

*Exploring the Relationship between Resistance to
Change and an Organisational Culture in LeasePlan
Infrastructure Services*

By Brian Davitt

A dissertation submitted in partial fulfilment for the MA
in HRM

National College of Ireland

2011

Acknowledgements

Firstly I would like to thank Fabian Armendariz for all his help. He was always available for great guidance and feedback. I would also like to thank LeasePlan Infrastructure Services for their assistance in this project, especially the HR Director and the employees that provided me with the information I needed to complete this report. Finally I would like to thank my family and friends for their encouragement and support.

Declaration

I hereby certify that all the information contained in this report is my own work. All information other than my own contribution will be fully referenced and listed in the relevant bibliography at the end of the project.

The word count excluding; acknowledgements, declaration, executive summary, table of content, bibliography, and appendices is 19, 147 words. The all inclusive word count for this dissertation is 25, 359 words.

Executive summary

The topic of this dissertation is “Exploring the Relationship between Resistance to Change and the Organisational Culture in LeasePlan Infrastructure Services”. This is a very topical matter as it is heavily linked with the process of change management. Change management is a process in which all organisations need to deal with. However, in recent years; change has become a pivotal factor for the survival of an organisation. A major contributing factor to this, relates to the economic downturn. The economic downturn developed an extremely difficult environment that organisations need to adapt to. There have been many organisations that have failed to adapt to the climate, and ultimately perished. For this reason, the difficult conditions force organisations to implement major alterations to the organisation in an attempt to remain competitive and ultimately survive. If organisations fail to update, alter or ultimately adapt to the environment, they will eventually become outdated and join the rest of the deceased organisations. For this reason, change management is a massive factor for an organisation if survival is to be a realistic vision.

When dealing with change management, an organisation’s most daunting task is overcoming resistance to change from the employees in the organisation. Resistance to change is a very common factor that frequently impedes an organisation’s ability to overcome change. There have been several models/frameworks that have been developed by theorists and practitioners to overcome this difficulty, and the most prominent will be discussed later in this dissertation. However, these are not only methods to overcome resistance to change in an organisation. Another factor that

can impact an organisation's ability to overcome resistance to change relates to an organisational culture.

This dissertation sets out to explore the concept of resistance to change as well as an organisational culture in order to discover the relationship between the two concepts. This will be achieved by thoroughly exploring the literature that exists on each concept in order to gain an in-depth analysis on each the concept both individually and collectively. After this is achieved, an analysis will be conducted on the successful organisation known as LeasePlan Infrastructure Services. LeasePlan Corporation is the European market leader in fleet and vehicle management with offices in 29 countries to date. This highlights the organisation's ability to consistently adapt to the difficult environment that it operates in. For this reason, LeasePlan Infrastructure Services' change management will be assessed in order to discover the levels of resistance to change that exists and how it was overcome. Following this will be a thorough analysis of LeasePlan Infrastructure Services' organisational culture in order to discover if a strong relationship exists between the two concepts. Finally the results on both the existing literature and the information obtained from LeasePlan Infrastructure Services will be compared in order to develop a valid conclusion.

Table of Content

TABLE OF CONTENT	6
1.0 - INTRODUCTION	9
1.1 - TITLE.....	9
1.2 - PURPOSE OF RESEARCH	9
1.3 - INDUSTRY SIGNIFICANCE.....	10
1.4 - ORGANISATIONAL CONTEXT.....	10
1.5 - OUTCOMES OF THE RESEARCH	11
1.6 - LIMITATIONS	11
1.7 - DISSERTATION STRUCTURE.....	12
2.0 - LITERATURE REVIEW	13
2.1 - INTRODUCTION	13
2.2 - DRIVERS FOR ORGANISATIONAL CHANGE	13
2.3 - RESISTANCE TO CHANGE	14
2.4 - REASONS FOR RESISTANCE TO CHANGE	16
2.5 - MANAGING RESISTANCE TO CHANGE.....	17
2.5.1 - <i>Kotter & Schlesinger Framework</i>	17
2.5.2 - <i>Lewin's Change Management Model</i>	20
2.5.3 - <i>John Kotter's Eight Step Model</i>	21
2.6 - RESISTANCE TO CHANGE AND THE ORGANISATIONAL CULTURE.....	23
2.7 - ORGANISATIONAL CULTURE	25
2.8 - ORGANISATIONAL LAYERS.....	26
2.9 - THE CULTURAL WEB	26
2.10 - INFLUENCES ON THE DEVELOPMENT OF CULTURE.....	27
2.11 - SCHEIN'S MODEL	29
2.12 - THE FOUR GENERIC CULTURES	30
2.13 - THE IMPORTANCE OF AN ORGANISATIONAL CULTURE.....	32
2.14 - THE IMPACT OF ORGANISATIONAL CULTURE ON ATTITUDES CONCERNING CHANGE	34
2.15 - CHANGE FRIENDLY CULTURE.....	37

2.16 - SUBCULTURES	38
2.17 - CONCLUSION	39
3.0 - RESEARCH QUESTIONS, AIMS & OBJECTIVES.....	40
4.0 - METHODOLOGY.....	43
4.1 - RESEARCH PHILOSOPHIES.....	43
4.1.1 - <i>Ontology</i>	43
4.1.2 - <i>Axiology</i>	44
4.1.3 - <i>Epistemology</i>	44
4.2 - PRIMARY AND SECONDARY RESEARCH.....	46
4.3 - DEDUCTION & INDUCTION.....	46
4.4 - THE PURPOSE OF THE RESEARCH.....	48
4.5 - QUANTITATIVE & QUALITATIVE DATA ANALYSIS	49
4.6 - TIME HORIZONS.....	50
4.7 - QUALITATIVE DATA METHODS	50
4.8 - CHOOSING THE RIGHT PEOPLE	52
5.0 - FINDINGS, ANALYSIS AND DISCUSSION	54
5.1 - INTRODUCTION:.....	54
5.2 - HOW CHANGE WAS IMPLEMENTED.....	55
5.2.1 - <i>Reducing Resistance to Change</i>	56
5.2.2 - <i>The Concept of Permanency</i>	61
5.3 - THE ORGANISATIONAL CULTURE	63
5.3.1 - <i>Communication in LeasePlan</i>	65
5.4 - THE IMPACT OF THE ORGANISATIONAL CULTURE ON THE LEVELS OF RESISTANCE TO CHANGE	66
5.5 - THE PRESENCE OF A CHANGE-FRIENDLY CULTURE	68
5.6 - LEASEPLAN'S CHANGE MANAGEMENT	70
5.7 - LEASEPLAN'S MUTUAL CULTURE	71
5.8 - LEASEPLAN'S SUBCULTURES	72
6.0 - CONCLUSION.....	74
6.1 - RELATIONSHIP OF RESULTS TO RESEARCH QUESTIONS.....	74

6.2 - SUMMARY OF RESULTS	77
6.3 - RECOMMENDATIONS	79
6.3.1 - Recommendation 1.....	79
6.3.2 - Recommendation 2.....	80
7.0 - BIBLIOGRAPHY	82
8.0 - APPENDICES	86
APPENDIX A	86
<i>Interview with Human Resource Director:</i>	86
APPENDIX B:	91
<i>Interview with Application Support Analysis:</i>	91
APPENDIX C:	95
<i>Interview with Operation Support Analysis:</i>	95
APPENDIX D:	98
<i>Interview with financial Accountant:</i>	98

1.0 - Introduction

1.1 - Title

“Exploring the Relationship between Resistance to Change and the Organisational Culture in LeasePlan Infrastructure Services”

1.2 - Purpose of Research

The reason this topic has been chosen is because organisational change is a major factor that organisation's continuously need to deal with. If an organisation wants to survive and compete in the competitive environment they need to be capable of implementing change into the organisation. However, if the organisation has difficulty implementing change, it usually relates to the dominant problem of resistance to change. If Resistance to change is present in the organisation, it diminishes the organisation's ability to become flexible and adaptable to changes in the environment. Therefore if an organisation refuses to update, alter or change, they will eventually become outdated and profits will deteriorate significantly. As a result, this could jeopardise the organisation's competitive advantage. For this reason, reducing the levels of resistance to change is a major factor to be considered. There are several ways to overcome resistance to change which will be later discussed. However, the concept of an organisational culture is also an important factor. An organisational culture involves the personality of the organisation. It defines the people's attitudes, values, and beliefs. These attitudes, values, and beliefs can also represent the organisation's perception towards change. As a result of this, this research will explore the extent to which an organisational culture can impact the levels of resistance towards change in an organisation.

1.3 - Industry Significance

The industry that will be investigated relates to the services that LeasePlan Infrastructure Services provide. These services include the maintenance of vehicles, replacement of vehicles, insurance and reporting. The reason the industry that LeasePlan Infrastructure Services (LeasePlan) operates in has been chosen is because it is a very competitive environment that requires a lot of change to take place. This is because LeasePlan covers a variety of industries such as maintenance, insurance etc. Each of these services is already very competitive industries that consist of companies that focus solely on their own specific sectors. This means that they have a massive amount of competitors that are trying to dominate each of the areas in which LeasePlan operates in. For this reason, LeasePlan are placed in an extremely competitive industry which requires an organisation to consistently change in order to keep up with the competitive and dynamic environment. Therefore in such a highly competitive environment, the organisation has a high dependency on their ability to change. As a result of this, the organisation's methods of dealing with resistance to change as well as the organisational culture will be explored.

1.4 - Organisational context

Lease Plan Corporation is the European market leader in fleet and vehicle management with offices in 29 countries. There are many reasons for its success and one of the most influential factors relate to the organisation's management of change. This has immensely improved the organisation's ability to consistently change and keep up with the competitive and dynamic environment. Over the years, Lease Plan Corporation has dealt with problems such as the economic downturn,

financial difficulties, and aggressive competition. Throughout these difficulties, the organisation has effectively resolved them through its change management.

1.5 - Outcomes of the Research

After conducting the research, the aim is to ensure that each research question is successfully answered and that each of the aims and objectives are completed to satisfactory standard. The research should provide people with an in depth analysis in relation to resistance to change and an organisational culture. As well as this, the research should provide an in depth analysis in regards to the relationship between the two concepts in order to discover the significant impact that an organisational culture can have on the levels of resistance to change in an organisation, so a conclusion can be drawn.

1.6 - Limitations

The main limitation that this research encountered relates to the lack of time to fully analyse LeasePlan's organisational culture. As a result, the organisational culture was analysed through semi-structured interviews with management and employees ranging from different departments. Therefore the research conducted gathered more of a cross sectional study through a snap shot image of the organisation at a particular moment in time. Longitude studies would be the more suited method to take. Ideally, methods such as long-term observation would be more appropriate when analysing an organisational culture. Also gaining access to certain people in the organisation was difficult as they had demanding schedules that took priority. As a result, many of the ideal circumstances were not possible and the researcher did the best he could do with the resources available.

1.7 - Dissertation Structure

This dissertation is divided into ten different chapters. This dissertation will begin with an introduction. This will introduce the topic as well as the organisation followed by a brief reason for each being chosen. The second chapter will give an in-depth exploration of resistance to change, followed by an in-depth exploration of organisational culture. This will then be followed by exploring the relationship between the two concepts. The third chapter will then explain the research questions, aims and objectives. The fourth chapter will explain the methodology chosen to answer the research questions. The fifth chapter will explain the research findings and analysis drawn from the organisation. The final chapter is the conclusion. This will briefly answer the research questions and provide a conclusion to the overall dissertation. This will then be followed by a bibliography and appendices.

2.0 - Literature Review

2.1 - Introduction

This dissertation will focus on the main difficulty that arises when implementing organisational change. The concept on resistance to change will be analysed as well as the most convenient methods to overcome the difficulty. Then the research will explore the concept of an organisational culture, assessing how it develops and its detrimental importance to an organisation. Following this, the relationship between resistance towards change and an organisational culture will be explored in order to come to a conclusion in relation to the impact that an organisational culture has on the levels of resistance that is present in an organisation.

2.2 - Drivers for Organisational Change

In today's business environment, change is consistently happening. Organisations are changing due to internal and external drivers. A model that describes these drivers is known as the PEST analysis. This consists of four factors; Political factors, Economic Factors, Socio-cultural factors and Technological factors (Johnson and Scholes 1999). These categorise the four main external influences for organisational change. Firstly, political factors involve Government legislation and regulation, international law, taxation and Trade Union activities. Secondly, the economic factors involve the level of competitors, suppliers, wage rates and government economic policies. Thirdly, the socio-cultural factors involve demographic trends, lifestyle changes, skills availability, attitudes of the workforce and business ethics. Finally, the technological factors involve the companies struggle to keep up with the

advancements in information, transport, production and computerization technology (Senior & Flemming 2006).

As well as the PEST analysis, there are also a wide range of internal factors that can entice organisational change. However, it is evident that almost all of the internal drivers to change derive from the external drivers to change. Factors that would be classified as internal drivers include an organisation becoming unionised or non-unionised, a new chief executive or senior member and a revision of administrative structures. As well as this, opportunities that entice implementing a restructuring, redesigning of an office layout, staff redundancies, and developing a new market strategy are also internal drivers for organisational change (Senior & Flemming 2006).

Overall, each of these drivers emphasises the need for an organisation to change. If an organisation ignores these factors and refuses to implement organisational change, then the organisation will struggle to compete and ultimately survive.

However, implementing organisational change is a very complex task. This is because there are a variety of barriers that can make organisational change one of the most daunting tasks when running an organisation. All these barriers derive from the same source, resistance to change.

2.3 - Resistance to Change

“Change and resistance go hand in hand: change implies resistance and resistance means that change is taking place” (Bennebroek Gravenhorst 2003; 3). Resistance to change is considered a standard and natural reaction to change. People are generally hesitant to step out of their comfort zone unless they are absolutely confident that

the change is for the better. "It has been well documented that organisations that embrace change with an open, positive and welcoming attitude will be more apt to survive in the face of competition and changing market conditions" (Tan & Tiong 2005; 50). However, this is not the case in most organisations. The main difficulty and reason that so many change efforts fail is not due to the formation of an ineffective strategy but because of the poor implementation when dealing with the organisation's human capital. This is due to the barriers that arise when trying to implement change. As previously mentioned, these barriers derive from the major problem of resistance to change. Naturally people resist change. People tend to resist change because "although change and adaptation is a natural characteristic of the brain, so is the search for safety, security and comfort" (Bennet & Bennet 2008; 378). There are many reasons that the people in the organisation can develop resistance to change. Generally people fear that they will lose traits such as the level of power they possess, the income they possess, and their ability to cope with the new skill demands. These fears develop insecurities which in turn induce resistance to change.

Resistance to change can be defined as "an individual or group engaging in acts to block or disrupt an attempt to introduce change" (Daniels 2010). It can range from minor difficulties such as subtle undermining of the change initiative or withholding information to more serious resistance such as active resistance including strikes. When dealing with resistance to change, one must identify the type of resistance that is being dealt with. For instance, there are two main types of resistance that can be identified. The first is resistance to the content of change. This involves resistance towards the change being introduced, such as a new technological advancement

which alters the way work is conducted, or the introduction of a particular reward system (Daniels 2010). The second is resistance to the process of change. This involves the method of the change being introduced. It arises as a result of a lack of communication to employees regarding the change. For example, management may introduce a restructuring or reorganisation without consulting the employees directly and indirectly affected by change (Daniels 2010).

2.4 - Reasons for Resistance to Change

Kotter & Schlesinger (2008) developed four main reasons why people resist change. Firstly is the person's 'parochial self-interest' (Kotter & Schlesinger 2008). This means that resistance arises from people's desire not to lose something of value. Management frequently fail to consider the change from an employee's perspective, and only concentrate on it from a business perspective (Pugh 1993). This can cause problems because employees are generally more concerned about the consequences it will have on them personally in terms of job opportunities, job satisfaction, career prospects etc. People may also become resistant because of fears that the organisational change may affect their status in terms of power, authority or control in decision making (Zaltman and Duncan 1977). Resistance can also arise because of 'misunderstanding and lack of trust'. This means the people perceive the change and its implications as costing them more than they will gain. This usually results from the lack of trust in management. "Few organisations can be characterized as having high levels of trust between employees and managers; consequently, it is easy for misunderstandings to develop when change is introduced" (Kotter & Schlesinger 2008; 133). The third reason for resistance is the

fact that people have 'different assessments' of the change. Many people assess the change differently from their managers and as a result believe that the change does not make sense for the organisation. As well as this, managers can make the common mistake in assuming that they have all the relevant information required to initiate the change and also assume that those affected by the change do as well. This naïve perception can also lead to resistance to change. The final reason for resistance may be that the people in the organisation may have a 'low tolerance for change' in general. This can arise due to people fearing that they will not have the ability to develop the new skill, understand new technology etc. required of them (Kotter & Schlesinger 2008).

2.5 - Managing Resistance to Change

Managing resistance to change can be a difficult procedure. However several theorists have developed frameworks/models to overcome this problem. After reviewing the literature, there were three theorists that stood out among the rest.

2.5.1 - Kotter & Schlesinger Framework

Firstly involves the same two theorists that developed the reason for resistance to change presented previously. John P. Kotter and A. Schlesinger also developed a framework consisting of an array of techniques that can be used to reduce and even eliminate resistance to change. It involved six procedures that individually tackle each difficulty. The first procedure is 'education and communication' and is probably the most common way to overcome resistance (Kotter & Schlesinger 2008).

Communicating the ideas and educating the people in the organisation helps them realise the need and for a change. The next procedure is 'participation and

involvement'. This is when the potential resisters are involved in some aspect of the design and implementation of the change in order to gain commitment from them as oppose to them resisting it. 'Facilitation and support' is another procedure for dealing with resistance. "This process might include providing training in new skills, or giving employees time off after a demanding period or simply listening and providing emotional support" (Kotter & Schlesinger 2008; 133) to people struggling with the change. It is the most useful procedure when dealing with fear and anxiety induced resistance. The next procedure is 'negotiation and agreement'. This involves compromising in order to keep the resistance to a minimum and can include methods such as offering incentives to active or potential resisters. This procedure is usually implemented when the resister has some degree of power to prevent the change. 'Manipulation and co-option' is another procedure that is sometimes resorted to by managers. This involves giving employees a sense that they are involved in the change even if they are not really involved (Kotter & Schlesinger 2008). For example, managers may invite an employee to meetings and allowing them to put forward their viewpoint but without actually listening or taking on board what they are saying. Therefore the employee is given a false sense of involvement and as a result will become more committed to the change. This procedure is only used when time and resources are limited. The final procedure is 'explicit and coercion'. This involves forcing the people in the organisation to abide to the changes. It is usually enforced by explicitly or implicitly threatening the people or by actually firing them (Kotter & Schlesinger 2008).

Overall these procedures are effective as they each tackle the individual problems that lead to resistance to change. But when an organisation implements these

procedures, they must realise that “successful change efforts seem to be those where these choices both are internally consistent and fit some key situational variables” (Kotter & Schlesinger 2008; 135). As a result of this, managers must place an emphasis on realising; the amount of preplanning, the speed they want to conduct it, the amount they will involve others, and relate it to the approach they will take. Therefore when choosing which strategy to implement, they must decide which side to place it on the strategic continuum (Kotter & Schesinger 2008). On one side of the strategic continuum is the fast approach. This deals with procedures such as ‘manipulation & co-optation’ and ‘explicit & implicit coercion’. On the other side of the strategic continuum is the slower approach and this deals with procedures such as ‘participation & involvement’ and ‘facilitation & support’. Therefore when an organisation is choosing which procedures to implement, they must take into consideration the strategic continuum, and decide which approach is the most appropriate for the organisation (Kotter & Schlesinger 2008).

Overall, Kotter and Schlesinger’s theory is effective as it successfully tackles each of the individual problems that lead to resistance to change. However, they do not actually define resistance to change. They just state that resistance is a major task to be dealt with during change, and then provide solutions to implement during change in order to overcome resistance. “For them, resistance seems to be an inevitable reaction to change, as people are limited in the capability to change and to understand what is good for the organization” (Bennebroek Gravenhorst 2003; 5). As well as this, the framework can not provide a sequence of guidelines in relation to implementing change. An organisation can implement several of these theories that are relevant to their situation in order to gain acceptance from staff and overcome

resistance to change. However, it lacks the structure of an organisational change model that can provide a satisfactory structure for implementing the change. For this reason, the framework can be considered flawed. An organisation can also use other frameworks to overcome resistance to change when implementing change. These can be more effective when using change management models and there are several change management models that exist.

2.5.2 - Lewin's Change Management Model

One of the most recognised models for organisational change refers to Kurt Lewin's change management model. This model was developed in 1951 and aims to break down the change process into three simple stages. The first stage is 'unfreezing' the existing situation. He described this stage as a method of preparing the people for the organisational change, in order to eliminate resistance from employees. This involves getting people to buy into the change and to "minimize barriers to change and increase the odds of a successful change effort" (Levasseur 2001). The second stage is 'Changing'. This involves implementing the changes into the organisation. The individual/group conducting the change must take into consideration that people need time to understand and adapt to the change and for this reason, it cannot be rushed. The final stage is 'refreezing'. This stage focuses on making the changes permanent. This stage concludes that change must be rooted into every aspect of the organisation and culture. Kurt Lewin's model has been the foundation for the majority of theorists that developed change management models. However, this model can be considered too vague and too simplistic. It provides a good structure of how to implement change. However, due to its simplicity, it lacks

detailed advice for implementing change or dealing with resistance to change. For that reason, this model can only be used as a foundation or practical guide for implementing change.

2.5.3 - John Kotter's Eight Step Model

After reviewing other change theorists and practitioners models and frameworks such as work from Colin Carnall and Peter Senge, one model stood out amongst the rest. John Kotter is an example of a theorist that used Lewin's Model as a foundation to develop a more precise model of change. This became known as 'Kotter's Eight Step Change Management Model'. This model gives eight simplified steps of how to implement organisational change while reducing resistance from employees. The first step is 'establishing a sense of urgency' (Kotter 1996). This involves "examining the market and competition and identifying and discussing crises, potential crises, or major opportunities" (Kotter 1996; 13). Once this is completed, the results must be communicated to the people in the organisation in order to give them an understanding of the need to change. The second step is 'creating a guiding coalition'. This involves developing a powerful group of people that can work together to lead the change effort. Key influential people in the organisation are ideal for the coalition in order to gain a sense of power and as a result employees will have respect for the decisions made. The third step is 'developing a vision and strategy'. This vision is created to guide the change effort and strategies that are implemented in order to improve the organisation. The fourth step is 'communicating the change vision' (Kotter 1996). Communication is a vital procedure for reducing resistance from employees. The key elements for communication are: simplicity,

repetition, leading by example and ensuring two way communications (Sidorko 2008). In this model, Steps 1-4 focuses on preparing the people in the organisation for change. If the people are prepared for change, it will dramatically reduce the risk of resistance to change. This can be seen as a sequence of procedures that are based on Lewin's original theory of 'unfreezing'.

Kotter then developed Lewin's theory of 'changing' into three steps (steps 5-7).

These steps focus on reducing resistance to change by getting employees to buy into the organisational change. The fifth step involves 'empowering others to act on the vision'. Employees are encouraged to assist and take part in implementing the changes as movement takes place after people have bought into the need for change. The sixth step is 'planning for short term wins'. This involves creating visible improvements that can ensure the change is positive. Also it eliminates the critics and negative thinkers that disrupt the change. The next step is 'consolidating gains and producing more change' (Kotter 1996). This involves the organisation continuously searching for improvements in order to keep up with the dynamic environment.

Kotter's final step involves 'institutionalizing new approaches into the culture'. This is Kotter's version of Lewin's original theory of 'refreezing'. This step highlights that "change sticks when it seeps into the bloodstream of the corporate body" (Stanleigh 2008; 34) and therefore focuses on making the changes permanent. Without this step, organisations can easily lose all the progress made as the people in the organisation may slowly revert back to the original ways before the change.

This model seems to be the most effective change management model. This is because it gives eight structured steps of how to implement organisational change, as well as integrating several key methods of overcoming resistance to change. Although this model helps distinguish and solve the main difficulties, there is too much of a focus on the concept of permanency. This can also be said for Lewin's Model. Change is a continuous process. An organisation will need to consistently change in order to compete in the dynamic environment. Therefore the change being implemented should not be considered permanent as further change will need to be implemented numerous times in the long-run. Due to this, Lewin and Kotter's emphasis on making the changes permanent seems flawed. Implementing the final stage as convincingly as they suggests may cause the people in the organisation to become too comfortable with the new system/change. As a result, resistance may again become a major difficulty when organisational change is initiated in the future. Due to this, the final stage/step may be an unnecessarily time consuming procedure that only make the opening process of change more difficult. Therefore rather than viewing the change that is being implemented as having a beginning, middle and an end, one should view it as more of an open ended continuous cycle. This would dramatically reduce the difficulties and pressures for the 'unfreezing' and 'refreezing' stages.

2.6 - Resistance to Change and the Organisational Culture

Implementing change management models is one way of overcoming resistance to change in an organisation. However it raises the question as to whether

implementing change management models are the most successful way of implementing change? Or is there an alternative approach that can produce more effective results at a quicker pace, and with less difficulties arising?

An organisational culture has been identified as having a major influence in the levels of resistance to change present in an organisation. Successful organisations are characterised by strong values and a strong guiding vision that communicates acceptable and appropriate behaviour (Purcell, Hutchinson, Kinnie, Swart & Rayton 2011). The patterns of people's behaviour are what can characterise an organisational culture and for this reason it has a massive impact on how organisational change is perceived in an organisation. Some organisational cultures may be characterised by a low tolerance to change. As a result, implementing change in those organisations will be extremely difficult as there will be an extremely high level of resistance to change. If this is the case, organisations may find it difficult to implement essential changes and as a result, they will fail to keep up with the competitive environment. On the other hand, some organisational cultures may be characterised by their ability to tolerate change. These organisations will possess the ability to implement change efficiently and effectively in order to maintain their competitive position. For this reason, an organisation should develop a culture that accepts organisational change. If an organisation's culture is accepting of change, the organisation will become more dynamic and adaptive to the external environment. In order to explore the relationship between resistance to change and an organisational culture, one must fully understand the concept of an organisational culture.

2.7 - Organisational Culture

An organisational culture can be considered “the collection of relatively uniform and enduring values, beliefs, customs, traditions and practices that are shared by organisation’s members, learned by new recruits and transmitted from one generation to the next” (Huczynski & Buchanan 2007; 623). Organisational members may not be consciously aware of the culture that exists, yet it can still subconsciously influence their behaviour. Analysing organisational culture can be very difficult because it is a vague concept. Many different meanings or perceptions on the topic arise from different authors which makes it difficult to pinpoint the right definition. For example, Deal & Kennedy (1982) believes an organisation’s culture epitomises “the way we do things around here”, while Hofstede (2001) believes an organisation’s culture involves the “collective programming of the mind”. This shows that different theorist can view culture from different angles while still making valid definitions.

Schwartz and Davis identify the aspect of organisational norms when referring to culture. Organisational norms are “expectations about what are appropriate or inappropriate attitudes and behaviours. They are socially created standards that help us interpret and evaluate events” (O’ Reilly 1989; 12). The norms frequently arise around certain issues including performance, quality, flexibility, and conflict dealings. Schwartz and Davis therefore highlight the fact that culture is developed and maintained through the norms that exist in the organisation (Schwartz & Davis 1999).

2.8 - Organisational Layers

An organisation's culture consists of four layers. The first layer involves the organisation's values. Values are often written down as statements about the organisation's mission, goals, objectives or strategies. However, "they tend to be vague, such as 'services to the community' or 'equal employment opportunities'" (Johnson, Scholes & Whittington 2005; 199). The second layer involves the organisation's beliefs. These are more specific as they are the common assumptions and judgments that exist in an organisation. The third layer involves the organisation's behaviours. This involves the day to day manner in which the people in the organisation operate and conduct themselves, which is seen by people inside and outside the organisation. The fourth and final layer involves the paradigm. A paradigm involves a "set of assumptions held relatively in common and taken for granted in an organisation" (Johnson et al. 2005; 200). This can be considered the core of the organisation's culture. They are the characteristics of the organisation that people struggle to identify and explain. These four layers are what collectively formulate the organisation's culture. (Johnson et al 2005).

2.9 - The cultural web

Johnson, Scholes & Whittington (1998) developed the concept of the cultural web to help understand the different aspects of an organisational culture. The cultural web is "a representation of the taken-for-granted assumptions, or paradigm, of an organisation and the behavioural manifestations of organisational culture" (Johnson et al. 2005; 201). Therefore the cultural web focuses on the two organisational layers previously mentioned; the organisation's behaviours and the paradigm. In these, the

cultural web consists of eight elements. It consists of; routine behaviours, rituals, stories, symbols, power structures, control systems, organisation structure and the paradigm.

Routine behaviours involving the methods in which organisational members behave towards each other and to people outside the organisation. It basically formulates how things are done in the organisation. Rituals involve specific activities or events that are particularly important to the organisation. Stories involve historical events that the members can tell that highlight the company's success, failures, inspirational figures, mavericks etc. Symbols involve the organisation's logos, cars, offices, and types of language etc. It becomes a shorthand representation of the nature of the organisation (Mullins 2010).

Power structures involve the way power is distributed throughout the organisation, including leadership and the main blockages to change. Control systems involve the organisation's extent to monitor and control, and includes rewarding and punishing as well as controls related to current strategies. Organisational structures involve the hierarchical structure, reporting lines, span of control etc. These decide how formal or informal the culture is and whether collaboration or competition is encouraged (Johnson et al. 2005). Finally, the paradigm "encapsulates and reinforces the behaviours observed in other elements of the cultural web" (Mullins 2010; 744).

2.10 - Influences on the development of culture

There are several influential factors that are likely to play a role in the formation of an organisation's culture. Firstly is the organisation's history. The organisation's age, philosophy and values that were developed by the organisation's original owners

and senior management will affect the culture. Therefore historic events such as a merger or restructuring may alter the organisation's culture (Mullins 2010). The organisation's primary function and technology may also be a key influence in the development of a culture. The way they conduct business, such as the range of products or services, the customers and the reputation can impact the culture. Also the primary function of the organisation will "determine the nature of the technological processes and methods of undertaking work, which will in turn also affect structure and culture" (Mullins 2010; 742). The third influential factor involves the organisation's strategy. The company's strategy decides the plan of action, whether it be short-term or long-term, accepting to risk taking, socially responsible etc. When these attributes are present in the organisation, the can develop in the organisational culture. As a result of this, the organisation's strategy can influence the development of a culture (Mullins 2010).

The size of the organisation can also influence the culture. For example, larger organisations are usually more structured and formal and as a result develop a more formal organisational culture. On the other hand small firms may possess a more informal culture. Therefore an increase or decrease in the size of the organisation can affect the development of an organisation's culture (Mullins 2010; 742). The geographic location can also influence the culture as it decides the type of customers the organisation will deal with as well as the staff that will be employed. The organisation's management and leadership can play a major role as well. Managing the organisational culture centres around the role of the leaders. As the people in the organisation are instrumental to the development of an organisational culture,

management and leadership is vital in order to guide the people towards an appropriate or culture. “How leaders use their time, their use of language , their performance in meetings and skill at manipulating agendas and interpreting minutes, and their sensitivity to different settings can send vital messages to their subordinates and encourage employees to think and act in particular ways” (Brown 1998; 295). Finally the environment is a pivotal influence on an organisation’s culture. An organisation needs to be capable of adapting to its external environment. If the environment is very dynamic, then the culture needs to be flexible (Mullins 2010).

2.11 - Schein’s Model

Edgar Schein developed a model that views organisational culture based on three levels. The first level deals with artefacts. This is considered the shallowest of the three levels. This involves visible organisational structures and processes. “At the surface [there is] artefacts, which includes all the phenomena that one sees, hears, and feels when one encounters a new group with an unfamiliar culture” (Schein 1992; 17). It involves the visible products as well as the physical and social environment. This includes language, physical space and layout, technology, artistic creations, acceptable clothing, behaviour etc. Schein explains that the most important factor about this level is that it is easy to observe but very difficult to decipher. The second level involves espoused values. This consists of strategies, goals, and philosophies. Schein explains that cultural learning reflects someone’s original values. Therefore if a manager’s beliefs are followed by a group of people, and if the solution works, the people’s values can be transformed into beliefs.

Therefore values and beliefs “become part of the conceptual process by which group members justify action and behaviours” (Mullins 2010; 740). The third level of Schein’s model involves basic underlying assumptions. This is considered the deepest of the three levels. Basic underlying assumptions are unconsciously or subconsciously learned responses. When a “solution to a problem works repeatedly, it comes to be taken for granted” (Schein 1992; 21). Therefore they are unhesitating assumptions that guide behaviour and decide how people think and feel about things.

2.12 - The Four Generic Cultures

Deal and Kennedy (1982) examined a variety of different clubs in order to discover four generic cultures. These cultures are determined by two factors; the degree of risk in relation to the companies activities and the speed at which the company and its employees receive feedback on their decisions/strategies (Brown 1998). An organisation may not precisely fit into one of the four generic cultures to be discussed, however they can be useful as a rough guide to help managers discover the culture of their own organisation.

The first culture is the tough guy, macho culture. This culture is associated with individuals taking high risks and receiving rapid feedback on their decisions and actions. It is typically associated with professions such as the police force, surgeons, and the entertainment industry. This culture focuses on “speed and the short-term and places enormous pressures on individuals, with the result that ‘burn-out’ is a common problem” (Brown 1998; 70). As a result, normal features to this culture include internal competition, tension and conflict. The second culture Deal and

Kennedy (1982) identified is the work-hard/play-hard culture. This is a low-risk culture with quick feedback fun and action. This culture is typically associated with sales organisations and manufacturing organisations. The emphasis on individuals is far less than the previous culture. “Such organisation’s tend to be highly dynamic, and sales organisations with work-hard/play-hard cultures are often customer-focused” (Brown 1998; 70). The third culture is the bet-your-company culture. This culture involves high risks, and feedback on decisions or actions take a very long time. It is typically associated with large aircraft manufacturers and oil companies. These organisations are primarily focused on the future and are very hierarchical in relation to decision making. These “vast firms invest millions in large-scale projects, the success or failure of which may take years to ascertain” (Brown 1998; 70). Finally is the process culture. This involves low risk and slow feedback culture. It is typically associated with insurance companies, the civil services and banks. The employees work with little feedback and are often protective and cautious in their duties. Therefore those who are effective in this culture tend to be orderly, punctual and attend to detail.

This model is a good indication of the types of organisational cultures that exist. However, these four cultures are very black and white and cannot be followed unconditionally. They can only be used as a rough indication of the types of cultures that exist. Each culture mentioned is an extreme example to highlight the differences that exist between cultures. As a result of this, it is rare to see an organisation fit perfectly with one of these cultures. Therefore, an organisation will usually possess several qualities of one culture but still possess some qualities from another culture.

2.13 - The Importance of an Organisational Culture

An essential feature that organisations need to possess involves a control system. It would be very difficult to achieve tasks and goals if there was no control system in place to direct and coordinate activities. A control system is “the knowledge that someone who knows and cares is paying attention to what we do and can tell us when deviations are occurring” (O’ Reilly 1989; 11). As a result of senior figures paying close attention to the employee’s performance, it helps ensure that employees are producing an efficient amount of effort into their work. There are several types of control systems which organisations can implement such as performance appraisal systems. The performance appraisal system is a perfect example of a formal control system. Formal control systems are typically used to measure either outcomes or behaviours. However, frequently neither outcomes nor behaviours can be effectively monitored. These include activities that lack routine and predictability as well as situations that require flexibility, initiative and innovation. As a formal control system cannot deal with these situations, they need to be dealt with using a social control system.

An organisational culture can be viewed as a potential social control system. “When we care about those with whom we work and have a common set of expectations, we are ‘under control’ whenever we are in their presence. If we want to be accepted, we try to live up to their expectations” (O’ Reilly 1989; 12). As a result of this, social control systems can operate more effectively than formal control system. In relation to formal systems “people often have a sense of external constraint which is binding and unsatisfying” while in relation to social controls, people feel they have

greater freedom and control “even though paradoxically we are conforming to much more”(O’ Reilly 1989; 12).

Another important role of the organisational culture relates to the development and maintenance of commitment from people in the organisation. Organisational cultures that are characterised by dedicated and competent employees are the most successful organisations. This is because employees are willing to take part in activities that will ultimately improve the organisation. “This strong attachment is particularly valuable when the employees have knowledge that is instrumental to the success of the organisation or when very high levels of motivation are required” (O’Reilly 1989; 17). Therefore a culture defined by organisational commitment is the ideal scenario for an organisation.

The final important role that culture plays in a firm involves the organisational strategy. Every organisation possesses a strategy in order to position themselves in the most dominant position possible with respect to their competitors. “Once established, a firm’s strategy dictates a set of critical tasks or objectives that must be accomplished through a congruence among the elements of people, structure, and culture” (O’Reilly 1989; 16). For example, if an organisation’s strategy focuses on being the first in the market to produce new products/services; this will mean the organisation will need to be flexible and adaptable in order to be the first to take advantage of the new opportunities. Therefore a lot of change will need to take place and as a result, the organisation’s culture will need to be open to changes in the workplace. It is therefore evident that the organisation’s strategy and culture need to be aligned in order for the organisation to be successful. As a result of this,

“as firms grow and strategies change, the culture or social control system also needs to be realigned to reflect the new direction” (O’Reilly 1989: 17).

2.14 - The impact of organisational culture on attitudes concerning change

In relation to organisational change, attitudes towards change are becoming increasingly important. Without positive attitudes towards change, change itself will be impeded. Therefore without change, an organisation cannot progress and remain competitive. However, “understanding the determinants of cultural behaviour is crucial to the creation of a climate for change; change agendas which are not congruent with the cultural ethos of an organisation can often deliver perverse results” (O’Donnell & Boyle 2008; 68). An organisation needs to ensure that the following measures suit the organisation’s culture before attempting to implement it into an organisation.

As previously mentioned, commitment from employees is essential to develop a culture that is accepting towards change. Theorists have considered participation as the most effective method for achieving commitment to change from employees.

Employees that participate in a certain event are usually more committed to the event. As change requires learning and developing new skills, behaviours and attitudes, it requires a certain amount of effort from employees (Alas & Vadi 2004).

Therefore if an employee shows a high level of commitment towards the organisation, it indicates that the person has commitment to improve any aspects of the organisation that needs improvement. This commitment to the organisation therefore enables the employees to become more open to organisational change. If

a person develops a positive attitude towards their work, it also improves the person's level of commitment to change. Several studies have shown job satisfaction can be a contributor to organisational commitment. Job satisfaction as defined by Locke (1976) is effectively: "a pleasurable emotional state resulting from appraisal of one's work" (Alas & Vadi 2004; 23). This highlights that if an organisational culture is characterised by high levels of commitment from employees, the people in the organisation will therefore be a lot more open to change.

Research has suggested that there is a link between employee attitudes and organisational culture. This is because each has a significant influence on each other. On the one hand, "employee satisfaction and commitment to the organisation, including during change, could be improved by developing an appropriate organisational culture" (Alas & Vadi 2004; 24). On the other hand, job satisfaction could have an influence on the organisational culture. When employees are satisfied, it increases the likelihood of their participation in organisational citizenship behaviours that stretches beyond the job requirements.

There are two vital aspects of organisational culture that can influence employee attitudes. These aspects have been developed by Schein (1992). He believes that organisational culture is influenced by task-orientated culture, and relationship-orientation culture. Task culture highlights the importance of the organisation's goals over the individual worker's goals. In the context of organisational change "task-orientation could influence people's attitudes by establishing clear goals and developing values, which could help the achievement of these goals at all levels of the organisation" (Alas & Vadi 200;25). Relationship-orientated culture focuses on developing open, honest and harmonious interpersonal relationships. This type of

culture could influence people's attitudes, especially towards change, through informal structures and communication (Salancik & Pfeffer 1978).

As well as this, the role of co-workers in the formation of attitudes can also have an impact on people's perception towards change. "Employees rely on social sources of information, and so cues from their co-workers contribute to the formation of job attitudes" (Alas & Vadi 2004; 23). As a result, employees can conform to the behaviours and attitudes that surround them. Therefore, even if new employees that may possess a negative attitude towards change, their attitude may be altered through the positive attitudes of the co-workers towards change. However, this depends on the strength of the individuals attitude and how easily influenced they may be. Overall, there is sufficient evidence that suggests that an organisational culture has a noticeable impact on the organisations levels of resistance towards change.

An organisation's culture can be considered the stabilizing forces within an organisation and researchers of culture use the concept of culture to express resistance to change. They say it arises from; parochial self interest, misunderstanding and lack of trust, different assessments, and a low tolerance towards change (Kotter & Schlesinger 2008). Each of these reasons can be related back to the organisational culture. Therefore in order to overcome resistance to change, Kotter and Rathgeber (2006) "suggest increasing the adaptability of the organisation through developing an organisational culture based on values important for achieving a readiness for change" (Alas & Vadi 2004; 23). This will inevitably reduce resistance to change during transition periods and therefore result in smoother change initiations.

2.15 - Change Friendly Culture

In 2008 John Kotter and Holger Rathgeber developed the theory of a 'Change-Friendly Culture' in a book called *"Our Iceberg is Melting: Changing and Succeeding"*. A 'change friendly culture' is an organisational culture that accepts when change is introduced and as a result, rejects the state of mind that induces resistance to change. Kotter & Rathgeber created a clever and simplistic analogy that explains the need for a change-friendly culture. It involved comparing a colony of penguins on a melting iceberg to an organisation in difficulty. The comparison highlighted that in order to overcome the difficulty, change is necessary. Also as difficulties frequently arise, organisations need to be able to adapt to change without much difficulty. As a result, developing a change-friendly culture is the best way of being able to deal with organisational difficulties such as external or internal drivers for change. As previously mentioned, the main reasons for resistance to change stem from people's parochial self interest, a misunderstanding and lack of trust, different assessments, and simply a low tolerance towards change (Kotter & Schlesinger 2008). A change-friendly culture can dramatically eliminate the major difficulty of resistance to change and as a result increase the speed and efficiency of implementing change (Kotter & Rathgeber 2006). In order for a change-friendly culture to exist, Kotter highlights the need to remove the stubborn people that simply refuse to adapt to change. He explains that these people need to be removed before they spread their negative thinking throughout the organisation. This is highlighted when Kotter explains "too often we tell ourselves Harry [the resistor] is just a pain. No, Harry is deadly. Those kinds of people can't be co-opted. You've got to get them off the stage" (Shrader 2008; 37). Overall, if an organisation can develop this type of culture,

it will become more dynamic and responsive to the external market and as a result the organisation will gain a competitive advantage.

2.16 - Subcultures

Many theorists imply that an organisation consists of one mutual culture in which all stakeholders abide by. However, this is not the case for all organisations. As most aspects of the culture will consist of mutual traits, it is also possible for individual traits to develop in subcultures. As a result, developing a mutual culture may not be as simple as it sounds. This is due to the existence of subcultures in organisations. As many organisations are formulated of different departments, each department can frequently develop their own culture. When these individual cultures develop in an organisation, they are known as subcultures. Subcultures are “localised subsystems of values and assumptions that give meaning to the common interests of smaller clusters of people within the overall organisation” (Bloisi, Cook & Hunsaker 2003; 676). Subcultures may emerge due to mutual perspectives or experiences. People may develop a mutual perspective as a result of leadership, similar traits, having a common background etc. In an organisation, subcultures have three possible impacts. The first impact is that it can enhance the dominant culture; the second is that it can promote an independence from the dominant culture or thirdly, it can function as a counterculture from the dominant culture. Countercultures “reject the values and assumptions of the host organisation and develop opposing beliefs” (Bloisi et al, 2003; 677). As a result, organisations need to be aware of their own organisational culture and whether subcultures actually exist inside the organisation. Therefore if subcultures exist, they need to realise the impact they are having on the

overall organisational culture. For example, a subculture may be undermining an organisation's change-friendly culture and therefore enticing resistance to change.

2.17 - Conclusion

It is clearly evident that the secondary research regards a strong relationship between the levels of resistance to change in an organisation, and the organisational culture. As a result, the organisational culture could be viewed as a useful tool for implementing change into an organisation. Although there are many models that change practitioners have developed, the main theorists seem to focus on the concept of making the changes permanent. However this procedure of enforcing permanency seems flawed. This is a very time consuming process, which will only create chaos when attempting to bring additional changes in the future. For this reason, the organisational culture may be the most effective way to reduce resistance to change. An organisational culture is a crucial and decisive part of an organisation. Rather than forcing people to accept and adapt to changes, one should develop an organisational culture that is flexible and adaptable to changes. If this culture is present, it is inevitable that the levels of resistance to change will be significantly reduced. If the organisational culture is comprised of people that are committed and dedicated to the organisation, then they will be committed to improve the organisation, even if it is conducted through change. This behaviour would also be contagious to new recruits as they would conform to their co-workers behaviour and the overall organisational culture. Overall, an organisational culture that is accepting to change is the ideal approach to dramatically reduce the levels of resistance towards change.

3.0 - Research Questions, Aims & Objectives

The research questions that will be addressed in this project are:

1. What were the drivers that led to change being introduced into LeasePlan?
2. What is resistance to change?
3. How did LeasePlan deal with the employees when implementing their change initiative?
4. Did LeasePlan implement a specific change management model/framework?
5. In regards to the introduction of change, how did the employees in LeasePlan react? Did they resist or accept the changes?
6. What is an organisational culture?
7. What features characterise LeasePlan's organisational culture?
8. Does management view the organisational culture as an important concept?
9. Is there a mutual organisational culture in LeasePlan?
10. What factors influenced the development of LeasePlan's organisational culture?
11. Is there the existence of sub-cultures in LeasePlan?
12. Does LeasePlan's organisational culture have a significant impact the levels of resistance towards change?

The overall aim of this research is to explore the relationship between resistance to change and the organisational culture in LeasePlan Infrastructure Services. The aim of this research focuses on answering the research questions above. The research questions firstly aims to explore LeasePlan's methods of dealing with change. From this, it will give a good insight into the difficulty of resistance to change and how

LeasePlan deal with it. Secondly, the research aim to gain a deep insight into the organisational culture that is present in LeasePlan. From this, it should give a good insight into the employee's attitude towards change. This involves exploring how LeasePlan's organisational culture developed, distinguishing the most important factors of the organisational culture, and exploring the extent to which subcultures exist in the organisation. Therefore, the overall aim is to discover whether there is a relationship between the two concepts and come to a conclusion whether the organisational culture can significantly impact the levels of resistance to change.

The first objective of this research is to analyse the literature written to date on resistance to change and an organisational culture. From this, the researcher presents a strong and competent knowledge on resistance to change and an organisational culture. It also focuses on the importance of an organisational culture and the influence it possesses over the levels of resistance to change present in an organisation. The second objective is to analyse LeasePlan Infrastructure Service's levels of resistance to change and the organisational culture. This will be achieved through the primary research. How the primary research is conducted is explained in the next chapter. The primary research investigates how LeasePlan views resistance to change from employees. It focuses on how the organisation implements change in order to avoid resistance from staff. While investigating this, it also explores the influence the organisational culture has on the levels of resistance towards change in order to distinguish the relationship between the two variables. The objective is to explore whether the culture that LeasePlan Infrastructure Services have fostered has an impact on their methods of implementing organisational change. This inevitably

gives a good insight into the relationship between the two variables. As well as this, the research investigates whether the organisation possesses a mutual culture, or whether the organisation is comprised of a variety of separate subcultures. The primary research extracted from LeasePlan infrastructure is then compared with the secondary research of existing literature in order to find an appropriate conclusion to the research questions.

4.0 - Methodology

4.1 - Research Philosophies

There are three research philosophies that a researcher can choose from. These are; Ontology, Axiology, and Epistemology. Each of these philosophies differs in research methods and as a result, depending on which method is conducted, it can heavily impact the way the research is conducted. In order to discover which method is most appropriate for this research, a brief analysis of each philosophy is conducted.

4.1.1 - Ontology

The first to be discussed involves ontology. Ontology is concerned with the nature of reality, and the researcher's view of the nature of reality or being. It develops queries that researchers may have "about the way the world operates and commitment held to particular views" (Saunders, Lewis & Thornhill 2009; 110). This method can be separated into two aspects. These are objectivism and subjectivism. Firstly, objectivism represents the position that "social entities exist in reality external to social actors concerned with their existence" (Saunders et al. 2009; 110). The second aspect of ontology involves subjectivism. The subjectivist view is that "social phenomena are created from the perceptions and consequent actions of social actors" (Saunders et al. 2009; 111). As well as this, it is a continuous process whereby through the social process of interaction, they are in a consistent state of revision. It can be associated with the interpretivist philosophy, that it is necessary to explore the subjective meanings enticing the actions of the social actors so the researcher is able to understand these actions.

4.1.2 - Axiology

The second philosophy to be discussed involves Axiology. Axiology is a “branch of philosophy that studies judgments about value” and “it is a process of social enquiry with which we are concerned here” (Saunders 2009; 116). Therefore the researchers own values are a vital part of the process. In order for results to be rational and ultimately viable, the researchers own values need to play a major role in all stages of the research. This research will not follow the axiological philosophy as the researchers values are not taken into context when compiling the research. This research focuses on distancing our own attitudes opinions and values, and focusing on the values of our research subjects in order to obtain a non-biased view of the phenomena.

4.1.3 - Epistemology

Epistemology “concerns what constitutes acceptable knowledge in a field of study” (Saunders, Lewis & Thornhill 2007; 102). For this type of researcher, reality is embodied by objects that are considered to be real, for example, computers, vehicles and other physical technology. There are two main research paradigms that this research can follow. It is important to understand and assess which is the most appropriate stance to follow. The first involves Positivism. This philosophy tends to adopt the philosophical stance of the natural scientist. The researcher following positivism usually prefers “working with an observable social reality and that the end product of such research can be law-like generalisations similar to those produced by the physical and natural scientists” (Saunders et al. 2009; 113). The researcher uses existing theory in order to develop a hypotheses, and this will then be tested and

confirmed, rejected or alternatively have some balance between the two. The researcher conducts the research in as far as possible, a value free way. This is to avoid the bias perspective of the researcher's feelings towards certain matters.

On the other hand is the philosophical stance of interpretivism. This stems from the critical perspective of the positivist tradition. Interpretivism "advocates that it is necessary for the researcher to understand differences between humans in our role as social actors" (Saunders et al. 2009; 116). The term 'social actor' stems from the theatre metaphor that as humans we play a part on the human stage of life, therefore we have a certain everyday role to play. An essential feature of the interpretivist philosophy is that the researcher must adopt an empathic stance. The researcher attempts to enter the social world of the research subjects in order to gain an understanding of their world from their perspective. As a result, this philosophical stance is deemed appropriate for business and management research such as organisational behaviour, marketing and human resource management.

Overall, after reviewing the research philosophies, this research seems most suitable to the ontology stance from an interpretivist perspective. This is because it is necessary to explore the subjective meanings enticing the actions of the social actors so the researcher is able to understand these actions. Therefore the organisational culture needs to be assessed in order to understand the levels of resistance to change in LeasePlan Infrastructure Services.

4.2 - Primary and secondary research

The definition of research is “a systematic and methodological process of enquiry and investigation with a view to increase knowledge” (Collis and Hussey 2009; 340).

The aim of this research is to ‘Explore the Relationship between Resistance to Change and an Organisational Culture in LeasePlan Infrastructure Services’. In order to achieve this, primary and secondary research needs to take place. In order to gain the information relevant to my report and analyse it, secondary research is essential. This involves locating books, journal articles, and online data sources in order to gain a greater understanding of the concepts of ‘resistance to change’ and ‘organisational culture’. This secondary research will also evaluate the relationship between each concept. As a result, secondary data is conducted for my research in the form of a literature review.

Primary research is also a pivotal factor for my research. Primary data is collected because the data needed for this specific research can not be obtained through secondary research. Due to the information I look to acquire being very specific, primary research is essential in order to gain it. The primary research is “consistent with the research questions and research objectives” (Ghuri & Gronhaug 2005; 102). This primary data will be collected from the worldwide organisation LeasePlan Infrastructure Services.

4.3 - Deduction & Induction

When choosing a method to conducting research, there are two basic approaches. These are the deductive and inductive approaches. The deductive approach involves developing a theory that is subjected to a rigorous test. This scientific approach is

highly structured and involves selecting sample sizes in order to generalise conclusions (Saunders et al 2007). Deduction emphasises moving from theory to data and is more focused on quantitative data. The inductive approach involves collecting “the data and developing theories as a result of the data analysis” (Saunders et al 2007 p.118). This approach has a more flexible structure and is less concerned with the need to generalise (Saunders et al 2007). Induction emphasises gaining an understanding of the meanings humans attach to events and is therefore more focused on qualitative data. My research is more suited to the inductive approach; however it may still possess elements of the deductive approach.

There are several research strategies that the research can follow. These involve; experiment, survey, case study, action, research, grounded theory, ethnography and finally, archival research. However they are not mutually exclusive so it is possible for several of them to co-exist. This research possesses attributes of experiment and grounded theory. “The Purpose of an experiment is to study casual links; whether change in one independent variable produces change in another dependant variable” (Hamik 2000; 34). This can be aligned with the relationship between resistance to change and the organisational culture. Therefore experiments are usually used for exploratory and explanatory research. As well as this, classic grounded theory is also present in the research. In grounded theory, “theory is developed from data generated by a series of observations. These data lead to the generation of predictions which are then tested in further observations that may confirm, or otherwise, the predictions” (Saunders et al. 2009; 149).

4.4 - The Purpose of the Research

There are three types of studies that can be followed when conducting the research. The first involves exploratory research. Exploratory research aims to discover what is going on, gain insights, and “to ask questions and to assess phenomena in a new light” (Robson 2002; 59). It is appropriate for research that seeks to clarify the understanding of a problem. The research focus begins broad and gradually becomes narrower as the research continues. The second type of study refers to descriptive research. The “object of descriptive research is to portray an acute profile of persons, events or situations” (Robson 2002; 59). A clear picture of the phenomena is needed before the collection of data commences. The third study involves explanatory research. Explanatory research involves establishing the casual relationships between variables. “The emphasis here is on studying a situation or a problem in order to explain the relationships between variables” (Saunders et al 2007; 134). Overall, exploratory research is the study that is the most appropriate to this research. This is because the research is finding out what is going on and gaining insights through conducting a search of literature, interviewing an expert in the situation and conducting interviews with the people in the organisation that are directly affected. However, the research may also possess elements of explanatory research as it is “aimed at identifying and explaining relationships between aspects” such as resistance to change and an organisational culture (Cameron and Price 2009; 72).

4.5 - Quantitative & Qualitative Data Analysis

There are two different approaches to choose from when deciding which data analysis to use. The first to be discussed is quantitative data. Quantitative data analysis is “predominantly used as a synonym for any data collection technique or data analysis procedure that generates or uses numerical data” (Saunders et al. 2007; 145). Quantitative research involves methods such as questionnaires, graphs and statistics. Therefore this type of research generates statistic through the use of large-scale survey research (Dawson 2010).

The second approach to be discussed is qualitative data analysis. Qualitative data analysis is used “predominantly as a synonym for any data collection technique or data analysis procedure that generates or uses non-numerical data” (Saunders et al. 2007; 145). Qualitative research involves techniques such as interviews, focus groups and categorising data. This type of data analysis is characterised by exploring attitudes, behaviour and experiences (Dawson 2010). As a result of this, qualitative data analysis is more relevant to my research topic because my research mainly aims to explore attitudes behaviours and experiences. Therefore smaller more focused samples are priority as opposed to vaguer large scale research such as quantitative research. The purpose of this report is to understand the relationship between resistance to change and an organisational culture. In order for this to be achieved, this research report is carried out using a qualitative research approach. As a result of this, it is clearly evident that mono method analysis is the method to conduct the research. Mono method involves “a single qualitative data collection technique, such as in-depth interviews, with qualitative data analysis procedures (Saunders et al. 2009; 152).

4.6 - Time Horizons

Time horizons are an important factor to consider when conducting research. The study has two separate options in relation to time horizons. These options are either cross-sectional studies or longitudinal studies. Cross-sectional studies are more focuses on a particular moment in time such as a “snapshot”. On the other hand are longitudinal studies. These relate to long periods of time in order to obtain a “series of snapshots”. The time horizon that this research study follows is a cross-sectional study. This is mainly due to the time constraint of the academic course being a major constraining factor that eliminated the possibility of a longitudinal study.

4.7 - Qualitative Data methods

There are several qualitative methods that can be conducted for this research. One of the qualitative methods that could be considered involves conducting panels. Panels are a very common research method as they can be conducted in an open or in a pre-coded manner (Fisher 2007). An open method of panels can take the form of a focus group. “A group of people are brought together to have a free flowing, but focused, discussion on a particular topic” (Fisher 2007; 159). The reason focus groups were considered is because conducting a focus group could get an in dept analysis on the perceptions, beliefs, and attitudes of employees from each department. This would give a good understanding of how the change was implemented to the employees, the cultures that are present in their department, as well as the attitudes and perceptions towards change. However, employees may be influenced to give a different answer by conforming to the other employees in the focus group. An employee may openly agree with an opinion while privately disagreeing. The Delphi

technique is an alternative method to focus groups because it uses panels in a more structured manner. It was developed as a tool for futurology and therefore sets out to “develop a consensus about the likelihood of future scenarios” (Fisher 2007).

However, this research is not attempting to produce predictions, so this approach is also unsuitable to the research.

Observation is another qualitative technique that can be conducted. However, this is a vague concept that is very difficult to effectively conduct over a short period of time. In order to get accurate results, the organisation needs to be observed over a very long period of time. As a result, this method has been ruled out for being too time consuming and lacking clear cut results. Questionnaires were also considered as they could gain information from a large sample of people without much difficulty. However, they can not provide in depth information regarding people’s perceptions, attitudes, values etc. As a result, this research method was not chosen.

The qualitative method that is conducted in this research is interviews. These can be conducted through a telephone interview or face to face interview. This research is conducting face to face interviews because body language is a pivotal factor in communication and cannot be obtained over the phone. “Body Language is the unspoken communication that goes on in every Face-to-Face. Between 60-80% of our message is communicated through our Body Language, and only 7-10% is attributable to the actual words of a conversation” (Mole 2011). These interviews are also conducted through semi-structured interviews because an open interview is lacks an element of structure that is needed and a pre-coded interview lacks the ability of flexibility. Semi structured interviews can provide more information on the topic than any other methods. Semi-structured interviews provide more flexibility to

ask spontaneous follow up questions, to the structured questions that have been originally designed for the research (Blaxter, Hughes & Tight 2010).

These interviews have also been audio recorded. This approach has certain drawbacks. Audio recorded interviews can inhibit some interviewer's responses, and can be a time-consuming approach when transcribing each interview (Saunders et al 2007). However, advantages also derive from this approach. This allows more concentration on the questions and listening as consistency note taking is not essential. Also I can re-listen to the interview and therefore use direct quotes to specifically explain my findings. As a result, the advantages of audio recorded interviews out-weight the drawbacks and for this reason I have audio recorded the interviews.

4.8 - Choosing the Right People

LeasePlan Infrastructure Services is a relevant organisation that my research is based on. This is because the organisation frequently conducts change initiatives in order to maintain their competitiveness. The research conducted in this dissertation focuses on the organisational restructuring that took place in 2010. The information is acquired by the Human Resources Director and individual employees from each different department in the organisation. This interview will be based on a series of questions which relate to the organisation's culture and the levels of resistance to change present in the organisation. From these questions, I hope to gain an insight into the various methods of change management that was implemented to reduce resistance to change from employees and whether the organisational culture had an impact on the levels of resistance to change. By distinguishing Lease Plan

Infrastructure Service's method of reducing resistance to change and identifying the organisational culture, it will assist discovering whether there is a relationship between these two concepts and whether they influence one another.

The reason I chose to conduct a semi-structured interview with the HR manager is because she played a major role in implementing the change as she was one of three people conducting the change. As well as this, she frequently deals with human capital grievances and for this reason would have a good insight into the difficulties that emerged. The organisation is divided up into four categories consisting of the Operations department, the Applications department, the Financial department and the Customer Services department. The restructuring directly affected the employees from the Operations and Applications departments. As a result I conducted an in-depth, semi-structured interview with an employee from both of these departments. However, the financial department and customer services department were not directly affected by the change but the financial department were indirectly affected and as a result I also interviewed an employee from the finance department. Using semi-structured interviews for each gave me an in-depth analysis of exactly how the change was implemented and also how LeasePlan dealt with the employees throughout the process.

5.0 - Findings, analysis and discussion

5.1 - Introduction:

This section aims to investigate the findings of the research through the use of semi-structured interviews (see Appendices A-D for a full transcript of the interviews). The aim of this project is to explore the relationship between resistance to change and the organisational culture in LeasePlan. First the findings will investigate how LeasePlan implemented their change management in order to overcome the major difficulty of resistance towards change. In order to accurately discover how LeasePlan dealt with resistance to change, the research sets out to explore the first five research question.

1. What were the drivers that led to change being introduced into LeasePlan?
2. What is resistance to change?
3. How did LeasePlan deal with the employees when implement their change initiative?
4. Did LeasePlan implement a specific change management model/framework?
5. In regards to the introduction of change, how did the employees in LeasePlan react? Did they resist or accept the changes?

Firstly, change was implemented into LeasePlan due to an economic factor. The economic factor can be a driver for change as it involves aspects such as the level of competitors, suppliers, wage rates and government economic policies. This is relevant to LeasePlan's reason for implementing change as the HR Director explains that *"the reason [they] made the change was to make improvements on certain aspects of the organisation such as customer service, line management, allocation of work, job satisfaction. They were the main reasons [they] saw that needed*

improvement.” (appendix A). This highlights that it was not a “*crisis*” but more of an “*opportunity*” to improve the organisation’s position against competitors. As a result, it is noticeable that LeasePlan’s reasons for introducing the change were economic. From the research previously drawn upon in the literature review, resistance to change has been explored in depth. Resistance to change is considered a standard and natural reaction to change. People tend to resist change because “although change and adaptation is a natural characteristic of the brain, so is the search for safety, security and comfort” (Bennet & Bennet 2008; 378). Generally people fear that they will lose traits such as the level of power they possess, the income they possess, and their ability to cope with the new skills demand. These fears develop insecurities which in turn induce resistance to change. This leads to the question as to how LeasePlan overcame this difficulty when implementing change.

5.2 - How Change was Implemented

After conducting a semi-structured interview with the Human Resource Director of LeasePlan, she assumed that LeasePlan “*didn’t follow any specific change model/framework*” (appendix A) when implementing change into the organisation. She explained that the organisation “*made [their] own framework that was relevant to what [they] wanted to achieve*” (Appendix A). Therefore LeasePlan implemented a change management program that they believed to be the most appropriate method for their organisation and as a result, implemented their own specific model of dealing with change. The HR Director explained that the biggest “*difficulty is how to get people to buy into the change*” (appendix B). They believed that once the employees were aware of the need to change, resistance to change would not be an

issue. As a result, the organisation set out to convince the employees to change by informing them of the opportunity available to the company and highlighting the benefits of the change. This was observed when the HR director explained; *“in our discussions and conversations with staff we really tried to sell the benefits of the change... whether it was beneficial to them or to the customers”* (appendix A). However through closer inspection, it is evident that persuasion was not the only tool that LeasePlan used to get their employees to buy into the change. These findings suggest that LeasePlan followed and adopted many aspects of ‘Kotter’s eight step change model’ a lot more closely than any of the other practitioner’s models, but with some obvious alterations to suit the organisation.

5.2.1 - Reducing Resistance to Change

As previously mentioned, the first four steps of Kotter’s model are built on the beginning stage of Lewin’s model, the ‘unfreezing’ stage. Therefore these four steps focus on preparing the human capital for the change. The first step of Kotter’s model involves ‘creating a sense of urgency’ (Kotter 1996). LeasePlan initiated the change as a result of an opportunity to *“improve on certain aspects of the organisation such as customer service, line management, allocation of work and job satisfaction”* (appendix B). As well as this, LeasePlan also *“wanted more relevant skill sets in each team to more affectively support the applications”* (appendix B). LeasePlan created a sense of urgency by informing the relevant employees of this opportunity and of the need to change through the use of meetings and presentations. Also the HR Director confirmed that a time frame was put in place when explaining that *“we agreed a communications plan and a time frame”* (appendix A). Overall, this highlights that

LeasePlan created a sense of urgency for the employees and as a result, the employees were realising the need to change. This point can be supported by an Operations department employee when he explained that the organisation needed *“to make the changes to manage the growing workload for people”*. He went on to highlight his understanding of the need for change by further explaining that *“people need to move and progress so the changes are very important”* (appendix C). As well as this, an employee from the Applications department also confirmed the benefits of this step when explaining the reason for changing *“was all very clear and [she] could see the benefits of the changes”* (appendix B).

The second step of Kotter’s Model is ‘developing the guiding coalition’ (Kotter 1996) to lead the process of change. When developing a guiding coalition, the use of influential and respected people in the organisation are the most effective leaders, as they already possess a sense of power and as a result employees will respect their decisions making. It is clearly evident that LeasePlan implemented this step.

LeasePlan created a coalition of influential and respected people that had a strong sense of authority. This coalition consisted of the Managing Director, the Head of the Department (depending on which department was being dealt with) and the Human Resource Director (appendix A).

Kotter’s third step was to ‘develop a vision and strategy’ (Kotter 1996). LeasePlan developed a vision and strategy that aimed *“to make an improvement on certain aspects of the organisation such as customer service, line management, allocation of work and job satisfaction”* (appendix A). As a result, it is evident that LeasePlan’s vision and strategy was to develop and implement an organisational restructuring that would compliment this vision and strategy.

The fourth step of Kotter's Model is to effectively 'communicate the change vision' (Kotter 1996). LeasePlan communicated the change vision to the employees via one-to-one meetings, group meetings or presentations. The one-to-one meetings concerned the managerial positions. This is clearly evident when the HR Director explained that *"over the course of 1 or 2 days a series of one-to-one meetings say with individuals mainly in middle managers and team leader level to discuss with them on a one-to-one basis what the changes would be and why and give them some background into the process that we went through"* (appendix A). When deciding how the change vision should be communicated to the departments, they would have either a meeting or a presentation depended on their relevance/involvement to the reorganisation. For instance, the members of the applications and operations department [heavily relevant/involved in change] had a *"meeting with their team leader, the department manager and the HR manager"* (appendix B) and in these meetings they were *"informed of the changes and why they were doing it"* (appendix A). These meetings also allowed employees the opportunity to express their opinion and air any concerns or grievances towards the change. However, in relation to the financial department and customer services department [lightly impacted by the change], they were not invited to a meeting because they were not directly affected. Instead, they were *"given a presentation outlining all of the changes"* (appendix D). LeasePlan were very effective in their communication methods as they efficiently and effectively communicated the vision to the relevant people in a time efficient manner. They kept the employees satisfied, without consuming too much time. An employee from the Financial department even expressed her appreciation of the presentation she received when explaining that "it is good to be kept informed

about changes in the company even if you are not directly affected by them” (appendix D). As a result of this, Kotter’s fourth step was implemented effectively. Therefore through further analysis, it is clearly obvious that LeasePlan’s change management regime thoroughly implemented the first four steps of Kotter’s model. These steps are very important in order to reduce resistance to change. If an organisation implements these procedures, it prepares the people for the changes ahead and therefore helps eliminate the difficulties (such as bad communication) that can entice resistance to change.

The next three steps of Kotter’s model are not as strongly implemented as the first four steps. These next three steps can be seen as further actions that are implemented to ensure that resistance towards change does not arise. Kotter’s fifth step is ‘empowering others to act on the vision’. In this step, employees are encouraged to assist and take part in implementing the changes as movement takes place after people have bought into the need for change. As a result, the step’s role is to ensure participation and involvement takes place in order to reduce resistance to change. This step is evident as involvement and participation took place to a certain extent. *“Individuals mainly in middle managers and team leader level”* were presented the opportunity *“to discuss with them on a one-to-one basis”* (appendix A) their opinions and in that sense were given the ability of participate. As well as this, this step also involves *“getting rid of obstacles and changing systems or structures that undermine [the change] vision”* (Kotter 1996; 13). As a result, LeasePlan can also be regarded as fulfilling this procedure as they realised that *“there were certain key people that were essential in order to implement the change so [they] gave them*

bonuses in order to keep it running smoothly" (appendix A). This shows evidence of removing the obstacles of influential people that are capable of encouraging resistance to change.

However, although aspects of the fifth step have been implemented by LeasePlan, this step was not fully implemented in their change management process. The employees did not receive much empowerment, participation or involvement when implementing the change. As previously mentioned, Kotter and Schlesinger (2008) developed the theory of the strategic continuum. According to the strategic continuum, an organisation can take either a fast approach or a slow approach when implementing change and this choice depends on the pace that the organisation plans on conducting the change at (Kotter & Schlesinger 2008). It is evident that LeasePlan positioned themselves on the fast side of the strategic continuum as they did not implement time consuming methods such as participation, involvement, empowerment etc. LeasePlan did not need these tools to implement the change as resistance was not a major difficulty. However, for other organisations, these procedures can be deemed as vital.

The sixth step of Kotter's model involves 'planning for short term wins'. This step involves creating visible improvements that can ensure the change is positive. Again this step was not strictly implemented as LeasePlan's employees were not critical of the change as they had previously bought into it. This is evident as an employee from the applications department explained that *"when it was explained in the meeting it was all very clear and I could see the benefits of the changes"* (appendix B). It was not necessary for LeasePlan to implement short-term wins to persuade the

employees that the changes were working because the people were already convinced that the changes were for the benefit of the company. Therefore, LeasePlan didn't have to prove the change was worthwhile by implementing short-term wins. As a result, all of the employees were already reassured about the direction of the change and due to this, the sixth step was not necessary.

The seventh step involves 'building on the change'. This step relates to the organisation continuously searching for improvements in order to keep up with the dynamic environment as well as "using increased credibility to change all systems, structures and policies that don't fit the vision" (Kotter 1996). As previously mentioned, LeasePlan consistently deal with change in order to maintain their dominant position and continuously improve. They pride themselves on their dynamic ability and for that reason; they take advantage of any opportunity that will improve the organisation. Due to this, it is clearly evident that LeasePlan are continuously 'building on the change'.

5.2.2 - The Concept of Permanency

The final step of Kotter's model involves 'institutionalizing new approaches into the culture' (Kotter 1996). This is Kotter's version of Lewin's original theory of 'refreezing'. This step highlights that "change sticks when it seeps into the bloodstream of the corporate body" (Stanleigh 2008; 34) and therefore focuses on making the changes permanent. Without this step, organisations can perceive themselves to easily lose all the progress made as the people in the organisation may slowly revert back to the original ways before the change. As a result, most

organisations consider anchoring the changes into the corporate culture in order to make the changes permanent. However LeasePlan do not seem to focus on the concept of permanency in relation to change as change is considered to be a *“constant factor in the organisation”* (appendix C). This is visible as an employee from the Operations department explains; *“Our team has been split up and expanded again and the team names have changes to better represent our roles”* (appendix C). LeasePlan seem to pick up on the realisation that spending time anchoring the change into the organisation will impede the organisation’s dynamic qualities. If the changes are made permanent, it will decrease the organisation’s ability to efficiently introduce change the next time. As a result, LeasePlan did not implement the final step to the extent to which literature advises as it could impede their adaptability in relation to change and thus LeasePlan’s Competitive advantage.

Overall, after conducting the interviews, it was apparent that there was minimal resistance to change present during the change initiative. This seems abnormal that LeasePlan were able to implement the fast approach to the strategic continuum without experiencing a lot of resistance to change. This is visible as the time consuming approaches such as step five - empowering other to act on that vision, and six - creating short-term wins, are steps that are implemented to ensure that resistance towards change is eliminated. However, LeasePlan did not implement these procedures, and yet they did not experience high levels of resistance towards change. As well as this, they did not implement the final stage as convincing as literature suggests. So it is apparent that some aspects of Kotter’s model were followed while other aspects were not. This hints that they did develop their own

method in order to deal with implementing change or at least altered Kotter's Model to suit their own organisation. However, in order to fully understand the organisation's method of dealing with change, an analysis of the organisational culture must also take place.

5.3 - The organisational culture

The second step of this research aims to investigate the findings of semi-structured interviews in relation to the organisational culture that LeasePlan possesses. In particular, this section aims to discover the following research questions;

6. What is an organisational culture?
7. What features characterise LeasePlan's organisational culture?
8. Does management view the organisational culture as an important concept?
9. Is there a mutual organisational culture in LeasePlan?
10. What factors influenced the development of LeasePlan's organisational culture?
11. Is there the existence of sub-cultures in LeasePlan?
12. Does LeasePlan's organisational culture have a significant impact the levels of resistance towards change?

Firstly, after an in-depth analysis in the literature review, the research has concluded that an organisational culture can be considered "the collection of relatively uniform and enduring values, beliefs, customs, traditions and practices that are shared by organisation's members, learned by new recruits and transmitted from one

generation to the next” (Huczynski & Buchanan 2007; 623). Overall, it is considered the personality of the organisation.

When analysing LeasePlan’s culture, several aspects were identified. Firstly in relation to the four generic cultures that originated from Deal and Kennedy’s Typology, it is apparent that LeasePlan fits into the work-hard/play-hard culture ahead of any of the cultures. This is a low-risk culture that does not place a great emphasis on individual’s performance but rather collective performance. “Such organisation’s tend to be highly dynamic, and sales organisations with work-hard/play-hard cultures are often customer-focused” (Brown 1998; 70). LeasePlan’s culture is also focuses on customer service as well as being highly dynamic. This is apparent as an employee explains that the *“customer focus would be a mutual organisational culture and [he] thinks this would tie in with the 4 values”* (appendix C). Also the HR Director explains that the organisation is dynamic when proclaiming that *“we are not a Company that is in a steady state so they understand that frequent change is inevitable”* (appendix A).

Secondly, the Human Resource Director made it clearly visible that the whole organisation, including management views the organisational culture as an important concept. This is evident as the HR Director explains that *“the LeasePlan Values are Commitment, Expertise, Passion and Respect. These are common to LeasePlan companies globally”* (appendix A). This expresses that LeasePlan implement those values in every organisation they have. This expresses that the organisation considers the culture of the organisation as a crucial aspect. She also continues to explain that in the company *“there is also a strong culture of customer service, ownership and responsibility”* (appendix A). Another factor that highlights

LeasePlan's awareness and emphasis on their culture is the fact the every employee that was interviewed was fully aware of the four values as they *"spent 2 days at a workshop discussing the four key values of the organisation and as part of it [they] all had to come up with examples of how [they] use the values in [their] day to day work"* (appendix B). Also, an employee from the operations department explained that there *"are posters all over the office to represent them [four values]"* (appendix C). As well as this, it is clearly evident that the organisation lives up to its cultural goal as the financial employee explains that the people in LeasePlan are very *"hardworking and committed [to their work] especially since the workload has been increasing"* (appendix D). This therefore contributes evidence that the organisation lives up to the culture that LeasePlan headquarters initially set out to achieve; commitment, expertise, passion and respect.

5.3.1 - Communication in LeasePlan

From the primary research, it was clear that LeasePlan places a major emphasis on communication. Firstly they ensured that all the employees were made aware of the changes and the reason for the changes. Even employees that were not affected by the change were informed. This was essential as employees felt it *"is good to be kept informed about changes in the company even if you are not directly affected by them"* (appendix D). The HR Director *"didn't want people finding out about the changes through word of mouth"* (appendix A) as this can antagonise employees if they feel they were left in the dark about critical issues that is directly relevant to them such as a restructuring. If this occurred, the employee's trust in management could diminish and therefore jeopardise the high levels of commitment the

employees have towards LeasePlan. LeasePlan must have been aware of this and realised that losing the employee's commitment would in turn destroy the change-friendly culture and lead to high levels of resistance to change. As a result, the people were informed about the changes in order of importance so that *"the people that were affected most in the organisation were informed first through meetings and the people that were indirectly affected would then be informed through a presentation"* (appendix A). As a result of this careful planning, it ensured that the employees who were most affected by the change such as the Applications & Operations departments, were the first to be informed while the employees that were not directly affected such as the financial department, were the last to be informed about it. An employee from the Operations department explains that *"the last thing you want is people speculating before we know what is going on"* (appendix D). This can provoke unnecessary anxiety and paranoia and therefore highlights the need for an organisational culture that possesses the characteristic of good communication.

5.4 - The Impact of the Organisational culture on the Levels of Resistance to Change

As previously mentioned above, LeasePlan's culture emphasises the aspect of committed employees. This is noticeable from all the employees and the HR Director when they explained that one of the organisation's four main values is *"Commitment"*. Organisational cultures that are characterised by dedicated and competent employees are the most successful organisations. This is because employees are willing to take part in activities that may not immediately suit them, but will

ultimately improve the organisation. Therefore LeasePlan possess the ideal scenario of a culture defined by commitment. As previously mentioned in the literature review, commitment from employees is essential in order to develop a culture that is accepting towards change. As change requires learning and developing new skills, behaviours and attitudes, it requires a huge amount of effort from employees (Alas & Vadi 2004). Therefore if an employee shows a high level of commitment towards the organisation, it indicates that the person has commitment to improve any aspects of the organisation that needs improvement. This commitment to the organisation therefore enables the employees to become more open to organisational change. A major reason that contributes to LeasePlan's low levels of resistance to change relates to the "Committed" organisational culture they possess. The people in the organisation are happy to be dynamic and flexible employees for the good of the organisation as this is evident several times through out the primary research. For example, when an employee from the applications department was asked about the attitudes, values and beliefs that stand out in the organisation, she replied; *"I would say hardworking and committed definitely, a lot of people in the organisation have taken on a lot of extra work in the last couple of years and are working extremely hard to try and keep on top of it"* (appendix B). This is a perfect example of a committed organisational culture and for this reason; LeasePlan experienced very little resistance to change. As a result of this, the high levels of commitment may therefore be responsible for the development of a 'Change-friendly Culture' in LeasePlan.

5.5 - The Presence of a Change-friendly Culture

As previously discussed, LeasePlan implemented an alternative approach to Kotter's model when implementing change. However, LeasePlan was able to implement the fast approach of the strategic continuum without experiencing high levels of resistance to change. It is evident that the reason for this is due to the organisation's high levels of commitment which therefore developed the presence of a 'change friendly culture' (Kotter and Rathgeber 2008). A 'change friendly culture' is an organisational culture that accepts when change is introduced and as a result, rejects the state of mind that induces resistance to change. There are many reasons that have led to the conclusion that LeasePlan developed a change-friendly culture and inevitably reduced resistance to change.

A major factor that has induced this change-friendly culture in LeasePlan is that change is a persistent factor in the organisation. As previously mentioned, the organisation's strategy can have a major influence of the organisational culture. Every organisation possesses a strategy in order to position themselves in the most dominant position possible with respect to their competitors. In relation to LeasePlan, the organisation's strategy has a strong customer focus. This is evident as an operation's employee explains that *"Customer focus would be the main one"* (appendix B). LeasePlan aims to be flexible and adaptable to changes in the market in order to be the first to take advantage of the new opportunities. Therefore a lot of change needs to take place. The presence of a change friendly culture can speed up the process of change itself and as a result, LeasePlan's culture needs to be open to changes in the workplace. It is therefore evident that the organisation's strategy and

culture need to be aligned in order for the organisation to be successful. This highlights that according to LeasePlan's strategy, the organisation needs to possess a Change-friendly culture. In LeasePlan, it is observable that there is a change-friendly culture present. The employees believe that change *"has become a consistent factor in the organisation"* (appendix C) and that *"everyone is a lot more open to change now than they used to be"* (appendix D). Throughout the primary research, there were consistent hints that the organisation possessed this culture. The HR Director explained that *"change is consistently happening in this organisation and for that reason they are now used to it and accept it each time it is introduced"* (appendix A). As well as this, she explained that *"we are not going to stop changing things as we grow and as improvement opportunities come along. We are not a Company that is in a steady state so [the employees] understand that frequent change is inevitable"* (appendix A). The employees also expressed further evidence that the organisation has a change friendly culture when explaining that they accept change, rather than resisting it. For example, an application's employee expressed that *"the need for change is very important to be able to manage the new workload and extra skills required to support the services. So to answer the question yes it has become a consistent factor in the organisation"* (appendix B). She further backs up this theory when she reiterated that *"we are experiencing changes quite regularly now in the Aps department so I would say people are used to it now and more open and understanding to it"* (appendix B). Finally, the employee from the operation's department hinted at a change-friendly culture when he also expressed an understanding towards the change as oppose to resisting it. This is clear as he explained that *"we need to make the changes to manage the growing workload for*

people. Also people need to move and progress so the changes are very important” (appendix C). Due to the successful changes in the past, people in the organisation now have trust that the change will be more beneficial for everyone in LeasePlan. Employees are noticing that *“the changes are making people consider their options for promotion and moving up”* (Appendix D) and because of this, people have become a lot more welcoming to the idea of change.

With employees such as these that are committed to the organisation, it is clear that there is a change-friendly culture as they are willing to step out of their comfort zone time and time again in order to improve the organisation. The employees have dealt with change frequently and for that reason are fully capable of consistently dealing with change. For these reasons, it is clearly evident that LeasePlan has a change-friendly culture. Also, due to the change-friendly culture, LeasePlan was able to take the fast approach to the strategic continuum without experiencing high levels of resistance to change.

5.6 - LeasePlan’s Change Management

LeasePlan implemented many elements of Kotter’s model. This model emphasises eight sequential steps of how to implement change management and LeasePlan implemented the first four stages of preparing the staff to perfection. However, as a result of change being a consistent factor in the organisation, LeasePlan viewed change as more of an open ended cycle rather than a step by step procedure having a beginning middle and an end. They implemented each of the steps that the model suggests but were able to eliminate the procedures that were time consuming. The persuasive techniques that were developed in order to reduce resistance were not

as necessary as Kotter suggests because of the change-friendly culture at LeasePlan. This culture allowed LeasePlan to follow the fast approach on the strategic continuum (Schlesinger & Kotter 2008). However, although the employees may have been accepting towards the change, this fast approach may have also been fostered by LeasePlan's explicit and coercive approach towards its employees. This is evident as the HR Director explains that the employees "weren't really given a choice" (appendix A) when the change was being implemented.

5.7 - LeasePlan's Mutual culture

Overall, a change friendly culture has been identified in LeasePlan. However, it has not been identified whether this is the mutual culture throughout the whole organisation or whether individual subcultures also exist. Subcultures are "localised subsystems of values and assumptions that give meaning to the common interests of smaller clusters of people within the overall organisation" (Bloisi, Cook & Hunsaker 2003; 676). In an organisation, subcultures have three possible impacts. The first impact is that it can enhance the dominant culture; the second is that it can promote an independence from the dominant culture or thirdly, it can function as a counterculture from the dominant culture. As a result, organisations need to be aware of their own organisational culture and whether subcultures actually exist inside the organisation. In LeasePlan, the HR Director explained that there is a mutual culture in the organisation that is defined by "*Commitment, Expertise, Passion and Respect*" as well as "*a strong culture of customer service, ownership and responsibility*" (appendix A). The employees also agree with the mutual culture in the organisation as they too reiterate the same four characteristics that the HR Director

believes to define LeasePlan's culture. As well as this, the evidence above shows an overall mutual culture that is accepting towards change.

5.8 - LeasePlan's Subcultures

However, the HR Director also believes that subcultures exist in the organisation and this is evident as she explains that there *"would be subtle differences between employees at different levels and sometimes even within different teams"* and these were formed *"by friendships of course but also hugely by the manager of that area and how he/she communicates with the teams"* (appendix A). This highlights that there were differences in the cultures of different departments in the organisation and that is how the subcultures may have originally been formed. The HR Director then went on to explain the different types of subcultures that exist in the organisation. She stereotyped them into four separate cultures. This is apparent when she continues; *"We would identify them as critics - people who are always questioning, sceptical and hard to please, Drivers - positive people who support the organisation and have a very positive influence on others, Detached - dissatisfied and de-motivated employees, and Residents - people who are steady performers, comfortable in their roles, not overly ambitious."* (appendix A).

While talking to the employees, there was evidence that the organisation's change-friendly culture was not as mutual throughout the organisation as first thought. As previously mentioned, the employees from the applications and operations departments portrayed themselves as very open to change. This may be where the HR Director may have been referring to the *"drivers"* and *"residents"* employees. However, when talking to the employee from the finance department, it was quite

clear that she did not share the same perspective towards change as the others. This signifies that there may have been a subculture that strays away from the organisation's mutual change-friendly culture. The HR Director explained that *"departments who have more critics or detached employees were negative, sceptical, worried and gossiped a lot about the change and how the change was being implemented"* (appendix A). This could be the HR Director considering the financial department to consist of *"critics" and "detached" employees* as the HR Director explained that the financial department *"haven't had to deal with significant changes themselves so I believe they would be less open and less able to deal with it than the other departments"* (appendix A). There is also further evidence that the finance department can be considered a subculture as the financial employee explains that they are *"not technical like most of the other departments and [their] not responding to customer requests, [they] deal with the finances so [they] have different pressures than the other departments."* (appendix D). As well as this, the employee also concludes that the department doesn't deal with change as efficiently as other departments as she *"noticed some people within [her] department were bickering about small changes"* (appendix D). She then followed this statement by saying *"but sure that only natural"* (appendix B), and thus highlighting the negative attitude towards change in comparison to other departments. Overall, individual subcultures do exist in this organisation and an example of a subculture is the financial department's culture in comparison to the change-friendly culture present in the organisation.

6.0 - Conclusion

6.1 - Relationship of results to research questions

The first research question is; [what were the drivers that led to change being introduced into LeasePlan?](#) The research findings discovered that the main reason to implement change was due to the external environment. The main objective was to improve the organisation's competitiveness. This was achieved by making improvements on certain aspects of the organisation such as customer service, line management, allocation of work, job satisfaction.

The second research question is; [what is resistance to change?](#) Resistance to change can be defined as "an individual or group engaging in acts to block or disrupt an attempt to introduce change" (Daniels 2010). There are two main types of resistance that can be identified. The first is resistance to the content of change. The second is resistance to the process of change. However, neither of these types of resistance had a major impact on the changes being implemented in LeasePlan.

The third research question is; [how did LeasePlan deal with the employees when implementing their change initiative?](#) The employees were informed of the changes in order of importance. The employees that were directly affected by the changes were informed first through meetings. The employees that were not directly affected but may have been indirectly affected were informed afterwards through presentations.

The fourth research question is; [did LeasePlan implement a specific change management model/framework?](#) LeasePlan developed their own change management model/framework that suited their organisation. It is evident that there are many similarities between LeasePlan's model and that of Kotter's eight step model, especially in relation to preparing the people for change. However, the final steps of Kotter's model were not as evidently present and as a result, it is clear that LeasePlan have a unique method of implementing change to suit their organisation.

The fifth research question is; [in regards to the introduction of change, how did the employees in LeasePlan react? Did they resist or accept the changes?](#) The employees in LeasePlan did not resist the changes being implemented into the organisation. In fact, especially with regards to the applications department and operations department, the employees were very open and accepting towards the changes being introduced. However in relation to the financial department, the employees were not as open to the changes, but none the less, resistance did not occur either as they simply accepted the changes. Overall, there was very little resistance from the employees as they were quite accepting to the changes.

The sixth research question is; [what is an organisational culture?](#) An organisational culture can be considered "the collection of relatively uniform and enduring values, beliefs, customs, traditions and practices that are shared by organisation's members, learned by new recruits and transmitted from one generation to the next" (Huczynski & Buchanan 2007; 623). Organisational members may not be consciously

aware of the culture that exists, yet it can still subconsciously influence their behaviour.

The seventh research question is; [what features characterise LeasePlan's organisational culture?](#) In LeasePlan, there was a mutual culture characterised by commitment, expertise, passion and respect. These characteristics (especially commitment) are what led to the presence of a change friendly culture in LeasePlan.

The eighth research question is; [does management view the organisational culture as an important concept?](#) The HR Director confirmed that it is important factor that needs to be recognised. However she also explained that they only really began to realise the significance of the organisational culture from 2006 onwards.

The ninth research question is; [is there a mutual organisational culture in LeasePlan?](#)

The mutual culture involves the organisation's change-friendly culture.

The tenth research question is; [what factors influenced the development of LeasePlan's organisational culture?](#) This mutual culture is characterised by the four organisational values; commitment, expertise, passion and respect.

The eleventh research question is; [is there the existence of sub-cultures in LeasePlan?](#) There was the existence of subcultures in LeasePlan. They developed through different departments. The most noticeable subculture relates to the financial department as they were not as open and accepting to change as the other departments.

The final research question is; [does LeasePlan's organisational culture have a significant impact the levels of resistance towards change?](#) After a thorough analysis

of the primary and secondary research, it is clearly evident that there is a strong relationship between the levels of resistance to change and an organisational culture. In fact, an organisational culture is probably the most influential factor in relation to the employee's attitude towards change.

6.2 - Summary of results

It is clearly evident that there is a strong relationship between the levels of resistance to change and an organisational culture in LeasePlan infrastructure. The organisational culture was developed and aligned with the organisation's strategy. The organisation's strategy is to be a very dynamic and flexible organisation. The organisation's change-friendly culture is what makes this possible for the organisation. As a result, an organisational culture is probably the most influential factor in relation to reducing resistance to change.

LeasePlan possess a work hard/play hard culture. This is a low-risk culture that does not place a great emphasis on individual's performance but rather collective performance. "Such organisation's tend to be highly dynamic, and are often customer-focused" (Brown 1998; 70). LeasePlan's culture also focuses on customer service as well as being highly dynamic. As a result of this, it is obvious that LeasePlan deal with change on a frequent basis and therefore have to deal with the difficulty of resistance to change. LeasePlan were capable of implementing change by using the fast approach to the strategic continuum. This allowed them to skip the time consuming procedures that are specifically designed to resolve resistance to change. As previously mentioned Kotter's model can effectively implement change and overcome resistance to change. However, the model may only temporarily allow

change to be implemented without resistance occurring. It does not permanently defuse the problem of resistance. Therefore in relation to organisations that may not need to conduct change frequently, Kotter's model may be sufficient. However, in relation to organisations such as LeasePlan that need to be consistently dynamic and flexible, this is not the most effective approach to take. Implementing all of the eight steps of Kotter's model can be a time consuming procedure due to the concept of permanency. As the model has a beginning, middle and end, rather than a continuous open ended cycle, it slows down the speed of implementing change, and makes the process of change a more daunting, time consuming procedure. This is not an ideal situation for organisations such as LeasePlan Infrastructure Services as they rely on their ability to be dynamic and flexible in order to remain competitive. As a result, LeasePlan's organisational culture is what helps them implement change at a faster rate without having to deal with resistance to change. This relates to the employee's high levels of commitment and the organisation's change-friendly culture. These are the elements of the organisation's culture that reduce resistance to change in an organisation. As a result of this, specific time consuming steps can be avoided. Therefore it can be clearly seen through the primary and secondary research, that the organisational culture has a massive impact on the levels of resistance to change present in an organisation.

As well as this, the primary and secondary research also concludes that subcultures frequently exist in organisations and LeasePlan is an example of this. As previously mentioned, in LeasePlan's mutual culture was characterised by commitment, expertise, passion and respect. These characteristics (especially commitment) are what led to the presence of a change friendly culture in LeasePlan. However, the

existence of a subculture was present in relation to the finance department. This was noticeable as this department did not possess the same mindset as the mutual organisational culture. The financial department's subculture was not as open to change as the other departments. This may have developed as a result of the department not having to frequently deal with change. None the less, the financial department did not possess a change-friendly culture to the same extent as the rest of the organisation and as a result, the department can be considered a subculture.

6.3 - Recommendations

Overall, LeasePlan have developed their change management brilliantly. They managed to develop the organisational culture in a way which helps them continuously implement change without major difficulties such as resistance. As a result of this, it is very difficult to fault LeasePlan. LeasePlan has developed the ideal organisational culture.

6.3.1 - Recommendation 1

However, the first recommendation is that the organisational culture needs to be maintained as well as nurtured. As previously mentioned, Kotter explains "too often we tell ourselves Harry [the resistor] is just a pain. No, Harry is deadly. Those kinds of people can't be co-opted. You've got to get them off the stage" (Shrader 2008; 37). This highlight that even one negative thinker that begins to resist change is capable of causing major difficulties to the change-friendly culture. Therefore the organisation needs to ensure that they deal with this problem rather than ignoring it, as it may poison the positive culture that already exists. Therefore if a current employee is causing any trouble in relation to change, it must be dealt with quickly,

whether this involves negotiating a solution with the employee or a more sinister repercussion such as suspending or firing the employee. For the same reason, LeasePlan must be aware of the organisations culture when hiring new employees to the organisation. LeasePlan must choose the appropriate candidates that also fit into the change friendly culture. For example, they must hire adaptable, flexible and dynamic workers that possess the four quality attributes that LeasePlan require; commitment, expertise, passion and respect. If this is achieved, the LeasePlan can successfully maintain their organisational culture.

6.3.2 - Recommendation 2

The second recommendation also relates to maintaining the organisational culture however it stems from another point, regarding LeasePlan's method chosen to implement the change. During the primary research with the HR Director, she explained that "there wasn't any choice given" (appendix A) to employees in relation to the change. This shows that management may have used an autocratic managerial style that relates to Kotter & Schlesinger's method of 'explicit and coercion'. This involves forcing the people in the organisation to tolerate the changes. It is usually enforced by explicitly or implicitly threatening the people or in some extreme cases, by actually firing them (Kotter & Schlesinger 2008). If explicit and coercion exists in an organisation, it can result in close supervision and pressure. If employees feel they do not have any choice in the matter it can result in frustrated employees resenting the organisation. This can lead to the major difficult of low job satisfaction. If employees in the organisation possess low job satisfaction, overtime it can lead to employment difficulties. These difficulties can include low productivity

rates, high absenteeism rates and high labour turnover. Not only this, but it could also sacrifice the organisation's change-friendly culture and disrupt the organisations four core values. As a result, the organisation should substitute 'explicit and coercion' with 'negotiation and agreement' if an employee has a difficulty. This involves compromising in order to keep the resistance to a minimum and ultimately keeps the employees more satisfied. It can further improve the employee's mentality and commitment towards the organisation as they will believe they have more of a choice in the matter.

7.0 - Bibliography

- Alas R. & Vadi M. (2004) 'The Impact of Organisational Culture on Attitudes', *Journal for East European Management Studies*, Vol. 9 (1) p.20-39
- Armstrong M. (2007) *Human Resource Management Practice*, 10th edition, London: Kogan Page
- Bennebroek Gravenhorst K. (2003) 'A Different View on Resistance to Change', *Power Dynamics and Organizational Change IV*, Amsterdam
- Bennet A. & Bennet D. (2008) 'A new change model: factors for initiating and implementing personal action learning', *VINE*, vol. 38, iss. 4, p. 378
- Blaxter L., Hughes C. & Tight M (2010) *How to Research*, 4TH Edition, Berkshire; McGraw Hill
- Bloisi W., Cook C. & Hunsaker P. *Management and Organisational Behaviour*, Berkshire: McGraw-Hill
- Brown A. (1998) *Organisational Culture*, 2nd edition, London: Pitman Publishing
- Cameron S. & Price D. (2009) *Business Research Methods: A Practical Approach*, London: CPID
- Collis J. and Hussey R. (2009) "Business Research: A Practical Guide for Undergraduate and Postgraduate Students", 3rd edition, London: MacMillan
- Daniels K. (2010) 'Change Management', *CIPD*, November, p.1
- Dawson C. (2010) *Introduction to Research Methods*, 4th edition, Oxford: howtobooks

- Fisher C. (2007) *Researching and Writing a Dissertation: A Guide for Business Students*, 2nd edition, Essex: Prentice Hall
- Guauri P. & Gronhaug K.(2005) *Research Methods in Business Studies; A Practical Guide*, Dorchester: Prentice Hall
- Hamik C. (2000) *Research Design: Successful Designs for Social and Economic Research*, 2nd edition, London: Routledge
- Hofstede G. (2001) *Culture's Consequences: Comparing Values, Behaviour, Institutions & Organisations*, 2nd Edition, California: Sage Publishers
- Huczynski A. & Buchanan D. (2007) *Organization Behaviour*, 6th edition, Essex: Prentice Hall
- Hughes M. (2006) *Change Management: A Critical Perspective*, London: CIPD
- Johnson G., Scholes K., & Whittington R. (2005) *Exploring Corporate Strategy*, 7th edition, Essex: Prentice Hall
- Kotter J. & Rathgeber H. (2006) *Our Iceberg Is Melting: Changing and Succeeding Under Any Condition*, St. Martins Press: Macmillan
- Kotter J. & Schlesinger (2008) 'Choosing Strategies for Change', *Harvard Business Review*, vol. 86, iss. 7/8, p130-139
- Kotter J.P (1996) 'Transforming Organisations', *Harvard Business Review*, vol. 13 (9) p13
- Levasseur R.E. (2001) 'People Skills, Change management tools – Lewin's change model', *Interfaces*, July/August, p. 71-73
- Mabey C. & Mayon-White B. (2004) *Managing Change*, 2nd Edition, London: Paul Chapman Publishing

- Mullins L. (2010) *Management & Organisational Behaviour*, 9th edition, Essex: Prentice Hall
- O'Donnell O. & Boyle R. (2008) 'Understanding and Managing Change', *Institute of Public Administration*, Dublin: Lansdowne Road
- O'Reilly C. (1989) 'Corporation, Culture, and Commitment: Motivation and Social Control in Organizations', *California Management Review*, 31 (4): p. 9-24
- Pugh D. (1993) 'Understanding and Managing Organisational Change', in Mabey C. & Vroom B. *Managing Change*, 2nd edition, London: Paul Chapman, p. 108-112
- Purcell J., Hutchinson S., Kinnie N., Swart J. & Rayton B. (2004) 'Vision and Values: organisational culture and values as a source of competitive advantage', *CIPD*, October, p.1
- Robson C. (2002) *Real World Research*, 2nd edition, Oxford: Blackwell
- Salancik R. & Pfeffer J. (1978) 'A Social Information Processing Approach to Job Attitudes and Task Design', *Administrative Science Quarterly*, p224-253
- Saunders M, Lewis P. & Thorntill (2007) *A Research Methods for Business Students*, 4th edition, Essex: Prentice Hall
- Saunders M, Lewis P. & Thorntill (2009) *A Research Methods for Business Students*, 5th edition, Essex: Prentice Hall
- Schein E. (1992) *Organizational Culture & Leadership*, 2nd edition, San Francisco: Jossey-Bass Publishers
- Schwartz H. & Davis S. (1981) 'Matching Corporate Culture and Business Strategy', *Organisational Dynamics*, p. 30-48

- Senior B. & Flemming J. (2006) 'Organizational Change' 3rd Edition, Essex: Prentice Hall
- Shrader A. (2008) 'Developing a Change-Friendly Culture', *Leader to Leader*, June, issue: 48 p.33-38
- Sidorko P.E. (2008) 'Transforming library and higher education support systems: Can change models help?', *Library Management*, vol.29, iss. 4/5 p. 307
- Stanleigh M. (2008) 'Effecting successful change management initiatives', *Industrial and commercial training*, vol. 40, iss. 1, p. 3
- Tan V. & Tiong T. N. (2005) 'Change Management in Times of Economic Uncertainty', *Singapore Management Review*, vol. 27, iss. 1, pg. 49
- Unknown (2011) 'Welcome to LeasePlan', In: leaseplan.ie, Available from: http://www.leaseplan.ie/public/en_IE/, Accessed date: 07/04/2011
- Zaltman G. & Duncan R. (1977) *Strategies for Planned Change*, Ch. 3, Resistance to Change, London: John Wiley

8.0 - Appendices

Appendix A

Interview with Human Resource Director:

Q: What change has occurred in the organisation?

“Well change is constantly happening in Leaseplan, but most recently, a major restructuring took place during 2010.”

Q: Did some form of crisis or opportunity motive the change?

“I wouldn’t say there was a crisis but in terms of an opportunity yes. The reason we made the change was to make improvements on certain aspects of the organisation such as customer service, line management, allocation of work, job satisfaction. They were the main reasons we saw that needed improvement.”

Q: What employees/departments were most affected by the changes?

“So we have 2 main departments. One that looks after operations support and one that looks after applications support. We have about 100-110 people. So of this 110 people, all would be affected either directly or indirectly. 30 odd staff would be in support functions, finance, HR administration, customer service and they wouldn’t have been directly affected, but may have been indirectly affected in terms of who they may have gone to, or a process might have changed. But overall there would have been about 80 people directly affected.”

Q: Were there any problems in relation to resistance to change from staff?

“Well in one sense there wasn’t any choice given. In another sense it’s much easier for us to do things if staff buys into it first. So I suppose in our discussions and conversations with staff we really tried to sell the benefits of the change. Like some people moved jobs completely and some people moved there teams, moved to completely different departments, some other people reported into a different person, some people had teams and after the change didn’t have a team. So yes, there was some resistance but I suppose the way we got around that was to try to sell the benefits to the people whether it was beneficial to them or to the customers.”

Q: Would you explain the benefits in meetings or one-to one?

“When we where looking at the different options and what structures we could change, we did have meetings with various people. Not everybody in the department but we did have meetings with the managers in the department and they got opportunities to make suggestions about what they could do. First of all we agreed on what the issues were, as I said, there wasn’t a crisis, but there was areas that

could perform better if we changed the structure a little bit. So we got consensus on what was wrong and then we gave them an opportunity to make proposals or recommendations around them things and then at the end of the day senior management team would decided what the final structure would be. And that was communicated to the relevant people in one-to-one meetings.”

Q: Where there any other barriers to change?

“No not really, just trying to get people to buy into the change”

Q: How was the change vision communicated to the people in the organisation?

“Once we agreed a communications plan and a time frame, basically we had over the course of 1 or 2 days a series of one-to-one meetings say with individuals mainly in middle managers and team leader level to discuss with them on a one-to-one basis what the changes would be and why and give them some background into the process that we went through. Then we had meetings with each team individually and then when the other departments that we not affected, we made a presentation to them.”

Q: Was there a time frame in place for the change to be initiated by?

“Yes, there was.”

Q: Were all the employees informed of the benefits to the change?

“Yes we would have informed them either individually, in the meetings or during the day we made the presentations.”

Q: Were there any methods of short-term wins to keep a positive outlook on the changes?

“Not really, the only thing that we did do is, I mean its very easy to change an organisation charter, change people reporting lines, the difficulty is then how to get people to buy into the change. So once people were aware of the need to change and benefits that followed, it would remove the negative atmosphere on the change.”

Q: Did you create any incentives for initiating the change?

“Well there were certain key people that were essential in order to implement the change. So we gave them bonuses in order to keep it running smoothly. But other than that, not really.”

Q: Were there any punitive measures in place for not obeying the changes?

“No.”

Q: Was the change initiated through a leader/change agent or was a group formed to implement it?

“Well in terms of deciding what the final structure would be and deciding how to inform the people of the change, myself, either the head of applications or operations, depending on which one were we dealing with and the managing director got together to discuss and implement it.”

Q: Would you consider the people in the organisation to adapt easily to change?

“Well I wouldn’t say that were happy about it but change is consistently happening in this organisation and for that reason they are now used to it and accept it each time it is introduced.”

Q: Was the change fully planned using a model or framework?

“No we made our own framework that was relevant to what we wanted to achieve. We didn’t follow any specific model or framework.”

Q: Considering you have dealt with successful and unsuccessful change, are there any factors that you would consider vital for success?

“Communication definitely. Communication is a vital aspect, and how you approach the communication. We didn’t want people finding out about the change through word of mouth in the organisation so the people that were the most affected in the organisation were informed first through meetings and the people that were the indirectly affected would then be informed after, through a presentation. So we took the approach to inform people through order of importance. Also getting the people to buy into the change is a massive factor. This reduces a variety of difficulties if the people realise the need for change and again this is accomplished through communication. Also providing some sort of counselling procedure for people finding the change difficult can also significantly reduce problems such as resistance to change arising. So yes, communication, getting people to buy into the change and counselling would be the most important factors.”

Q: Are you aware of the presence of an organisational culture in LeasePlan Infrastructure Services and do you think it is important to recognise it?

“Yes, definitely so. As the Company is now 9 years old it does have it’s own culture, however in the early years 2004,2005,2006 – this was very difficult to define.”

Q: Could you describe any values, attitudes or beliefs that would stand out as key feature in your organisation?

“The LeasePlan Values are Commitment, Expertise, Passion and Respect. These are common to LeasePlan companies globally. Locally at LeasePlan Infrastructure Services Expertise is important as we are an ICT organisation with many technical

specialists who are proud of their skills and knowledge. There is also a strong culture of customer service, ownership and responsibility.”

Q: Would the organisation consist of a mutual organisational culture throughout the whole organisation? Or would it consist of several individual cultures?

“I believe it has a mutual one however there would be subtle differences between employees at different levels and sometimes even within different teams”

Q: If the organisation consists of several individual cultures, how do you believe they were formed?

“Overall it is a mutual culture but where subtle differences exist they are influenced by friendships of course but also hugely by the manager of that area and how he/she communicates with the teams.”

Q: If possible, could you explain how you would identify the culture (or different cultures) in the organisation?

“We would identify them as critics - people who are always questioning, sceptical and hard to please, Drivers - positive people who support the organisation and have a very positive influence on others, Detached - dissatisfied and de-motivated employees, and Residents - people who are steady performers, comfortable in their roles, not overly ambitious.”

Q: Did you notice different departments having different reactions to change?

“Yes. Departments that have more Drivers were able to see the positive outcomes the changes were intended to bring – even though they hadn’t seen the evidence yet. Departments who have more critics or detached employees were negative, sceptical, worried and gossiped a lot about the change and how the change was being implemented.”

Q: As the Applications department and Operations department deal with change frequently, do you believe the departments have become more tolerant to change as a result?

“Yes. This has come about as we tell them at each change that we are not going to stop changing things as we grow and as improvement opportunities come along. We are not a Company that is in a steady state so they understand that frequent change is inevitable.”

Q: Considering the Financial department and Customer Services department does not deal with change frequently, do you believe they would not be they would be less open to change?

“Yes. Although the changes in the bigger departments have knock on effects to these departments, they haven’t had to deal with significant changes themselves so I do believe they would be less open and less able to deal with it than the other departments.”

Q: Do you believe the organisation has a Change-friendly culture, as a result of the low levels of resistance to change?

“Yes I think it is becoming that way. We are still criticised for the way organisational changes have been implemented, however the results have always been as intended and brought about improvements. We do need to improve on the implementation part though as this will ultimately cause resistance every time a change is planned.”

Appendix B:

Interview with Application Support Analysis:

Q: Would you consider change to be a consistent factor in this organisation?

“For the last couple of years the applications department is growing and taking on more services to support so the need for change is very important to be able to manage the new workload and extra skills required to support the services. So to answer the question yes it has become a consistent factor in the organisation.”

Q: How has the change affected you?

“I was in the Programming team which was split up and we were moved into other existing teams or new teams that were created. I moved into the Windows team which was great for me because the skills in the team were more related to the applications I supported. My new team members had expert experience and knowledge of SQL which meant I had better help and support in that area from senior members of the team.”

Q: How was the change communicated to you?

“We received a meeting invitation from the department manager to communicate the change. Each team had a separate meeting with their team leader, the department manager and the HR manager. They informed us of the Changes and why they were doing it. They wanted more relevant skill sets in each team to more affectively support the applications. So it made a lot of sense. It was quite open so everyone had the opportunity to voice their response. This made everyone feel quite comfortable with the changes.”

Q: How did you feel about the change when you first heard about it?

“I received a meeting invitation about the organizational restructure and naturally I was nervous and paranoid about what was to come. But when we had the meeting it all became clear and I was happy with the changes.”

Q: Did you feel a sense of urgency to change in the organisation?

“Yes. Once they made the announcement they moved quite quickly, for example changes had to be made in the Itil system – which I look after – to reflect the organisation changes, like team name changes and assigned task changes. This had to be implemented quickly. Also the seating arrangement, we moved seats in the office within a couple of weeks.”

Q: Were the reasons for change explained to you?

“Yes as I said before they wanted to make sure that each team had members in the team with right skill sets to more efficiently look after the applications. They also needed to reorganise in order to support all of the new services that were coming into LPIS. Also it was advised that there would be opportunity for further training in different areas in the company.”

Q: Did any of these factors have an impact / alter your initial opinion on the change?

“I was a little worried about the change initially when I got the meeting invitation but when it was explained in the meeting it was all very clear and I could see the benefits of the changes.”

Q: Were there any additional factors that you would consider to have helped you deal with the change?

“We have one-to-one meeting every month with our team leader so you would have the opportunity then to air any grievances. It was a good opportunity at that point to discuss getting involved with supporting different application and the training you would need to do so.”

Q: From your experience in the workplace, would you consider you and your colleagues easy or difficult to cope with in relation to implementing change?

“Initially no, people weren’t happy and complained about the changes being made. But because we are experiencing changes quite regularly now in the Aps department I would say people are used to it now and more open and understanding to it.”

Q: Are you aware of the presence of an organisational culture in LeasePlan Infrastructure Services?

“Yes absolutely, quite recently we all spent 2 days at a workshop discussing the four key values of the organisation and as part of it we all had to come up with examples of how we use the values in our day to day work, and other exercises like that. Since then there are posters all around the office reminding us of the four values: Passion, Respect, Expertise and Commitment.”

Q: Could you describe any values, attitudes or beliefs that would stand out as key features in your organisation?

“I would say hardworking and committed definitely, a lot of people in the organisation have taken on a lot of extra work in the last couple of years and are working extremely hard to try and keep on top of it and make their KPIs. This is obvious across all teams in LPIS. There is a huge emphasis on Customer focus in the organisation; responding to customers in a timely manner and taking ownership, these attitudes have progressed within the last few years, when I first joined more than 5 yrs ago, issues would be passed around from team to team and now people

are more committed to following up and seeing an Incident through to resolution with constant updates - and ultimately keeping the customer happy, Mary Gober training was largely responsible for this Expertise also, there is a very high standard of technical expertise in the company and LPIS are very supportive regarding external training courses."

Q: Would the organisation consist of a mutual organisational culture throughout the whole organisation? Or would it consist of several individual cultures?

"Hardworking, customer focus and taking ownership would be mutual cultures across all teams. But there would be individual cultures and attitudes within different teams which are probably due to different workload, pressures and management."

Q: Do you think that your department differs from other departments?

"Yes, our Department is a lot quieter and less social than other departments."

Q: how do you believe they were formed?

"Through Management and in particular the line management of smaller groups and also friendships."

Q: Do you think that you and the people in your department are open to change?

"I don't think we were at first but when the reasons for the change were clearly communicated to us and they made sense then yes. Definitely more open to it when we understand the reasons for it and can see the expected benefits."

Q: Can you explain why you were not open to change at first?

"We dealt with 2 major restructures in the past couple of years in our department and people were much more open to the change the second time round. Communication and implementation of the restructure was far more organised. The changes would have also improved upon the first restructure and the implementation of the changes were much smoother. Our department is now dealing with extra work coming in at a fast rate which definitely requires moving people around to effectively cope with the workload so i'd say we will be dealing with more regular changes in the future."

Q: Did you notice much resistance to change when the restructuring took place?

"Not the second time no. The first time people weren't used to it and they were sceptical and not so sure what to expect."

Q: Which departments would you consider to have the highest levels of resistance to change?

“Possibly our department because up until recently there wasn’t as many changes happening so we were more sceptical”

Appendix C:

Interview with Operation Support Analysis:

Q: Would you consider change to be a consistent factor in this organisation?

“Yes, I have been through loads of change within our teams. Team leaders change regularly enough as people get promoted and progress in the organisation, team members have been promoted to team leader positions. I have progressed to a senior technical position within the team. Our team has been split up and expanded again and the team names have changes to better represent our roles.”

Q: In relation to the reorganisation that has recently taken place, has the change directly or indirectly affected you?

“Yes, I am a senior technical member. A member of my team has become a team leader and our team leader has moved to a more senior manager position within the organisation.”

Q: So how has this change affected you?

“I report to a different person. My line managers have changed and I a have a senior technical role now.”

Q: How was the change communicated to you?

“We were presented with the changes in a meeting by our management and the HR manager.”

Q: How did you feel about the change when you first heard about it?

“As long as they have a meeting and tell us what going on and why in an open meeting then it’s grand. The last thing you want is people speculating before we know what is going on.”

Q: Did you feel a sense of urgency to change in the organisation?

“Yes we need to make the changes to manage the growing workload for people. Also people need to move and progress so the changes are very important.”

Q: Were the reasons for change explained to you?

“Yes they were all explained in the meeting.”

Q: Did any of these factors have an impact / alter your initial opinion on the change?

“No I suppose it’s just good to see the company is moving forward and have it clearly communicated to us.”

Q: Were there any additional factors that you would consider to have helped you deal with the change?

“We have monthly one-to-ones with our team leaders so if we have any problems or anything we can discuss it then.”

Q: From your experience in the workplace, would you consider you and your colleagues effective or difficult in relation to implementing change?

“Everyone is a lot more open to change now then they used to be. Also the changes are making people consider their options for promotion and moving up and into different areas within the company. There used to be more moaning and complaining about changes but people are seeing more now how they can benefit from the changes.”

Q: Are you aware of the presence of an organisational culture in LeasePlan Infrastructure Services?

“Yes.”

Q: Could you explain it?

LeasePlan has four main values and there are posters all over the office to represent them; Commitment, Passion, Expertise and Respect. The whole company went on training for 2 days last year to discuss these values and how we can use them in every day work.”

Q: Could you describe any values, attitudes or beliefs that would stand out as key features in your organisation?

“Customer focus would be the main one – this would be a huge deal for all management and it would be pushed also by the service Desk and the Account Managers. We have to respond to customers including internal customers quickly and keep them regularly updated on all their Requests and Issues. I think this has lead to a better working attitudes between all teams in LPIS as well as improving our external customer relationships.”

Q: Would the organisation consist of a mutual organisational culture throughout the whole organisation? Or would it consist of several individual cultures?

“So customer focus would be a mutual organisational culture and I think this would tie in with the 4 values. With regards individual cultures; if there are a couple of

unhappy people in a team that complain a lot then smaller negative cultures tend to develop, I would notice a couple of areas where this has happened.”

Q: Do you think that your department differs from other departments?

“Yes.”

Q: In what ways do they differ?

“Well id probably have to think about that one, because it’s quite difficult to put my finger on I, but with regards to change, were quite accepting.”

Q: If the organisation consists of several individual cultures, how do you believe they were formed?

“Mostly they would have been formed by management but also friendships like cliques within teams.”

Q: Do you think that you and the people in your department are open to change?

“These days we would be open to it yes. We deal with change regularly now. A good few of the lads have gotten promotions or different roles now out of these changes so we’d all be looking at how we can move up when change comes around again. I’ve moved into a senior role now so I’m happy with that change.”

Q: Did you notice much resistance to change when the restructuring took place?

“There would definitely be some people who wouldn’t be happy with certain changes and would make that known, but in general it was grand.”

Q: Which departments would you consider to have the highest levels of resistance to change?

“More so teams within departments or pockets of people who wouldn’t be happy.”

Appendix D:

Interview with financial Accountant:

Q: Would you consider change to be a consistent factor in this organisation?

“Yes for the Ops department and the Applications department especially, but not as much for our department as our skills would be very different from the rest of the company that have mainly IT skills.”

Q: In relation to the reorganisation that has recently taken place, has the change directly or indirectly affected you?

“I’ve had to make changes to the financial system to reflect the organisational changes. Like team name changes and employees line manager changes, for example when employees submit their timesheets, their line manger has to approve it, so changes needed to be made in the system so that the correct line manager would receive their new team members timesheets. I also needed to check and update the rate matrix for charging purposes, for example if a team member moved into a different team that charges differently for their services, the rate matrix would need to reflect this.”

Q: How was the change communicated to you?

“We were given a presentation outlining all of the changes.”

Q: How did you feel about the change when you first heard about it?

“It didn’t affect me in the sense that my role or position or line manager wasn’t changing. I just needed to get the information to update the financial application.”

Q: Did you feel a sense of urgency to change in the organisation?

“I felt that it was necessary for me to make the administration changes in the application as soon as the changes were put into practise so that team leaders were receiving the correct timesheets and our customers were being charged correctly.”

Q: Did the presentation impact / alter your initial opinion on the change?

“Not really, but It is good to be kept informed about changes in the company even if your not directly affected by them.”

Q: Are you aware of the presence of an organisational culture in LeasePlan Infrastructure Services?

“Yes the organisation bases themselves on four values; Commitment, Passion, Expertise and Respect.”

Q: Could you describe any values, attitudes or beliefs that would stand out as key features in your organisation?

“Hardworking and committed especially since the workload has been increasing. We would have quite an informal atmosphere but professional at the same time.”

Q: Would the organisation consist of a mutual organisational culture throughout the whole organisation? Or would it consist of several individual cultures?

“Probably several individual ones since our work and focus differ in each department. Customer facing departments would be very customer focused, the technical teams would need to be highly skilled and work on their expertise so it would vary but most are very hardworking and committed – that would be a mutual culture.”

Q: How do you believe the individual departments were formed?

Probably through work structures and social relationships within teams but I am not entirely sure to be honest.

Q: Do you think that your department differs from other departments?

“Yes, we’re not technical like most of the other departments and we’re not responding to customer requests, we deal with the finances so we have different pressures than the other departments.”

Q: Do you think that you and the people in your department are open to change?

“well we wouldn’t really worry about it or think about it too much.”

Q: Why is that?

“We haven’t been affected by much change.”

Q: Did you notice much resistance to change when the restructuring took place?

“From some areas in some departments yes.”

Q: Which departments would you consider to have the highest levels of resistance to change?

“Well I am not too sure about the other departments, but I noticed some people within our department were bickering about small changes, but sure that is only natural.”