

# The impact of restructuring on the morale of staff at a cultural organisation

# GS Lemmer orcid.org 0000-0002-2160-7069

Mini-dissertation submitted in partial fulfilment of the requirements for the degree *Master of Business Administration* at the North-West University

Supervisor: Prof LTB Jackson

**Graduation May 2018** 

Student number: 12730831

#### **ACKNOWLEDGEMENTS**

I hereby would like to thank and acknowledge the following for their support and assistance in completing this study:

- My heavenly Father for His grace, mercy and favour.
- My wife, René. Thanks for your sacrifice and support and motivation throughout the MBA qualification and research period.
- The Afrikaanse Taal en Kultuurvereniging, in particular Japie Gouws. I am grateful for your support. Your belief in my ability has helped me to complete this study.
- Professor Leon Jackson. Your assistance, support and guidance were valuable.

#### **ABSTRACT**

The purpose of this study is to determine the effect of corporate restructuring on staff morale and motivation levels. The choice of the research topic arose from the need to determine whether the restructuring of the ATKV's business has had an effect on the morale and motivation levels of the ATKV staff.

To understand restructuring and change, the literature study will look at employee involvement, employee's attitude towards Top management, communication, management models, management theories and the most effective leadership style to implement effective change. For managers to implement change effectively, they need specialist knowledge that allows them to enable engagement, critique current research or practises, and practically apply a comprehensive and systematic knowledge base of key terms, principles and theories on change management. The literature will further point out that for successful change, organisations need to design and implement strategies for processing and managing information so that they may conduct a comprehensive review of leading and current research, and use the resources of academic and professional or occupational discourses to communicate and defend substantial ideas that are the product of research.

The research method used in this study consists of a literature review and an empirical study. Of a total population of 100 employees targeted, a response rate of 73% (73 questionnaires) was achieved. A total of 40 were returned by ATKV non-profit employees and 33 by ATKV for-profit. The results made known some gaps and parallels between the way that the restructuring process in the ATKV was carried out and what the literature reveals. It is, nevertheless, interesting to make a note of the fact that the restructuring process was overall interpreted as positive and did not have a big impact on the morale and motivational levels of employees.

The major challenge is to positively restructure and change for the benefit of the organisation and all its stakeholders. With the evaluation of the research question it was clear that there was some negativity attached to the restructuring process. In general, the staff was comfortable with the restructuring process. However, it was very clear from the statistics that there was a significant difference between the respondents of the for-profit entity and the non-profit entity. It shows a shift of focus in the leadership styles of the two entities. It was clear that the organisation's non-profit entity, using Laissez-Faire leadership style, had a negative impact. The questionnaires also highlighted that no change management model was used as a starting point, something that should be looked into in the future. Recommendations are made to address identified problems to assist the ATKV in future restructuring initiatives.

**Keywords**: Change management, communication, cultural organisation, employee involvement, impact, leadership, morale, motivation, restructuring.

### **TABLE OF CONTENTS**

ACKNOWLE	DGEMENTS	I
ABSTRACT.		II
LIST OF TAB	BLES	X
LIST OF FIGI	URES	X
CHAPTER 1:	INTRODUCTION AND PROBLEM STATEMENT	1
1.1	Introduction	1
1.2	Hypothesis	2
1.3	Research goals	2
1.3.1	Overall research goal	2
1.3.2	Specific goals	2
1.4	Problem statement	3
1.5	Research question	4
1.6	Concepts and definitions	4
1.6.1	Organisation restructuring	4
1.6.2	Morale	5
1.6.3	Motivation	5
1.6.4	Communication during change	5
1.6.5	Management approach to change	6
1.6.6	Management leadership during the change process	6
1.6.7	Employee involvement in the change process	6
1.6.8	Fairness	7
1.7	Chapter summery	7

CHAPTER 2:	LITERATURE SURVEY 8
2.1	Introduction 8
2.1.1	Definition of change management
2.2	Restructuring overview9
2.2.1	Definition of restructuring
2.3	The phenomenon of change10
2.4	Reasons for change11
2.5	Management approaches to change management 12
2.5.1	The ten principles of change
2.6	Employee involvement
2.7	Motivation and Morale in the organisation24
2.8	Communication during change
2.9	Leadership and managing change
2.9.1	Definition of Transformational leadership
2.9.2	Comparison of Transformational leadership with Laissez-Fair leadership 30
2.10	Chapter Summary 31
CHAPTER 3:	RESEARCH METHODOLOGY
3.1	Introduction
3.2	Research Methods32
3.2.1	Literature review
3.2.2	Empirical study
3.2.2.1	Research design
3.2.2.2	Research procedure

3.2.2.3	Research group (Participants)	34
3.2.2.4	Measuring battery	35
3.2.2.5	Statistical Analysis of the data	37
3.2.2.6	Ethical Aspects	38
3.2.2.7	Expected results	38
3.3	Chapter Summary	38
CHAPTER 4:	RESULTS	39
4.1	Introduction	39
4.2	Biographical information	40
4.2.1	Division respondents work in	40
4.2.2	Post level grade of respondents	41
4.2.3	Respondents' race	42
4.2.4	Respondents' gender	43
4.2.5	Respondents' age	43
4.2.6	Number of years employed	44
4.2.7	Respondents' qualifications	45
4.3	Frequencies and descriptive statistics, independent t-test and independent sample test	45
4.3.1	Frequencies and descriptive statistics	45
4.3.1.1	Result and summary of structured questions	45
4.3.1.2	Interpretation of the data in Table 4.1	46
4.3.1.3	Interpretation of data in Table 4.2	47
4.3.1.4	Interpretation of data in Table 4.3	48

4.3.1.5	Interpretation of Table 4.4	49
4.3.2	Forms of communication used during restructuring	50
4.3.3	Stage at which employees were informed about restructuring	50
4.3.4	Frequency with which changes were communicated to respondents	51
4.3.5	Independent t-test group statistics, effect size	51
4.3.6	Independent sample test	51
4.3.6.1	Effect size	54
4.3.6.2	P-value	54
4.4	Chapter summary	55
CHAPTER 5:	DISCUSSION, RECOMMENDATIONS AND CONCLUSION	56
5.1	Introduction	56
5.2	Discussion	56
5.2.1	Employees involvement in the restructuring process	56
5.2.2	The impact of restructuring on the employees attitudes towards leadership	56
5.2.3	The impact of restructuring on employees morale and motivation	57
5.2.4	Communication process and strategy during the restructuring	57
5.2.5	The main problem of the organisations restructuring	58
5.3	Recommendations	58
5.4	Limitation and opportunities for further research	61
5.5	Practical implications	61
5.6	Final conclusion	62
REFERENCE	S	64
ANNEXURES		72

APPENDIX 1: QUESTIONNAIRE	72
∧ı ı ⊑ітріх і. җо⊑отіонт∧іть	

## **LIST OF TABLES**

Table 2-1:	Planned Change management models examples from 1991 to 2006	. 18
Table 2-2:	Comparison between Transformational leadership and Laissez-Faire leadership	. 30
Table 3-1:	Post levels of participants	. 34
Table 3-2:	Characteristics of participants	. 35
Table 4-1:	Employees involvement in the process	. 46
Table 4-2:	Employee attitudes towards leadership after the restructuring	. 47
Table 4-3:	Employee's morale and motivation after restructuring	. 48
Table 4-4:	Communication process and strategy during restructuring	. 49
Table 4-5:	Forms of communication used during restructuring	. 50
Table 4-6:	Stage at which respondents were informed about restructuring	. 50
Table 4-7:	Frequency with which changes were communicated to respondents	. 51
Table 4-8:	Average answer for each question	. 52

## **LIST OF FIGURES**

Figure 2-1:	Lewin's Change Model	. 14
Figure 2-2:	The Action Research Model	15
Figure 2-3:	The Positive Model	16
Figure 2-4:	General Model of planned Change	16
Figure 4-1:	Division	41
Figure 4-2:	Post level grade	42
Figure 4-3:	Race	42
Figure 4-4:	Gender	43
Figure 4-5:	Age	44
Figure 4-6:	Number of years employed	44
Figure 4-7:	Qualifications	45

#### CHAPTER 1: INTRODUCTION AND PROBLEM STATEMENT

#### 1.1 Introduction

It seems that many organisations tent to restructure without considering the impact thereof on employees. External factors and needs of the organisation indicated that it was necessary for the chosen organisation to change (Gerbec, 2017). How the organisation managed the change will influence whether or not the change will be traumatic. The purpose of this study is to determine the effect of corporate restructuring on staff morale and motivation levels. The change of the external environment, laws and the rise of new economies and business opportunities resulted in a change opportunity for the ATKV. According to Glensor (2010) the failure rate of change programmes around the world are seventy present. When looking closely to the success of South African companies change initiatives and programmes, it is clear that the poor rate of success are highlighted by the following key issues:

- The presence or the lack thereof of a valid framework on how to implement and manage organisational change,
- The existence of a large proportion of current academic literature and research which is available proves to be opposing, often with confusing theories and approaches on organisational change (Glensor, 2001).

According to D'Ortenzio (2012) implementing change is not an easy task to accomplish, in the private and public sector. Supporting the challenge is the need for change and the environment in which organisations currently function. Organisations find themselves in a very difficult operating environment. To become more competitive, organisations need to introduce and manage change successfully.

Change in an organisation does affect the organisation and employees. During the change process employees become confused and insecure about their job security and therefore less productive. According to Georgiades (2015) change in an organisation must make sense. Georgiades (2015) further states that sense making indicates efforts to interpret and create an order for activities to happen in the organisation. Managers, however, must also communicate their understandings, particularly in the centre of organisational change, in a way that provides their subordinates with a workable certainty.

The need for organisational change may also be triggered by the failures in the leader's of the organisation. The organisation needs to craft strategies to deal effectively with these events irrespective of what trigger them. The challenge is for management to be aware of and understand these signals and take action to respond appropriately. It is therefore crucial for

managers to be aware of drivers of change in their organisation. Many writers of scientific articles on change management offers a range of different emphases or perspectives on change management due to many different ways in which change can be classified (D'Ortenzio, 2012). According to Hansen (2016) research has identified that high-skilled workers and Top management are the least impacted by restructuring. That is why it is important to look at change and the impact thereof on morale from an employee's perspective. Any form of organisational change can impact indirectly or directly on employee's personal lives and their day to day work. The employees experience this change through their working conditions, benefits and future aspirations. This is the reason why employees must understand the change process, analyse its effectiveness, locate their purpose in the change process and act by influencing those factors that are affecting them (D'Ortenzio, 2012).

The objectives and problem statement, research questions and core definitions for this study will be discussed. The literature study, research respondents, measuring instruments, research procedure, and ethical considerations are then discussed in the following chapters.

#### 1.2 Hypothesis

If restructuring takes place in an organisation without any goals, the outcome of the restructuring will be more negative than positive. Specific objectives in terms of the restructuring process and especially changes to management must be set out in the planning phase. An organisation that goes through a successful restructuring process will always stay competitive with a positive staff. This study should determine whether the recent restructuring of the cultural organisation, through the establishment of a non-profit organisation (NGO) and a for-profit organisation (FPO), has achieved the desired outcomes and if it has had an impact on staff morale.

#### 1.3 Research goals

#### 1.3.1 Overall research goal

The purpose of this study is to determine the effect of corporate restructuring on staff morale and motivation.

#### 1.3.2 Specific goals

- To identify the organisational restructuring strategies as defined by the literature;
- To explain the restructuring process identified by the cultural organisation;
- To evaluate the impact of the restructuring process on the staff of the cultural organisation;

- To compare restructuring theories with process used by the cultural organisation;
- To make a recommendation on the appropriate restructuring strategies for the cultural organisation.

#### 1.4 Problem statement

The choice of the research topic arose from the need to determine whether the restructuring of the ATKV's business has had an effect on the morale and motivation levels of the ATKV staff. According to De Jong *et al.* (2016) it is significant to appreciate the impact of how the restructuring procedure is managed on employee morale and motivation in order to decrease the harmful effect for employees who continue to work in organisations after restructuring. The ATKV is a cultural organisation that ensures and enjoys the continued existence of the Afrikaans language and culture. The ATKV annual report of 2015/2016 states that for more than 87 years, the ATKV has, as one company, worked creatively, purposefully and practically with the Afrikaans language and culture in many fields. The external environment has changed and so the ATKV cultural company was forced by the Income Tax Act and the Company Act to restructure. According to Cummings and Worley (2009:339) external environmental changes are forcing organisations to restructure.

Expert opinions from senior advocates about the applicability of some income tax and company law provisions have been obtained. During November 2013, conversations were held with adv. Piet Marais (SC) to clarify specific aspects of restructuring and tax risks. He confirmed that the restructuring of the ATKV was inevitable in light of the binding general ruling no. 20 of the South African Revenue Service of 10 December 2013. It has also been confirmed that the available income tax provisions regarding restructuring can be followed by the ATKV. The most important company law issues that had to be addressed first were the acquisition of the AGM's consent, after which the companies were established and the relevant Deeds of Establishment were submitted to the relevant authorities. Thereafter, the normal restructuring processes were carried out.

One of the options considered by the management was to give ATKV company shares to members of the ATKV cultural company. This was an option that could not be considered. The ATKV was a non-profit company and as such may not issue shares or distribute dividends. In addition, the administration for 70 000 shareholders with small shareholdings will be difficult and ineffective. This includes aspects such as compliance with legislation requiring members to take their shares at market value and fully pay for them, structuring shareholder engagement and voting rights in a meaningful manner, as well as the high costs that undermine the viability of such structures.

The public benefit organisation status and the additional control of the ATKV cultural company's property and resorts are among the main reasons suggested to members to motivate the decision. Unfortunately, the ATKV staff was not taken into account in the above-mentioned process. According to McShane and Von Glinow (2010:13) employment involvement tends to strengthen employee motivation as well as improve decision making, organisational responsiveness, and commitment to change. The restructuring has caused many uncertainties for the staff, especially for those who work for the non-profit organisation (NGO). The business division has always been the coin purse that funded the cultural activities for the cultural division. The perception is that employees of the for-profit company (FPO) have better prospects than those of the NGO. Management has repeatedly advised staff of the NGO that the restructuring is not a cost cutting exercise, and posts will therefore not be compromised. Despite the assurances, staff morale and motivation levels are low.

#### 1.5 Research question

Primary research question

What strategies can an organisation use for a successful restructuring project?

Sub-questions that flow from the primary research question:

- Does the restructuring process have an impact on staff wellbeing?
- Which restructuring strategy did the literature reveal that could help in implementing a successful restructuring process?
- Which restructuring strategies have the cultural organisation used?
- What was the impact of the restructuring process on staff morale and motivation in the cultural organisation?
- What is the impact of the restructuring process on staff's physical wellbeing?
- What is the impact of the restructuring process on the staff's mental state?
- What is the impact of the restructuring process on the staff's social wellbeing?
- What is the impact of good communication on the restructuring process?

#### 1.6 Concepts and definitions

For the research problem, the following concepts and definitions apply:

#### 1.6.1 Organisation restructuring

Greenberg and Baron (1995:627) refer to organisation restructuring as "altering of size and basic configuration of the organisational chart". This could mean the retrenchment of staff

needed to streamline the organisation and make it more effective, or adapt staff to work in a newly designed organisation. It could also mean outsourcing – where an organisation receives services from outside the company to complete non-core business tasks. Byars (1992:162) makes the statement that the restructure and reorganisation of an organisation involves strategic changes due to pressure from external factors. The changes do not necessarily only take place in challenging times, but also in good times. Challenging times can result in staff retrenchment, asset sales and excessive capitalisation. Good restructuring involves expanding the organisation, structuring the organisation, diversifying products, improving customer profiles, and complying with legislation. The ATKV had to restructure in order to manage its businesses even more effectively.

The following is stated by Byars (1992:163) as reasons for restructuring in most organisations:

- To increase productivity, profit margin growth, and balance sheet ratios;
- To better the strategic position of the organisation;
- To fend off the competition.

#### 1.6.2 Morale

Gordon (1991:745) defines morale as the "predisposition in organisation members to put forth extra effort in achieving organisational goals and objectives". This includes a sense of duty, shared goals, and a sense of belonging. Morale is found in working groups where motivation is linked to individuals. Morale and motivation levels are an excellent barometer to measure an organisation's effectiveness.

#### 1.6.3 Motivation

According to Cummings and Worley (2009:181) the future is uncertain and may affect employees coping abilities. Employees generally do not support change unless a good motivation for change is given to convince them to do so. According to Bargraim (2003:52), motivation is a "force that directs and sustains our behaviour". On the other hand, Erasmus, van Wyk and Schenk (2000: 353) argue that motivation is the will to do something and be controlled by ability to meet individual needs.

#### 1.6.4 Communication during change

The change management process will not be successful without effective communication. According to Coffey, Garrow and Holbeche (2002) communication is the key success factor in a restructuring process. Communication should not be seen as the simple passing on of passive information, but should play a very important role in reducing anxiety, demonstrating concern

managing expectations, building new networks, building trust and commitment, encouraging involvement through feedback and two way communication, promoting integration and prompting behaviour changes (Coffey *et al.*, 2002:166).

#### 1.6.5 Management approach to change

For managers to implement change successfully, they need to use an effective change management model. There are selections of planned change or change management models with a number of stages and steps that follow in a solution for managers to follow. These change management models are Kotter's eight steps, Levin's change model, the action research model, the position model and the general model of planned change. According to Coetsee (2002) there are ten principles of change that is a more practical approach to change management. Most of these change management models were subjected to comprehensive analysis and derive from case studies and other empirical research (Van Tonder, 2004).

#### 1.6.6 Management leadership during the change process

By motivating employees during the change process to understand their own self-interest, a leader can bring deeper understanding and appreciation of input from employees, and encourage followers to think critically and seek new ways to approach their jobs, problems and challenges (Walumbwa, Wang, Lawler & Shi, 2004). Management leadership can help employees become more involved in the change process which can result in increased satisfaction and commitment to the organisation (Walumbwa *et al.*, 2004). Leadership is about influencing followers, and endowing followers with independence to complete a goal. Communication allows followers to produce significant attitudes toward change and progressing toward the organisation change goals (Yang *et al.*, 2011). A follower will eventually have their values, goals, and perspective align with the organisational one (Effelsberg & Solga, 2015).

#### 1.6.7 Employee involvement in the change process

According to Cummings and Worley (2009:376) employee involvement seeks to improve employees input and is a process for empowering employees to participate in managerial decision-making and improvement activities appropriate to their levels in the organisation. Organisations turn to employee involvement to enhance participation, commitment and productivity. Employee involvement is aimed at moving decision-making downward, and increased employee involvement can lead to quicker, more responsive decisions, continuous performance improvements and greater employee flexibility, commitments and satisfaction.

#### 1.6.8 Fairness

Cascio (2002:91) defines fairness as "maintenance or administration of what is fair, especially by the impartial adjustment of conflicting claims or the assignment of merited rewards or punishment". Fairness is one of the cornerstones defining the success of an organisation. There are two types of fairness, namely procedure and distribution. Procedures involve a fair process and distribution involves the fair dissemination of the results of the decisions taken. The scope of the study will be limited to the restructuring process of the cultural organisation that kicked off in 2014.

#### 1.7 Chapter summery

Chapter one discussed the objectives and problem statement, research questions and core definitions that will be measured for this study. These aspects are employee involvement, employee morale and motivation and communication. Chapter two will deal with the literature of restructuring and change management, morale, motivation, communication, management approaches and models, employee involvement and leadership. The research respondents, measuring instruments, research procedure, and ethical considerations are then discussed in the following chapters.

#### **CHAPTER 2: LITERATURE SURVEY**

#### 2.1 Introduction

This chapter discusses restructuring and the reason for change, along with the impact of change on the morale and motivational levels of employees, communication to employees and employee involvement. To understand restructuring and change, the literature study will look at management models, management theories and the most effective leadership style to implement effective change.

For managers to implement change effectively, they need specialist knowledge that allows them to enable engagement, critique current research or practises, and practically apply a comprehensive and systematic knowledge base of key terms, principles and theories on change management. Managers need to use a wide range of specialised skills in identifying, conceptualising, designing and in using methods, techniques and technologies of enquiry, in order to address complex and challenging real world issues related to change management.

The literature will further point out that for successful change, organisations need to design and implement strategies for processing and managing information so that they may conduct a comprehensive review of leading and current research, and use the resources of academic and professional or occupational discourses to communicate and defend substantial ideas that are the product of research. This enables organisations to use a range of advanced specialised skills appropriate to the field of change management to communicate to employees with different levels of knowledge or expertise.

#### 2.1.1 Definition of change management

According to Moran and Brightman (2001) change management is defined as the process of frequently renewing an organisation's course, make-up and capabilities to provide the everaltering requirements of the external and internal client. Mohrman and Worley (2014) highlight the importance of renewing an organisation's activities by revering to the leap in complexity, connectivity, interdependency, and speed, compared to 20 or 30 years ago. Today the environment is radically different and requires new approaches to change. Organisational change is further defined by Vermaak (1996:14) as a reaction to change - a difficult educational strategy planned to change thinking, attitudes, morals and the composition of organisations so that they can better get used to new technologies, markets and challenges, and the tempo of change itself.

Change management is necessary when an organisation realises that it is not operating at its optimal efficiency. The need and importance of change signifies the transformation towards a knowledge economy. To be able to manage change successfully employees in the organisation requires assistance in responding to change that they face in the organisation (Du Plessis & Mabubda, 2016).

Senior (2002) and Graetz (2000) supported by Winby and Worley (2014) argue that organisational change and the direction thereof is a very important management skill that is required throughout the world where there are higher deregulation, quick technological innovation, an increasing knowledge labour force and changing collective and demographic trends. Organisational change is an ever-present attribute of organisational life, both on a functioning and strategic level. It is for this motivation that organisations should develop their expertise to identify where it needs to be in the future, and the required action it will need to take in managing the changes necessary to get the organisation safely to that future (Burnes 2004). Booysen and Beaty (1997), Booysen (2007) and Nkomo and Kriek (2011) jog our memory that organisational change is about returning to the basics, fine-tuning the organisation's strategy and operations, or searching for new tools and techniques that will help the organisation steer the changes that lie ahead.

#### 2.2 Restructuring overview

Restructuring is seen as a very negative term that implicates downsizing and loss of jobs. It is therefore important to refer to restructuring as change in the organisation and the management thereof. According to Cummings and Worley (2009:339) increasing global competition and rapid technological and environmental changes are forcing organisations to restructure themselves from rigid bureaucracies to leaner, more flexible designs. These new forms of organising are highly adaptive and innovative, but require more sophisticated managerial capabilities to operate successfully. Cummings and Worley (ibid) further state that they often result in fewer managers and employees and in streamlined work flows that break down functional barriers.

Restructuring is a very important feature of functioning in both public and private organisations. Restructuring has been linked with unconstructive consequences for the morale and motivational levels of employees. A number of studies have indicated that for the majority of organisations downsizing has a negative impact on financial performance or productivity (Quinlan & Bohle, 2009). It is significant to appreciate the result of restructuring and the impact of how the restructuring procedure is managed on employee morale and motivation in order to decrease the harmful effect for employees who continue to work in organisations after restructuring (De Jong *et al.*, 2016). Employees' reactions to change are not only dependent on

what changes in the organisation, but also on how the changes are implemented (Armenakis & Bedeian, 1999; DeVos *et al.*, 2007).

There are many ways for organisations to restructure. The most common ways are:

- Downsizing
- Reengineering
- Strategic alliances
- Divesting some businesses and acquiring others
- Outsourcing

The ATKV recently went through a restructuring process. They implemented the change by means of reengineering and strategic alliances.

#### 2.2.1 Definition of restructuring

De Jong *et al.* (2016) describe restructuring as an organisational "change that is much more significant than commonplace" change. The change should affect at least an organisational division or a complete company in the forms of, for example, shutting down, outsourcing, off shoring, sub-contracting, merging, delocalisation, domestic work mobility, commerce expansion or other difficult internal reorganisations and job cutting (Eurofound, 2014; Kieselbach *et al.*, 2009).

#### 2.3 The phenomenon of change

Change is still a permanent and very prominent feature of organisational life. Various metaphors such as "white water organisations" have been used to describe organisations in the turbulent environment they have to cope with to survive. Organisations are constantly in states of reform and transformation and all members are affected. They have to adapt to the transitions they have to make. It is therefore understandable that management and leadership excellence are now more commonly seen in terms of a manager's ability to manage change and the ability and skill of leaders to initiate and guide change effectively (Coetsee, 2002:202). The above is supported by Van der Voet (2014) that argues that support is very important for successful implementation of organisational change. The suggested support must come in leadership. Van der Voet (2014) further states that leadership is pointed out as one of the key drivers of the successful implementation of change. A great number of literatures discuss change leadership. The management of change refers to planning, coordinating, organising and driving of processes. Change leadership refers to the motivation and influence of employees.

According to Nadler, Shaw and Walton (1995) change management is an essential area of concentration for healthy growth of any business. It is important for the survival of any business in today's world. Winby and Worley (2014) argue that for healthy growth in the organisation to take place, employees should have the ability to generate novel ideas, develop viable services, drive new value for the organisation and there must be sustained organisational change. Change management highly focus on people, identity and the patterns of human interaction. Change management will be the core competency of the business leaders in the twenty-first century. Therefore being visionary change agents, leaders will be required to be more skilful and motivational. Discontinuous changes have a negative effect on the capabilities of leadership.

#### 2.4 Reasons for change

According to Kotter (1996), large external economic forces are drivers of change. Organisations are forced to work hard to reduce costs, improve on service and product quality, increase productivity and locate new opportunities for growth. Kreitner and Kinicki (1995) states that the need to change can be found by monitoring the forces for change, which originate from both internal and external sources. The following forces directly act on organisations (Thompson, Strickland, Gamble, Peteraf, Janes & Sutton, 2012:60):

- The market demand for a certain product or service decline. Customers do not have a need for the service and product any more.
- Market supply can be stimulated by mergers in retail companies. Strategic alliances will force change in an organisation.
- Political factors have a big influence on South African organisations. Changes in leadership in government create uncertainty in force change.
- The economy has a distinctive impact on the success of an organisation. Changes in the exchange rate and other economic factors can force organisations to change.
- The rate in which technology changes and the availability of new technologies force organisations to adapt in order to stay relevant.
- Human beings are socially driven and change their taste in a product or service quite often. People are more health conscious and demand new products to enrich their lifestyles.
- The environment has a big impact on organisations. The "green" movement forces organisations to change. Natural disasters like earthquakes, fires, floods and storms can force organisations to change rapidly.

There are a number of environmental pressures for change such as fashion, geopolitical, market decline, hyper competition, reputation and credibility, growth, integration, collaboration,

identity, power and politics. New leadership in an organisation wants to make a good first impression and is likely to be able to generate new energy for change. They are unhampered by adherence to past practises and successes (Thompson *et al.*, 2012).

According to Winby and Worley (2014) there are few organisations that have been able to maintain innovation through change. There are a number of reasons why organisations may not change in the face of external pressures for change, they are:

- Organisational learning versus threat-rigidity
- Environment as an objective entity versus environment as a cognitive construction. The
  environment is stable but managers perceive it as turbulent and take unnecessary action
  that threatens the survival or failing to take action because they perceive the
  environment to be stable.
- The forces for change versus the forces for stability are driven by the institutionalisation
  of the mission of the organisation the less institutionalised the more flexible. Diffusion
  of power the more concentrated the power the greater the ability to make decisions and
  allocate resources. The rationale used for explaining decline also has a big impact
  because the more controllable the causes are, the more they are likely to introduce
  change.

#### 2.5 Management approaches to change management

Management plays a very important role in change management and how change is approach in the organisation. The management of organisational change is a process with three critical elements, they are readiness for change, implementing change, and sustaining change (Chi Cong Mai, Perry and Loh, 2016). There is a variety of tools and models managers can use to assist them in the restructuring and ultimately change process. Unfortunately, most organisational change initiatives fail, and the reason why these models fail has received little attention in the literature (Mai *et al.* 2016). Solutions for organisational change are characteristically presented and conceived as recipes and formulae. The nature and number of these different steps differ from patterns of accomplishments, while the necessary ingredients, assumptions and base thinking do not fluctuate. Collins (1998) introduced the expression "N-step guides" to explain the very structured and programmatic (step-by-step) nature of the huge majority of approaches for dealing with change in the literature.

According to Kotter (2013) there are eight steps in the change process. Kotter (2012) states that people in the organisations require assistance in responding to change. He defines step 1 as "Creating a climate of change." There are three components in step one that needs to be implemented in sequence.

- 1. Establish a sense of urgency
- 2. Creating a guiding coalition, building a team
- 3. Developing a change vision.

Step two is engaging and enabling the organisation. The three components of step two are:

- 1. Communicating the vision for buy-in
- 2. Empowering broad-based action
- 3. Generating short-term wins.

Finally, step three is "implementing and sustaining the change". The two components in step three are:

- 1. Never let up
- 2. Incorporating changes into the culture.

According to Burnes (2001:280; 296-297), these eight steps were measured to be a development by Kotter and not a checklist. Kotter (1996) further claimed that most main change efforts consist of a assortment of small and medium-sized change projects. He also states that the up-and-coming approach is a result of the hypothesis that "change is a continuous, open-minded and unpredictable process of aligning and realigning an organisation to its changing environment" (ibid). As a result of this, the developing approach to change has become very popular among organisations in the modern world because it recognises the fact that organisations must become accustomed to their internal practices and behaviours to meet changing external circumstances (Burns 2001). During the 1960's change in organisations became more structured. Some of the suggested models of change management is a legacy of the early change management structures. Although some of the early models efficiency has been disapproved, the basic fundamentals are still relevant and will save mangers time, money and emotional distress during the change process (Ramazzina, 2017).

There are four theories on planned change models that organisations can use as a guide in change management. These models are:

#### Lewin's Framework for Change

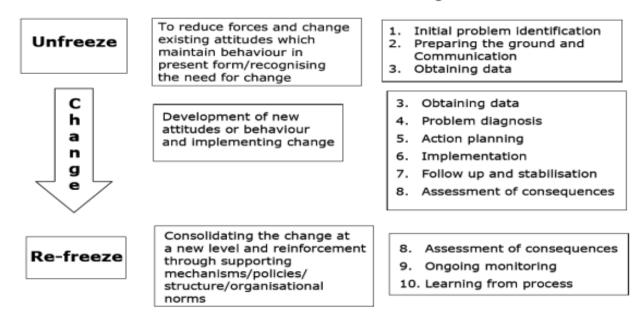


Figure 2-1: Lewin's Change Model (Source: Adapted from Manchester *et al.*, 2014)

According to Branch (2002), Cummings, Bridgman and Brown (2016) a three step procedure model for change was created by Lewin. This three step model is connected with deliberate change in the organisation and change managers may decide to use a variety of strategies to implement the planned change. Unfreezing, initiating the change and re-freezing are the three steps in the change model (Manchester *et al.*, 2014). According to Mathews (2009) Lewin's model is ambiguous and do not have clear specifications and clarification. The model focuses on human factors and ignores the micro and macro aspects of the internal and external environment of the organisation. Lewin's three-step planned approach to change is relevant to understanding how organisations both shape and grow in response to new behaviours of employees in the organisation (Manchester *at al.*, 2014).

# The Action Research Model

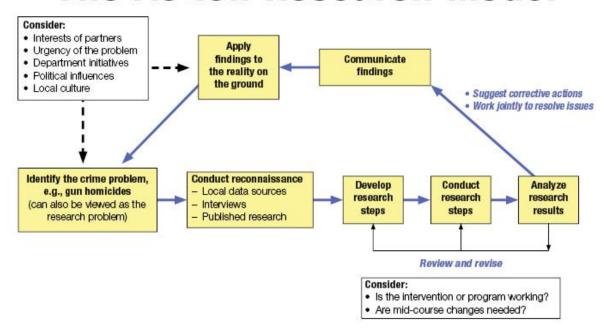


Figure 2-2: The Action Research Model (Source: Adapted from Cummings and Worley, 2009)

The action research model focuses on planned change as a critical process in which initial research about the organisation provides information to guide subsequent action. Action research can be described as a research model that pursues action and research at the same time. It is a form of self-reflected enquiry by groups of participants in a social context who want to improve or justify the rationality of their working practise. According to Seale and de Villiers (2015) the action research model, as a method of enquiry, is a great model to provide a structured framework to describe the change process as a collaborative process. It is a useful tool for anyone who recognises a problem in their workforce or practise and would like to be involved in the change process. There were only ten studies done on the action research model during the last twenty years. However, the action research model should be considered valuable, because Lewin and his fellow researchers established the principles in the 1940's as a way of learning about organisations by trying to change them (Brones, de Carvalho & de Senzi Zancul, 2017).

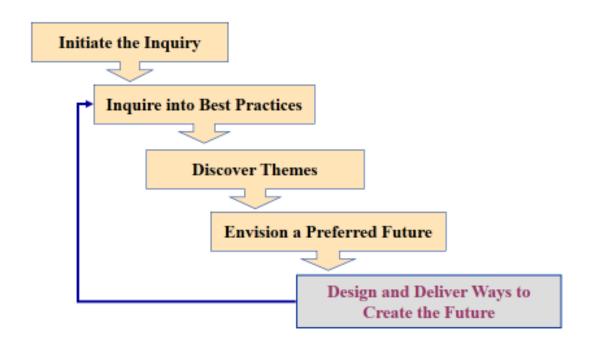


Figure 2-3: The Positive Model (Source: Adapted from Cummings and Worley, 2009)

The positive model represented an important theoretical, but not practical, approach from Lewin's model (Worley & Mohrman 2014). The model focuses on what the organisation is doing right and encourages positive orientation on how change is conceived and managed. The model promotes broad member involvement creating a shared vision about the organisation's positive potential.

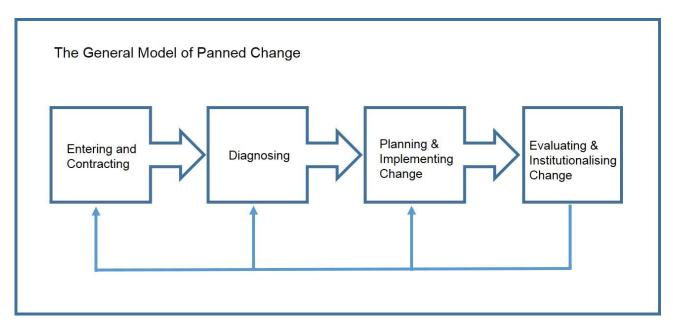


Figure 2-4: General Model of planned Change (Source: Adapted from Cummings and Worley, 2009)

Lewin's change model, the action research model, and contemporary adaptations to the action research model are the three theories of planned change in organisations as described above. The General Model of planned Change suggests a universal structure for planned change, as shown Table 2-1. It describes the four basic actions that managers and organisation members in cooperation carry out in organisation development. The arrows linking the different actions in the model show the characteristic sequence of events, from entering and contracting, to diagnosing, then planning and implementing change, and finally evaluating and institutionalising change. Organisational change is not a clear-cut, linear process but involves significant overlap and feedback among the activities as indicated by the lines connecting the activities.

According to Van Tonder (2004), most of the change management models were subjected to comprehensive analyses and divided by case studies and other empirical research. Table 2-1 (below) gives an indication of other change management models and their comparisons, which can be used by organisations.

Table 2-1: Planned Change management models examples from 1991 to 2006

	Judson (1991)	Kanter, Stein, and Jick (1992) Ten Command- ments	Galpin (1996)	Anderson and Anderson (2001) 9 Phase change process model	Leppit's (2006) Integrated Model	Hiatt's (2006) ADKAR Model
1	Analysing and planning the change	Analyse the need for change	Establish the need	Prepare to lead change	Understand the context	Awareness of the need for change
2	Communicatin g the change	Create a shared vision	Developing and disseminating a vision of planned change	Create organisational vision, commitment and capacity	Understand the vision and strategy	Knowledge of how to change
3	Gaining acceptance of new behaviour	Separate from the past	Diagnosis; analysis of current situation	Assess the situation to determine design requirements	Create and communicat e the urgency for change	Ability to implement required skills and behaviours
4	Changing the status qua to the desired state	Create a sense of urgency	General recommendati ons	Design the desired state	Build consensus of the change	Reinforcem ent to sustain the change
5	Consideration and instutionalising the new state.	Support a strong leader role	Detailing the recommendati ons	Analyse the impact	Establish clear leadership	
6		Line up political sponsorship	Pilot testing recommended	Plan and organise for implement-tation	Build organisation al capacity	
7		Craft an implementation plan	Preparing recommendati ons for roll-out	Implement the change	Plan what resources will be needed	
8		Develop enabling structures	Rolling out	Celebrate and integrate the new state	Plan the life cycle of the change	
9		Communicate and involve people	Measuring reinforcing & refining the change	Learn and course correct	Secure the needed resources	
10		Reinforce and institutionalise change			Have a clear manageme nt delivery structure	

11			Enable quick wins	
12			Establish and monitor change matrics	
13			Consolidate and integrate change lessons	

All the above change management models have comparisons. These comparisons are:

- The models describe the phases by which changes occurs
- The models overlap in emphasis on action to implement change and are preceded by a preliminary stage of unfreezing, diagnosis and initiating the inquiry. The preliminary stage is followed by a closing stage of refreezing and evaluation
- The models emphasise the application of behavioural science knowledge and the involvement of organisational members
- The models recognise that any interaction between the consultant and an organisation constitutes an intervention.

Change efforts can be categorised on a variety ranging from incremental to fundamental change. Incremental change involves fine-tuning and limited dimensions and levels, occurs in the context of existing strategy, structure and culture. The main purpose of incremental change is to improve the status quo. Fundamental change significantly changes how the organisation operates, involves several dimensions and levels, and occurs right through the organisation.

According to Mathews (2009) and Worley and Mohrman (2014) it is clear why these models were used years ago. The question is if the models are still relevant in today's micro and macro internal and external environment. Organisational change was mostly incremental and occurred within an existing strategy. Worley and Mohrman (2014) identified the following processes:

- The change process has a clear beginning and ending.
- Senior executives initiated, refine and agree on a successful strategy.
- They focused on a specific system to sustain a competitive advantage.

The implementation theories described above support a clear focus, define a clear scope and boundaries, allow control, and help employees make sense of the change process. All the models discussed make sense when there is perfect alignment and the strategy is well

communicated to employees. Unfortunately it is not always the case and grey areas and loop holes appear.

#### 2.5.1 The ten principles of change

Coetsee (2002) introduced a model consisting of the ten principals of change management. All the models discussed so far are step-by-step instructions on how to implement change in the organisation. Coetsee (2002) has an integrated approach to change management. The ten principles of change are the most effected way of implementing change in the identified organisations.

According to Coetsee (2002), the ten principles of change management are:

Principle 1: Clarify the need for change

Organisations cannot implement change without a specific reason or challenge that forces the organisation to change. There must be real reason for change. Top management must be sure about the reasons and the specific outcome of change before they can embark on implementing change. This principle is the first step to an effective change programme.

Principle 2: Involve and obtain commitment of all stakeholders

Change must be implemented right throughout the organisation. Management cannot implement change on its own. The organisation's leadership must guide and win the support of employees and other stakeholders. Leadership plays a critical role in the change process and has a responsibility to get the commitment of all involved.

Principle 3: Top management involvement and commitment

Top management is responsible for strategy formulation and implementation. They cannot implement a new strategy without the buy-in of the employees. Top management plays a critical role, not only through their support of and involvement in the change process, but eventually through their commitment to the achievement of the end result.

Principle 4: Diagnose present functioning.

Top management diverts to external resources to implement restructuring and change. It is important to know the organisation's strengths and weaknesses. It is recommended that the organisations use the strengths or current positives within the organisation to their advantage. A diagnosis must be based on a model and meet a number of scientific requirements.

Principle 5: Establish the results of the change process.

It is crucial to identify the intended result of restructuring or change in the organisation. Change activities are predominantly interpreted as rearranging furniture in the organisation. A result orientated strategy must be to develop successful change in the organisation. A great number of tools exist that can be utilised to ensure that the intended result for change in the organisation is achieved.

Principle 6: Change intervention must be direct and assisted.

There are two types of interventions that are crucial for successful change, strategic intervention and human intervention. Without an aligned strategic plan it will not be possible to change the organisations structure, culture or human processes. Human intervention like teambuilding, conflict management, communication, knowledge management and leadership development are necessary for successful change. These interventions must be direct and assisted on all levels in the organisation.

Principle 7: Develop a result-orientated strategy for change.

Change is synonymous with activities, and not with being result driven. Without results, change will not be implemented successfully. The gap must be eliminated between what the organisation wants to achieve and where the organisations wants to go. Effective intervention from leaders will ensure that the gap will be bridged and a result-orientated strategy will become a reality. Principles one to five need to be implemented successfully in order to achieve results.

Principle 8: Align all enabling structures.

According to Coetsee (2002) aligned commitment = innovation X share value and share value system. When managers productively align the above, and all stakeholders are dedicated, change will be implemented successfully and effectively in the organisation.

Principle 9: Diagnose and manage resistance to change.

It is important to diagnose the positives in the organisation. Out of experience, information, knowledge, insight, emotional intelligence and maturity, adaptability, self-esteem and self-efficacy, employees create a perception of change in the organisation. The real reasons for change must be communicated; the readiness of the organisation evaluated and specific resistance to change management strategies must be developed and implemented by management.

Principle 10: Build in reliable feedback mechanisms to monitor, manage and evaluate the change process.

Change must be both managed and led. Effective two-way communication between all stakeholders will ensure accurate and valuable feedback during the change process. Monitoring and evaluating the process must be instruments for valuable inputs during the application of all the above mentioned principles. All types of feedback need to be used as a tool for evaluating change in the organisation.

#### 2.6 Employee involvement

McShane & Von Glinow (2010:13) defines employee involvement as "the degree to which employee's influence how their work is organised and carried out". McShane & Von Glinow (2010) defines four elements of employee involvement. They are:

- Power extend to which influence and authority are pushed down into the organisation.
   Managers will achieve this through empowering people by fostering personal mastering experience, modelling, giving support, providing necessary information, supply necessary resources, stimulating emotional arousal, organising teams, creating confidence and trusting team members;
- Information extent to which relevant information is shared with members. The shared information should include operating results, business plans, competitive conditions, new technology, work methods, ideas for organisational improvements and restructuring plans;
- Knowledge and skills extent to which employees have relevant skills and knowledge
  and the opportunities to gain them. Employee involvement levels of knowledge are
  wisdom, understanding, insight and information. Learning to reach goals, help people
  value the effect of their learning on their organisation, learn from mistakes, share
  information in ways that prompt appropriate action, align individual performance and
  goals, absorb a lot of environmental information, create structures and procedures that
  support learning, are the skill sets needed, and;
- Rewards extent to which opportunities for internal and external rewards are tied to
  effectiveness. Employees generally do those things for which they are recognised.
  Meaningful opportunities for involvement provide employees with internal rewards.
  Recognising and rewarding employees consist of linking desired behaviours, efforts and
  performance with outcomes.

Employee involvement is a significant concept in the success of restructuring. Change management models and Coetsee's Ten Principles of Change support this sentiment. According to Morgan and Zeffane (2003:59) employee involvement is a broad concept that encompasses a wide scope of practises. Managers interest in employee involvement, whether participation, decision making, consulting and empowering, has varied in response to the wider

political, economic and social issues. During restructuring organisations has some form of various levels of employee involvement. At the lower post levels, employees in the organisation are usually asked for information. Managers ask their input but they are not sure what the restructuring is all about. At junior management level employee involvement is moderate. Employees are told about the restructuring and provide recommendation to the process. All levels of employees should be at the highest level of involvement. The entire decision-making process should be handed over to the employees (McShane & Von Glinow 2010:13).

Employee involvement also suggests employee empowerment. The true meaning of empowerment is to allow people the freedom to decide how to do their jobs. Empowerment enables subordinates to work independently as they control their own jobs using their own knowledge, skill sets, abilities, and decision-making skills to achieve personal and organisational success. There have been many high-performance work practices investigated and studied over the years. One practise with strong research support is employment involvement. Employment involvement tends to strengthen employee motivation as well as improve decision making, organisational responsiveness, and commitment to change (McShane & Von Glinow 2010:13).

According to Coetsee (2002:23) employee involvement is a lot better than employee support. When employees are involved, they are more positive and they have a participative behaviour. That indicates that employees will take part in the restructuring process. It is the ideal for managers to create involvement, because employees will have a say in the decision-making process, and take part in change activities. According to Morehead *et al.* (1997:188-94) only 16 per cent of workplaces in Australia reported any employee representation at board level, particularly in the private sector (11 per cent). In contrast, direct employee involvement like team building, teamwork, quality management and quality circles was common, especially in bigger organisations with more than 500 employees.

Morgan and Zeffane (2003:55-75) did a study on employee involvement, organisational change and trust in management. Morgan and Zeffane (2003:71) indicated in their implication of theory that "despite the type of major change (information, operational, structural or task) the form of involvement is important - direct consultation is seen as better than indirect". Their study further pointed out that involvement structure is more difficult to identify. Employees that took part in the study indicated that informal involvement in the process is preferable to formal. It is important to note that formal involvement is necessary when involving employees in the change process. The study indicated that the sample reflect that consultation with supervisors is rated positively by employees. Interesting to note, from Morgan and Zeffane (2003) study, that consultation with higher-level managers was initially stronger and remain the only positive type of involvement in the major change regressions. A Study done by Van Rossum *et al.* (2016) indicates that

leadership needs to be stimulated at every level within the organisation. Employees throughout the organisation should be involved and key team players should be authorised to be effective by taking part in the change process.

#### 2.7 Motivation and Morale in the organisation

Motivation and morale represents the forces within a person that effect his or her direction, intensity, and persistence of voluntary behaviour. Direction refers to the path people take to engage in their effort. People have choices about where they put their effort, they have a sense of what they are trying to achieve and at what level of quality, quantity, and so forth (McShane & Von Glinow 2010:34). In other words, motivation is goal-directed and not random. Motivation will then determine employee's morale in the workplace. The motivational approach to change views the usefulness of organisational performance mainly as a purpose of member satisfaction and needs, and seeks to improve employee satisfaction and performance by elevating jobs. The method provides individuals with opportunities for independence, accountability, and performance feedback (Cummings & Worley 2015:405). Cummings and Worley (ibid) further state that the motivational approach is usually associated with the research of Herzberg and of Hackman and Oldman. Herzberg's two factor theory of motivation proposed that certain attributes of work, such as meaningfulness, responsibility, and recognition, serve as "motivators" to increase job performance and satisfaction. According to Van der Westhuizen (1991:202) there are four principles of motivation:

- 1. Principle of participation: The employees are involved in decision making and in matters which affect them directly. The more employees who become involved, the more they are prompted to help achieve objectives. If a leader involves the employees in decision making, he nevertheless remains accountable for taking the final decision and for the results thereof.
- 2. Principle of communication: "If employees are informed about the objectives and the results achieved, they are inclined to co-operate more and feel that they are part (members) of the staff (group). The opposite is also true: if staff do not know what they are supposed to be achieving, they will show little interest and have little motivation. Employees should not only be informed about results, but also about changes and progress".
- 3. Principle of recognition: "If a person receives the necessary recognition and work satisfaction, he is inclined to work harder. Earned recognition brings a feeling of satisfaction and should not be in the form of false flattery. Criticism should also not be levelled immediately after giving positive recognition. Recognition should be given to the employees as a person and not just as a human resource".
- 4. The principle of delegate authority: "A leader should be prepared to delegate authority to

capable people. In this way a person's post is enhanced, and this serves as a mean of personnel development. Delegate authority also means that more people will be allowed to make decisions themselves in connection with their work within set guidelines".

Van der Westhuizen (1991:203) further states that the theories and principles of motivation outlined above indicate that certain factors determine individual work motivation. According to Van der Westhuizen (1991:204) motivation is classified into four groups: personal needs, work characteristics, the social system and management methods. For successful motivation, the leader should not only have some knowledge of the employees, but should also bear certain factors in mind which can enhance or weaken the effect of motivation.

It is important to note that motivation is better understood if one is acquainted with recognised theories of motivation. Content theories explain in terms of both internal needs and motives and external motivators such as money and status. Motives and needs are important elements of motivation, but content theories do not provide valid and comprehensive explanations of motivation (Coetsee 2002:17).

The impact of restructuring on employees' morale and motivation was also illustrated by the results of a study that was done by Conway (2011), School Restructuring and Employee Morale: Unintended Consequences of Involuntary Transfers. The study examined the morale of fifteen teachers in a Mid Atlantic State School System after the implementation of restructuring. The aim of the study was to identify and explore how the morale of the faculty changed after the implementation of the restructuring process. The results of this study show only one of 15 of the study participants expressed that the implementation of restructuring at the two study schools yielded a positive change in faculty morale. On the contrary, 14 of 15 study participants felt the restructuring process, as carried out in both study schools, had a negative impact on employee morale. Additionally, study participants indicated both study schools as having more of a positive climate prior to the implementation of restructuring as all of the interviewed subjects reported the restructuring process negatively impacted the study body, their parents and the entire school community (Conway 2011). It is clear that when motivational levels drop, it has a big impact on morale of employees.

#### 2.8 Communication during change

Communication is one of the most important aspects when it comes to change management. Ehlers and Lazenby (2010:12) states that communication is very important in all kinds of organisations and has increased over the past decade, especially internal communication. Coetsee (2002:28) believe that "Managers are often naive when communicating". They accept that if they inform people, everyone will hear what is said, will understand exactly what is meant or required and that all concerned will accept what is conveyed". When communicating well

during change, all employees tend to understand change goals better. An understanding of why the organisation must change will make all employees more committed to the cause (Ehlers & Lazenby 2010:12). According to Coffey *et al.* (2002:166) communication is not just the passing of static information. Communication has an important role to play in the prevention of anxiety, demonstrating concern, managing expectations, building new networks, building commitment and trust, promoting integration and encourage involvement through feedback and two way communication. The end result will be staff that goes all the way during the change process.

Butt, Nawab and Zahid (2016) argues that communication is a process that provides employees with the necessary information regarding their role in the organisation and during the change process. The overall goals and objectives of the organisation must be communicated through an effective communication plan. According to Kaplan and Norton (1996:202) communication to staff about change in the organisation is important and should be viewed as an internal marketing campaign. Kaplan and Norton (1996:202) further states that the intended outcome of such a campaign is identical to those of traditional marketing campaigns. Such a campaign will create awareness and will affect employee's behaviour towards the change process. Once employees recognise the reason for change, managers must strengthen collaboration with well-timed, practical and even encouraging messages. The communication program of the organisation should not only be comprehensive but also periodic. Multiple communication devices like newsletters, face-to-face conversations, e-mail, video-conferencing and meetings can be used to launch and maintain the change message.

Communication is also a good educational tool. For change to be implemented successfully, it is necessary for management to educate those involve in the change process. Communicating the intended restructuring to all employees ensure that the critical restructuring goals that have to be met are clear to the entire workforce (Ehlers & Lazenby, 2010:366). Employees will be able to understand their responsibility and tasks and where it fit in the overall change strategy. Paton and McCalman (2000:45) argue that "effective communication that is designed to inform, consult and promote action will help in overcoming both resistance and ignorance amongst employees". Organisation communication plays a very important role in increasing optimistic worker attitudes, strong organisational identification, organisation commitment and an environment for positive communication behaviour by staff (Butt *et al.*, 2016). The following guidelines for communication to be effective when communicating change can be followed:

 Communication must always be a cooperative process that creates an opportunity for feedback from employees. This will help management in not only ensuring that the communication is well received and understood by employees, but also help them to understand how employees experience the change in the organisation;

- The massage should be tailored according to the knowledge and ability of the employees. This will help in ensuring that the communication is well understood by the employees and consequently remove any misunderstanding of the change process;
- The message content and the pitch should be suitable for the target market. There should be a different approach between non-verbal and verbal communication;
- Employees observe the behaviour of managers, hence the reason why managers should set an example of how to communicate effectively. Managers should take the lead in the communication process;
- The target market should be comfortable with the medium of communication. If the medium is not suitable for the intended employees, it will have no effect. (Paton and McCalman: 2000:45)

The significance of successful communication in restructuring was also illustrated by the outcome of a study, Communicating Change in Organizational Restructuring: A Grounded Theory Case Study (Abdullah, Kamarudin, Starr & Husain, 2014). The study discuss the amalgamation of two university faculties into one. The study was part of a bigger research carried out about the amalgamation of two faculties, a Faculty of Education and a Faculty of Arts. The theme of communication during the change process was presented through the experiences and life accounts of faculty members involved and affected by it. The study revealed that communication during change is a difficult task. The utilisation of multi-channels to distribute information is not an assurance that communication is successful. According to Lewis et al. (2006) various stakeholders should be involve in the communication process. This can be done through consultation and the exchange of feedback and ample time must be provided for this to take place (Abdullah et al., 2014:500).

A survey done on The Character of Communication by Yates and Vallas (2012) reflects that companies with a highly effective communication strategy have a higher frequency of use and effectiveness. Study participants were asked: when your organisation makes changes, at what phase does internal communication function first become involved in the decision-making process? 22% of the study participants indicated at identifying the problem, 29% when identifying possible approaches, 11% when selecting the approach to address the change, 18% at the planning phase, 13% at the implementation phase, 2% when a problem arise. Not applicable was indicated by 5% of the study participants (Yates & Vallas, 2012:26).

The literature on communication makes it clear that communication during restructuring and change makes good business sense.

## 2.9 Leadership and managing change

Change is an ongoing natural process. For successful organisations, change is meant to be implemented at three different levels; individual, group and organisation. At every level of change, leadership plays different roles as it is the virtual duty of a leader to manage people and make sure their efforts are in favour of change for the organisation. Change management is an essential area of concentration for the healthy growth of any business. Successful change in any organisation is impossible without the active participation of management. An important element for a successful change in any organisation is leadership. According to Chadwick, Knapp, Sinclair and Arshoff (2014) successful leadership is about addressing the technical aspects of change management, building trust under employees through action, inspiring with urgency, creating a positive communication culture, setting clear expectations and always be transparent in decision making. Leaders are known as "champions of change", as it is the top management of an organisation who keep the process of change going and who maintain the operational reliability of the organisation (Nadler & Nadler, 1998). There are different styles of leadership explained by theorists, and every style has its own impact on change management. Lowder (2009) has discussed the Leadership Model for Change Management, and he concludes that transformational leadership focuses on organisational development whereas servant leadership has concern for the development of followers. In today's dynamic business environment, the Transformational Leadership Model is best for developing the best followership and dealing with change management.

Transformational leaders motivate their followers to perform beyond expectations (Breevaart *et al.*, 2014). Another type of leadership, transactional leaders, motivates their followers to fulfil expectations (Breevaart *et al.*, 2014). So although transactional leaders are effective, transformational leaders are even more effective. It has been argued that every leader uses both transactional and transformational leadership, but the most effective of these leaders use transformational leadership more frequently than transactional leadership (Breevaart *et al.*, 2014).

Transformational leaders are those who transform followers' personal values and self-concepts, move them to higher levels of needs and aspirations, and raise the performance expectations of their followers (Gumusluoğlu & Ilsev, 2009). Followers are motivated to transcend their own self-interests for the sake of the group (Walumbwa *et al.*, 2004). Transformational leadership is the process of cultivating followers' commitment to organisational objectives and shaping culture in ways that are consistent with organisational strategy (Sur & Prasad, 2011).

Transformational leaders inspire their followers with a positive, value-based vision of the future (Rowold, 2014). Transformational leadership emphasises the future vision and mission, not

planning; as it focuses on emphasising and transmitting vision while not allocating responsibilities; it arouses motive and inspiration, but does not control and solve problems (Yang et al., 2011). A transformational leader raises the followers' level of consciousness about the importance and value of a desired outcome and provides them with the methods for reaching those outcomes (McCleskey, 2014). Transformational leadership is one of the leadership styles that has been shown to positively influence innovation within organisations (Gumusluoğlu & Ilsev, 2009). Innovation is supported by encouragement, recognition, and having creativity rewarded (Gumusluoğlu & Ilsev, 2009). Transformational leadership not only works for large companies, but also on micro and small companies, and has a significant impact on innovation within an organisation (Gumusluoğlu & Ilsev, 2009). Transformational leadership improves followers' commitment by influencing their needs, values, and self-esteem which can be accomplished by: idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration (Bass, 1985).

Managers who utilise this sort of transformational leadership can achieve higher levels of performance, additional effort, and higher satisfaction (Jayawardena & Gregar, 2013). Those four components helps transformational leadership communicate an appealing vision with simple symbols and images in order to focus the efforts of followers and raise their emotions to emulate and identify with leaders. It also coaches and encourages them with supportive feedback, delegation and provides advice for personal development, as well as raises awareness of problems and the requirement for creativity and innovation, and allows for the ability to take measured risks (Tsheola & Nembambula, 2015). By motivating followers to transcend their own self-interests, a leader can bring deeper understanding and appreciation of input from employees, and encourage followers to think critically and seek new ways to approach their jobs, problems and challenges (Walumbwa et al., 2004). Transformational leadership can help employees become more involved in their duties which can result in increased satisfaction and commitment to the organisation (ibid). The collective efficacy of the group can effect work-related outcomes because when groups are faced with obstacles, groups with higher levels of collective efficacy are more likely to persist in trying to solve problems (ibid). Transformational leadership is about influencing followers, endowing followers with the independence to complete a goal, allowing followers to produce significant attitude change, and progressing toward the organisation mission or goal (Yang et al., 2011). A follower will eventually have their values, goals, and perspective align with the organisational one (Effelsberg & Solga, 2015).

#### 2.9.1 Definition of Transformational leadership

From the literature survey the following definition for TFL is postulated: The development and implementation of a vision that is characterised by four essential behavioural components

namely acting as a role model (idealised influence), clear communication of goals through enthusiasm and passion (inspirational motivation), cultivate open-mindedness toward new avenues for learning and creativity (Intellectual stimulation) and promote both individual- and team goals and needs.

## 2.9.2 Comparison of Transformational leadership with Laissez-Fair leadership

Roussel (2006) argues that in contrast with TFL, Laissez-Faire leadership is more of a hands-off or delegative leadership style where the leader delegates most decision making responsibilities and goal setting to subordinates. Roussel (2006) further argues that Laissez-faire leadership style can be non-directional and annoying, and managers who adopt it are likely to allow their subordinates to take control. It is not normally a practical leadership method for planned changes. Laissez-Faire leadership style can work when employees are highly motivated and self-directed, and can lead to motivation, greater creativity, and independence than autocratic or democratic leadership (Benton 1999). This style does, however, require many change agents. Usually there are large amounts of resistance from group members (Delmas & Toffel 2008). Democracy tends to show the way to improved results in planned change (Richens 2004). Table 2-2 below aims to highlight some of the contrasts between the two leadership styles.

Table 2-2: Comparison between Transformational leadership and Laissez-Faire leadership

Transformational leadership	Laissez-Faire leadership
Ability to influence the workforce is generally higher	Ability to influence the workforce is generally lower
Provides a higher degree of guidance and direction to the workforce	Delegates authority rather than providing guidance or direction to the workforce
Looks into the future and communicates the vision and goals to be achieved to the workforce	Only looks at the responsibilities within direct control and leaves goal setting to the workforce
Inspires and motivates the workforce to strive for continuous performance improvement and innovation	Less involved and thereby does not inspire or set high expectations of improvement or innovation for the workforce
Is an effective leadership style in most situations, where the level of experience/skill may vary within the workforce	LF is only effective in situations where the workforce is highly skilled and has the knowledge to work independently
Generally leads to high productivity	Generally leads to low productivity with few exceptions
Transformational leaders, through their own enthusiasm, inspire people which leads to a highly motivated workforce	Laissez-faire leaders could seem uninvolved and the workforce, if not intrinsically motivated or passionate, could fail at their tasks or projects

Managers must decide which change theory will best suit the project and what style of leadership. Only then can managers begin to work towards achieving change.

## 2.10 Chapter Summary

This chapter discussed organisational restructuring that leads to change, the phenomenon of change, and gave an overview of change management. Morale and motivation, employee involvement and communication are key aspects when it comes to identifying the impact of restructuring and change on employees. The mentioned aspects will be measured when investigating the mini-dissertation topic and discussed in chapter four. There must be a reason for change. The impact of restructuring on the motivational levels and morale of employees was considered, along with models that were suggested by the literature which can be used to successfully implement change. The Lewin's change model, Active research model, Positive model and the General model of planned change were discussed. To give perspective, six additional change management models were compared, and comparisons were identified and discussed. Manchester *et al.* (2014) highlighted the fact that there is a need to further define change management models by using a mixed method approach. Coetsee's (2002) ten principles of change were identified as a good combination of change initiatives, discussed and recommended as a practical model for implementing change.

At the end it all came down to communication, employee involvement, management approach and the impact of leadership on the change process. At every level of change, leadership plays a different role as it is the virtual duty of a leader to manage people and make their best efforts in favour of change for the organisation. Change management is an essential area of concentration for the healthy growth of a business. Successful change in any organisation is impossible without the active participation of management. An important element for successful change in any organisation is leadership. The chapter concludes with a comparison between Transformational leadership and Laissez-Faire leadership. Chapter three discusses the techniques and research methods used to investigate the mini-dissertation topic.

# **CHAPTER 3: RESEARCH METHODOLOGY**

#### 3.1 Introduction

The ATKV is the oldest cultural organisation in South Africa. The organisation is the leader in arts, culture and the Afrikaans language. The business model of the ATKV was successful for many years. Pressure from the external environment forced the ATKV to restructure their business. The literature indicates a number of restructuring methods that can be used by managers. From the answers received in the questionnaire together with the literature it is apparent that there are important issues that need to be address in any restructuring exercise. The results of this study, supported by other research will assist the organisation and other companies that need to go through a restructuring exercise. This chapter discusses the techniques and research methods used to look into the mini-dissertation topic. Business research does not exist in a vacuum. It is created by what is going on in the actual world of business and management, and by academic traditions and theoretical ideas that shape the communal sciences (Brymen *et al.*, 2014:4). As discussed in chapter 1, the aim of the study was to measure the impact of restructuring on the morale and motivational levels of staff at a cultural organisation. MSW refers to the NPO and Sake refers to the ATKV Business entity.

#### 3.2 Research Methods

The research method used in this study consists of a literature review and an empirical study. Conducting a background literature review will help the author and reader to become better informed about the topic, how others have research the research question, whether there is a need for the question to be answered, and how to focus the research question (Brymen *et al.*, 2014:42).

# 3.2.1 Literature review

The literature review focuses on restructuring. Restructuring is a very negative term, hence the reason why there is a prominent focus on change management, organisational development and different change management models. The available literature included Internet (e-Books, Google Scholar, and databases of the NWU e-library), books and published articles.

## 3.2.2 Empirical study

The empirical study is used to indicate a general approach to the study of reality that suggests that only knowledge gained through knowledge and senses is acceptable (Brymen *et al.*, 2014:8). This section discusses the research design, the participants, the measuring battery, and statistical analyses.

## 3.2.2.1 Research design

A cross-sectional design was used in the study. According to Bryman *et al.* (2014:106) cross-sectional design is the gathering of data on a specific time and place. The design is also used to assess interrelationships between variables within a population and thus helps to achieve the various specific objectives of this research (Struwig & Stead, 2004). To gather information about the research topic, a questionnaire (Appendix 1) was sent to the employees of ATKV MSW and ATKV Sake. The aim of the questionnaire was to gather information representing the two ATKV entities on different post levels who were affected by the restructuring process.

#### 3.2.2.2 Research procedure

A meeting with the executive committee of the ATKV was conducted. The purpose and benefits of the study was explained to the Chief Executive Officers of ATKV MSW and ATKV Sake as well as to the executive directors. According to Cummings (2015:126), there are four techniques that can be used to collect date; questionnaires, interviews, observations and non-noticeable methods. These methods differ from the way you gather information, cost and resources. Brymen *et al.* (2015:120) also state that it is very important to look at the ethical issues that arise at various stages in business and management research. The operating plan for the distribution and collection of the questionnaire was as described below.

Table 3-1: Questionnaire distribution operating plan

Action	Timeframe
Discussion with ATKV CEOs and executive directors	12 July 2017
Briefing meeting with staff at ATKV regional office, Stellenbosch	10 August 2017
Briefing meeting with staff at ATKV head office, Randburg	14 August 2017
Distribution and finalising of questionnaires	21 - 25 August 2017
Questionnaires returned to researcher	18 August 2017 to 1 September 2017
Questionnaires were submitted for data capturing at the NWU statistical services	4 September 2017

During the briefing meeting the aim of the research was explained to all participating staff members. Questionnaires were given to heads of departments to distribute to their staff members and to be completed and returned to the researcher in sealed envelopes. There was also a secure email address for those participants who wanted to stay anonymous. A total of 100 questionnaires were distributed to ATKV MSW and ATKV Sake.

# 3.2.2.3 Research group (Participants)

A non-probability sampling approach was used during this study, in particular a convenience sampling approach. Respondents were chosen on the basis of accessibility availability (McDaniel & Gates, 2001). Care was taken to include employees from all levels so as to have an unbiased group that represents different opinions within the ATKV. The two business entities consist of four post levels. Representatives of all post levels took part in the survey. The group consisted of participants as shown below.

Table 3-1: Post levels of participants

Post level	Position
Post level 1 - 4	Senior management
Post level 5 - 7	Middle management
Post level 8 - 9	Junior management
Post level 10 - 12	General workers

Of a total population of 100 employees targeted, a response rate of 73% (73 questionnaires) was achieved. A total of 40 were returned by ATKV MSW employees and 33 by ATKV Sake. The fact that the restructuring was the first for the ATKV in its 87 years of existence, as well as the fact that it was a time of uncertainty for everyone involved, makes the participants appropriate participants in the study. The restructuring and uncertainty created questions around the employees' morale and motivational levels.

Table 3-2: Characteristics of participants

Item	Category	Frequency	Percentage
Divisions	ATKV (MSW)	20	27.4
	ATKV-Sake	33	45.2
	Support services	12	16.4
	Corporate services	8	11.0
Post level	1 - 4	3	4.1
	5 - 7	27	37.0
	8 - 9	21	28.8
	10 - 12	22	30.1
Race	Coloured	9	12.3
	White	62	85
	Black	2	2.7
Gender	Male	26	35.6
	Female	47	64.4
Age	21 - 30 years	12	16.4
	31 - 40 years	14	19.2
	41 - 50 years	19	26.0
	51 - 60 years	23	31.5
	60 - 63 years	5	6.9
Years of service	1 - 5	32	43.8
	6 - 10	26	35.6
	11 - 15	4	5.5
	16 - 20	9	12.3
	21 - 25	2	2.8
Academic	Matric	26	35.6
Qualification	Diploma	12	16.4
	Degree	8	11.0
	Post graduate	25	34.2
	Other	2	2.8

#### 3.2.2.4 Measuring battery

A detailed, structured, unambiguous and self-completion questionnaire was designed for the purpose of this study. The title of this questionnaire is the impact of restructuring on staff. According to Greenfield (1996:121), a successful questionnaire must be short and understandable so that the respondents' task is as easy as possible. This will ensure that the most accurate answers to the questions are obtained. Greenfield (1996) further argues that is it better to design a questionnaire that has more pages and is more understandable and user-friendly than a questionnaire that is concise but with a complicated explanation. It should also

be noted that it is a challenge to design a simple questionnaire. The simplicity of the questionnaire is also determined by the nature of the research problem that needs to be addressed.

Melville and Goddard (1996:43) give the following guidelines for designing a well-structured questionnaire:

- Be clear and comprehensive
- Closed questions with a four-point scale to avoid neutral responses
- Questions relevant to the research
- The questionnaire must not take too long to complete
- Have simple instructions
- Place sensitive questions at the end of the questionnaire
- Ask objective questions that do not lead the respondent
- Collect all the necessary data needed for the research.

Due to the Afrikaans nature of the chosen organisation, an Afrikaans self-completion questionnaire was compiled and used to collect data. According to Bryman *et al*, (2015:191) respondents answers questions by completing the questionnaire by themselves. It is also referred to as a self-administered questionnaire. The questionnaire compiled for this research is easy and simple to understand. The questionnaire contains closed questions with a five-point Likert-type scale. Statements made in the questionnaire are short and easy to understand. Simple and understandable language is used to ask questions. Respondents are requested to mark the box relevant to them. This approach should make it easier for respondents to recognize the questions. The validity and negligence of the questionnaire must also be taken into account. The best way to ensure this is to use prepared and approved questionnaires.

The questionnaire is divided into section A and section B. Section A entertains the biographical information of the participants and section B focus on the restructuring process. Respondents indicated the following in section A:

- Division they work in
- Post level
- Racial group
- Gender
- Age
- Time working for the ATKV, and
- · Highest qualification.

Section B is divided into four main categories, they are:

- Employees' involvement.
- Employees' attitudes towards leadership after restructuring.
- Employees' morale and motivation after restructuring.
- Communication during the restructuring process.

Participants supply information by indicating with an "X" in an appropriate box if they:

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree,

With the statements made regarding the restructuring process in the ATKV. Respondents did not experience any difficulty while completing the questionnaire.

# 3.2.2.5 Statistical Analysis of the data

The collection and analysis of data form the core of any undertaken research. Birley and Moreland (1998:58) identify three dimensions of data analysis namely coding, presentation and analysis. Bryman *et al*, (2015:42) attest to coding being an important dimension in data analysis. This refers to the repackaging of data in a better analytical format. The idea is to pack the data hence it is possible to submit and analyse it. This must be done without compromising the anonymity of the respondents. Data must also be clearly presented so that others can easily analyse the data. Data must be placed in categories that support the research question, literature studies, and theories. The third aspect is the analysis of data that involves, according to Birley and Moreland (1998:59), arranging data into "broader themes and outcomes that relate to the research question, literature survey outcomes, theories and models that have been projected". It is also important to mention that there are various approaches and techniques that the researcher may use to analyse data.

The statistical procedure and tests will be done by means of the effect size, standard deviation and frequency distribution. This will reflect the respondent's average score, spread, and response unpredictability. A distribution profile and ratio coefficient will also be illustrated to describe the power of the relationship between two variables. I will also make use of a deviation test where the sample group measures against the standard and the norm. The purpose is to determine whether the sample group is below or above the average.

## 3.2.2.6 Ethical Aspects

All authors referred to in the mini dissertation will receive the necessary recognition. A variety of sources and books will be used with the literature study and the compilation of the questionnaire. The ATKV will not be discredit with the collection of data and other relevant information. The researcher will only focus on facts when there is a discussion, and conclusions from the questionnaire are made. The employees of the chosen organisation will complete the questionnaire. The ATKV's board of directors gave permission in writing to use the organisations name in this study. All data was collected anonymously.

# 3.2.2.7 Expected results

The value of management research should not be underestimated. According to Bryman *et al.* (2015:5), the research helps in better understanding the nature of the business and in solving problems related to management practices. Bryman *et al.* (2015) further argue that research should not be dictated by non-academic motivations. The motivation can influence the results of the research. It is extremely important for the ATKV to learn the lessons from practices that have taken place. It will not be the last time that restructuring occurs at the ATKV. The research will give an indication of the impact of the recent restructuring on the motivational levels of the employees and the reasons thereof. In future, the research can help the organisation successfully implement a restructuring process that will benefit the employees.

# 3.3 Chapter Summary

This chapter highlighted the statistical methods used and provided the research design approach that was followed for this study. The chapter also revealed the reliability and validity of the methods implemented. In chapter four the outcomes of the empirical study that was conducted to assess the impact that the organisational restructuring carried out by the ATKV had on the morale and motivation of its employees, will be presented.

# **CHAPTER 4: RESULTS**

## 4.1 Introduction

Chapter four presents the outcomes of the empirical study that was conducted to assess the impact that the organisational restructuring carried out by the ATKV had on the morale and motivation of its employees. The ATKV is the oldest cultural organisation in South Africa. It is unusual for a cultural organisation to exist so long and still going strong. Arts, culture and language, supported by the income of the ATKV's seven holiday resort, was functioning well as one entity. The sudden announcement of restructuring the business into two entities shocked employees and created doubts. The resorts and other business initiatives employees' felt save because they work for the income generating pillar of the ATKV. On the other hand, employees responsible for the promotion of the arts, language and culture felt alarmed and fear of job security, downsizing and possible outsourcing became a reality.

Beheshtifar and Herat (2013:306) note that with the rapidly changing business practices organisation are facing increased and collective challenges. Ensher et al. (2001) added that it is a challenge for organisations not only to manage change effectively by implementing fair policies and reinforcing appropriate managerial behaviours but also to pay attention to their employees' perceptions of change in an organisation. This is important because employees' beliefs, whether or not they are consistent with reality, affect their behaviours as per Barak, Cherin, and Berkman, Eisenberger, Fasolo, and Davis-LaMastro (cited by Ensher et al., 2001). It is important to study employee perceptions of change because they affect key areas of human resource management and development, such as morale, motivation, attitudes, trust in leadership, organisational culture, and employee relations. Effective restructuring and change management has shown to be productive in the long run and has been associated with positive outcomes such as increased productivity, better communication, and attracts high-potential employees to the organisation (Ensher et al., 2001). Perceptions of change may thus have detrimental consequences to organisational well-being and morale. Management detected negative attitudes and a drop in morale when announcing restructuring in the organisation. For that reason the study is conducted to understand why employees' experienced fear and to determine what management could have done better.

The results of the ATKV non-profit entity will be compared with the ATKV-business entity's results. The following will be revealed in this chapter:

- The employees involvement in the restructuring process;
- Did the employees attitudes change after the restructuring process;
- The change in employee morale and motivation levels after the restructuring; and

• The communication process and management tools use during the restructuring.

The data was analysed and interpreted following the structure of the questionnaire that was used during the survey. They questions were divided into five categories:

- 1. Biographical information
- 2. Employee's involvement in the process
- 3. Employee's attitude after the restructuring
- 4. Employee's morale and motivation after restructuring
- 5. Communication process and leadership during the restructuring

# 4.2 Biographical information

The biographical information that was collected from the respondents related to the division they work in, post level, race, gender, age, number of years employed at the chosen organisation and their qualification.

# 4.2.1 Division respondents work in

An assessment of Figure 4-1 below indicates the four divisions that were targeted to take part in the survey. The Cultural Division was represented by 27.4% of the respondents, and the Business Division by 45,2%. The remaining respondents represent Corporate Services (11%) and Support Services (16.4%). It is important to note that Corporate and Support Services function are part of the Cultural Business. The survey will focus on the impact of the restructuring on the Cultural Division (54.8%) and the Business Division that represents the remaining 45.2% of the respondents.

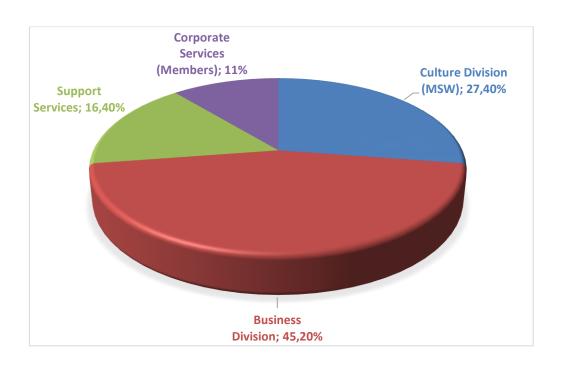


Figure 4-1: Division

# 4.2.2 Post level grade of respondents

An assessment of Figure 4-2 below indicates the post levels of the respondents. Post level 12 is the lowest and post level 1 is the top position in the organisation. The respondents are a good sample of the representation of the number of employees in each post level. Post level one to four constitutes 4% of the representatives. 37% of respondents who participated in the survey are between post levels five to seven, and 29% of respondents are between post levels eight to nine. 30% of the respondents who took part in the survey are on the lower ten to twelve post level.

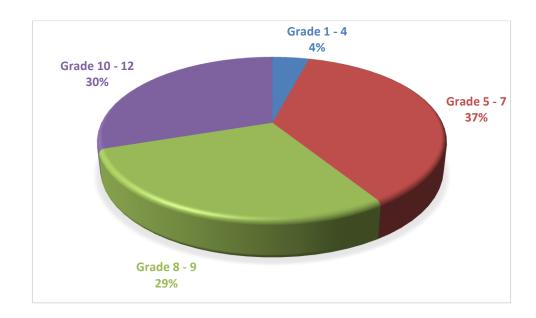


Figure 4-2: Post level grade

# 4.2.3 Respondents' race

An assessment of Figure 4-3 below indicates the race profile of the respondents. The chosen organisation is a historically white Afrikaans speaking organisation. The pie chart indicates that 85% of the respondents are white, 12% coloureds and 3% black.

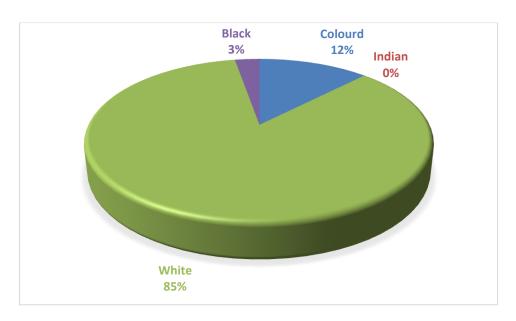


Figure 4-3: Race

# 4.2.4 Respondents' gender

An assessment of Figure 4-4 below indicates the gender of the respondents. The majority of the respondents are female. Only 33% of the respondents are male and 3% did not give an indication of their gender. That is a true sample representation of the gender profile of the chosen organisation.

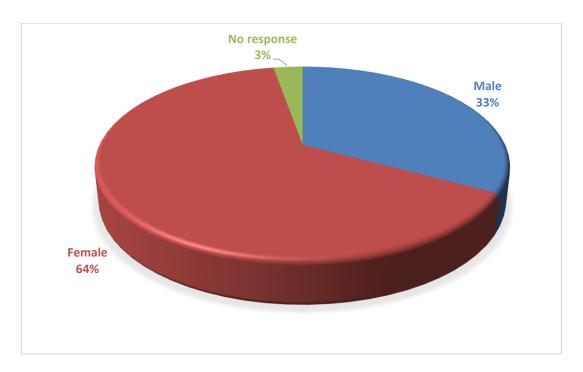


Figure 4-4: Gender

# 4.2.5 Respondents' age

An assessment of Figure 4-5 below indicates the respondents' age. It is interesting to detect that 32% of the respondents are between the ages of 51 and 60. The age group between 41 and 50 years take up 26% and the ages between 31 and 40 represent 19% of the respondents. The age profile of the sample gives a clear indication of the characteristics of the organisation.

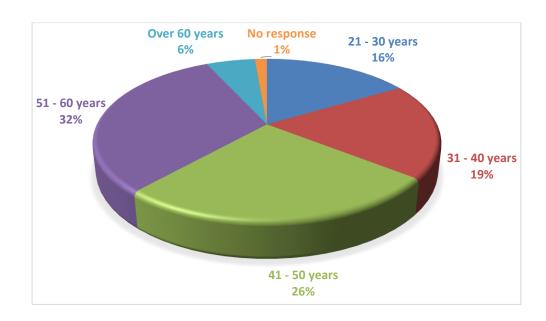


Figure 4-5: Age

# 4.2.6 Number of years employed

An assessment of Figure 4-6 below indicates the number of years in service with the organisation. Table 3-2 indicates that 43.9% of the respondents have been with the organisation between one to five years. Table 3-2 further indicates that 35.6% of the respondents have worked between five to ten years for the identified organisation. The respondents working longer than ten years drop dramatically to 20.6%.

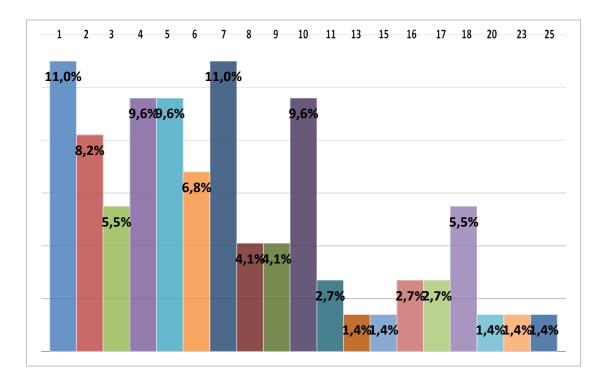


Figure 4-6: Number of years employed

# 4.2.7 Respondents' qualifications

An assessment of Figure 4-7 below indicates the respondents' qualifications. The majority of the respondents have matric. It is interesting to observe that 34% of the employees have a post graduate degree and 28% have a graduate degree or diploma. The assumption can be made that the qualification levels of the employees will have an impact on the success of the restructuring process.

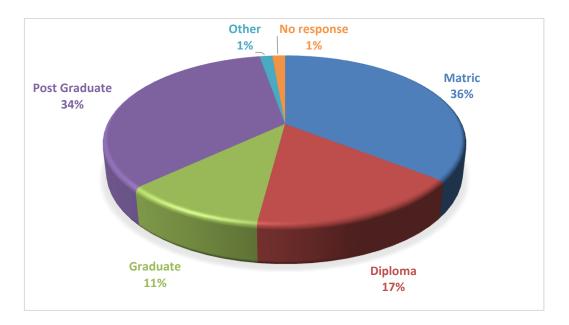


Figure 4-7: Qualifications

# 4.3 Frequencies and descriptive statistics, independent t-test and independent sample test

## 4.3.1 Frequencies and descriptive statistics

The frequency table provides the count and the percentage belonging to each of the categories for any type of variable (Bryman *et al*, 2015:318). Frequencies of responses from all participants, Cultural and Business combined, are summarised below in Table 4-1.

## 4.3.1.1 Result and summary of structured questions

Table 4-1: Employees involvement in the process

QUESTION	1	2	3	4	5	N	М	SD
B1. My manager recognised and managed the impact of change on me	17 23.3%	25 34.2%	20 27.4%	8 11.0%	3 4.1%	73	2.38	1.08
B2. All affected employees were consulted before change was implemented	14 19.2%	33 45,2%	12 16,4%	11 15.1%	3 4.1%	73	2.40	1.09
B3. I was encouraged to become involved and committed to the restructuring process by my manager	10 13.7%	22 30.1%	24 32.9%	9 12.3%	8 11.0%	73	2.77	1.17
B4. Benefits of restructuring were discussed with me personally	14 19.2%	21 28.8%	16 21.9%	12 16.4%	10 13.7%	73	2.77	1.32
B5. I clearly understood the reasons for the recent restructuring	20 27.4%	29 39.7%	15 20.5%	6 8.2%	3 4.1%	73	2.22	1.07
B6 I was given an opportunity to give input into the restructuring process	7 9.6%	12 16.4%	24 32.9%	15 20.5%	15 20.5%	73	3.26	1.24

# 4.3.1.2 Interpretation of the data in Table 4.1

Most of the employees who took part in the survey agree that managers in the ATKV recognised and managed the impact of change on the employees. 15.1% of participants did not agree with the statement. It is clear that most affected employees were consulted before change was implemented. 19.2% of participants indicated that they were not consulted and involve in the process. 32.9% of respondents felt neutral when they were asked if they were encouraged to become involved and committed to the restructuring process by their manager. Overall, the benefits of restructuring were personally discussed with the participants. 30.1% of the participants felt that benefits were not discussed with them. The reason for restructuring was understood by the respondents. Unfortunately, most of the respondents were not given the opportunity to give input into the restructuring process. Change must be both led and managed.

Table 4-2: Employee attitudes towards leadership after the restructuring

QUESTION	1	2	3	4	5	N	M	SD
C1. Top management effectively implemented the restructuring process	9 12.3%	35 47.9%	21 28.8%	7 9.6%	1 1.4%	73	2.40	0.88
C2. The organisation changed for the better	19 26.0%	29 39.7%	17 23.3%	7 9.6%	1 1.4%	73	2.21	0.99
C3. I feel positive and certain about my future in this organisation	17 23.3%	35 47.9%	11 15.1%	9 12.3%	1 1.4%	73	2.21	0.99
C4. I trust this organisation's top management	16 21.9%	36 49.3%	15 20.5%	5 6.8%	1 1.4%	73	2.16	0.90
C5. Top management was honest and caring	10 13.7%	34 46.6%	19 26.0%	9 12.3%	1 1.4%	73	2.41	0.93
C6. Recent restructuring resulted in positive outcomes for the ATKV	12 16.4%	34 46.6%	18 24.7%	9 12.3%	0 0.0%	73	2.33	0.90
C7. I intent working for the ATKV for a long time to come	26 35.6%	34 46.6%	10 13.7%	2 2.7%	1 1.4%	73	1.88	0.85
C8. I still have confidence in top management and the ATKV	17 23.3%	39 53.4%	13 17.8%	3 4.1%	1 1.4%	73	2.07	0.94

# 4.3.1.3 Interpretation of data in Table 4.2

It is clear that the ATKV employees' attitudes after the restructuring were positive. 60.2% of participants felt that top management effectively implemented the restructuring process. 65.7% of participants felt that the ATKV change for the better. 71.2% feel positive about the future and 71.2% of respondents trust top management. 60.3% feel that that top management was honest and caring. 63% feels the recent restructuring resulted in positive outcomes for the ATKV, and 82.2% intend to work for the ATKV for a long time to come. 76.7% of respondents still have confidence in top management and the ATKV. It is important to note that a high percentage of respondent's attitude is neutral after the restructuring process.

Table 4-3: Employee's morale and motivation after restructuring

QUESTION	1	2	3	4	5	N	М	SD
D1. Recent restructuring was	7	20	36	9	1	73	2.68	0.86
good for employees	9.6%	27.4%	49.3%	12.3%	1.4%			
D2. I look forward to going to	21	36	13	3	0	73	1.97	0.80
work every morning	28.8%	49.3%	17.8%	4.1%	0.0%			
D3. Recent restructuring has	5	7	40	17	4	73	3.11	0.91
created more opportunities for employees	6.8%	9.6%	54.8%	23.3%	5.5%			
D4. Recent restructuring has	3	16	38	13	3	73	2.96	0.86
improved my working conditions	4.1%	21.9%	52.1%	17.8%	4.1%			
D5. I want to continue working for	34	25	11	3	0	73	1.77	0.86
this organisation in the future	46.6%	34.2%	15.1%	4.1%	0.0%			
D6. I still enjoy doing my work	36	27	7	3	0	73	1.68	0.81
	49.3%	37.0%	9.6%	4.1%	0.0%			
D7. I still feel very committed to	36	29	5	3	0	73	1.66	0.79
the goals and objectives of the ATKV	49.3%	39.7%	6.8%	4.1%	0.0%			
D8. I still feel a sense of	34	24	12	3	0	73	1.78	0.87
belonging to this organisation	46.6%	32.9%	16.4%	4.1%	0.0%			
D9. I still put in extra effort to	49	20	2	1	1	73	1.42	0.74
ensure that goals and objectives of this organisation are achieved	67.1%	27.4%	2.7%	1.4%	1.4%			

# 4.3.1.4 Interpretation of data in Table 4.3

49.3% of respondents feel neutral about the overall good of the restructuring for the employees. It is clear that the employees are loyal to the ATKV. 78.1% look forward to going to work every morning. It is interesting that 83.6% of respondents feel that the recent restructuring has not created more opportunities for employees and 74% indicated that the recent restructuring has not improved their working conditions. 80.8% say they want to continue working for this organisation in the future and 86.3% still enjoying doing their work. 89% still feel very committed to the goals and objectives of the ATKV. 79.5% feel a sense of belonging in the ATKV and a very high 94.5% still put in extra effort to ensure that goals and objectives of this organisation are achieved.

Table 4-4: Communication process and strategy during restructuring

QUESTION	1	2	3	4	5	N	М	SD
E1. The vision and objectives of restructuring were clearly communicated to me	18 24.7%	33 45.2%	16 21.9%	4 5.5%	2 2.7%	73	2.16	0.96
E2. There was enough communication with staff during restructuring	11 15.1%	26 35.6%	17 23.3%	14 19.2%	5 6.8%	73	2.67	1.16
E3. Top management communicated all the relevant information accurately and in time with staff	9 12.3%	28 38.4%	20 27.4%	10 13.7%	6 8.2%	73	2.67	1.12
E4. All affected employees were informed about the restructuring right from the start	10 13.7%	24 32.9%	20 27.4%	13 17.8%	6 8.2%	73	2.74	1.16
E5. There was consistent communication throughout the process	8 11.0%	19 26.0%	26 35.6%	14 19.2%	6 8.2%	73	2.88	1.11
E6.The medium of communication changes to me were appropriate	9 12.3%	18 24.7%	28 38.4%	14 19.2%	4 5.5%	73	2.81	1.06
E7. Managers and supervisors were kept informed about restructuring at all times	9 12.3%	26 35.6%	26 35.6%	9 12.3%	3 4.1%	73	2.60	1.00
E8. Open and honest communication was used at all times	11 15.1%	27 37.0%	24 32.9%	9 12.3%	2 2.7%	73	2.51	0.99

# 4.3.1.5 Interpretation of Table 4.4

Table 4-4 indicates that 69.9% of the respondents feel that the vision and objectives of restructuring were communicated clearly and 50.7% indicated that there was enough communication with employees. Top management communicated all the relevant information accurately and in time with 51.7% of employees and 46.6% felt that all affected employees were informed about the restructuring right from the start. A large percentage of respondents agreed that the vision and objectives of restructuring were clearly communicated to employees. 35.6% of employees were not sure that there was consistent communication throughout the process and 38.4% was also not sure about the medium of communication. That resulted in a 35.6% uncertainty if managers and supervisors were kept informed about restructuring at all times. 52.1% of the respondents believe that the ATKV Top management applied honest and open communication.

# 4.3.2 Forms of communication used during restructuring

An assessment of Table 4-5 below reveals that 80.8% of the communication with employees was done through meetings and 15.1% was done through e-mails. One respondent learned about the restructuring over the phone and two respondents believe other sources of communication were used. At the ATKV, the changes were communicated effectively in meetings.

Table 4-5: Forms of communication used during restructuring

TYPES OF COMMUNICATION	RESPONSE FREQUENCY	PERCENTAGE OF RESPONSES
1. Meetings	59	80.8%
2. E-mail	11	15.1%
3. Telephonically	1	1.4%
4. Video-Conferencing	0	0.0%
5. Other	2	2.7%

# 4.3.3 Stage at which employees were informed about restructuring

Table 4-6 indicates that 50.7% of the respondents were informed about the restructuring in the planning phase and 38.4% of respondents were informed during the implementation stage. According to Cummings and Worley, (2009:360) organisation members need to be time and again reminded that restructuring actions are part of a plan to improve the organisation's performance, communicating over and over again using an assortment of media. This keeps people educated, lowers their nervousness over the process, and makes it easier for them to focus on their work.

Table 4-6: Stage at which respondents were informed about restructuring

STAGE	NUMBER OF RESPONSES	PERCENTAGE OF RESPONSES
1. Planning stage	37	50.7%
2. Implementation stage	28	38.4%
3. After implementation	6	8.2%
4. Never	2	2.7%

## 4.3.4 Frequency with which changes were communicated to respondents

Table 4-7 shows that changes were seldom communicated. Only 27.4% indicated that change was communicated regularly. This is in conflict with Cummings and Worley (2009:360) who dispute that organisation members need to be constantly reminded that restructuring activities are part of a map to improve the organisation's performance, communicate frequently using a variety of media. This keeps people informed, lowers their anxiety over the process, and makes it easier for them to focus on their work.

Table 4-7: Frequency with which changes were communicated to respondents

FREQUENCY	NUMBER OF RESPONSES	PERCENTAGE OF RESPONSES
1. Regularly	20	27.4%
2. Seldom	47	64.4%
3. Never	6	8.2%

#### 4.3.5 Independent t-test group statistics, effect size

The pooled variance t-test is used to determine whether there is a significant difference between the mean of the two populations. (Levine *et al.* 2014:374). In this study the population are not normally distributed (44/33), but the pooled variance t-test can still be used because the sample size are large enough (>30 for each sample).

## 4.3.6 Independent sample test

With the independent sample test the measures of variation that are used in this study, to account for how the values are distributed, are variance and standard deviation. These statistics measure the average scatter around the mean. How larger values fluctuate above it and how smaller values fluctuate below it (Levine *et al.*, 2014:374). The average answer for each question for the Culture entity and Business entity will be visible in Table 4-8 (below).

Table 4-8: Average answer for each question

QUESTION	M for Culture	SD	M for Business	SD	EFFECT SIZE	P- VALUE
B1. My manager recognised and managed the impact of change on me	2.73	1.086	1.97	0.951	0.70 Medium	0.003
B2. All affected employees were consulted before change was implemented	2.90	1.128	1.79	0.650	0.99 Small	<0.001
B3. I was encouraged to become involved and committed to the restructuring process by my manager	3.10	1.215	2.36	0.994	0.61 Medium	0.007
B4. Benefits of restructuring were discussed with personally	3.28	1.339	2.15	1.004	0.84 Large	<0.001
B5. I clearly understood the reasons for the recent restructuring	2.50	1.155	1.88	0.857	0.54 Medium	0.010
B6 I was given an opportunity to give input into the restructuring process	3.55	1.239	2.91	1.156	0.52 Medium	0.026
C1. Top management effectively implemented the restructuring process	2.63	0.925	2.12	0.740	0.54 Medium	0.012
C2. The organisation changed for the better	2.55	0.986	1.79	0.820	0.143 Small	0.001
C3. I feel positive and certain about my future in this organisation	2.63	1.055	1.70	0.585	0.88 Large	<0.001
C4. I trust this organisation's top management	2.48	0.960	1.79	0.650	0.72 Medium	0.001
C5. Top management was honest and caring	2.78	0.974	1.97	0.637	0.83 Large	<0.001
C6. Recent restructuring resulted in positive outcomes for the ATKV	2.60	0.928	2.00	0.750	0.65 Medium	0.003
C7. I intent working for the ATKV for a long time to come	2.08	0.997	1.64	0.549	0.44 Small	0.020
C8. I still have confidence in top management and the ATKV	2.30	0.966	1.79	0.545	0.53 Medium	0.006
D1. Recent restructuring was good for employees	2.90	0.928	2.42	0.708	0.51 Medium	0.018
D2. I look forward to going to	2.28	0.847	1.61	0.556	0.79	<0.001

work every morning					Large	
D3. Recent restructuring has created more opportunities for employees	3.23	1.025	2.97	0.728	0.25 Small	0.219
D4. Recent restructuring has improved my working conditions	3.20	0.911	2.67	0.692	0.59 Medium	0.007
D5. I want to continue working for this organisation in the future	1.95	0.959	1.55	0.666	0.116 Small	0.044
D6. I still enjoy doing my work	1.90	0.955	1.42	0.502	0.50 Medium	0.008
D7. I still feel very committed to the goals and objectives of the ATKV	1.80	0.883	1.48	0.619	0.36 Small	0.088
D8. I still feel a sense of belonging to this organisation	1.95	0.986	1.58	0.663	0.38 Small	0.058
D9. I still put in extra effort to ensure that goals and objectives of this organisation are achieved	1.60	0.900	1.21	0.415	0.43 Small	0.018
E1. The vision and objectives of restructuring were clearly communicated to me	2.43	1.059	1.85	0.712	0.54 Medium	0.007
E2. There was enough communication with staff during restructuring	3.00	1.240	2.27	0.911	0.59 Medium	0.007
E3. Top management communicated all the relevant information accurately and in time with staff	3.05	1.218	2.21	0.781	0.69 Medium	0.001
E4. All affected employees were informed about the restructuring right from the start	3.08	1.269	2.33	0.854	0.58 Medium	0.004
E5. There was consistent communication throughout the process	3.20	1.137	2.48	0.939	0.63 Medium	0.005
E6.The medium of communication changes to me was appropriate	3.15	1.122	2.39	0.827	0.67 Medium	0.002
E7. Managers and supervisors were kept informed about restructuring at all times	3.00	1.038	2.12	0.696	0.85 Large	<0.001
E8. Open and honest communication was used at all times	2.75	1.104	2.21	0.740	0.49 Medium	0.016

#### 4.3.6.1 Effect size

Effect size quantifies the difference between two groups and has many advantages over the use of test of statistical significance alone. Effect size further emphasises the size of the difference rather than confounding this with sample size (Levine *et al.*, 2014:379).

The guideline values for the effect size are:

- 0.2 Small effect (8)
- 0.5 Medium effect (18)
- 0.8 Large effect (5)

There are a significant difference between the two groups, Culture and Business. According to the data in Table 4-2, 26% of the questions had a small effect, 58% of the questions had a medium effect and 16% of the questions had a large effect. The five large effect questions were:

- 1. B4. Benefits of restructuring were discussed with personally (Communication).
- 2. C3. I feel positive and certain about my future in this organisation (Leadership).
- 3. C5. Top management was honest and caring (Leadership).
- 4. D2. I look forward to going to work every morning (Morale).
- 5. E7. Managers and supervisors were kept informed about restructuring at all times (Communication).

The effect size indicates that the restructuring in the Cultural entity was experience less positively than in the Business entity.

#### 4.3.6.2 P-value

According to Levine *et al* (2014:343) the p-value is the probability of getting a test statistic equal to or more extreme than the sample result, given that the hypothesis, Ho, is true. The p-value is also known as the observed level of significance. If the p-value in this study is <0.05, it means that Cultural and Business significant differs statistically from each other. There are 16 questions where the Cultural entity statistically differs from the Business entity.

- 1. B3. I was encouraged to become involved and committed to the restructuring process by my manager (Leadership).
- 2. B5. I clearly understood the reasons for the recent restructuring (Communication).
- 3. B6 I was given an opportunity to give input into the restructuring process (Employee involvement).
- 4. C1. Top management effectively implemented the restructuring process (Leadership).

- 5. C7. I intent working for the ATKV for a long time to come (Morale).
- 6. C8. I still have confidence in top management and the ATKV (Leadership).
- 7. D1. Recent restructuring was good for employees (Morale).
- 8. D3. Recent restructuring has created more opportunities for employees (Employee involvement).
- 9. D4. Recent restructuring has improved my working conditions (Motivation).
- 10. D5. I want to continue working for this organisation in the future (Morale).
- 11. D6. I still enjoy doing my work (Motivation).
- 12. D7. I still feel very committed to the goals and objectives if the ATKV (Employee involvement).
- 13. D8. I still feel a sense of belonging to this organisation (Morale).
- 14. E1. The vision and objectives of restructuring were clearly communicated to me (Communication).
- 15. E2. There was enough communication with staff during restructuring Communication).
- 16. E8. Open and honest communication was used at all times (Communication).

It is clear that the Business entity's employees were more involved in the process, they have a better attitude after the restructuring, their morale and motivational levels are higher and communication of the strategy and vision were more effective. The use of management models and leadership had a big impact on the respective entities.

# 4.4 Chapter summary

Chapter four highlighted the outcomes of the empirical study. The results exposed some parallels and gaps among the way that the ATKV carried out their restructuring process and what the literature reveals. It is, however, interesting to note that the restructuring process was overall interpreted as positive and did not have a big impact on the morale and motivational levels of employees. The significant difference between the Cultural entity and the Business entity cannot be ignored. Chapter 5 will further assess the significant difference and the findings will be discussed. Final conclusions will be drawn, challenges of the study will be identified and recommendations will be made in respect to any future restructuring processes in the ATKV.

# **CHAPTER 5: DISCUSSION, RECOMMENDATIONS AND CONCLUSION**

#### 5.1 Introduction

It is clear from the information in chapter 4 that the restructuring process in the ATKV went reasonable well. Most of the respondents understood the reason for the restructuring, and their attitude after the restructuring was still positive. The respondents felt neutral about the overall good of the restructuring for the employees and a large percentage of the respondents felt that the vision and the objectives of restructuring were communicated clearly. The significant difference in the respondents' attitudes towards their involvement, morale, motivation, leadership of Top management and view on communication came when the data was analysed separately. The results between the Culture entity and the Business entity were significant and will be discussed.

#### 5.2 Discussion

# 5.2.1 Employees involvement in the restructuring process

Most of the respondents were involved in the restructuring process and they understood the underlying principle behind it. Management of the Business entity discussed the benefits of the restructuring more effectively than the Cultural entity and respondents were given the opportunity to give input into the process. The majority of the respondents were consulted before the restructuring process. The concern as indicated by the p-value is the significant difference in responses between the two entities. The Cultural entity respondents (40) felt that they were not encouraged to become involved and committed to the restructuring process by management. They also did not clearly understand the reason for the restructuring. According to Coetsee (2002:230), the involving of employees and eventually obtaining their commitment to the results of the change process, are prerequisites for success.

## 5.2.2 The impact of restructuring on the employees attitudes towards leadership

The majority of the respondents believed that the restructuring of the ATKV was necessary. The respondents still have trust in Top management and the organisation. The majority of the respondents felt neutral about the restructuring process. The difference in p-value between the Business entity and the Cultural entity was also significant. The Cultural entity felt that Top management did not effectively implement the restructuring process and they do not intent to work for the ATKV for much longer. The employees of the Cultural entity do not have confidence in their leadership. According to Hewitt (2013) restructuring efforts usually result in elimination of jobs. These events affect employees in a very personal and tangible way. The ATKV Cultural

entity failed to meet their restructuring objectives. A Focus on how the ATKV employees think, feel and behave during these transformational periods offers useful insight to management. Maintaining ATKV employee engagement in the mist of the restructuring is a key element in the success of their change initiative. The Cultural leadership did not reinforce that they are committed to the ongoing development of their employees. Restructuring can actually signal career opportunities for the employees. During the process the confidence levels in leadership dropped. Attitudes have traditionally been described as purely rational process which is believed to predict feelings, which in turn predict behavioural intentions, and which then predict behaviour (McShane & Von Glinow 2010:122).

# 5.2.3 The impact of restructuring on employees morale and motivation

The respondents felt neutral about the overall good of the restructuring. It is clear that the ATKV respondents are very loyal to the organisation. Yet again there is a significant difference between the Business entity and the Cultural entity. Most of the respondents in the Cultural entity were uncertain on whether the restructuring process was good for them. It becomes apparent that management from the Cultural entity did not discuss the benefits of restructuring to the effected employees. It is clear that management did not grasp the challenges created by the restructuring process. Challenges created by these events leave a lasting impression on the workforce. By understanding the obstacles that the Cultural entity may face, management can better customise its action plans to address critical organisational needs (Myers 2010:3). The differences in p-values between the entities were the most significant in this section. The respondents (33) of the Business entity felt that the recent restructuring was good for them, created more opportunities, improved their working conditions and they want to continue working for the organisation. The motivation approach to work design views the effectiveness of organisational activities primarily as a function of member needs and satisfaction, and seeks to improve employees performance and satisfaction by enriching jobs (Cummings & Worley, 2009:405).

#### 5.2.4 Communication process and strategy during the restructuring

Most of the respondents felt that the vision and objectives of restructuring were communicated clearly. Half of the respondents felt that there was sufficient communication with the employees. The communication method and strategy were appropriately managed and executed during restructuring. When creating process intervention, the key consideration beyond strategy is to communicate openly and consistently with the employees. Top-down communication is an equally important component during the restructuring process. It is clear that the organisation feels comfortable with meetings and communicated a lot through the medium. Face-to-face communication between management and workers is the most successful form of

communicating changes within the organisation (Gowing *et al.*, 1998:93). The p-value difference between the Cultural and Business entities indicates that the vision and objectives of restructuring were not equally communicated in the entities. There were not enough communication with staff and the message was not truthful. Transparency helps to deliver a feeling of justice to the workforce. The last thing that the ATKV wants to hear from employees is that management is acting unethically, as this will lower organisational commitment. Myers (2010) states that being transparent in the change process, employees can interpret the decisions as allowing the business to thrive rather than management being unnecessarily frugal and perhaps even unethical. According to Gowing, Kraft and Quick, (1998:93) open and honest communication with employees during restructuring is vital for a successful restructuring in an organisation. Managers must communicate their understanding and interpretation of the restructuring process, particularly before and after change in the organisation (Georgiades, 2015).

# 5.2.5 The main problem of the organisations restructuring

The preference for this research topic arose from the need to determine whether the restructuring of the ATKV's business has had an effect on the morale and motivation levels of the ATKV employees. The ATKV is a cultural organisation that ensures and enjoys the continued existence of the Afrikaans language and culture. For more than 87 years, the ATKV has, as one company, worked creatively, purposefully and practically with the Afrikaans language and culture in many fields. The external environment has changed and so the ATKV Cultural Company was forced by the Income Tax Act and the Company Act to restructure. The ATKV cultural company was restructured into a non-profit and for-profit company. The motivation for the restructuring was positive and the purpose was not to downsize. Unfortunately, the Cultural entity did experience the restructuring process negatively while the Business entity experienced the restructuring process as positive.

#### 5.3 Recommendations

In chapter 1, the main objectives of this mini-dissertation were identified as follows:

- To identify the organisational restructuring strategies as defined by the literature;
- To explain the restructuring process and management models identified by the cultural organisation;
- To evaluate the impact of the restructuring process on the staff of the cultural organisation;
- To compare restructuring theories and models with process used by the cultural organisation;

 To make a recommendation on the appropriate restructuring strategies for the cultural organisation.

The above objectives were met and the following recommendations will be made out of the research findings.

It is clear from the study that there was not an understandable plan or model that was used to facilitate the restructuring process. There are a number of models like Lewin's Change Model, Action Research Model and the Positive Model that the organisation could have used to assist top management with the restructuring process (Cummings & Worley, 2015:22). According to Coetsee (2002:228) there are ten important principles of change management which should be considered and used in most organisational reform and transformation efforts.

#### The ten principles are:

- 1. Clarify the need for change.
- Involve and obtain commitment of all stakeholders.
- 3. Top management involvement and commitment.
- 4. Diagnose present functioning.
- 5. Establish the results of the change process.
- 6. Change intervention must be direct and assisted.
- 7. Develop a result-orientated strategy for change.
- 8. Align all enabling structures.
- 9. Diagnose and manage resistance to change.
- 10. Build in reliable feedback mechanisms to monitor, manage and evaluate the change process.

The following restructuring strategies can be recommended for the ATKV.

- Restructuring starts when you have a dream or vision to restructure your organisation to be more profitable and make a bigger impact. Identify a group of people that will support the cause and the process. According to Holman (2000:17) there is a lot of evidence that when high participation and a system high move towards change were used, the possibility for great results was high. Holman further states that when people saw the possibility of contributing to something larger than themselves the emphasis shifted from focusing on why something could not be done to how we could make it happen (ibid).
- The biggest challenge will be to get employees' buy-in. If top management cannot get
  the buy-in of the employees, they must change their arguments until such time that
  employees understand and support the restructuring. Maurer (2001) summarised the
  consequence of justice training and input in the principles of open book management.

- Maurer (2001) claims that an important thing was to construct support for these ideas and get an organisation to be familiar with why change was important. When the critical group of people sees the significance of taking some action they would all be enthusiastic for the action to begin (Maurer 2001:64).
- Explain to employees the path that will be followed to get from point A to point B. The future of the organisation is the picture that is drawn by top management. The picture will not be complete if top management do not get the input of all the stakeholders. With the employees involvement and suggestions will come ownership that is very important for the journey from point A to point B. A major organisational change was considered a major factor that could lead to the workforce feeling helpless because existing organisational norms and patterns of action were likely to change. The organisation's goals and rules might no longer be clearly defined, everyday jobs and the power might shift considerably, uncertainty might succeed and the evolution produces a period of uncertainty. This seriously challenges the employees' sense of control and competence as they deal with the uncertainty of change and accept new responsibilities, skills and guidelines for action and behaviour. Management should consequently ensure the provision of empowerment practice to its employees, in order to ensure the organisational change does not fall short (Conger & Kanungo 1988:13).
- Communication need to be regular and consistent with all affected employees. The ATKV must have a well-coordinated communication strategy. Through effective restructuring management, all employees tend to understand the goals of the restructuring so much better and this directly leads to better and more effective communication. Strategic management decisions that are communicated effectively will lead to better understanding by employees and other stakeholders (Elhers & Lazenby 2009:12). An understanding of why the organisation is going through a restructuring process will make all stakeholders more committed to the cause.
- Leadership of the organisation has a very important role to play in the restructuring process. According to Kotter (1996), central to change leadership are the driving forces, vision and processes that fuel large scale transformation. Change leadership is associated with leaders being the "engine' to the whole change process, making the process of transition go faster, more smartly, more efficiently and more effectively. Creating a sense of urgency was required by the Cultural entity's leadership, coupled with an extraordinary ability to empower and energise people (Paruk et al., 2016:537). There was a lack of strategic leadership on the cultural side. According to Elhers and Lazenby (2009:288) the leadership must develop an appropriate vision or strategic direction for the ATKV in which as many stakeholders as possible have participated and are inspiring and motivating the employees to achieve the strategic goals set by the

organisation for a successful restructuring. As for the difference in leadership styles, the Cultural entity has a Laissez-Fair leadership style while the Business entity has a Transformational leadership style. This made the difference between the two entities. As indicated in the literature study, the Cultural entity's leadership need to adopt a Transformational leadership approach, not only for future change, but for taking the organisation successfully forward.

• The execution of the restructuring strategy needs to be vigilantly planned prior to implementation. According to Thomson et al. (2012:44) a good strategy execution requires diligent pursuit of operating excellence. It is a job for the organisation's whole management team. Success depends on the planning skills and co-operation of managers who can push for needed changes.

## 5.4 Limitation and opportunities for further research

Every study has limitations which one must acknowledge to gain better understanding on how similar studies could be performed better in the future. The limitation of this study was the small sample size that raised concerns and can result in a lack of statistical representation. It is not clear if there is a study that compares all change management models in detail to identify the ultimate model for successful restructuring and change. An integrated super model can be a topic for further research. The purpose of restructuring in the chosen organisation was to change their business model. Further research can be done on the financial impact of the restructuring on the non-profit business and the sustainability of the business model.

## 5.5 Practical implications

In practise, it is significant that this study substantiate preceding results that restructuring involving the split of one organisation into two entities has an impact on morale and motivation. There are a number of studies that focus on the key aspects of why restructuring has an negative impact on employees morale and motivation. Weller and Gramberg (2007) discuss management of workplace change. Their findings suggest that a lack of employee involvement has a negative impact on workplace change and morale.

According to Dehmlow (2016) it is important to keep in mind that people are not bounded to stringent rules. Technology has a set of guidelines that makes change easy. On the other hand are people guided by diverse backgrounds, personalities, experiences and feelings? People are unpredictable but they play a very important role in any organisation. Dehmlow (2016) further states that managers, who look after their staff, invest in them and develop them will overcome the resistance to change.

Trust in leadership and employee involvement during restructuring is the focus of Morgan and Zeffane (2003) when they investigate employee involvement, organisational change and trust in management. The finding shows that where employees felt greater involvement in the formal hierarchy, via consultation by supervisors or Top management, they expressed greater trust in management and a better morale. However, where consultation was outside the formal chain of command, or via indirect means, employees trust management well. This highlights the significant of communication in the change process.

Kitchen and Finbarr (2002) confirm the importance of communication by discussing internal communication during change management. Barely any organisations are resistant to change. Accepting the need for change is important, but so is an understanding of how change will be achieved. According to Yang (2009) existing facts shows that, although some employees, particularly the young generation, adjust very well to change, many workers come across immense complexity in adopting such new responsibility, and organisations are struggling to cope with organisational change. Out of the literature it is clear that in practise, especially in the case of restructuring your business, restructuring should be accompanied by a clear message to the employees about new chances and opportunities that face the organisation. It may assist their acceptance and faster adaption to the change that will have a big impact on employee's morale and motivational levels.

#### 5.6 Final conclusion

Restructuring and change have a major impact on staff, stakeholders and management. Restructuring and change create uncertainty and employees usually associate restructuring with the downsizing of staff. The external environment has a big impact on organisations and change is necessary to keep up with competitors.

The major challenge is to positively restructure and change for the benefit of the organisation and all its stakeholders. With the evaluation of the research question it was clear that there was some negativity attached to the restructuring process of the chosen organisation. In general, the staff was comfortable with the restructuring process. However, it was very clear from the statistics that there was a significant difference between the respondents of the for-profit entity and the non-profit entity. It shows a shift of focus in the leadership styles of the two entities. It was clear that the organisation's non-profit entity Laissez-Faire leadership style had a negative impact on morale. The questionnaires also highlighted that no change management model was used as a starting point. The fast changing external and internal environment must be taken in consideration when using change management models. The modern business environment can create grey areas in the change management process that need to be address, something that should be looked into in the future.

#### REFERENCES

Abdullah, A.N., Husain, K., Kamarudin, M.F. & Starr, K. 2014. Communicating Change in Organizational Restructuring: A Grounded Theory Case Study. Paper presented at the International Conference on Communication and Media, Langkawi, Malaysia, 18-20 October.

Armenakis, A.A. & Bedeian, A.G. 1999. Organxational change: A review of theory and research in the 1990's. Journal of management, 25:203-315.

Bagraim, J., Potgieter, T., Viedge, C. & Werner, A. 2003. Organisational Behaviour: A Contemporary South African Perspective. 1st ed. Pretoria: Van Schaik Publishers.

Bass, B.M. 1985. Leadership and performance beyond expectations. New York: Free Press.

Beheshtifar, M. & Herat, B.H. 2013. To promote employees commitment via perceived organizational support. International Journal of Academic Research in Business and Social Sciences, 3(1): 306-313.

Benton, D. 1999. Assertiveness, power and influence. Nursing Standard, 13(52):48-52.

Birley, G. & Moreland, N. 1998. A Practical Guide to Academic Research. London: Kogan Page Ltd.

Booysen, L. 2007. Societal power shifts and changing social identities in South Africa: workplace implications. Southern African Journal of Economic and Management Sciences, 10(1):1-20.

Booysen, L. & Beaty, D. 1997. Linking transformation and change leadership in South Africa: a review of principles and practices. SBL Research Review, UNISA Graduate School of Business Leadership.

Branch, K. 2002. Change Management. http://www.sc.doe.gov. Date of access: 16 Sept 2017.

Braun, S., Peus, C., Weisweiler, S. & Frey, D. 2013. Transformational leadership, job satisfaction and team performance: a multilevel mediation model of trust. The leadership quarterly, 87:138-157.

Breevaart, K., Bakker, A., Hetland, J., Demerouti, E., Olsen, O.K. & Espevik, R. 2014. Daily transactional and transformational leadership and daily employment engagement. Journal of Occupational Organisational Psychology, 87:138-157.

Brones, F.A., de Carvalho, M.M. & de Senzi Zancul, E. 2017. Reviews, action and learning on change management for ecodesign transition. Journal of cleaner production, 142:8-22.

Bryman, A., Bell, E., Hirschsohn, P., Dos Santos, A., Du Toit, J., Masenge, A., Van Aardt, I. & Wagner, C. 2014. Research methodology: Business and management contexts. Cape Town: Oxford University Press.

Burnes, B. 2004. Kurt Lewin and complexity theories: back to the future? Journal of Change Management, 4(4):309-325.

Burnes, B. 2001. Managing change: A strategic approach to organizational dynamics. London: Prentice Hall.

Butt, F.S., Nawab, S. & Zahid. 2016. Moderating role of change management on effectiveness in healthcare industry of Pakistan. Pakistan Journal of Social Science, 36(2):1117-1133.

Byars, L.L. 1992. Concepts of Strategic Management: Formulation and Implementation. 3rd ed. New York: Harper Collins Publishers.

Cascio, W.F. 2002. Responsible Restructuring: Creative and Profitable Alternatives to Layoffs. USA: Berrett-Koehler Publishers, Inc.

Chadwick, J., Knapp, M., Sinclair, D. & Arshoff, L. 2014. Effect of a change management program in a medical device reprocessing department: A mixed methods study. (*In* Healthcare management forum, 27:20-24.

Chi Cong Mai, C., Perry, C. & Loh, E. 2016. Integrating organizational change management and customer relationship management in a casino. UNLV Gaming research & review journal, 17(1):1-21.

Citizenship Behavior, and Grievances. http://onlinelibrary.wiley.com/doi/10.1002/1532-1096 (200101/02)12:1%3C53:AID-HRDQ5%3E3.0.CO;2-G/abstract Date of access: 11 November 2017.

Coetsee, L.D. 2002. Peak Performance and Productivity: A practical guide for creation of a motivating climate. Potchefstroom: Ons Drukkers.

Coffey, J., Garrow, V. & Holbeche, L. 2002. Reaping the benefits of mergers and acquisitions: in search of golden fleece. Oxford: Butterworth Heinemann.

Collins, D. 1998 Organisational change: Sociological perspectives. London: Routledge.

Conger, J.A. & Kanungo, R.N. 1988. The empowerment process: Integrating theory and practice. Academy of Management Review. 13:471-482.

Conway, C.C. 2011. School restructuring and employee morale: Unintended consequences of involuntary transfers. Temple University. (Theses - Ed.D).

Cummings, S., Bridgman, T. & Brown, K. 2016. Unfreezing change as three steps: Rethinking Kurt Lewin's legacy for change management. Human relations. 69(1):33-60.

Cummings, T. & Worley, C. 2015. Organization Development & Change. 10th ed. Stamford: Cengage Learning.

Dehmlow, M. 2016. Editorial boards thoughts: The importance of staff change management in the face of the growing "cloud". (*In* Information technology and libraries, 3-6).

Delmas, M. & Toffel, M. 2008. Organizational responses to environmental demands: opening the black box. Strategic Management Journal, 29(10):1027-1055.

DeVos, G., Buelens, M. & Bouckenooghe, D. 2007. Contribution of content, context and process to understanding openess to organizational change: Two experimental simulation studies. The Journal of Social Psychology, 147:607-630.

D'Ortenzio, C. 2012. Understanding change and change management processes: a case study. Canberra: University of Canberra. (Thesis - PhD).

Du Plessis, T. & Mabunda, T.T. 2016. Change management in an academic library in the knowledge economy. South African Journal of Libraries & Information Science, 82(1):53-61.

Effelsberg, D. & Solga, M. 2015. Transformational Leaders' In-Group versus Out-Group Orientation: Testing the Link Between Leaders' Organizational Identification, their Willingness to Engage in Unethical Pro-Organizational Behaviour and Follower-Perceived Transformational Leadership. Journal of Business Ethics, 126:581-590.

Ehlers, T. & Lazenby K. 2010. Strategic Management, South African concepts and cases. 3rd ed. Pretoria: Van Schaik Publishers.

Ensher, E. A., Grant-Vallone, E. J. & Donaldson, S. I. 2001. Effects of Perceived Discrimination on Job Satisfaction, Organizational Commitment, Organizational.

Erasmus, B., Van Wyk, M. & Schenk H. 2000. Southa African Human Resource Management: Theory and Practice. 2nd ed. Cape Town: Juta & Co Ltd.

Eurofound. 2014. Restructuring. http://eurofound.europa.eu/observatories/eurwork/industrial-relations dictionary/restructuring Date of access: 6 Okt 2017.

Gerbec, M. 2017. Safety change management - A new method for integrated management of organizational and technical changes. (*In* Safety Science, 100:225-234).

Graetz, F. 2000. Strategic change leadership. Management Decision, 38(8):550-562.

Greenberg, J. & Baron, R.A. 1995. Behaviour in Organisations: Understanding and Managing the Human Side of Work. New Jersey: Prentice Hall.

Greenfield, T. 1996. Research Methods: Guidance for Post Graduates. Great Britain: Arnold.

Georgiades, S. 2015. Employee engagement and organizational change. (*In* Employee engagement in media management, 10:9-12).

Glensor, M.C. 2010. Organisational change management in South Africa - The development of a change framework and scorecard within a mergers and acquisitions environment. Pretoria: UNISA. (Thesis - PhD).

Gordon, J.R. 1991. A Diagnostic Approach to Organisational Behaviour. 3rd ed. USA: Boston College.

Gowing, M.K., Kraft, J.D. & Quick, J.C. 1998. The New Organisational Reality: Downsizing, Restructuring and Revitalisation. American Psychological Association.

Gumusluoğlu, L. & Ilsev, A. 2009. Transformational Leadership and Organizational Innovation: The Roles of Internal and External Support for Innovation. Journal of Product Innovation Management, 26:264-277.

Hansen, N.W. 2016. International company restructuring and the effects on high-skilled employees in lead companies. (*In* Competition and change, 20(4) 237-254).

Harper, S.C. 2001. The forward-focused organization USA, American Management association.

Holman, P. 2000. Culture change. Executive Excellence, (17):16.

Jayawardena, C. & Gregar, A. 2013. Transformational Leadership, Occupational Self Efficacy, and Career Success of Managers. European Conference on Management Governance, 376-383.

Kaplan, R.S. & Norton, D.P. 1996. The Balance Scorecard. Boston: Harvard business press.

Kieselbach, T., Armgarth, E., Bagnara, S., Elo, EL., Jefferys, S., Joling, C. & Widerszal-Bazyl, M. 2009. Health in restructuring: Innovative approaches and policy recommendations. München-Mering: Hammpp.

Kotter, J.P. 1996. Leading change. Boston: Harvard Business School Press.

Kotter, J.P. 2012. How the most innovative companies capitalize on today's rapi-fire strategic challenges and still make their numbers; accelerate! Harvard Business Review, 90(11):44-58.

Kotter, J.P. 2013. Change leadership. Leadership excellence, 30(1):6.

Kreitner, R. & Kinicki, A. 1995. Organisational Behaviour. 3rd ed. USA: Von Hoffman Press Inc.

Leedy, P. 2001. Practical Research: Planning and Design. 7th ed. New Jersey: Prentice Hall.

Levine, D., Stephan, D. & Szabat, A. 2014. Statistics for Managers, Using Microsoft Excel. 7th ed. Essex: Pearson.

Lewis, L.K., Schmisseur, A.M., Stephens, K.K. & Weir, K.E. 2006. Advice on communication during organizational change. Journal of Business Communication, 43(2):113-137.

Lowder, T.M. 2009. The best leadership model of Organizational Change management: Transformational verses Servant Leadership. Retrieve from: http://ssrn.com/abstract Date of access: 7 October 2017.

Manchester, J., Gray-Miceli, D.L., Metcalf, J.A., Paolini, C.A., Napier, A.H., Coogle, C.L. & Owens, M.G. 2014. Facilitating Lewin's change model with collaborative evaluation in promoting evidence based practices of health professionals. (*In* Evaluation and programme planning, 47:82-90).

Mathews, J. 2009. Models of Change Management: A Reanalysis. The Icfai University Journal of Business Strategy, 2:7-17.

Maurer, R. 2001. Open-book management. Journal for Quality & Participation, 24:64.

McCleskey, J.A. 2014. Situational, Transformational, and Transactional Leadership and Leadership Development. Journal of Business Studies, Q5:117-130.

McDaniel, C. & Gates, R. 2001. Marketing Research. 7th ed. Hoboken: Wiley.

McShane, S. & Von Glinow, M. 2010. Organizational Behavior: Emerging knowledge and practice for the real world. 5th ed. New York: McGraw-Hill/Irvin.

Melville, G. & Goddard, W.K. 1996. Research Methodology: An Introduction for Science and Engineering Students. Kenwyn: Juta and Co. Ltd.

Moran, J.W. & Brightman, B.K. 2001. Leading organisational change. Career Development International, 6(2):111-118.

Morehead, A., Steele, M., Alexander, M., Stephen, K. & Duftin, L. 1997. Change at work: The 1995 Australian Workplace Industrial Relations Survey. Melbourne: Longman.

Morgan, E. & Zeffane, R. 2003. Employee involvement, organizational change and trust in management. International Journal of Human Resource Management, 14(1):55-75.

Nadler, D. & Nadler, M.B. 1998. Champions of change: How CEO's and their companies are mastering the skills of radical change. San Francisco: Jossey-Bass Publishers.

Nadler, D., Shaw, R.B. & Walton, A.E. 1995. Discontinuous change: Leading organizational transformation. San Francisco: Jossey-Bass Publishers.

Nkomo, S.M. & Kriek, D. 2011. Leading organisational change in the "new" South Africa. Journal of Occupational and Organisational Psychology, 84(3):453-470.

Paton, R.A. & McCalman, J. 2000. Change Management: A Guide to Effective Implementation. 2nd ed. London: Sage Publications Ltd.

Philip J. Kitchen, Finbarr Daly, (2002) "Internal communication during change management", Corporate Communications: An International Journal, 7(1):46-53, https://doi.org/10.1108/13563280210416035 Date of access: 11 November 2017.

Qiunlan, M. & Bohle, P. 2009. Overstretched and unreciprocated commitment; Reviewing research on the occupational health and safety effects of downsizing and job insecurity. International Journal of Health Services, 39(1):1-44.

Ramazzina, G. 2017. 2,500 Years later, Change management remains difficult. (*In* Talent Development, 24-27).

Richens, Y. 2004. Getting guidelines into practice. Nursing Standard, 18(50):33-40.

Roussel, L. 2006. Management and leadership for Nurse Administrators. 4th ed. London: Jones and Barlett.

Rowold, J. 2014. Instrumental leadership: Extending the transformational-transactional leadership paradigm. Für Pers, 28:367-390.

Seal, I. & De Villiers, J.C. 2015. Use of the step-up action research model to improve traumarelated nursing education practice. Curationis, 38(2):1-7,

http://dx.doi.org/10.4102/curationis.v38i2.1493 Date of access: 25 November 2017.

Senior, B. 2002. Organisational Change. Harlow: Prentice Hall.

Struwig, F.W. & Stead, G.B. 2004. Planning designing and reporting research. Cape Town: Pearson Education.

Sur, V. & Prasad, V.M. 2011. Relationship between Self-Awareness and Transformational Leadership: A Study in IT Industry. Journal of Organisational Behaviour, 10:7-17.

Thompson, A.A., Strickland, A.J., Gamble, J.E., Peteraf, M.A., Janes, A. & Sutton, C. 2016. Crafting and Executing Strategy. Maidenhead: McGraw-Hill.

Tsheola, J. & Nembambula, P. 2015. Governance and Transformational leadership Dilemmas for Merged Universities in a Democratic South Africa. Bangladesh Sociology, 12:20-40.

Van der Voet, J. 2014. The effectiveness and specificity of change management in a public organization: Transformational leadership and a bureaucratic organizational structure. European management journal, 32:373-382.

Van Der Westhuizen, P. 1991. Effective Educational Management. Pretoria: Kagiso Tertiary.

Van Rossum, L., Aij, K.H., Simons, F.E., Van der Eng, N. & Ten Haven, W.D. 2016. Lean healthcare from a change management perspective: The role of leadership and workforce flexibility in an operating theatre. Journal of health organization and management, 30(3):475-493, https://doi.org/10.1108/JHOM-06-2014-0090 Date of access: 26 November 2017.

Van Tonder, C.L. 2004. Organisational change: Theory and practice. Pretoria: Van Schaik Publishers.

Vermaak, T. 1996. Revitalising South Africa organisations. Boardroom, 1:14-16.

Verschuren, P.J.M. 2003. Case study as a research strategy: some ambiguities and opportunities. International Journal of Social Research Methodology, 6(2):121-139.

Walumbwa, F.O., Wang, P., Lawler, J.J. & Shi, K. 2004. The role of collective efficacy in the relations between transformational leadership and work outcomes. Journal of Occupational Organisational Psychology, 77:515-530.

Weller, S. & Van Gramberg, B. 2007. Management of Workplace Change in the Australian Higher Education Sector: A study of employee involvement provisions in workplace agreements. Journal of Higher Education Policy and Management, 29:173-186.

Winby, S. & Worley, C.G. 2014. Management processes for agility, speed, and innovation. Organizational Dynamics, 43:225-234.

Worley, C.G. & Mohrman, S.A. 2014. Is change management obsolete? Organizational Dynamics, 43:214-224.

Yang, F.H., Wu, M., Chang, C.C. & Chien, Y. 2011. Elucidating the Relationships among Transformational Leadership, Job Satisfaction, Commitment Foci and Commitment Bases in the Public Sector. Public Personnel Management, 40:265-278.

Yang, S. 2009. Still feeling proud to be working for your employee? Longitudinal changes in white collar employees' morale in a time of organizational restructuring. Social Spectrum, 29:572-597.

Yates, K. & Vallas, S. 2012. The character of communication. Communication world, 23-26.

# **ANNEXURES**

3. Degree

# **APPENDIX 1: QUESTIONNAIRE**

### **Section A: Biographical Information**

Please supply the following information by indicating with a "X" in the appropriate box.

A.1. In which division do you work?	ına x ın	ine a
1. Cultural (MSW)		
2. Business		
3. Support cervices		
4. Corporate services (ATKV-members)		
A.2. Please indicate your post level in the organisation		_
1. Post level 1 - 4		
2. Post level 5 - 7		
3. Post level 8 - 9		
4. Post level 10 - 12		
A.3. Please indicate your racial group		_
1. Coloured		
2. Indian		
3. White		
4. African		
A.4. Please indicate your gender		_
1. Male		
2. Female		
A.5. Please indicate your age		
1. 21 - 30 years		
2. 31 - 40 years		
3. 41 - 50 years		
4. 51 - 60 years		
5. Above 60 years		
A.6. How long did you work for the ATKV when the rest	ructuring s	tarte
1. Years		
2. Months		
A.7. Please indicate your highest qualification		
1. Matric		
2. Diploma		

4. Post Graduate	
Other (please specify)	

### **Section B: ATKV Restructuring**

### B. Employee involvement.

Please indicate the degree to which you agree with the following statements regarding the involvement of employees in the restructuring process.

Employee involvement in the restructuring process	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
My manager recognised and managed the impact of change on me					
All affected employees were consulted before change was implemented					
3. I was encourage to become involved and committed to the restructuring process by my manager/					
4. Benefits of restructuring were discussed with me personally					
5. I clearly understood the reasons for the recent restructuring					
6. I was given the opportunity to give input into the restructuring process					

### C. Employee attitude towards leadership after restructuring

Please indicate the degree to which you agree with the following statements regarding employee attitude after the restructuring process.

Employee attitude towards leadership after the restructuring process	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Top management effectively implemented the restructuring process					
2. The organisation has changed for the better					
3. I feel positive and certain about my future in this organisation					
4. I trust the leadership of this organisation					
5. Top management was honest and caring					
6. Recent restructuring resulted in positive outcomes for the ATKV					
7.I intend working for the ATKV for a long time					
8. I still have confidence in the leadership and the ATKV					

### D. Employee morale and motivation after restructuring

Please indicate the degree to which you agree with the following statements regarding the employee morale and motivation after restructuring.

Employee morale en motivation after restructuring	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Recent restructuring was good for employees					
I look forward to going to work every morning					
3. Recent restructuring has created more opportunities for employees					
4. Recent restructuring has improved my working conditions					
5. I want to continue working for this organisation in the future					
6. I still enjoy doing my work					
7. I still feel very committed to the goals and objectives of this organisation					
8. I still feel a sense of belonging to this organisation					
9. I still put in extra effort to ensure that goals and objectives of the ATKV are achieved					

### E. Communication process during restructuring

Please indicate the degree to which you agree with the following statements regarding the communication process during restructuring

Communication during restructuring process	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
The vision and objectives of restructuring were clearly communicated to me	a.g. c c				a.ca.g.cc
There was enough communication with staff during restructuring					
Top management communicated all the relevant information accurately and in time with employees					
All affected employees were informed about restructuring right from the start					
5. There was consistent communication throughout the process					

6. The medium of communication was appropriate					
7. managers and supervisors were kept informed about restructuring all the time					
8. Open and honest communication was used at all times					
F.1. Please indicate which forms of communic restructuring	cation wer	e predom	inantly use	ed during	
1. Meetings					
2. E-mail					
3. Telephonically					
4. Skype					
5. Other (please specify)					
F.2. please indicate the stage at which you we	ere inform	ed about	_ restructuri	ng	
1. Planning stage					
2. Implementation stage					
3. After implementation					
4. Never					
F.3. Please indicate the frequency with which	changes	were com	_ municated	d to you	
1. Regularly					
2. Seldom					
3. Never					
If you had been in charge of the restructuring	process, \	what woul	d you hav	e done diffe	erently?
Thanks for participating in this study!					