of organisational contexts and change related situations (Burnes, 2004). The change process of Lewin (1951) enables the change team to examine and compartmentalise organisational change components within the change process, not the just the organisational activities, thereby giving the change process structure (Burnes, 2004). In the process models of Kotter (2007), TTM (Levesque *et al.*, 1999) and ADKAR (Hiatt, 2006), the steps in the change process are broken down into more segmented activities. The higher number of steps, such as eight in Kotter (1951) and five in ADKAR (2006), explain in more detail to the change initiator as well as the change participant, what should happen in that step.

Kotter's eight step model can be viewed as organisationally focussed with more attention given to organisational needs than to the needs of individuals during the change. Lawson and Price (2003) argue that change models that are organisationally focussed and do not address the psychology of the individual are less likely to succeed than those which do consider the individual. The ADKAR model focuses primarily on the individual, with focus on individual readiness. The model also tends to predominantly focus on the initial stages of change. While similar in stages, the TTM (Levesque *et al.*, 2008) has a broader focus, incorporating and integrating the stages of change (Levesque *et al.*, 2008) with decisional balance theory, process stages of change and self-efficacy theory (Velicer, DiClemente, Prochaska and Brandenburg, 1985). The TTM takes an integrated approach of

empirically tested theories “toward a more comprehensive approach to behaviour change” (Prochaska *et al.*, 1994:45).

Hiatt (2006) however, argues that the ADKAR model is highly adaptable for most change situations, be it change in public or government organisations or personal change in private life (Suganthalakshmi and Muthuvelayutham, 2011). It focuses on outcomes, not tasks to be performed (Suganthalakshmi and Muthuvelayutham, 2011). A change tool by which management may assess change process, readiness or progress and focus on items lagging (Hiatt, 2004). The focus of the ADKAR model is changing individuals and how they think with the understanding that if each individual changes, so too will the organisation (Sun, 2009). With the help of the ADKAR for change, organisations can fairly simply ascertain whether their change initiatives are working or not (Van Der Linde – De Klerk, 2009). This in particular relates to the readiness for change within the organisation.

Organisational issues, with regards to strategic change, may be overlooked when viewing change mostly from the employees view point and not the organisations. Ensuring that there exists a balance of priorities both focussed at the employee level of change as well as the organisational level of change, is instrumental to successful organisational transformation (Suganthalakshmi and Muthuvelayutham, 2011). Therefore, not combining the ADKAR assessment with an evaluation of the organisational change aspects could be problematic.

2.5.3. The ADKAR Instrument

According to Hiatt (2006) organisations use many different models to assess readiness for change. The ADKAR model systematically provides a focus of attention and compartmentalises the identification of potential problems so that solutions proposed can be more focused (Hiatt, 2006). Each category addresses a different but significant change assessment criterion. Hiatt (2006) argues that the simplicity and focus of the model is an advantage over more complicated change models and readiness assessment tools and therefore is being used frequently

within large organisations. The research will be an analysis of the application of the ADKAR change readiness assessment tool.

Eskom have utilised this instrument for empirical research before (Van der Linde-De Klerk, 2009), albeit to examine the readiness of change agents in relation to readiness of general employees. Van der Linde-De Klerk's (2009) empirical study showed the ADKAR questionnaire to be relevant as well as valid for the Eskom environment and results produced Cronbach's Alpha reliability coefficients results of 0.77 which were deemed favourable for the sample size. According to George and Mallery (2003) any Cronbach's Alpha score above 0.7 is a good score.

The ADKAR model has also been used for many organisational empirical and benchmark studies, according to Prosci Research (2009), several hundred organisations, albeit in America, have used the ADKAR change methodology and change readiness assessments. It is however important to note that while the ADKAR instrument has been very popular, there is little published research available on the instrument and its validity – probably largely due to its primary use by management practitioners in their own organisations, rather than by scholars or researchers.

This research paper has used the same instrument, a similar questionnaire which was slightly adapted for the purposes of this study.

CONCLUSION

This section dealt with the introduction to change management, change readiness, resistance to change, organisational inertia and components of change readiness.

It was noted that change is an inescapable reality of the modern business world and is increasing in pace and needs to be managed within a disciplined and focused process.

Change readiness exists when both the people and the organisation are ready for change and the evidence of this can be displayed in multiple ways.

Both resistance to change and organisational inertia are forces that need close scrutiny in the change process and the elements that make up the components of the change process must be understood and assessed in order for the organisation to declare itself change ready.

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Section 3 – DESCRIPTION OF RESEARCH METHODOLOGY

3.1 INTRODUCTION

The format of this research paper is that of an Evaluation Research Paper (Babbie 2011). According to Babbie (2011:362), evaluation research “refers to research purpose rather than a method”, a researcher will use the method of evaluation research when wanting to understand whether a “social intervention has produced an intended result”. The change programme of the Eskom Contact Centres turnaround strategy (Eskom, 2011) is classified as the social intervention to which Babbie (2011) refers, and this section of the research paper describes the design of the research and how it was carried out.

3.2 OBJECTIVES OF THE RESEARCH

The key objectives of this evaluation research paper were to:

- *Assess the level and stage of readiness for change.* Assess to what extent the employees of Eskom Contact Centres are ready for the proposed change.
- *Assess the differences of levels and stages of readiness for change between sites across the country.* Assess if there are significant differences in the readiness of employees between sites.
- *Identify potential future problems that could result due to unsuccessful transition from each of the five core elements to the next.* Correlate the gaps in readiness with potential future problems that are synonymous with a lack of organisational readiness described in the literature.
- *Recommend mitigating action to the organisation in order for the change to be successful.* Articulate mitigating action, as proposed in the literature that will

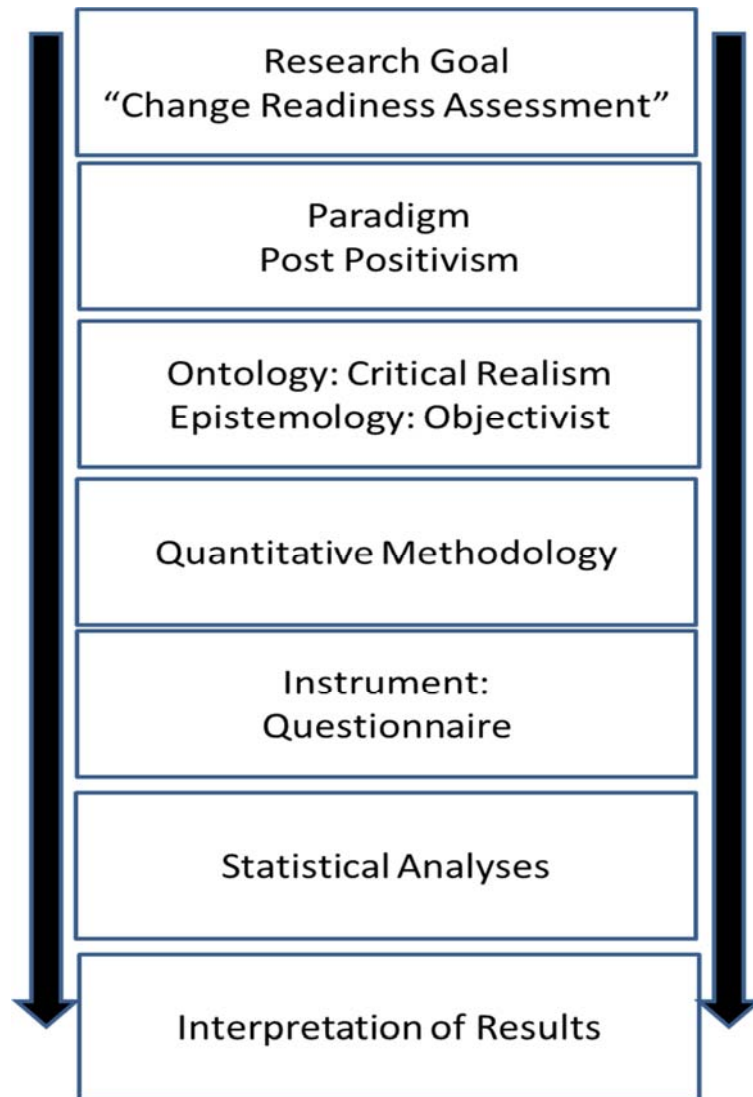
improve readiness and therefore increase the likelihood of success of transformation.

3.3 METHODOLOGY

The paradigm adopted for this research is post-positivism (Guba and Lincoln, 1994) with the ontological view that of a critical realist. With a post positivist research approach, the researcher understands that what is observed may be influenced by bias, upbringing and values, however, importantly; it will still conform to rigorous evaluation and logical reasoning (Guba and Lincoln, 1994). The ontology of a critical realist describes a view that reality exists can be described or defined by what is observed; rather than the view that it exists independently of observation (Guba and Lincoln, 1994). The critical realist therefore states the reality is that which is observed. Babbie (2010) argues that epistemology involves knowing. The epistemological view of this paradigm therefore will be that of objectivism. That is knowledge gained through reason (Guba and Lincoln, 1994).

Consistent with the post-positivism paradigm adopted, quantitative statistical data techniques were used to reject or not reject the null the hypotheses (Guba and Lincoln, 1994). Data used in this research paper was collected through the completion of the ADKAR change readiness questionnaire which was posted via electronic mail to the total sample population of the Contact Centre department. Data triangulation (Guba and Lincoln, 1994) was used to ensure an increase in objectivity and accuracy by ensuring that data sources were received from several different research sites throughout the country.

Figure 3.1 below demonstrates the methodology of this research paper diagrammatically presented with respects to the systematic and chronological approach to the research aim, ontology, epistemology, research method, data collection and analysis, and interpretation of results.

Figure 3.1 Research Methodology

Source: Developed by author from Guba and Lincoln (1994)

3.4 POPULATION AND SAMPLE SIZE

The total population was 407 Eskom Contact Centre employees situated at the Contact Centre sites of Belville, Braamfontein, Bloemfontein, East London, Polokwane, Durban and Witbank. The sample, which is usually a subset from the population (Johnson and Wichern, 1997), was in this case the entire population group (i.e. all of the Eskom Contact Centre employees throughout the country).

The sample included from the lowest level employees to supervisory levels within the Contact Centre. All of the employees in the sample group had a minimum educational background of at least grade 12, with the vast majority having a tertiary qualification and all employees in the sample could read, speak and write English fluently.

3.5 DATA COLLECTION

The ADKAR change readiness questionnaire was distributed to all Contact Centre staff members via email. Respondents were requested, by mail, to complete the questionnaires during scheduled off-phone periods. This time is usually used for personal administration or development but albeit that the questionnaire did not take long to complete; the time spent on the questionnaire was still approved through management negotiation.

The questionnaire was completed by clicking on a link on the email which directed the respondents to a one page online survey answer sheet. Only a brief explanation and the questions to be completed were on this page. The simplicity of the process and scheduled time off normal work activities was expected to increase the response rate and improve representativeness (Babbie, 2011).

3.6 DATA ANALYSIS

The information was stored in a data base repository (Turban *et al.*, 2006) which was then extracted by the researcher and analysed in MS Excel (version 2010) and Statistica with the following objectives in mind:

- To validate the adapted ADKAR change readiness model using Cronbach Alpha.
- To validate the constructs using factors analysis.

- To describe, statistically, the current level of readiness in total on each ADKAR factor.
- To identify any factors which score significantly higher or lower than the total score with the aid of ANOVA.
- To identify any significant differences in the mean scores across the seven regions using ANOVA.
- To test for homogeneity of variances using Levens test.

3.7 THE INSTRUMENT

The instrument used was an ADKAR change readiness questionnaire which was slightly modified by the researcher. The instrument is a *Likert Scale* format type of questionnaire consisting of 20 ADKAR change readiness questions. The change readiness questions were preceded by six biographic questions.

The biographical makeup of the respondents was as follows:

Table 3.1 Respondents Biographical Results

Site	Questionnaires Sent	Percentage of Total	Responses	Percentage of Total	Response Rate
Belville	43	10.6%	15	11.9%	34.9%
East London	60	14.7%	37	29.4%	61.7%
Braamfontein	72	17.7%	13	10.3%	18.1%
Polokwane	49	12.0%	10	7.9%	20.4%
Witbank	65	16.0%	13	10.3%	20.0%
Bloemfontein	49	12.0%	14	11.1%	28.6%
Durban	69	17.0%	24	19.0%	34.8%
Total	407	100.0%	126	100.0%	31.0%
Age Profile	Responses	Percentage of Total	Race Profile	Responses	Percentage of Total
20 – 29	22	17.5%	White	21	16.7%
30 – 39	61	48.4%	African	68	54.0%
40 – 49	26	20.6%	Coloured	22	17.5%
Over 50	17	13.5%	Indian	15	11.9%

Total	126	100.0%	Total	126	100.0%
Years' Experience	Responses	Percentage of Total	Gender Profile	Responses	Percentage of Total
Less than 2 Years	8	6.3%	Male	42	33.3%
2 - 5 Years	39	31.0%	Female	84	66.7%
6 - 10 Years	33	26.2%	Total	126	100.0%
Greater than 10 Years	46	36.5%			
Total	126	100.0%			

Source: Respondents

The ADKAR change readiness questions was is a Likert-type scale instrument, which is standard in the ADKAR instrument, instructing the respondent to select 1 if they strongly disagreed with the statement; 2 if they disagreed; 3 if they somewhat agreed; 4 if they agreed and 5 if they strongly agreed with the statement. There is no neutral mid-point and the scale is weighted toward the agreement side, respondents were therefore forced to make a choice between agree or disagree. With a higher weighting of agreement choices however, it is plausible to suggest that this could influence the results and the researcher was wary of this during the interpretation of the results and discussions.

The first four questions in the ADKAR change readiness questionnaire dealt with *Awareness*, questions five to eight dealt with *Desire*, questions nine to 12 dealt with *Knowledge*, questions 13 – 16 dealt with *Ability* and the last four questions dealt with *Reinforcement*. Table 3.2 details what the questions were:

Table 3.2 ADKAR Change Readiness Questionnaire

1	I understand the business reasons for the Contact Centre (CC) Turnaround Strategy.	AWARENESS
2	I understand the issues that are being addressed by the CC Turnaround Strategy.	
3	I understand the impact of the CC Turnaround Strategy.	
4	I understand the goals and objectives of the CC Turnaround Strategy.	
5	I am excited to be part of this change.	DESIRE
6	There are great opportunities for me in the change.	
7	I support the implementation of the CC Turnaround Strategy.	
8	I will benefit from the CC Turnaround Strategy.	
9	I have the necessary skills to cope with the change.	KNOWLEDGE
10	I understand how my work relates to the change.	

11	I have clarity on the change.	
12	I have the necessary knowledge to cope with the change.	
13	I can cope with the change.	ABILITY
14	I can positively contribute to the change.	
15	I will be able to perform better due to the changes that are brought about.	
16	I have the ability to perform at the level that the changes require.	
17	My team members support the change.	REINFORCEMENT
18	My manager supports the change.	
19	My uncertainties have been addressed.	
20	I will personally grow because of this change.	

Source: Van Der Linde-DeKlerk (2009) adapted by author.

Eskom has utilised the ADKAR instrument for empirical research before (Van der Linde-De Klerk, 2009), albeit to examine the readiness of change agents in relation to readiness of general employees. Van der Linde-De Klerk's (2009) empirical study showed the ADKAR questionnaire to be relevant as well as valid for the Eskom environment and results produced Cronbach Alpha reliability coefficients results of 0.77 which were deemed favourable for the sample size.

The ADKAR model has also been used for many organisational empirical and benchmark studies, according to Hiatt (2006), several hundred organisations, albeit in America, have used the ADKAR change methodology and change readiness assessments.

The factors as proposed by the ADKAR change readiness assessment questionnaire for this data set were however found to be insufficiently different from one another, raising concerns about its construct validity. Through factor analysis, the five factors were therefore subsequently consolidated and reconstructed to three, namely Readiness, Opportunity Realisation and Uncertainty.

The items of the questionnaire were grouped under the new factors as follows:

Table 3.3 Amended ADKAR questionnaire

1	I understand the business reasons for the Contact Centre (CC) Turnaround Strategy.	Readiness
2	I understand the issues that are being addressed by the CC Turnaround Strategy.	
3	I understand the impact of the CC Turnaround Strategy.	
4	I understand the goals and objectives of the CC Turnaround Strategy.	
5	I am excited to be part of this change.	
6	I support the implementation of the CC Turnaround Strategy.	
7	I have the necessary skills to cope with the change.	
8	I understand how my work relates to the change.	
9	I have the necessary knowledge to cope with the change.	
10	I can cope with the change.	
11	I can positively contribute to the change.	
12	I will be able to perform better due to the changes that are brought about.	
13	I have the ability to perform at the level that the changes require.	
14	My manager supports the change.	
15	There are great opportunities for me in the change.	Opportunity Realisation
16	I will benefit from the CC Turnaround Strategy.	
17	My team members support the change.	
18	I will personally grow because of this change	Uncertainty
19	I have clarity on the Change.	
20	My uncertainties are addressed.	

Source: ADKAR (2009) amended by author.

The results of this analysis as per the amended ADKAR questionnaire were presented and the researcher then made recommendations through discussions of the results.

3.8 ETHICS

The researcher is a Manager within the Customer Services Division and will be also affected by the organisations transformation. The researcher was therefore aware of issues pertaining to subjectivity and bias (Babbie, 2011) and put “personal values and views aside for the duration of the research” (Babbie, 2011:493).

The researcher is also aware that during this time of transformational change within; and of Eskom, employees are bombarded by many surveys and the issue of survey

fatigue could be a concern, the researcher did not use his position within the organisation to place undue pressure on respondents in order to increase response rates (Babbie, 2011) or influence results.

The front page of the questionnaire mail did explain that participation in this research is voluntary and that the respondents will be free to opt out at any stage if they want to.

Researchers are ethically obligated to their respondents (Babbie and Mouton, 2001); and Bassey's (1999) respect for persons, democracy and truth were a guiding influence for the researcher. Anonymity of the respondents was preserved and the findings of the research was thoroughly investigated and truly reported.

3.9 LIMITATIONS AND CONCLUSION

Limitations in this paper suggest that future research will need to be conducted for an analysis of the readiness of the organisation itself, as this research paper is an employee focused change readiness assessment. By including a study of the organisational factors of change readiness will improve the probability of transformational success. The survey therefore includes only the psychological readiness factors and this can be deemed a limitation of the research and therefore influence recommendations.

Due to the factors being amended from five to three, namely Readiness, Opportunity Realisation and Uncertainty and given Eskom's preference for the ADKAR model, future research within Eskom should therefore be conducted more circumspectly as the organisation should first ascertain the validity of the ADKAR factors. Moreover, the timing of the survey could be a limitation and the researcher suggests that readiness results could vary as the change process intensifies.

It is however believed that through the following of this evaluation research paper's methodical method of research, that the results can be postulated as sound scientific fact and that they can be added to contemporary literature in order to progress and make contributions to the body of knowledge of organisational change readiness.

3.10 REFERENCES

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APPENDICES

A. Questionnaire Letter

Dear Colleague:

I am in my final year of my MBA degree at Rhodes University. For my dissertation, I have chosen to evaluate organisational change readiness prior to significant organisational change as my research topic. Both Eskom and the university see the research to be both appropriate and worthy, given the current context of Eskom's transformation.

There are 20 questions, please read each question carefully. You are being asked to rate yourself on a scale from 1-5 on your agreement to the statement:

1 = Strongly Disagree; 2 = Disagree; 3 = Somewhat Agree; 4 = Agree; 5 = Strongly Agree

<https://docs.google.com/spreadsheet/viewform?formkey=dDBBLXZfTTZmeEVnQ2piWFJLUUhBRIE6MQ>

All answers will be treated as anonymous and will be electronically collated to form the data base of the research.

While participation in this research is voluntary and you will be able to withdraw your answers should you feel you need to, I encourage you to complete the survey as it may be helpful to the organisation in knowing where to focus their attentions in order to ensure a more successful change. The results of the dissertation may also be used for future academic purposes.

Thank you for your time.

Yours sincerely

Mark Bedser

B. Questionnaire

CC Site:						
Gender:						
Age:						
Race:						
Grade:						
Year's Experience:						
Questions		Scores				
		1	2	3	4	5
1	I understand the business reasons for the Contact Centre (CC) Turnaround Strategy.					
2	I understand the issues that are being addressed by the CC Turnaround Strategy.					
3	I understand the impact of the CC Turnaround Strategy.					
4	I understand the goals and objectives of the CC Turnaround Strategy.					
5	I am excited to be part of this change.					
6	There are great opportunities for me in the change.					
7	I support the implementation of the CC Turnaround Strategy.					
8	I will benefit from the CC Turnaround Strategy.					
9	I have the necessary skills to cope with the change.					
10	I understand how my work relates to the change.					
11	I have clarity on the change.					
12	I have the necessary knowledge to cope with the change.					
13	I can cope with the change.					
14	I can positively contribute to the change.					
15	I will be able to perform better due to the changes that are brought about.					
16	I have the ability to perform at the level that the changes require.					
17	My team members support the change.					
18	My manager supports the change.					
19	My uncertainties have been addressed.					
20	I will personally grow because of this change.					

C. Questionnaire in ADKAR categories

1	I understand the business reasons for the Contact Centre (CC) Turnaround Strategy.	AWARENESS
2	I understand the issues that are being addressed by the CC Turnaround Strategy.	
3	I understand the impact of the CC Turnaround Strategy.	
4	I understand the goals and objectives of the CC Turnaround Strategy.	
5	I am excited to be part of this change.	DESIRE
6	There are great opportunities for me in the change.	
7	I support the implementation of the CC Turnaround Strategy.	
8	I will benefit from the CC Turnaround Strategy.	KNOWLEDGE
9	I have the necessary skills to cope with the change.	
10	I understand how my work relates to the change.	
11	I have clarity on the change.	
12	I have the necessary knowledge to cope with the change.	ABILITY
13	I can cope with the change.	
14	I can positively contribute to the change.	
15	I will be able to perform better due to the changes that are brought about.	
16	I have the ability to perform at the level that the changes require.	REINFORCEMENT
17	My team members support the change.	
18	My manager supports the change.	
19	My uncertainties have been addressed.	
20	I will personally grow because of this change.	