

June 2010

***Employees' perceptions of change and change management  
within a public sector agency***

**Carlo D'Ortenzio<sup>1</sup>**  
**John Wallace<sup>1</sup>**

**Abstract**

This paper investigates employees' perception of change and change management within a public sector agency. It seeks to understand and represent their views regarding what influences effective change processes. The significance of the research is the focus on employee perceptions rather than those of management. The research is conducted at a grass-roots level and seeks to provide a voice for those least often heard or asked. The research is conducted using participants from a case study organisation within the South Australian Government.

Employees' perceptions with regard to change and change processes within the organisation can be categorised broadly under the four categories of strategic efficiencies; organisational unity; skills and capabilities; and humanistic application. The research study provides Federal and State governments, public sector agencies and public sector employees with evidence based insights about the complexity of change and change management from a public sector employee perspective. These four categories can be used to develop frameworks for change and change management that will be applicable to the Federal and State government policy makers and reflect the needs and concerns of government sector employees.

**Key words:** change, change management, public sector

**Introduction**

Both State and Federal levels of government in Australia have undergone change and reform with the aim of increasing efficiency and human resource productivity (O'Donnell, Allan & Peetz 1999). South Australia's public sector has also undergone change (Review of the Office for the Commissioner for Public Employment 2004). The tourism industry too, has had to adopt change approaches based on managerialism (Guthrie, Parker & Shand 1990), economic rationalism (Pusey 1991), new public management (Hood 1991), and corporate management (Considine 1988; Gardner & Palmer 1997). Government sector organisations have also been subject to change management processes aligned with trends associated with corporate governance in the private sector. Non-compliance with these approaches could result in the industry failing to contribute to the gross national product of Australia. As such, there is now an urgent need for public sector employees to re-evaluate their role functions

---

<sup>1</sup> Research Fellows at Gibaran Graduate School of Business.

and successfully manage the introduction of change and change management practices (Hood 1991; Pollitt 1993; Wright 1995).

This research investigated employees' perception of change and change management within one particular public sector agency. It did so by seeking to understand and represent their views regarding what influences effective change processes. The significance of this research was the focus on employee perceptions and not those of management. The research was conducted at a grass-roots level seeking to provide a voice for those least often heard or asked, within one government agency in South Australia. Employees were invited to relate their perceptions of change management and how it has impacted upon their work environment and their lives.

### **Change management landscape**

The emergence of new economies has ushered in imminent business opportunities for many organisations. This has resulted in most traditional organisations accepting the phenomenon of change, often coming to realise that if they do not change they will perish (Beer & Nohira 2000). Beer and Nohira (2000 p. 1) state that 'change remains difficult to pull off', most organisations 'have had low success rates [and] the brutal fact is that about 70% of all change initiatives fail'. Likewise, Macredie, Sandom and Paul (1998) maintain that successful organisations of the future must be prepared to embrace the concept of change management or face extinction. However, many organisations fail in their change initiatives because some senior personnel tend to rush these initiatives in their organisations, losing focus and becoming overwhelmed by the literature advising on why organisations should change, what organisations should strive to accomplish and how organisations should implement change (Beer & Nohira 2000; Smith 2005).

Burnes (1996), Kanter (1989) and Peters and Waterman (1982) argue that many modern organisations now find themselves in a volatile environment whereby the need to manage change successfully has become a competitive necessity. This environment is where the organisation operates, but as Jury (1997) states, there is no accepted definition of what constitutes this environment. However, a practical working definition is that the environmental variables, which influence organisations, are political, economical, technological and sociological.

The phenomenon of organisational change is a well-documented feature of contemporary life. Some theorists classify change according to the type or the rate of change required and this is often referred to as the substance of change (Dawson 1994). Semler (1993) makes the case for dismissing the traditional manager-employee narrative in order to produce an organisation populated by entrepreneurs, while Bate (1994) proposes a broad definition for the magnitude of change, which he argues may be incremental or transformational. Kanter, Stein and Jick (1992) consider the nature of change and organisational development as a process driven activity. Senge (1990) has developed the idea of change as learning and writers like Dunphy and Stace (1992) blend ideas on the role of the individual in the organisation with models of organisational design, facilitating change based on a situational analysis of forces of change and leadership style requirements.

Although there is a general recognition of the need to manage change successfully in modern organisations, questions regarding the substance of change and how the processes can be managed in today's context remain largely unanswered (Dawson 1994). Traditionally, theorists on change management have argued that the primary purpose of change was to create stability in the organisation through the least amount of change initiatives (Weisbord 1976; Stacey 1996). According to Rickards (1999), this approach is guided by methods of scientific enquiry and rational theory development grounded in modernism. Burnes (2000 p. 153) argues that the modern era was characterised by 'mechanistic and hierarchical structures based on the extreme division of labour, and control systems that suppress people's emotions and minimise their scope for independent action'. For Clarke (1999), testimony to the prevalence of modernistic beliefs within the field of organisational change has been the domination of the top-down, rolled out, 'programmatically' approaches, which provide step-by-step guides for managers and change agents. There is also the view that successful change focuses both on strategic and operational issues while taking into account the need to understand, measure and improve core processes that link strategic and operational processes (Oakland & Tanner 2007).

The ever-increasing pace of change in world markets and governments has led to a marked emphasis on the need for organisations to develop dynamic, competitive strategies on an ongoing basis (McHugh 1996). Following this reasoning, Rickards (1999), Turner (1999) and Lowendahl and Revange (1998) maintain that organisational strategists must go beyond examining how their external and internal organisational contexts interact; they must examine the fundamental assumptions and systematic truths that are dictating organisational strategies. Lowendahl and Revange (1998 p. 755) state explicitly that:

In this new context, [change agents] need to go beyond the theoretical lenses and paradigms they have been trained in to explore the implications of these changes at a more fundamental level ... [change agents] need to refocus attention on the underlying assumptions in order to explore their areas of applicability and the limits to the relevance.

From an employee's perspective, any form of organisational change can impact directly or indirectly upon their personal lives and the nature of their work. Its impact can be experienced through changed working conditions, benefits and future aspirations. Thus, it is important that employees are able to understand the change process, analyse its effectiveness, locate their place in it and act by influencing those factors that are affecting them (Fullan 1997). According to Clarke (1999), whilst most employees may have been given limited opportunities to be involved in the development of organisational change practices, it has not necessarily hindered them from observing and thereby formulating their own practices relating to their work. On this basis, the perceptions of employees form the greater contribution to this research study, in order to understand the meaning that they attribute to the change phenomenon.

Change in some organisations is a process misunderstood by many employees, for whom there are no ready-made guidelines to an understanding of change. Employees have to

struggle to understand and modify practices and processes that are complicated, in a constant state of renewal, and difficult to comprehend (Fullan 1997). It is for this reason that Dunphy and Stace (1992) emphasise the role of the employee in the organisation based on the factors influencing the forces of change, which also include leadership style requirements. Furthermore, some contemporary organisations have deviated from the traditional norms of change management and are more cognisant of the fact that turbulent and unpredictable work environments make change and chaos the natural order of things. In light of these transitions, management needs to reconsider their approaches to the organisation, direction and motivation of all employees (Daft & Marcic 2004). This is important because these organisations may need to move away from structures that are hierarchical and mechanistic. Instead, they should be based on an equitable division of labour and encourage control systems that symbolise democracy in an independent work environment, all of which are understood by the employees (Burnes 2000). Processes like restructuring, downsizing, mergers, total quality management and process reengineering all have serious implications for the operational, financial and technical aspects of the organisation. As a result, there is an ever-increasing impact of these changes on government sector organisations, particularly in the manner in which these organisations function (Galpin 1996).

### **Orientation to change**

During times of change, employees' views are more readily apparent as they respond to the pressures of that change. These views help to explain how individual employees construct meanings about their organisation, the changes affecting the organisation and themselves as members of the organisation.

Whilst there is much literature on change and change management, little effort has been made to address and rectify the fears, concerns and expectations of these changes upon public sector employees. There is also limited evidence in the literature of the positive or negative aspects of change and change management from the employees' point of view – as recipients of change, yet successful change and change management is dependent upon 'employee buy-in'.

This study seeks to decrease the difficulty in establishing new systems, by unearthing employees' perspectives and launching their collective voices into the central debate of change and change management. The role of the research questions and general objectives was to guide the research and present a framework for enquiry. Thus the main research questions were:

- What are public sector employees' perceptions of change and change management processes and practices?
- What can be learned from employees about the implementation of and managerial change strategies?
- How does a changed organisational work culture affect employees?

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

- What were the contributing factors to public sector reform and organisational and managerial change?

The secondary research questions that shape the main research questions, were:

- What can be ascertained from employees about the implementation of organisational and managerial change strategies?
- How does a changed organisational work culture affect employees?
- What were contributing factors to public sector reform and organisational and managerial change?

### **Methodology**

The ontological assumption of a socially constructed reality underpinned this study. The realities experienced were those as interpreted by employees. The epistemological assumption was that of interpretivism. The realities experienced by respondents were subjective and, accordingly, the research findings were created as the investigation proceeded. The directed, closed questions asked in the surveys and the direct, open-ended questions asked during interviews with employees were related to changes the agency was undergoing, how some of these changes were being implemented, and how these were affecting employees in relation to their perceptions regarding their role functions. Insights about public sector reform were gained by looking at organisational change processes and practices, and for viewing and describing the meanings that employees created around their roles, professions, and organisation.

During 2005 and 2007, Attitude and Culture Surveys sought employees' perspectives on a wide range of issues affecting the work environment within one South Australian government agency. The key interpretations from the 2005 are shown below. The 2007 Attitude and Culture Survey was identical to the 2005 Attitude and Culture Survey administered to employees within the government agency. Table 1 provides an overview of the categories that were used to analyse employees' views and attitudes.

*Employees' perceptions of change and change management  
within a public sector agency*  
**Carlo D'Ortenzio and John Wallace**

**Table 1: Overview of the 2005 Attitude & culture survey**

<b>Categories</b>
Communication effectiveness
Company image
Confidence in management
Conflict management
Customer/Client relationships
Human resource effectiveness
Innovation
Managerial effectiveness
Marketing effectiveness
Mentoring/Coaching
Need satisfaction
Organisation structure
Participation/Teamwork
Performance standards
Role clarity

## **Discussion**

The findings are presented here in terms of the categories related to the 2005 survey. Following this, a comparison is made with the 2007 survey findings with respect to each of the categories.

### **Communication effectiveness**

Stemming from the individual statement results and scores, responses suggested that Communication Effectiveness provided adequate information and permitted satisfactory discussion on most occasions. There was an opportunity to increase staff efficiency and productivity by improving communication channels throughout the organisation and ensuring that all relevant parties are informed of new information, changes and developments. Group e-mails, regular meetings, message boards and memo systems may be appropriate for this purpose. Also, managers must make themselves available to communicate with their employees whenever required.

### **Company image**

From the individual statement results and scores, responses reflected that in relation to Company Image, employees do not see that the value of working for this company was improving over time. Employees indicated that this organisation was seen to be contributing to the community in a worthwhile manner. Responses suggested that most employees saw the organisation as making a worthwhile contribution to the community and employees indicated

that other organisations saw this government agency as a good organisation to do business with.

### **Confidence in management**

With regard to confidence in management, responses reflected that some senior management were not seen to be aware of problems that existed in the lower levels of the organisation. In addition, employees encouraged improving on communication channels throughout the organisation by increasing team and departmental meetings and ensuring that the information was filtered up to and acted upon senior management as appropriate. Overall, responses suggested that confidence in management is somewhat lacking most of the time, and does not inspire people to become better motivated.

### **Conflict management**

From the individual statement results and scores, in general terms, responses reflected that Conflict Management could cause dissatisfaction and frustration more often than was desirable, leading to inadequate overall performance on various occasions. Conflict Management needed improvement with 50% of employees indicating that problems between groups with the agency were not faced openly with real attempts made to resolve them.

### **Customer/client relationships**

Responses reflected that Customer/Client Relationships were handled adequately by the organisation, with staff receiving appropriate training in this area. Customers were generally valued and employees believed that customers were satisfied with the quality and availability of the products and services. According to the category parameters listed in the previous discussion, responses suggested that most employees (69%) understood the value of customers to the organisation.

### **Human resources effectiveness**

For human resource effectiveness, responses reflected that staff turnover was perceived to be a problem in the organisation and that a review of retention strategies and related policies was warranted. Employees also felt that the staff performance appraisal system was in need of improvement and that there was a need to seek out where the current system was not meeting employee expectations/requirements and action be taken to alter or replace the current system to incorporate those requirements. The effectiveness of the performance appraisal system was in doubt in terms of improving the performance of employees and review of the performance appraisal system was expected to be of benefit ensuring that revisions included the follow-up training/development for employees as appropriate. The system of staff appointments and/or promotions did not generally appear to be well-understood in this organisation. More clearly defined recruitment and selection procedures need to be adopted and current policies and procedures should be communicated more effectively to employees.

In brief, Human Resource Effectiveness was meeting the needs and requirements of both the organisation and the individual less often than was desirable. Responses suggested that Human Resource Effectiveness needed improvement. Employees (63%) disagreed with the statement that few changes in staff occurred in the organisation. Also, 55% of employees indicated that the Performance Development program was not done well.

### **Innovation**

In general terms, responses reflected that Innovation was occasionally apparent, but was unlikely to be a strong feature within the organisation. Employees (64%) did agree, however, that the organisation encourages creative thinking and innovation with 63% indicating that they were encouraged to submit ideas for change.

### **Managerial effectiveness**

Responses reflected that with regard to managerial effectiveness plans of action were not always seen to be based on departmental objectives. Strategies should be implemented that ensure developmental objectives were considered and included when devising action plans. Assisting staff with their development was not always seen to be a primary concern of leadership staff. The organisation did not take full advantage of strengths or successes that occur when work objectives were met or exceeded. A review of the key elements of successful activities was recommended to help capitalise on strengths. Managerial effectiveness was adequate some of the time, but was unlikely to be consistent or sustained over the longer term. Responses suggested that managerial effectiveness could be improved in relation to group objectives; staff development; review of objectives; and staff appraisal.

### **Marketing effectiveness**

Generally, responses reflected that marketing effectiveness was meeting a range of customer or client needs often enough, in the quantity, quality or timeliness necessary to build confidence and respect in the marketplace. Responses suggested that marketing effectiveness was satisfactory but the organisation could improve on conducting sufficient research preceding new products or service launches; launching new products and services as quickly as needed; and effectively handling product packaging, advertising and promotions.

### **Mentoring and coaching**

Survey results suggested that mentoring/coaching was not a strong feature of this organisation with managers requiring more training and support in their role as coaches/mentors to be able to better equip staff to fulfil their work responsibilities. Mentoring and coaching was marginal and improvements could be made to the frequency of support offered and the quality of mentoring/coaching provided.

### **Employee need satisfaction**

Stemming from the individual statement results and scores, in general terms, responses reflected that employees were not satisfied with the physical surroundings of their workplace. Employees feel that their managers were confident in their ability to perform their job. Employees feel that their work was being used in an effective manner to contribute to the success of the organisation. Employees derived a great deal of personal satisfaction out of performing their jobs competently. Employee need satisfaction was at an acceptable level, leading to average motivation, application and output from most staff. Responses suggested that need satisfaction was satisfactory where 68% employees indicated that the organisation met their needs. However, 59% of employees were not satisfied with the physical surroundings of the workplace.

### **Organisational structure**

Responses reflected that Organisation Structure allowed for some coordination, or integrated effort, but limited management action in various ways and reduced the overall organisation effectiveness and efficiency. Responses suggested that organisation structure was satisfactory. Employees (51%) understood and accepted how the organisation worked; 56% agreed that the organisation had the right layers; 56% concurred that the organisation structure permitted necessary decisions to be made close to the point of action; and 66% strongly agreed that employees from other groups and units were helpful.

### **Participation and teamwork**

In general terms, responses reflected that decisions were not generally made in the organisation with sufficient consideration of the views of all relevant parties. A more collaborative approach to decision making would enhance employee commitment and buy in on decisions. Participation and Teamwork was of a poor standard, with minimal involvement of people/departments who could contribute to an overall better quality result. Participation/teamwork was poor and needed improvement in the following areas: consideration of employees' viewpoints; working as team players; better integration among the Groups and/or Units; and instilling a sense of common purpose.

### **Performance standards**

Responses reflected that performance standards were haphazard, with most staff being unsure of what was expected, and received sporadic feedback on their performance against the standard. Employees felt that too much time was wasted in the organisation. Production levels could be increased by setting clear tasks and setting realistic deadlines. The organisation was seen to take occupational safety issues with due seriousness resulting in minimal loss of productivity through accident or injury. In general terms, responses suggested that performance standards was generally marginal and in need of improvement more so in the area of employee work assessment. Regular assessment with timely feedback was desired by employees.

### **Role clarity**

Generally, responses reflected that role clarity was of an adequate standard, with most people having a reasonable grasp of what was expected of them, and where their role fit in the organisation and that staff were generally aware of the inter-relationship between their own job and the jobs of others to support effective teamwork. Responses suggested that role clarity was satisfactory with most employees accepting their responsibilities; having a sense of independence in their roles; being clear about their duties and responsibilities; and having sufficient authority to do their job.

### **Comparison of 2005 and 2007 survey results**

Table 2 shows a comparison of the results from the surveys conducted in 2005 and 2007 and these comparisons are now discussed.

**Table 2: An overview of the 2005 and 2007 Attitude & Culture Surveys**

<b>Categories</b>	<b>2005 (%)</b>	<b>2007 (%)</b>
Communication Effectiveness	64	60
Company Image	69	64
Confidence in Management	62	57
Conflict Management	58	56
Customer/Client Relationships	66	64
Human Resource Effectiveness	56	52
Innovation	64	59
<b>Categories</b>	<b>2005 (%)</b>	<b>2007 (%)</b>
Managerial Effectiveness	59	55
Marketing Effectiveness	60	55
Mentoring/Coaching	55	54
Need Satisfaction	73	68
Organisation Structure	60	57
Participation/Teamwork	56	52
Performance Standards	63	58
Role Clarity	66	65

Personal job satisfaction remained high, at 85% in 2007, and 84% in 2005. This suggested that employees derived significant personal satisfaction from the nature of their work. It was expected that this was having an important compensating effect for other adverse work

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

conditions, which might otherwise lead to greater negative implications, such as higher resignation rates.

Overall, the results declined 6.2% from 2005 to 2007. This suggested that with the continuing decline across many categories, focus groups be conducted with staff to understand which targeted strategies would provide the greatest positive impact on staff opinion.

There has been a halting decline in the following areas:

- **Conflict Management:** There had been a halt from 2005 to 2007 (-3.5%) for this Category.
- **Mentoring/Coaching:** There had been a halt from 2005 to 2007 (-1.5%) in the significant downward trend that occurred for this category.
- **Role Clarity:** There has been a halt from 2005 to 2007 (-1.5%) in the significant downward trend that occurred for this Category.

There is a significant improvement in results from 2005 to 2007 in relation to the view that there are very few staff changes occurring. However, it should be noted that this is coming off a low absolute result. The agency should continue strategies impacting upon this positive change, and acknowledge those contributing to this result.

There has been a consistent decline in the following areas:

- **Communication Effectiveness** has declined by 6.3% from 2005 to 2007.
- **Marketing Effectiveness** has declined by 8.3% from 2005 to 2007.
- **Participation/Teamwork** has declined by 7.1% from 2005 to 2007.
- **Performance Standards** has declined by 7.9% from 2005 to 2007.

In discussions pertaining to the Attitude and Culture surveys, the aim of the research was to give some order to the range of information provided by public sector employees within the agency in their responses to the questions in the questionnaires. Without systematically measuring the effectiveness of the organisation, it is difficult to know where efforts for change improvements should be focussed. Also, without adopting a systematic approach, many organisations are focussing attention on the wrong issues whilst being unaware of the gaps that could be addressed to achieve significant change improvements. These gaps can silently threaten the organisation's change initiatives, if not its survival.

In the next subsection, a discussion is presented on the findings emanating from the qualitative component of the research study. To reiterate, interviews were conducted with

employees within the government agency. Stemming from the data collected, the following major themes were identified:

The findings from the research were:

- Theme 1: An understanding of change and change management processes and practices.
- Theme 2: Employees' experiences of change.
- Theme 3: Resistance to change.
- Theme 4: Communication.
- Theme 5: Managerial effectiveness.
- Theme 6: Change and change management: A top-down driven policy.

### **Theme 1: An understanding of change and change management processes and practices**

Some employees interviewed, who operated under what they termed as 'a good manager', were able to paint a visionary picture of the purpose as a whole, but most respondents expressed confusion. When asked about the purpose of organisational change, respondents across the board did not demonstrate what Scott, Jaffe and Tobe (1993) refers to as the key characteristics of high performance organisations; that is, a clear picture of the organisation's basic purpose and a shared common set of values. They were more in line with what Abrahamson (2000) referred to as being in a state of 'initiative overload' and 'organisational chaos'.

Overall, employee perceptions, as reflected within this objective, demonstrated that the implemented strategies had a 'capability bias', more concerned with changes in operational practices, contracting, productivity and accountability than new behavioural practices, unity, vision and relationships. Their confusion was based on a lack of knowledge regarding what to do and what was expected of them.

### **Theme 2: Employees' experiences of change**

Some employees reflected that there was no clear identification that a role existed for them, other than as a recipient. This is in accordance with what writers like Wanous, Richers and Austin (2000), Brandt (2001) and Jaffe and Scott (2000) maintain. Employees' responses stated in the above discussions depict the 'received instruction' situation. This is discussed in greater detail under Theme 6: Change and change management—A top-down driven policy. It must also be stated that data from the interviews did not support what Lewin and Regine (2000b) describe as 'tapping into human capital' or that the employees were able to feel part of a 'community at work'. As Lewin and Regine (2000b) state, most employees have a deep desire to be part of a community within their place of work. They have a desire to contribute

to something, feel fulfilled by what they do and be part of an environment where they feel genuinely cared for. To achieve this, employees need to feel active and valued members of their work environment and to believe that their contributions are welcomed.

On the other hand, some employees were not overtly concerned with the fact that there was no inclusiveness in relation to change and change management in the organisation. Rather, they viewed change as a challenge. A senior employee had this to say about change:

I actually love and look forward to the challenges of change. That's what keeps me vibrant and keeps me interested. So I embrace change with excitement.

### **Theme 3: Resistance to change**

With regard to resistance in the work environment, Piderit (2000) states that resistance is closely aligned to the intentions of individual employees. Piderit (2000) states that resistance could be both subjective or objective depending upon the intentions of the individual employee concerned. To elaborate, resistance reflects 'humanity on stage during organisational transformation efforts' (Trader-Leigh 2002, p.139). In other words, employees ultimately manifest the success or failure of the change (Moran & Brightman 2001, p.111). Kotter and Cohen (2002) suggest that employee perceptions of change and emotions towards change determine the relevant successes or failures. Thus, employees' behaviours that appear characteristic of resistance may not typically be so. Rather, they illustrate feelings experienced by employees during the change process. The above views are represented in their comments:

It's hard to define what resistance is but certainly at different times, I have not agreed with things and I have said so. I most certainly say things because I am that type of person but do not actively resist. I mean if something happened that I really did not like, I would let it go and seek employment elsewhere. It's as simple as that.

I think I have not resisted change in the sense that I am probably averse to being a risk-taker hence I've stayed with the Commission for a while. Personally, I do not take chances because this is not characteristic of me.

Probably not, I am not that kind of personality type. I wouldn't necessarily resist.

### **Theme 4: Communication**

Important factor responsible for the partial breakdown of efficient communication within the agency was the issue of workspace. Presently, the divisions within this government agency are spread over three different floors in a single building. At times, it is difficult to engage in effective communication because of the geographical structuring of the organisation. This disadvantage was observed by one interviewee who stated that:

One thing that restricts our communication on a personal level is the fact that we are spread out on three different floors. There's a gap in between so that clinical space means that you don't often come across people in certain sectors of certain floors unless you need to. So that does have an effect on communication in the organisation.

Furthermore, the context within which communication takes place has an impact on the 'climate' within which communication occurs. According to Dillard, Wigand and Bolster (1986 cited Guzley 1992, p. 380) communication climate includes '...communicative phenomena e.g. judgments concerning such things as receptivity of management to employees...' or within an organisation, how accurate the information is that is being disseminated. Thus, effective communication is conducive to effective functioning, while ineffective communication will result in poor functioning. Claver, Gascó, Llopis and González (2001) maintain that in order to establish effective communication, management should understand all communication processes that are horizontal, vertical downwards, upwards and diagonal. In other words, these writers state that effective communication occurs when the message as intended by the sender is understood by the receiver of the message. However, this does not always occur within the agency. This is evident in one interviewee's comments with regard to communication in the agency. She said:

I think sometimes communication fails. There may be a restructure somewhere in the organisation and this is actually not communicated very strongly by management. I think that every employee should be told why things are happening so I think it is important to make sure that things are communicated well to everybody in the organisation.

Furthermore, understanding the employees' involvement in the change process is important in providing an understanding of the context of the overall change process. The level of involvement on the part of the employee will reflect acceptance or rejection of the change design principles. This, for many organizations, can be problematic because building and staffing a bureaucracy that can cope with growth is the biggest challenge. The firm tends to hire and promote managers, not leaders, to cope with the growth. After a while, the firm drifts toward being over-managed and under-led (Kotter 1999, p.16). Such over management restricts involvement and communication. Supporting employees' views of what leads to effective change from an involvement perspective, Kotter (1999) provides four distinctive points from a leadership perspective: the setting of direction consistent with the grand visions; aligning people by communicating decisions; inspiring action by motivating and inspiring from face-to-face interaction; and getting results by focussing energy on activities that help groups inside organisations to leap ahead.

Thus, if management communicates effectively, they, more likely, might be able to achieve their objectives and establish quality service more readily. Managers do spend most of their time communicating and the time spent on communication can be crucial for the continued existence of the organisation. Therefore, it is imperative that managers are encouraged to leave their offices and walk around within the organisation and communicate with the employees who work at the operational level (Claver et al. 2001) whilst at the same time

maintaining effective managerial skills as well developing or maintaining a culture of openness.

### **Theme 5: Managerial effectiveness**

Whilst a number of employees interviewed supported the level of managerial effectiveness within the agency, a small number was critical of the level of effectiveness displayed. Zaleznik (1990) suggests that the traditional forms of managing must be removed from the concept of supervision for the purpose of enhancing personal self-efficacy beliefs and intrinsic task motivation for all employees. Thus, organisations, for example, this government agency, require managers to take on a more visible change-oriented perspective while maintaining organisational stability (Thomas & Velthouse 1990). Within any organisation, some managers who require adopting this approach might obtain a degree of success with employees who voiced dissatisfaction with the level of managerial effectiveness.

### **Theme 6: Change and change management: A top-down driven policy**

There has been a trend towards quasi-privatisation of public systems, what one might describe as 'corporatisation' in which public institutions are expected to function like businesses. This phenomenon has resulted in the restructuring of institutional governance in the mode of hierarchical line management, including significant devolution of responsibility for management to do more with less. In some government sector organisations, this management practice has meant that the agendas that managers and their unit leaders must manage to achieve are determined and steered from a distance (Kickert, 1997) by state departments who arguably may have lost touch with the actual work conditions in the organisation. In other words, some policy agendas are out of touch with what actually happens in public sector organisations. They are, in essence, considered as driven and top-down.

This perception was also evident in a similar fashion by some employees within the agency. To elaborate, some employees stated that they have had little opportunity to contribute their professional expertise to change processes and practices that were regulated from above through accountability regimes. Some of the employees' perceived change as driven dictated top-down by bureaucrats concerned more with imposing policy agendas through performance indicators, than having a genuine concern for employee welfare.

### **Key learning**

The key learning from the surveys and subsequent interviews with employees centres on the perception of these employees with regard to change management. The key learning has relevance for both the researcher and the employees and the organisation that was part of the survey.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

- Change is a complex process
- Change is not easily understood by all employees throughout all levels of the organisation and remains difficult
- Confusion regarding requirements and purposes sometime causes negativity
- Positive, skilled managers make change processes easier
- Employee participation is greatly influenced by the skills and personal style of those directing the change and directly managing them
- For those who view change positively, there is a general sense that this is the result of good communication in the organisation
- For those who view change as difficult, communication is viewed from a negative perspective including both the lack of communication and an inability of managers to communicate at a personal level
- Strategic direction, commitment to the established direction, the ability to communicate with employees and a belief that employees should be involved in the processes of change are all expressed as expected behaviours of managers and senior managers
- Employees want all managers to be capable and willing to lead change in an open and committed manner, take a humanistic approach with employees, have the necessary skills to implement change, and should be clear of their role in the change process.

The key learning highlights a number of aspects that can be considered by all those who are leading and managing a change process. In many instances the key learning points towards making a change process such as the one described here much easier to implement and subsequently manage.

In summary, it became clear that the employees' perceptions were able to be categorised under four categories: strategic efficiencies; organisational unity; skills and capabilities; and humanistic application. Within each of these categories, employees were in favour of:

- **Strategic Efficiencies:** the formation of focus groups to discuss change; follow-up meetings to discuss change initiatives; smaller group discussions; regular meetings; workshops relating to leading, communicating, participating and consultation; ownership of the change process; greater involvement with change; the opportunity for direct questioning; management checking with employees before decisions are made; building and maintaining trust among all employees; constant feedback from management; and regular individual feedback.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

- **Organisational Unity:** all employees working for the same side; homogenous entities with the organisation; demonstrated commitment and support; elimination of traditions and cultural conflict; joint involvement; alignment of change and organisational culture; and the same rules for everybody.
- **Skills and Capabilities:** specifically, managers should have a good rapport with staff; engage in clear communication have people skills; talk and listen to employees; discuss, encourage, and support employees; refrain from engaging in an old school approach; be flexible; and change old practices.
- **Humanistic Approach:** the organisation concentrating on attention; closeness; talking; being empathetic; nurturing; encourage personal discussions; be approachable; encourage direct contact, positive behaviour and good rapport; and provide more opportunities for social activities.

### **Conclusion**

This research sought to determine how public sector employees perceive current change and change management based on their experience with the change processes and practices within their organisation. The investigation was undertaken with internal stakeholders (employees) within a South Australian government agency and focused on the effects of change and change management using questions about employee engagement in the change processes.

In conclusion, this research study provides Federal and State governments, public sector agencies and public sector employees with evidence based insights about the complexity of change and change management from a public sector employee perspective. These four categories can be used to develop frameworks for change and change management that will be applicable to the Federal and State government policy makers and reflect the needs and concerns of government sector employees.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

**References**

- Abrahamson, E. 2000, 'Change without pain', *Harvard Business Review*, vol 78, no.4, pp.75-79.
- Bate, P. 1994, *Strategies for cultural change*. Butterworth-Heinemann Ltd. Oxford.
- Beer, M and Nohira, N 2000, 'Cracking the code of change,' *Harvard Business Review*, May-June 2000, pp. 1-8.
- Brandt, JR 2001, 'Employees change the rules,' *Industry Week*, vol 250, no 5, p 15.
- Buhler, PM 2000, 'Managing in the new millennium', *Supervision*, vol. 61, no.6, pp. 16-19.
- Burnes, B 1996, *Managing change: a strategic approach to organisational dynamics*. Pitman, London.
- Burnes, B 2000, *Change: a strategic approach to organisational dynamics*. (3rd edn) Prentice Hall, Essex.
- Cashman, K and Feldman, J 1995, 'Reengineering the employment contract', *Executive Excellence*, vol. 12, no. 2, p. 15.
- Clarke, M 1999, 'Creating change from below: early lessons for agents of change,' *The Leadership & Organization Development Journal*, vol. 20, no. 2, pp. 70-80.
- Claver, E, Gasco, J, Llopis, J and Gonzalez, R. 2001, "The Strategic Process of a Cultural Change to Implement Total Quality Management: A Case Study", *Total Quality Management*, Vol. 12, No.4
- Considine, M 1988, 'The corporate management framework as administrative science: a critique,' *Australian Journal of Public Administration*, vol. 47, no. 1, pp. 4-18.
- Daft, RL and Marcic, D 2004, *Understanding management* (4th ed.), Mason, OH: Thomson/South-Western.
- Dawson, P 1994, *Organizational change: a processual approach*, Paul Chapman Publishing, London.
- Dunphy, DC and Stace, DA 1992, *Under new management: Australian organizations in transition*, McGraw-Hill, Sydney.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

Fullan, M 1997, *What's worth fighting for in the Principalship?* (2<sup>nd</sup> ed.), New York: Teachers College Press.

Galpin, TJ 1996, *The human side of change: a practical guide to organizational redesign*, Jossey Bass Business and Management Series.

Gardner, M and Palmer, G 1997, *Employment Relations, Industrial Relations and Human Resource management in Australia*, (2<sup>nd</sup> 00n) Macmillan Education Australia, Melbourne.

Government of South Australia 2004, *Review of the Office for the Commissioner for Public Employment*, Adelaide, South Australia.

Guthrie, J, Parker, LD and Shand, D (eds) 1990, *The public sector: contemporary readings in accounting and auditing*, Harcourt Brace Jovanovich, Sydney.

Guzley RM 1992, 'Organizational Climate and Communication Climate: predictors of commitment to the organization,' *Management Communication Quarterly*, Vol. 5, No. 4, pp. 379-402.

Hood, C 1991, 'A public management for all seasons,' *Public Administration*, vol. 69, no. 1, Spring, pp. 3-19.

Jaffe, DT and Scott, CD 2000, 'Change leaders and navigators', *Executive Excellence*, vol. 17, no. 12, pp. 13-14.

Jury, GM 1997, 'Managing technology: the environment in which technology is managed,' *IEE Engineering Management Journal*, 7 (1), pp. 27-32.

Kanter, RM 1989, *When giants learn to dance: mastering the challenges of strategy management and careers in the 1990s*. Unwin. London.

Kanter, RM, Stein, BA and Jick, TD 1992, *The challenges of organizational change: how companies experience it and how leaders guide it*, Free Press, New York.

Kickert, WJW 1997, *Managing Complex Networks*, Sage Publications Ltd.

Kotter, JP 1989, 'What effective general managers really do,' in H J Leavitt, L Pondy and D M Boje (eds), *Readings in managerial psychology*, University of Chicago Press, Chicago, pp. 534-553.

Kotter, JP 1995, 'Leading change: why transformation efforts fail,' *Harvard Business Review*, March-April, pp. 1-20.

Kotter, JP 1996, *Leading change*, Harvard Business School Press, Boston.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

- Kotter, JP 1999, 'Change leadership', *Executive Excellence*, vol. 16, no. 4, pp. 16-17.
- Kotter, JP and Cohen, DS 2002, *The Heart of Change: Real-Life Stories of How People change their Organizations*. Boston: Harvard Business School Press.
- Lewin, R and Regine, B 2000b, *The soul at work, Listen, Respond, Let Go: Embracing Complexity Science for Business Success*, Simon & Schuster, New York.
- Lowendahl, B and Revange, O 1998, 'Challenges to existing strategy theory in a postindustrial society,' *Strategic Management Journal*, vol. 19, pp. 755-773.
- McHugh, M 1996, 'Managing the stress of strategic change,' *Strategic Change*, vol. 5, no. June, pp. 141-150.
- O'Donnell, M, Allan, C and Peetz, D 1999, *The new public management and workplace change in Australia*, Working Paper Series, University of New South Wales, Sydney.
- Oakland JS and Tanner SJ 2007, "A new framework for managing change", *The TQM Magazine* Vol. 19 No. 6, pp. 572-589, Emerald Group Publishing Limited
- Macredie, RD, Sandom C and Paul, RJ 1998 'Modelling for change: an information systems perspective on change management models.' In *Modelling for added value*, Robert Macredie and Devarajan Anketell (eds). Springer, London, pp. 3-16.
- Moran, JW and Brightman, BK (2004): "Leading Organizational Change", *MCB University Press*.
- Peters, TJ and Waterman, RH 1982, *In search of excellence: lessons from America's best run companies*. Harper and Row. London.
- Piderit, SK 2000, 'Rethinking resistance and recognizing ambivalence: A multidimensional view of attitudes toward an organizational change', *Academy of Management*, vol. 25, no. 4, pp. 783-794.
- Pollitt, C 1993, *Managerialism and the public services: cuts or cultural change in the 1990's*, 2nd edn, Blackwell, Oxford.
- Pusey, M 1991, *Economic rationalism in Canberra: a nation building state changes its mind*, Cambridge University Press, Melbourne.
- Rickards, T 1999, *Creativity and the management of change*. Blackwell Publishers, Malden.

*Employees' perceptions of change and change management  
within a public sector agency*

**Carlo D'Ortenzio and John Wallace**

Scott, C., Jaffe, DT and Tobe, GR 1993, *Organizational Vision, Values and Mission*, Crisp Publications, Menlo Park.

Semler, R 1993, *Maverick! the success story behind the world's most unusual workplace*. Century: London.

Senge, P 1990, *The fifth discipline: the art of practice of the learning organization*. Doubleday/Currency: New York.

Smith, I 2005, "Continuing professional development and workplace learning II", *Library Management*, Vol. 26, No. 3, pp. 152-155 Emerald Group Publishing Limited.

Stacey, RD 1996, *Complexity and creativity in organisations*, Berrett-Koehler. San Francisco.

Thomas, KW and Velthouse, BA 1990, "Cognitive elements of empowerment: an 'interpretative' model of intrinsic task motivation", *Academy of Management Review*, Vol. 15 pp.666-81.

Trader-Leigh, KE 2002, 'Case Study: Identifying resistance in managing change', *Journal of Organisational Change Management*, vol. 15 no. 2, p.p. 138-155.

Turner, I 1999, 'Strategy and organizations: strategy and the internet,' *Manager Update*, vol. 12, no. 4, pp. 1-9.

Wanous, JP, Richers, AE and Austin, JT 2000, 'Cynicism about organizational change', *Group & Organizational Management*, vol, 25, no. 2, pp. 132-153.

Weisbord, MR 1976, 'Organisational diagnosis: six places to look for trouble with or without a theory,' *Group & Organisational Studies*, vol. 1, no. 4, pp. 430-447.

Wright, C 1995, *The management of labour: a history of Australian employers*, Oxford University Press, Melbourne.

Zaleznik, A 1990, 'The leadership gap,' *The Academy of Management Executive*, 4(1), 12.