**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**THE ROLE OF LEADERSHIP IN ORGANIZATIONAL CHANGE: THE CASE OF ETHIOPIAN ROAD AUTHORITY (ERA)**

**BY**

**ASALIFEW AMEDIN**

**DECEMBER, 2018**

**ADDIS ABABA, ETHIOPIA**

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DECEMBER, 2018

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**APPROVED BY BOARD OF EXAMINERS**


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## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Terefe Feyera (PhD). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.


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Name                                                                    Signature
**St. Mary's University, Addis Ababa**          **December, 2018**

# ENDORSEMENT

This thesis has been submitted to St. Mary's University College, School of Graduate Studies for examination with my approval as a university advisor.


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Advisor                                              Signature

**St. Mary's University, Addis Ababa**               **December, 2018**

# ACKNOWLEDGMENTS

# ABSTRACT

Leadership is very important while managing organizations or addressing the issue of organizational change. While organizational change is a constant experience, knowledge and awareness about many of the critical issues involved in the management of such change is often lacking in those responsible for its progress. Accordingly this study were examine specifically leadership role in organizational change management at Ethiopian Road Authority (ERA). The general purpose of the research was to assess the Role of Leadership in Organizational Change in Ethiopian Road Authority. Determining the leadership style practiced and success rate of change models implementation in ERA, examining the role of leadership in change implementation models in ERA and diagnosing the challenge encountered by ERA leadership during implementation of change were the objectives of the study. Because of the wildness of change management issues it is difficult to cover the whole content of change management aspects. Thus, this research is constrained on the role of leadership in organizational change management and delimited to ERA. Out of total population (1223), 122 members of the staff were selected randomly as sample for this study which included top management, supervisory and supportive staffs of ERA. Self-structured questionnaire along with semi structured interview were used for the purpose of data collection. The data obtained through questionnaire was processed for analysis by SPSS 24 version. Cross sectional survey research method was employed. The main finding of the study showed that the organizational change management at ERA faced unclear leadership direction and improper change communication. These might be the root causes for prevalence of ineffective organizational change implementation and system which contribute to weak organizational performance. The study also revealed the organizational change management practiced at ERA had limitation in timeliness developed for change implementation, providing timely and proper feedback, insufficient training and lack of adequate knowledge. Consequently, the organization faced resistance and systemic ignorance of change from its staff. Therefore, serious attention should be given by the leadership of ERA for the improvement of leadership capacity to manage change effectively, the change implementation process before and after implementation, effective communication, continuous follow up and feedback of the change process and the implementation of reward mechanisms.

*Key words: Leadership, Change management, Organizational change and Ethiopian Road Authority*

# LIST OF ACRONYMS & ABBREVIATIONS

BPR     Business Process Re-engineering

BSC     Balanced Sore Card

DRMC  District Road Maintenance Contractors

ERA      Ethiopian Road Authority

ISO      International Standards Organization

TQM    Total Quality Management

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# CHAPTER ONE

# 1. INTRODUCTION

## 1.1 Background of the Study

It is said that the only constant is change. Changes occur in all aspects of life, from the smallest to the largest decisions and actions (Higgs and Rowland 2005, Lorenzi and Riley 2000). This is especially true for today's businesses and organizations. It has been said that today's business environment is changing in a fast pace therefore organizations have to quickly adapt to avoid falling behind their competitors and to prevent being caught by external forces (Tichy 1982). They have to change their business strategy to accommodate a changing environment and to be ready for what the future has in store (Burnes 2004). Also, it is vital that organizations quickly adapt to any changes to stay alert and to be better equipped when embarking on the journey towards the fulfillment of their vision (Carnall, 2007). This has made change management an important focus of today's management strategy (Todnem 2005).

Leadership is very important while managing organizations or addressing the issue of organizational change. Kennedy believes that role of the leadership is a key while addressing the issue of organizational change and effective leader can bring effective change for an organization (Kennedy 2000). In their book *Organizational Change*, Senior and Fleming discuss the role of leadership and claim that leader is a change agent who can take initiative and bring change for organization (Senior and Fleming 2006). Knowing the importance and implication of organizational change and admitting the fact that organizational change is the demand of a time, leader/leadership can play a key role in bringing and implementing these changes, by deciding the desired form of an organization and taking the practical steps which are needed for the process.

The next obvious question which one can have, that what kind of leadership is needed for successful organizational change? At the point where the authors agrees and accept that the role of a leader is crucial for managing organizational change, at the same point they also mention that the process of organizational change is very complex and challenging. A competent and effective

leadership is required to manage the situation. Gruban highlight the fact that the leadership competencies have a great relation with successful organizational change and a competent leader may prove more effective in managing the change process successfully (Gruban 2003). Bennis also acknowledges that special qualities and characteristics are required from a leader to bring successful organizational change (Bennis, 1987).

The contemporary society is marked by confrontation, identification, evaluation, and action process - a process called change (Paton, 2004). In these conditions, the necessity for permanent improvements in performances and continuous need for creating new opportunities is likely to cause and/or produce the change. For the organization to survive, it is essential to implement successful change processes (Paton, 2004 & Deutschman, 2007). Basically, change is a natural and universal process of the world we live in and is never gone. Therefore, the change becomes necessary, inevitable and furthermore is a process of adaptation and evolutionary potential for each person, organization and / or society (Popescu, 2012).

Burnes (2004); Dess &Picken (2000); Tushman & O 'Reilly (1997) agreed that, an organization's competitive advantage no longer primarily depends on its production facilities or financial strength but rather on its capacity to embrace change and innovate. Similarly Tushman and Anderson (1986) provided evidence that companies that initiate technological change tend to grow more rapidly. Moreover, they suggest that organizations with successful change management strategies are more likely to survive and thus more likely to provide sustainable employment for their workers. Therefore, the effectiveness of organizations change management is connected with organizational performance and is very essential for competitive advantage.

There are possibilities for organizations to lose their repute and market share if they do not prepare themselves according to rapidly changing circumstances and situations. Different authors describe the significance of organizational change in different way, but it's an accepted fact that organizational change is important for sustainable business and long term success. Accepting the greatness of organizational change and knowing the fact that practical steps are needed to make things happen, the next question may arise in minds that "who were take initiative to bring these changes for organizations, to take practical steps" and "who were be the person in charge".

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Scholars and researchers also agree on the point that role of a leadership/leader is very important while managing organizations or addressing the issue of organizational change. Accordingly this thesis try to examine leadership role towards organizational change in Ethiopian Road Authority. Changes in the Ethiopian road transport sector occur in response to and in anticipation of change in the rest of the economy. The on-going Road Sector Development Program since 1997 is recognized as an essential input to the Government's effort in reviving the economy, ability to integrate the county towards stronger nation, and most importantly, to the quality of life of all Ethiopians. ERA is the sole responsible body of the road sector development in Ethiopia. Before 2011 ERA was performing both the regulatory and operational works together. After 2011 it has reorganized its operations and regulatory departments as independent institutions. The former Operations Department has been reorganized as a public contractor as Ethiopian Roads Construction Corporation (ERCCO) by council of Ministries Regulation No.248/2011 with the purposes of Engaging in domestic and overseas, and the Regulatory Department has been reorganized as ERA by council of Ministries Regulation No.247/2011 with responsibility to plan and manage the road network and supervise road works and is accountable to Ministry of Transport.

The highest authority of ERA is laid on the Board of Directors. ERA is directed by the Chief Executive Officer called the Director General. Under the Director General there are four Deputy Director Generals (DDGs). These are Deputy Director General of Planning & ICT, Engineering Operations Deputy Director General, Road Asset Management Deputy Director General and Human Resource & Finance Deputy Director General. Besides ERA has 31 directorates which are responsible for day to day activities of the organization and from which 18 directorates are core directorates and the remaining 13 directorates are serving as supportive.

The vision of ERA is "*to assure the provision of adequate, reliable, high-quality and standard road network to Ethiopians and open up all potential development areas which Were contribute to fast socio-economic development all over the country by the year 2028*" and its mission is *provide safe, comfortable, and adequate road infrastructure to support the socio-economic development of the nation and satisfy road users by improving the condition of roads, expanding the network and preserving road asset and  is to provide better roads for better Ethiopia and as*

*well as supporting the country's vision of joining the middle level income countries in two decades time.*

Over the last sixty years the performance of ERA was improved but still there is a big gap for improvement. The issue of addressing huge network expansion and improvement as well as backlogs of maintenance needs under funding constraints, weak local construction industry, few international contractors, weak capacity of own force and District Road Maintenance Contractors (DRMC) units with leaner qualified staffing resources is indeed a great challenge for Ethiopian road sector. Above all slow pace of institutional change, weak implementation capacity of the local construction industry, high turnover of professional and managerial staffs, and lengthy contract procurement processes even for small contracts the rules and regulations set out in the public procurement and donor agencies guidelines can be cited as major challenges.

## 1.2  Statement of the Problem

Today's fast-moving environment requires organizations to undergo changes almost constantly (Jones & Brazzel, 2006; Kotter, 2010). Change is now becoming the global challenge for every organization because of technology, economic and worldwide modifications that enforce organizations to change. Changes in the organization are necessary with the passage of time through which organizations can gain edge in the market or at least can survive in the rapidly changing market (Denning, 2005). However, Scholars in the field of organizational change generally agree that change initiatives tend to fail more often than they succeed. Applebaum, Habashy & Shafiq (2012) found failure of change initiatives to range from 30% to 80%, while Kotter (1995) estimated that approximately 70% of all organizational change initiatives fail.

Herold and Fedor (2008) estimated that only around 20% of change initiatives were successful, therefore, failure rate was somewhere between 67-80%. Jones & Brazzel, 2006 claim that one of the key reasons for this high failure rate is resistance to change from employees and ineffective leadership in managing change. Kotter (1995) also claims that the biggest factor in failed organizational development is the human factor, i.e. attitudes, behaviors and responses by the change recipients. The researcher doesn't found any research finding that shows how much percentage of the change initiative in Ethiopia in general and in ERA in particular could be

successful. For this reason the researchers tend to use the global level which is 30 percent success rate and 70 percent failure rate. No matter the cause of this high failure rate, changes are obviously problematic for an organization.

As a result, it is important for organizations to focus on the ability to have good change management, i.e. the ability to manage and perform change (Jacobson, 2013).Leading organizational change is most important task for leaders in today's society. This emphasizes the importance of the leader's role in organizational change.

In the case of our country, Ethiopia, change implementation and management activities was prominent since 1994 when result based performance management system implemented, however; it is strengthened with the implementation of Business Process Reengineering (BPR). Moreover subsequent change tools were implemented in the public firms afterwards. These include BSC, TQM, KAIZEN, ISO Standards, and other change management strategies. Although some change management studies exist in our country they give little concern to leadership role towards organizational change rather most of them focus on change management tools such as evaluation on BPR implementation (For instance Tesfaye, 2009, Hailekiros & Singh, 2012). Likewise research conducted by Dereje (2011) focused on ISO 9001 certification and Fetiya (2015) made an assessment on the implementation of BSC and strategic planning. However, none of these studies has focused on the management of change in concentrating on the role of leadership. Change management has highly focused on people and the pattern of human interaction. Lack of leadership concentration on the complexity of change make the process of change management ineffective (Karp & Helgo, 2008).

While organizational change is a constant experience, knowledge and awareness about many of the critical issues involved in the management of such change is often lacking in those responsible for its progress. Clearly, if organizations are ever to experience a greater level of success in their development efforts, managers and executives need to have a better framework for thinking about change and an understanding of the key issues which accompany change management. The role of leadership is crucial for managing organizational change; at the same point the process of organizational change is very complex and challenging. A competent and

effective leadership is required to manage the situation. Gruban highlight the fact that the leadership competencies have a great relation with successful organizational change and a competent leadership may prove more effective in managing the change process successfully, (Gruban 2003). Bennis also acknowledges that the special qualities and characteristics are required for a leadership to bring successful organizational change (Bennis & Nanus 1985).

Accordingly as per the researcher knowledge the researcher didn't found a recent study conducted on the leadership role to the management of change in public sector organization in general and in ERA in particular. Thus, this motivated the researcher to investigate this prominent point. With preliminary assessment conducted, the researcher came to know that ERA has implemented the planned change starting 2009 which may include BPR, BSC, KAIZEN and recently institutional modernization project. However, in the researcher's best awareness the change implementation of the organization was not satisfactory because of the problems in leadership concentration. Therefore, undertaking this research topic in ERA were worth enough to the researcher. Accordingly this study were examine specifically leadership/management role in organizational change management at ERA.

## 1.3   Research Questions

➢ What type of leadership styles practiced and success rate of change models implementation in Ethiopian Road Authority?

➢ What are/is the role of leadership in change implementation model in Ethiopian Road Authority (ERA)?

➢ What types of challenges encountered by Ethiopian Road Authority (ERA) leadership during implementation of change models?

## 1.4   Objectives of the Study

In this section, both the general objective which addresses the research topic and specific objectives which address the research questions are addressed.

### 1.4.1   The General Objective

The general objective of this study was to assess the role of leadership in organizational change management in ERA.

### 1.4.2  Specific Objectives

❖ To determine the leadership styles practiced and success rate of change models implementation in Ethiopian Road Authority.

❖ To examine the role of leadership in change implementation model in Ethiopian Road Authority (ERA).

❖ To diagnose the challenges encountered by Ethiopian Road Authority (ERA) leadership during implementation of change models.

## 1.5  Significance of the Study

The researcher believes that this study would be useful in various aspects to some key stakeholders. So, in this section some of the direct beneficiaries of the study are identified and the significance of the study to those beneficiaries are explained as follows. This study was concerned with the role of leadership in organizational change in ERA. It is hoped that the study would yield information which is useful for future proper planning and decision making concerning change in ERA to improve competence and meet their objective of better road for better Ethiopia. The findings and recommendations of the study will also be useful to the leadership of ERA to rethink about their leadership role in the change management of the organization. This assist them not to rely on simple personal experience or subjective expert judgment or on tradition or fashion in their management tasks but base their methods, decision and actions on concrete knowledge of issues of their  implementation of change supported by the findings.

The researcher hopes that the study form a basis for further research on the role of leadership in organizational change management and the competence of the organizations. This lead to the generation of new ideas for better and more efficient change management. The finding of this study also immense importance for all stakeholders and beneficiaries of road sector because the results of such study as it has a potential to uncover deficiencies which in turn contributes towards improvement of the service they get from the organization. Last but not least the study gives a fresh insight for the researcher about change in general and the leadership role in change management in particular. Moreover, by doing this study the researcher has got a good experience

on research works and it is believed that this experience helps the researcher for further endeavors in the future.

## 1.6  Definition of Terms

**Balanced Scorecard**:  is a strategic management system that helps managers to translate organization strategy into operational objectives and implement it. BSC framework looks at the strategy from four different perspectives i.e. financial, customer, internal business processes and learning and growth. Thus, it brings in the necessary clarity to strategy. Further, implementation of BSC ensures that strategy gets communicated to all the employees suitably to facilitate implementation by them. Measuring organizational performance through BSC reviews remain integral to BSC concept (Kaplan, 2002).

**Change management**: change management can be defined as the introduction and management of initiatives designed at renewing an organization's direction, structure, and capabilities to serve the ever-changing needs of external and internal customers Brightman (2001).

**Communication:** is the central process through which employees exchange information, create relationship, and build meaning, values, and an organizational culture (Grönroos, 2004).

**Leadership:**  is a set of processes that creates organizations in the first place or adapts them to significantly changing circumstances. Leadership defines what the future should look like, aligns people with that vision, and inspires them to make it happen despite the obstacles (Kotter, 1996).

**Leadership Style:** basically leadership styles are classified in to two. These are transactional and transformational. Transactional and transformational leadership are based on the assumption that the transactional leader relies on bureaucracy and legitimacy within the organization whilst the transformational leader focuses on motivating followers by appealing higher ideals and moral values such as a well-defined vision for the organization that are attainable (Burns, 1978)

**Organizational change:**  is a socially constructed reality with negotiated meaning as outcomes of power relationships and struggles for supremacy (Grant, 2005).

## 1.7 Delimitation/ Scope of the Study

Because of the wideness of change management issues it is difficult to cover the whole content of change management aspects; this research is constrained on the role of leadership in organizational change only. In this study the researcher focused on the role of leadership on organizational changes. Furthermore the study is delimited to ERA, Addis Ababa main office and the study is concerned only from the year 2014 to 2017.

## 1.8 Organization of the Paper

The study was organized in the following ways. The first chapter dealt with introduction in which discussion is made on background of the study, statement of the problem, the research questions, objectives of the study, significance of the study, definition of terms, delimitation/scope and limitations of the study. In the second chapter, theoretical literatures which covers issues related leadership styles for the management of organizational change, change process, change agent, change implementation and change management were reviewed. Under this topic a detailed coverage on the concept of the proposed study is given. In the third chapter, research design, data sources, population and sampling technique, sampling design and the method of data analysis were presented. The fourth chapter was interpret and discuss the findings and summaries the results of the study. The last chapter, chapter five, provides summary, conclusions and recommendations on the basis of the analysis made in the preceding chapter.

# CHAPTER TWO

# 2 REVIEW OF RELATED LITERATURE

This part of the thesis presents the theoretical framework, which is used to understand the change process that is presented in the empirical findings. The theories presented were selected on the authors' consent of relevance and applicability in understanding and analyzing the role of leadership in change management in the study. The theories described reflect the different approaches frequently adopted by leaders during the change process that aim to improve the likelihood of success in the outcome of the organization. The review is organized in to three major parts namely theoretical review, empirical review and conceptual framework.

## 2.1 Theoretical Framework

The theoretical framework is divided into two parts. The first part deals with leadership style and the second part deals with organizational change.

### 2.1.1 Leadership

Leadership and management are prototypical components of any organization and are arguably, the most important aspects for organizational success. A successful leader can stimulate and lead the organization towards success. Therefore, it is important to understand what makes a good leader. One of the most important aspects during a change program is leadership. A good leader is, many times, vital in order to maximize the chance of success (Yukl 2012). Therefore this part is describing some different leadership styles and trying to explain what good leadership is and how it can be related to change processes.

## 2.1.1.2  Transactional versus Transformational Leadership Style

Transactional and transformational leadership are based on the assumption that the transactional leader relies on bureaucracy and legitimacy within the organization whilst the transformational leader focuses on motivating followers by appealing higher ideals and moral values such as a well-defined vision for the organization that are attainable (Burns 1978). The most common leadership in business is transformational leadership, due, in part, to the notion that transformational leaders are said to be inspirational because they expect the best from all teams. These attributes and expectations lead to higher overall productivity and inspire the creation of value adding activities (Brown 2012).

For managers, the most common leadership is transactional leadership, because they ensure that routine work is accomplished in a reliable and sufficient way (Avolio et al 2009). Bass (1990) characterizes transactional and transformational leadership; where a transactional leader is as one that uses contingent rewards, manages by exception, and uses elements of laissez-faire, whilst transformational leaders uses charisma, inspiration, intellectual stimulation and individualized consideration. The characteristics of transactional leadership are defined as:

*Contingent rewards***:** leaders rewarding employees in one way or another, it can be either a monetary reward for certain achievements or an express of good performance (Jackson et al 2012).

*Management by exception:* a way of managing through rules, regulations, standards and corrective actions (Bass 1999). An interesting aspect of this is presented by McGuire and Hutchings (2006) who examine how managers can handle challenges in an organization through a Machiavellian thinking, inspired from his most famous book 'The Prince'. They find that transactional leadership based on rules, regulations and punishments e.g. powerful, or strong, leaders can have an impact on forcing organizations to change.

*Laissez-faire:* a leadership style described as a hands-off approach, meaning leaders try to avoid excessive involvement and decision-making. This means that the leader is unavailable when needed and delays responding (Xirasagar 2008). This leader allows total freedom to all employees through a non-interference policy and non-existing goals (Spinelli 2006).

**The characteristics of transformational leadership are defined as:**

*Charisma:* a personality trait that is beneficial for creating affiliation within an organization. Leaders that are charismatic create a shared identity within the organization through gaining trust, affection and also through generating excitement and motivation amongst the employees (Flynn

and Staw 2004). The three core components of charismatic leadership are identified as envisioning, empathy and empowerment (Choi 2006), where envisioning influences the followers need for achievement, empathy stimulates the employee's need for affiliation and empowerment enhances the employees need for power.

***Inspiration***: a way of communicating high expectations, enlighten important aspects, being sensitive towards the employees, and being knowledgeable (Bass 1988). Inspirational leaders tend to communicate through symbols and are said to express important purposes in simple ways.

***Intellectual stimulation***: promotes intelligence, rationality and careful problem solving to employees (Bass and Avolio 1995)

***Individualized consideration***: a style of leadership where leaders give employees individual attention, advice and personal coaching in order to reach the organizations goals (Bass and Avolio 1995).

### *2.1.1.3   Successful Leadership Stage Model*

This model is developed by Collins (2005), and relies on the fact that great leaders have a paradoxical combination of deep personal humility and intense professional will. A professional humility is defined as where the person demonstrates a compelling modesty towards others including not blaming other peoples or external events if changes fail to deliver, acting with quiet and calm determination and not inspiring charisma to motivate the organization, channeling ambitions into the organization instead of taking own advantage of it and preparing the succession for even more greatness within the next generation of leaders. A professional will is defined as one creating outstanding results during the transformation from a good to a great organization, demonstrating determination to what must be produced in the long-term even if the process is hard, setting high standards of what is needed of the organization to succeed, and giving credits to those contributing to the success of the company.

Leadership can, according to this model, be divided into five stages or levels, with level one as the not so good leaders and level five as the ones transforming good organizations into great ones. The different levels, according to (Ibid) are:

***Level one***: high capable individual; makes productive contributions through talent, knowledge, skills and good work habits.

*Level two***:** contributing team member; contributes individual capabilities to the achievement of group objectives and works effectively with others in a group setting.

*Level three***:** competent manager; organizes people and resources towards the effective and efficient pursuit of predetermined objectives.

*Level four***:** effective leader; catalyzes commitment to and vigorous pursuit of a clear and compelling vision, stimulation higher performance standards.

*Level five***:** executive; builds enduring greatness through a paradoxical blend of personal humility and professional will.

Another view of this is presented by Miller (2001), who has made a four-stage model directly referring to change leadership. This assumption is based on personal change adaptability, which leads to a four-stage framework ending in successful change leadership behavior. The top-line indicators for personal adaptability are optimism, self-assuredness, innovative, collaborative, purposeful, structured and proactive. Optimism is defined by an upbeat about the future, learning from situations and does not allow problems to dampen enthusiasm and the person's genuine optimistic view of the world. Self-assuredness is defined by a high self-esteem grounding in the knowledge of one's own abilities and confidence, ending in a feeling of being in control of upcoming events. Innovation is defined as having a fresh look at occurring problems and challenging status quo. Collaboration is defined by a look at others as resources to be called upon when encountering problems or difficulties. Purposeful meaning that one has an understanding of priorities and an ability to maintain focus and discipline towards goal achievement. Structured persons are organized, methodical and use existing systems. Proactive, meaning that one takes quick decisions and seizes opportunities due to fast thoughts and reactions. These indicators of adaptability can be combined with different leadership change beliefs, or different change leaders.

Change leaders can be classified in four stages, where stage one leaders is not so good and stage four leaders are the one preferred for leading a change program to success. The different stage is presented below.

*Stage 1*. Leaders at this stage do believe that personnel will change as soon as they understand the logic behind the change or that people will change when told to change. These leaders also rely on written business cases in the communication, resulting in an assumption that little planning are

necessary, but that the communication has to be very clear and logical. The underlying assumption for the leader is that people are rational and will follow their self-interest when it is presented to them, and if they do not understand then will organizational power or sanctions ensure them to do it.

*Stage 2*. Leaders at this stage believe that people will change through using of powerful communication and symbolism. They also believe that change itself will make people change, therefore the planning will focus on different change techniques, such as group meetings and change symbols like t-shirts or videos. The underlying assumption is that personnel will change once the benefits of the change is presented to them, also here where organizational power or sanctions ensure them to change if not adapting to it by own will.

*Stage 3*. Leaders at this stage believe that people may not be willing, able or ready to change, therefore they prefer the use of external consultants that will build a change plan that they can implement within a clearly defined budget and time-frame. As a result of this, they tend to dislike the change plan if they have to change themselves or their behaviors or skills. The underlying assumption is that personnel will become committed to change when time passes and the plan is implemented.

*Stage 4*. Leaders at this stage concern of the personnel's ability to absorb the change and that they may not be willing, able or ready to change. A vital part of the planning is to plan how people shall implement the change, therefore leaders are involved in the planning themselves, being willing to devote their time and energy when developing it. The underlying assumptions are that commitment must be built and that sanctions will not be effective and that different people needs different amount of time to adapt what is changing.

### 2.1.1.4 *The Role of Leadership on Organizational Change Success*

Important element for a successful change in any organization is "Leadership" - leaders are the role model personalities in any community. There are different styles of leadership explained by theorists, and every style has its own impact on change management. Lowder (2009) have discussed Leadership Model for Change Management, he concludes that Transformational leadership focuses on organizational development whereas servant leadership have concern about the development of followers. In today's dynamic business environment, for developing best followership and change management dealing Transformational Leadership model is best. Change

management were be the core competency of the business leaders in twenty-first century. Therefore being visionary change agents, leaders were be required to more skillful and motivational. Discontinuous changes make worst effect on the capabilities of leadership (Nadler, Shaw & Walton, 1995).

Leadership style and employees' trust in top management are highly positively related to behavior involved in implementation of innovations, for controlling individual differences and department affiliation (Michaelis, Stegmaier & Stonntag, 2009). Nadler & Tushman (1990) state that it's only "Charismatic leader" that has specialized quality to mobilize and sustain activity within an organization through specific personal actions combined with perceived personal characteristics. They have to help the person to develop skills that facilitates them to cope up with the changes. Successful change leaders have to pay attention towards the launch, implementation and sustaining of the particular change effort (Herold & Fedop, 2009).

Change management is a process that includes various skills i.e., leadership development (ability of top management to get trust of internal customers in them), marketing and sales ability (to make awareness about the consequences of change) and communication skill (gather support for the decision to change (Kaminski, 2000). Lack of any of these skills may have bad impact on the effectiveness of change management process in an organization. According to Ajayi (2002), the change leader needs following capabilities:

  ➢ Superhuman determination to make the change happen
  ➢ Persistence;
  ➢ Stamina;
  ➢ A sufficient mandate that stems from personal change; and
  ➢ First-rate intelligence.

Without strong leadership, effective organizational change won't ever be possible. Managing change in an effective manner requires change leaders that can lead a team which have courage to drive change properly in an existing system. As change is a transformation process, therefore the agents of change (leaders and management) must have to drive a supportive response for change from the stakeholders (Kotter, 2007). Absence of clear understanding of change accomplishment methods and the incapability to adjust one's management style or organizational functions are

quoted as hurdles to success (Bossidy & Charan, 2002; Gilley, 2005). The literature reveals that basic leadership and management practices are associated with the core competencies of an organization to achieve desired outcomes (Goonan & Stoltz, 2004). Leadership is an important essence for change management process as by definition, change requires new system creation and then institutionalizing the new innovative approaches. Primarily, the transformational leadership is considered as leadership style having capabilities to increment change fully in an organization (Eisenbach, Watson & Pillai, 1999). Visionary transformers are required to bring quality-led strategic change (Nwankwo & Richardson, 1996). In today's modern era of technological advancement, every organization is struggling to get an edge over its competitor and to do so organizations are required to be more adaptive towards change. To meet up with the challenges of this century, organizations are required to be converted into learning organizations at first stage, in order to become world class organization. For transformation of a traditional organization into a learning organization, the fundamental required essence is leadership. That can clarify the vision and mission of the organization, assist the employees to complete their targets and help them to get settled in new innovative and learning environment (Singh, 2011).

### 2.1.2   Organizational Change

Change is becoming a way of life for organizations, employees and managers' alike (Leanna & Barry, 2000). With organizational change occurring at a more rapid pace than ever before (Wanberg & Banas, 2000), the ability to identify, cope with, and capitalize on organizational change is becoming a requirement of effective managers.

#### 2.1.2.*1 Change – A planned Activity*

According to Ajay (2002), change is an illogical and emotional process. Being a leader of change, one has to focus more on human aspects of change as individuals are the main actors in sphere of intellectual capital. Organizational change is a multifaceted and long term task. A change management is actually a vital plan in designing how the organization is to move from its current state to a desired future state. Organizational change is a planned activity as it serves as a linkage between the different parts of a change process, setup priorities and timelines, assigning

responsibilities, establishing mechanisms for review and revision where necessary. For an effective change management process, it is required to be properly planned. Effective planning for change must begin well before changes are to take effect and consultation should be done (Smith, 2006). For successful competition of any change management plan, it needs to be properly planned and fully budgeted. Along with these important constraints, leadership is also a spirit for the manager to capture employee back into work and to produce maximum benefits from change. This concludes that leaders are more effective than managers during the process of change (Bejestani, 2011).

### *2.1.2.2   Change as a Process*

Change as a process was being firstly conceptualized by Lewin in 1947. He segmented the change as a process with three phases: (1) unfreezing, it is about readiness to change means it involves getting a point of an understanding that change is necessary and to be prepare for leaving the current state of comfort for the sake of future benefits; (2) moving, at this stage, people have to move forward to adopt a new changed setup. People are most fearful from this stage of change process as they have to leave their current comfort zone; and (3) refreezing, at last, change is accepted as a new norm in an organization and now the change is a part of routine process. Lewin also suggested that although common sense might bend toward increasing powerful forces to persuade change, in many illustrations this might arouse an equal and opposite increase in resisting forces, the net effect being no change and greater tension than before. An awareness of the need for change is the beginning of the whole change process. A complete assessment of the current situation is necessary to begin the process of implementing any kind of change in an organization unfortunately this kind of assessment may take longer time than management have (Armstrong, 2003). Galpin (1996) has proposed the strategic steps leaders necessitated to make use of the efficient change process. These steps were;

 ➢ Defining the need to change: At the initial step, it is required to identify the need of change after the assessment of current situation.
 ➢ Developing a vision of the result of change: For an effective change process, it is required to develop some clear vision about the outcomes or consequence of the change in an organization.

- ➤ Leveraging teams to design, test, and implement changes: To derive the best possible desired outcome, it is necessary to empower teams that can design, test and implement strategies through which change effectiveness can be assured.
- ➤ Addressing the cultural aspects of the organization that will help and sustain change: The process of change must have to incorporate with the culture of an organization as it will facilitate change to strike up with the future challenges.
- ➤ Developing the essential attributes and skills needed to lead the change effort: Last but not the least, for successful completion of change process, certain attributes and skills are considered necessary to be developed.

## *2.1.2.3   Leaders as Change Agent*

Leader means someone who has the authority or power to control a group of people and get it organized for a particular task or goal. Leader has a clear vision for the welfare of his organization and development of his organization. Leadership is that quality of leader by which he leads the team or his group (Bass, 1985). Leadership has six basic personality traits named as; self-confidence, ambition, drive and tenacity, realism, psychological openness, appetite for learning, creativity, fairness, dedication. To involve other members of team in decision making is also the part of leadership. Senge (1990) illustrates three foundation characteristics for a person to be in a leadership role in the modern day organizations and they are of an architect, a teacher, and a steward. These three qualities assist in clarifying mission, vision and values; identifying strategies, structure and policies; generating efficient learning processes; and facilitating subordinates to develop their mental model continuously and think systematically.

This developed attitude of the leaders creates a sense of belongingness in the members of team and motivates them towards their assigned work or duty, which ultimately increases the efficiency of the work. For an effective change, the study reveals that charismatic leadership and trust in top management both are important. They are strongly correlated (positively) with change implementing behavior, monitoring of anticipators, management level, and department connection (Michaelis, Stegmaier & Sonntag, 2009). According to Noer (1997), the leader, as a person, is the most important tool for change. The leader's spirit, insight, wisdom, compassion, values, and

learning skills are all important facets in the capabilities to lead others to embrace change and redesign. The leader who prompts change within a firm is often subject to approximate thought (Nadler & Nadler, 1998). It is the leadership's behavior that makes the change situations more effective (Higgs & Rowland, 2005). In response to today's socioeconomic environment for successful organizational development, the key defined by Darling & Heller (2009) is embodied in the managerial leaders' attitudes, and the commensurate thoughts and feelings communicated to the universe, both inside and outside of their organizations. Study further reveals that leaders must have to understand the reasons for the failure of change in any organization. They have to develop capabilities to be a successful change agent (Manikandan, 2010).

## 2.1.2.4  Change Management

Change management is an essential area of concentration for healthy growth of any business, it is important even for the survival of any organization in today's business world. Change management has highly focused on people, identity and the patterns of human interaction. Change management were be the core competency of the business leaders in twenty-first century. Therefore being visionary change agents, leaders were be required to be more skillful and motivational. Discontinuous changes make worst effect on the capabilities of leadership (Nadler, Shaw & Walton, 1995). Even after implementation of change, the duty of leader does not end. Change is the one constant, one can easily anticipate. But in business, it's vital that organizations build up a change management approach through which they can rely on to diminish both expected and unexpected changes. That way, they can meet any challenges head-on and not be derailed by whatever changes come their way (Gans, 2011). Nickols (2010), states that there are four basic definitions for change management. These four definitions are:

- ➢ The task of managing change: Firstly the definition of change management referred to the term, 'the task of managing change'. Managing change can be illustrated firstly as making of changes in a planned and managed way, secondly to manage the response to changes on which organization have some control. It also includes managing impact of change on people.

- ➢ An area of professional practice: Change management is an area of professional practice where organization is managing the general process of change that is laid claim to by professional change agents.
- ➢ A body of knowledge: Change management is a body of knowledge that consists of the models, methods and techniques, tools, skills and other forms of knowledge that go into making up any change practice.
- ➢ A control mechanism: Change management is about controlling and monitoring the standards, requirements, processes and procedures through which effective change can be bought in the routine system of any organization.

## 2.2 Empirical Review

Organizations in the 21st century face major, discontinuous change that makes change leadership more difficult and more complex than ever (Tichy & Ulrich, 2011). This explains why in the contemporary world, change leadership has become an increasing focus for management attention. Change involves fundamental changes in the business of the organization and its future direction. According to Noer (1997), the leader, as a person, is the most important tool for change. In addition to this it is the leadership's behavior that makes the change situations more effective (Higgs & Rowland, 2005).

Maha. M Al-Khaffaf conducted a study in title of "Appling Change Management Critical Success Factors in Bank of Jordan and Capital Bank" (2012). The study aimed to identify the application of the concept critical success factors of change management in both Jordan Bank and Capital Bank. For each bank, compare these factors among this two banks in order to develop a new change model. The results indicated that the following seven critical success factors were the one that both Banks agreed upon: resources, top management support, quality, employee satisfaction, training, technology, process and systems. Also, the study showed no statistical significant variation among the surveyed banks in terms of change management component.

While , Ali Abaas conducted a study in title of "Impact of Managerial Leadership Styles on Changing Decision Making Process : An Applied Study in Jordanian National Electricity Company " (2012) , The study aimed to investigate the impact range of managerial leadership

styles (Autocratic , Democratic and Loose ) on the decision making process , and the resistance range of subjects to the decisions and in its implementation , the results showed that there is a different leadership styles existed in that company , and the democratic style has a strong and positive impact on the decision making process , while the loose leadership style has less impact , but autocratic style has a negative impact .

Paul Chou (2013) , conducted a study in title of "The Effect of Transformational Leadership on Follower's Affective Commitment to Change " , the study aimed to explore the mechanism through which transformational leadership influences employees' affective commitment to change at farmers' associations in Taiwan . The results indicated that transformational leadership not only directly affects employees' affective commitment to change , but also indirectly affects employees' affective commitment to change via perceived organizational support and affective commitment to the organization .

Muhammad Hussain Uddin (2013) conducted a study in the title of "Role of Transformational Leadership in Organizational Change: mediating Role of Trust", to examine the relationship the author collected the data via questionnaires from the banking sector of Pakistan. The results indicated that there was significant relationship between the transformational leadership with organizational change and trust was playing the mediating role.

For effective change, the study reveals that leadership and trust in top management are important. They are strongly correlated (positively) with change implementing behavior, monitoring of anticipators, management level, and department connection (Michaelis, Stegmaier & Sonntag, 2009).

## 2.3   Conceptual Framework

A change agent is a person from inside or outside the organization who helps an organization transform itself by focusing on such matters as organizational effectiveness, improvement, and development. A change agent usually focuses his/her efforts on the effect of changing technologies, structures, and tasks on interpersonal and group relationships in the organization. The focus is on the people in the organization and their interactions.

The conceptual framework indicates the vital process, which is useful to illustrate the track of the study. The study demonstrated the relationship between role of leadership and organizational change.
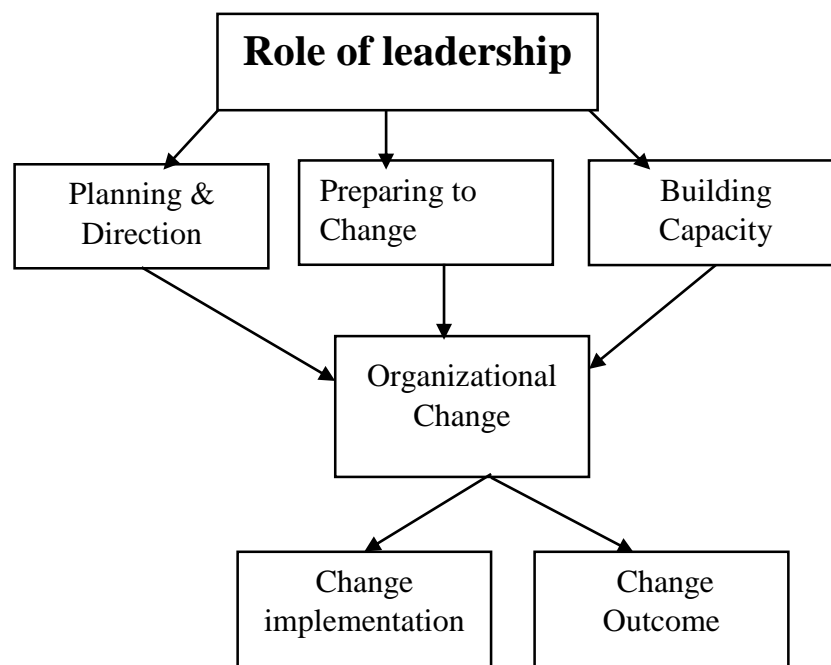


**Figure 2.1**: Framework of the role of Leadership on organizational change

Adopted from V, Rama Devi et al. International Journal of Engineering, Business and Applications, 5(1), June-August, 2013, pp. 91-94

# CHAPTER THREE

## 3   RESEARCH DESIGN AND METHODOLOGY

### 3.1   Research Design and Approach

It is a common practice in a research to use sample in order to generalize about the targeted population. Tabachnick and Fidell (2007) noted that ideally, samples are selected on randomly bases this indicates the representative of the population. The intention of the study was to generalize the findings on the role of leadership on organizational change. The sample selection about broader potential respondents giving equal chance of selection is vital to increasing the representativeness of the sample. Therefore, the research is designed to apply survey study that included questionnaires and open indeed question for interview at ERA. This study focuses at the area of the role of leadership on change management especially how people react to change and how managers/ organizations can work to facilitate the change process.

Hence, based on types data collected different statistical analysis and descriptive research was used to explain the relationship between the independent variables (leadership role) and the dependent variable (organizational change). The research were carried out through the use of cross-sectional survey design. Cross-Sectional design also known as one-shot and it is best suited to studies aimed at finding out the prevalence of a phenomenon, situation, problem, attitude or issue, by taking a cross- section of the population. They are useful in obtaining an overall picture as it stands at the time of the study. In this study mixed approach of data collection and analysis were used. Mixed methods may be defined as a 'research in which the investigator collect and analyses data draws inferences using both qualitative and quantitative approaches  or methods in a single study or a program of inquiry'(Tashakkori and Creswell,2007). According to Best and Kahn (2006) a research can be qualitative, if it describes events and persons scientifically without the use of numerical data while quantitative research consist of research in which data can be analyzed in terms of numbers.

## 3.2 Data Sources

Both primary and secondary sources of data were used in order to collect appropriate data. Primary data were collected from the direct informants to this study, which includes management staff, supervisory staff and supportive staff of ERA. The secondary data were collected from different published materials like report and manuals of the authority, journals, books, magazines, websites, research findings, policy documents and other relevant materials were reviewed.

## 3.3 Sampling Technique

The study was conducted in Ethiopian Road Authority (ERA). ERA consists of one main office and ten district offices. So conducting research on the main office and districts together are very difficult and takes long time and huge resources. Therefore, the researcher selected the main office using purposive sampling. According to Leedy and Ormord (2013), in a research the result obtained from sample drawn to generalization that goes to total population. Therefore, the population of ERA at main office is very large that is difficult and time consuming to conduct a research on the whole staffs. Thus the researcher applied stratified sampling methods that included the whole division and sections of the organization.

## 3.4 Sampling design and size

Out of the total population (1223), 122 members of the staffs were selected randomly as sample for this study which included the top management, supervisory, and support staff of ERA. The sampling plan describes the sampling unit, sampling frame, sampling procedures and the sample size for the study. The sampling frame describes the list of all population units from which the sample was selected (Cooper & Schindler, 2003). By considering available resources, time and budget, total 122 respondents (10 % of the target population) was drawn from the target population 1223 members of the ERA staffs. The researcher predetermined the 10% sample size based on the rationality that the research environment is homogenous and the information obtained has similarity, the study was conducted. Again as many researchers suggested that incase of cross-

sectional survey study, homogenous environment, the researcher believed that the similarity of information and high accuracy of the study does not mandatory, it is possible to conduct a research by taking at least 5% of the total population. To complement the information obtained from 122 employees' questionnaire, purposively 5 top management and 2 middle management staff were selected for interview. Random sampling technique was deployed to draw samples from each stratum. These are three stratified stratum, namely, management staff, supervisory staff and supportive staff. Each stratum is further stratified in to three categories A, B and C based on their role. To collect sample from each categories simple random sampling methods were used in order to avoid biasness to one category.

Table 3.1: summarizes the sample size selection as follows

| Stratum/division | categories | selected category | total population in each category | Selected sample (10%) | selected samples from each category |
|---|---|---|---|---|---|
| Management staff | Category A,B and C | A | 70 | 10% | 7 |
| Supervisory staffs | Category A,B and C | C | 889 | 10% | 89 |
| Supportive staffs | Category A,B and C | B | 264 | 10% | 26 |
| Total | | | 1,223 | | 122 |

## 3.5 **Data collection**

In order to obtain relevant and adequate information, the researcher used questionnaire and interview as instruments of data collection. Self-structured questionnaire consists of both open and closed ended question designed and distributed to the employees to get their perception on the role of leadership in the organizational change management. The variables of the questionnaires measured using Likert scale with five response categories (strongly disagrees, disagree, neutral, agree, and strongly agree or very low, low, fair. high and very high). A total of 94 items are used for this survey including 7 demographic characteristics respectively sex, age, marital status, academic status, work division, years of experience and work position. A semi structured interview

has used for purposively selected 5 top management and 2 middle management staffs of the organization believing that they have deep and relevant information about the issues and it was conducted with face to face in order to minimize information loss.

## 3.6  Method of Data Analysis

The collected data were organized for statistical computation to explore the inherent relationships among the different variables. The researcher dominantly employed quantitative analysis technique because of the nature of the data collected with a little use of qualitative techniques. The data from the interview question analyzed by the researcher through descriptive analysis. Data from the questionnaires analyzed through both descriptive and statistical analysis by using tables, graphs and simple percentages. This is due to the nature of the questionnaire (open-ended and closed-ended). Most the data obtained through questionnaire was processed for analyses by SPSS 24 version. In order to see the relationship between leadership and organizational change, correlation and regression model was used. Finally, the results were summarized into simple tabulations, cross-tabulations and graphs, pie charts and figures with meaningful interpretation of results that leads to make to draw out implication and conclusion.

## 3.7  Reliability Test

Cronbach's alpha is a coefficient of reliability. It is commonly used as a measure of the internal consistency or reliability of a psychometric test score for a sample of examinees. Several authors such as Alwadaei (2010), Filed (2005), and Kothari (2004), state that an instrument that provides a reliability coefficient of 0.70 is usually considered as a reliable instrument. Hence, in this study the internal consistency for all items of the instrument was tested using Cronbach's alpha method. Therefore the researcher used the above mentioned literature into consideration and tested the reliability of the items which were developed for respondents. To meet the consistency reliability of instrument, the questionnaire was first distributed to 30 respondents and the Cronbach's alpha for the independent variables (Organizational Change Framework and Process, Leadership Role in managing change, Challenge of Organizational Change management, Overall Success of organizational Change models and Critical leadership competencies) were found to be

0.812. Therefore, the questionnaires found to be good internal consistency and thereby in measuring the dimensions of interest to continues the research.

Table 3.2. The result of Reliability Test

| Dimension | Number of attributes | Cronbach's alpha perceived performance | Cronbach's alpha perceived expectation |
|---|---|---|---|
| Organizational Change Framework and Process | 5 | 0.789 | 0.866 |
| Leadership Role in managing change | 5 | 0.837 | 0.858 |
| Challenge of Organizational Change management | 4 | 0.765 | 0.863 |
| Overall Success of Organizational Change models | 5 | 0.849 | 0.913 |
| Critical leadership competencies | 5 | 0.820 | 0.866 |

## 3.8 **Validity**

Conceptually, validity seeks to answer the following question: "Does the instrument or measurement approach measure what it is supposed to measure?" Similarly, as of Bhattacherjee (2012), Validity, often called construct validity, refers to the extent to which a measured equates represents the underlying construct that it is supposed to measure. Hence, to make measurement approach or instrument strong thorough analysis of both theoretical and empirical literatures were performed and consequently the study variables were developed. With regard to validity its attributes/items are developed taking in to account international standards, previous studies and the scientific suggestions.

# CHAPTER FOUR

## 4   RESULT AND DISCUSION

This chapter basically includes two parts. The first part was trying to present and discuss the demographic characteristics of respondents and while the second part presented the data collected through questionnaire and interview from respondents with discussions. The data collected through questionnaire from respondents was presented using statistical table, graphs and figures which is followed by interpretation. Moreover, the data obtained through interview from the change respondents were used in line with the data obtained through questionnaire to elaborate more about the facts. The total 122 questionnaires distributed to employees of ERA Management Staff category A, Supervisory Staffs category C, and Supportive staff category B, top management and middle class management questionnaires and all distributed questionnaires were returned back. Therefore, the data analysis was based on only the 122 collected questionnaires, 5 top managers and 2 middle class managers' interview.

### 4.1   Demographic characteristics of respondents

Table 4.1. Demographic characteristics of respondents

|  |  | Frequency | Percent | Total |
|---|---|---|---|---|
| Sex | Male | 89 | 73.0 | 122 |
|  | Female | 33 | 27.0 |  |
| Age | <25 | 14 | 11.5 | 122 |
|  | 25-35 | 76 | 62.3 |  |
|  | 36-45 | 32 | 26.2 |  |
| Academic Status | First Degree | 109 | 89.3 | 122 |
|  | Master or above | 13 | 10.7 |  |
| Years of  Experience | <5 years | 41 | 33.6 | 122 |
|  | 5-10 years | 50 | 41.0 |  |
|  | 11-15 Years | 22 | 18.0 |  |
|  | >15 Years | 9 | 7.4 |  |
| Working Position | Managerial | 32 | 26.2 | 122 |
|  | Non-managerial | 90 | 73.8 |  |

From the table 4.1, it can be seen that the highest percent around 73% of the respondents were male while the rest 27% were female. This implies that the domination male staffs in the ERA while compared to the female staffs. The age of the respondents ranges from below 25years to 45 years. An age of respondents below 25 years working in the ERA were 14 person (11.5%) out of 122 people respondent, but the majority of an employees were in age between 25 to 35 ages. The data showed that around 62.3% of the respondents were in 25-35 years age category and around 26.2% were in age category between 36 to 45 years. This findings revealed that most of the respondents were at productive age.

In the case of educational status of an employees of ERA, most of the respondents around 89.3% (109 person) obtained first degree while the rest 10.7% (13 person) obtained master's degree and above. Employees who obtained an experience less than 5 years were 33.6% and they were not assigned in the position of managerial level. Most of the respondents obtained experiences between 5-10 years that means around 41% (50 person) and around 18% (22 person) obtained experiences between 11-15 years. Nevertheless few of the respondents around 7.4% obtained more than 15years work experience. According to the results obtained from respondents most of well experienced more than 15 years staffs were assigned on the position of managerial and supervisory.

The status of respondents working section was clearly depicted on figure 4.1. Based on the figure 4.1 around 6% respondents are working on the position of management, around 73% respondents are working on position of supervisory category B and the 21% are working on the position of supervisory category C. These result showed that few of the staffs are working on the top management and many of respondents are working on the position of supervisory.
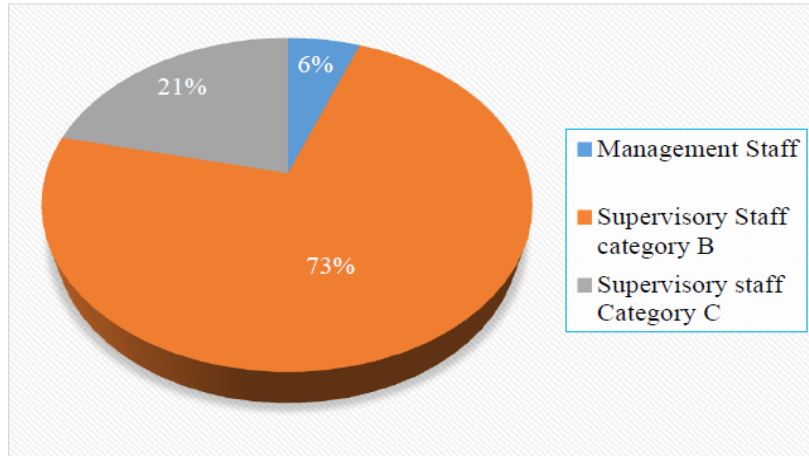
Figure 4.1. ERA Division

## 4.2 Leadership styles practiced and success rate of change models implementation

### 4.2.1 An organizational Change Framework and Process

The perception of the selected respondents from ERA staffs were collected in order to know organizational frame work of change and how the change can be implemented in organization. The details questionnaires contained an organizational change imperative/activities during the change process. The general over all frame work and process survey whether the staffs agree or not agree was explained in figure 4.2 below.
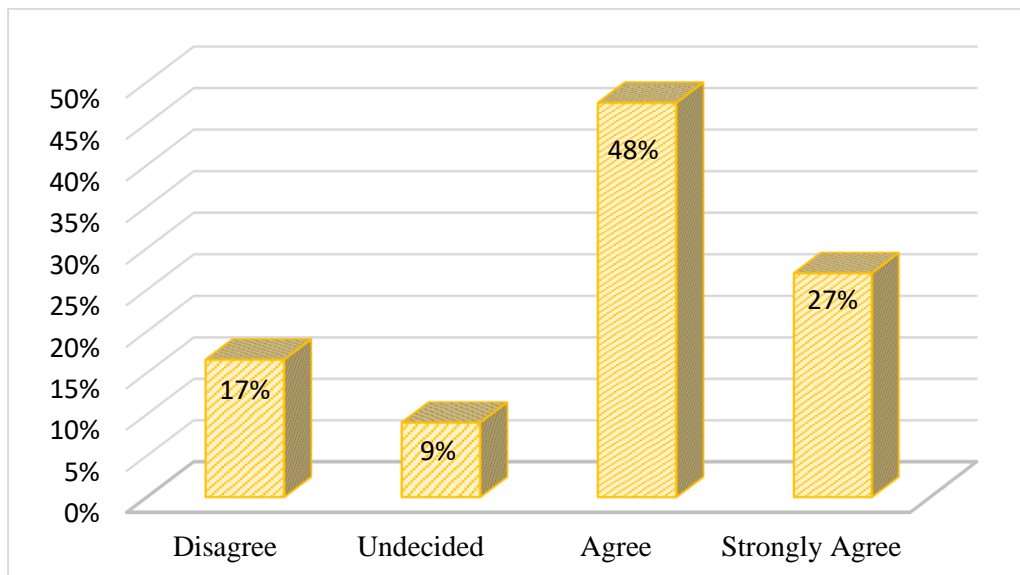


Figure 4.2. The General Organizational Change Framework and Process of ERA

As it can be seen from figure 4.2, around 48 percent agreed with the frame work of ERA change and change process. Likewise around 27 percent of the respondents strongly agreed. But significant number of the respondents criticized the general Organizational Change Framework and Process with 17 percent disagree and 9 percent neutral/undecided. This indicate that the general organizational change framework and its process is accepted by most of the respondents.

Scholars are explained as there are different styles of leadership that can be applied in one organization either in Transformational leadership that focuses on organizational development or Servant leadership that focuses on development of followers. Again Democratic and Participatory style that focuses on employees' participation on each decisions transparently from bottom to top management. The other style is authoritarian and commanding that top down approach and centralized the power and less participation of lower class staffs and managers. Figure 4.3 explained the leadership style applied in ERA called democratic and Participatory.
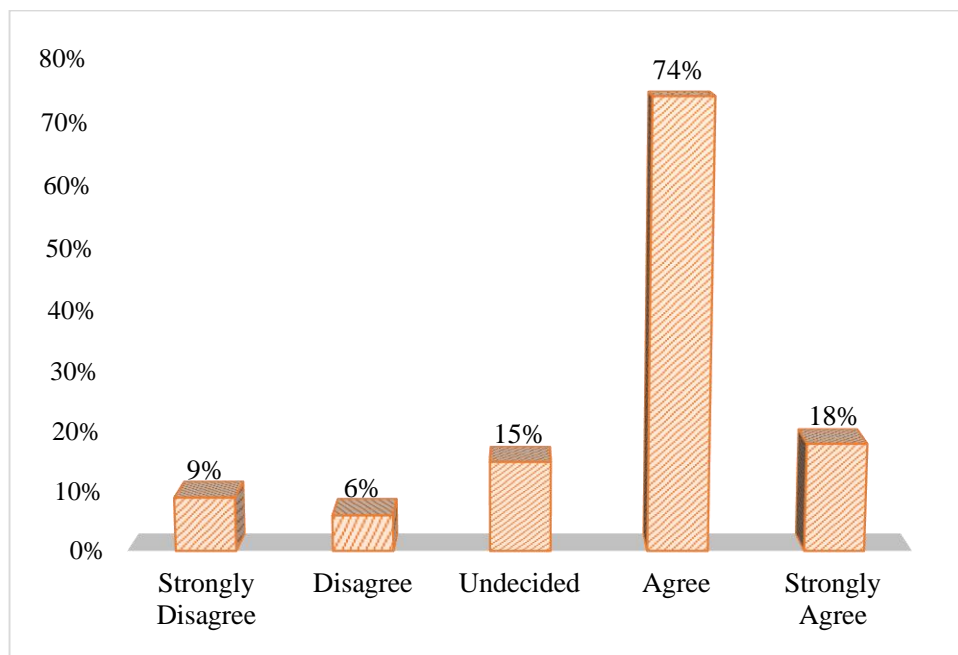


Figure 4.3. Leaders at ERA was democratic and Participatory

As it can be seen from figure 4.3, the respondents reacted on the question saying "indicate your level of agreement regarding leadership style in managing change at ERA whether the Leaders being implemented in ERA was democratic and participatory or Authoritarian and commanding style". Most of the respondents around 74 percent agreed with the statement of the Leaders of

ERA was democratic and Participatory. Similarly around 14.80 percent of the respondents' strongly agree agreed with the statement saying the Leaders of ERA are democratic and Participatory. In contrast of this around 7.40% of the respondents strongly disagree with the statement the Leaders of ERA are democratic and Participatory. Again around 4.90 percent of the respondents disagree with the statement saying the Leaders of ERA are democratic and Participatory while 12.30 percent of the respondents refrain from responding on the question.

The respondents requested to react on the question saying the leaders of ERA are authoritarian and commanding. The figure 4.4 shows the details of the result obtained on the question the leaders of ERA was authoritarian and commanding.
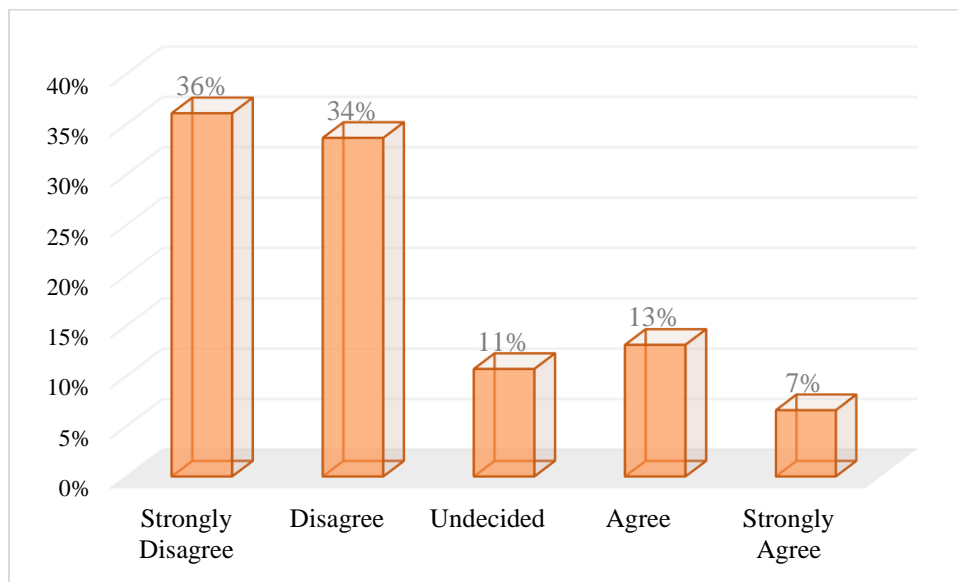


Figure 4.4. Leaders of ERA was authoritarian and commanding

As revealed on figure 4.4, around 36.1 percent of an ERA employees respondents strongly disagreed with the question saying Leaders of ERA was authoritarian while commanding and around 33.6 percent of respondent disagreed. These result are supporting the question saying ERA leaders are democratic and participatory explained on figure 4.3 above. In contrast to around 13.1 percent of the respondents agrees with the question leaders of ERA was authoritarian and commanding while 6.6 percent were strongly agreed. But around 10.70 percent of the respondents abstained to react on the question and kept silent as neutral/undecided. Scholars like Locander and Luechauer, (2007) claimed that democratic and participatory leaders need to spend more time asking questions, generating possibilities, enhancing strengths and charting new courses of action than solving

problems and issuing directives. This ideas was supported from questionnaires collected from respondents.

The researcher like Yukl (2006) recommended that effective leadership behaviors can initiate and sustain the momentum of transforming initiatives into high value and lasting business strategies in numerous ways such as paying attention to the progress of the change initiative, eliminating hindrances encountered, developing suitable structures, establishing required monitoring mechanisms and communicating the relationship between the change efforts and organizational success. The interview made with higher management officials and middle class managers, supported the ideology of researcher Yukl suggested.

The manager reacted on the question "what is the level of an employee's right to decide all issues and their participation".

> *He said that all activities of the ERA are transparent and all employees have equal chances to react on any questions, strategy, meeting, and any issues request decision. Again he said that "participating all employees leads to effective leadership, create initiatives of sense of ownership that push employees as paying attention to the progress of the organizational change".*

### 4.2.2 Success of organizational change

As the scholars suggested that the success of organizational can be seen and observed from different ways. For instance it can be seen the change occurred by comparing current status with previous, physical observation, through checking by checklist, through research conducting, through discussion and forum preparation and evaluation of organizational performance. Again the effectiveness could be measured by reviewing and identifying changes needed in the definition of jobs and functions, flow of communication, coordinating mechanisms and authority-responsibility relationship and necessary changes made in it (Agarwal, 2004). Hence, since organizational change is supposed to create a room for the existence of effective and efficient coordination and communication systems among employees and successful implementation organizational goals and mission. The Table 4.2 shows the rate of overall Success of Organizational Change.

Table 4.2. Success rate of organizational change

| Items/ description | Disagree | | Undecided | | Agree | | Strongly Agree | |
|---|---|---|---|---|---|---|---|---|
| | **Fr** | **%** | **Fr** | **%** | **Fr** | **%** | **Fr** | **%** |
| Improved organizational integration across business processes(Finance, Human Resource, Operation and Regulation) | 26 | 21.3 | 14 | 11.5 | 55 | 45.1 | 27 | 22.1 |
| Improved knowledge sharing(Skills development and transfer) | 34 | 27.9 | 19 | 15.6 | 49.0 | 40.2 | 20.0 | 16.4 |
| Increased new business process creation and adoption | 12 | 9.8 | 31 | 25.4 | 54 | 44.3 | 25 | 20.5 |
| Progress against the original change initiative scope | 19 | 15.6 | 25 | 20.5 | 59 | 48.4 | 19 | 15.6 |
| Stated change business case objective achieved | 18 | 14.8 | 32 | 26.2 | 61 | 50.0 | 11 | 9.0 |
| Reduced time taken for major business decisions(total elapsed issue escalation and resolution) | 13 | 10.7 | 34 | 27.9 | 64 | 52.5 | 11 | 9.0 |
| Reduce communication delays to key change stakeholders(total elapsed time between issue resolution and communication of decision) | 22 | 18.0 | 32 | 26.2 | 58 | 47.5 | 10 | 8.2 |
| Alleviate duplication of function | 22 | 18.0 | 31 | 25.4 | 55 | 45.1 | 14 | 11.5 |
| Improved delegation of authority and responsibility | 31 | 25.4 | 39 | 32.0 | 47 | 38.5 | 5 | 4.1 |
| Allow flexibility | 30 | 24.6 | 31 | 25.4 | 58 | 47.5 | 3 | 2.5 |
| Imposed accountability | 30 | 24.6 | 29 | 23.8 | 60 | 49.2 | 3 | 2.5 |
| Improved employee satisfaction | 39 | 32.0 | 28 | 23.0 | 55 | 45.1 | - | - |
| Improved employee participation in change initiatives | 25 | 20.5 | 34 | 27.9 | 63 | 51.6 | - | - |
| Reduced employee turnover ratio | 35 | 28.7 | 31 | 25.4 | 56 | 45.9 | - | - |
| Improved the financial perspective of the BSC that focuses on the delivery of value to the organization through the implementation of a change initiative | 29 | 23.8 | 35 | 28.7 | 58 | 47.5 | - | - |
| Improved a customer perspective of the BSC that focuses on the development of partnership | 41 | 33.6 | 30 | 24.6 | 51 | 41.8 | - | - |
| Improved a process perspective of the BSC that focuses on the implementation of operational excellence | 65 | 53.3 | 23 | 18.9 | 34 | 27.9 | - | - |
| Improved a learning and growth perspective of the BSC that focuses on the improvement of employee commitment to change | 36 | 29.5 | 36 | 29.5 | 50 | 41.0 | - | - |
| **AVERAGE** | **29** | **24%** | **30** | **24%** | **55** | **45%** | **13** | **11%** |

Source: Survey data, 2018

Table 4.2 depicted that the average result of the responses indicated that 24% of respondents agreed as the overall implementation of change was not successful in organization. This figure is very big in organizational change implementation. That shows that there are many works remain to implement change implementation in ERA and the staffs assured as the change implementation

was properly following the change implementation models developed by different researchers and scientists. The overall success rate of change implementation in the organization was supported 45 agreed and 11 percent strongly agreed. But around 24 percent respondents were kept silent from supporting and not supporting the overall implementation of change in ERA. These indicated that the figure of disagreed and kept silent is very significant. Therefore, it is possible to say organizational success is very low in order to bring transformational change on organization. These implies that the leaders' role on organizational change and the effecting change agents are poor. Therefore ERA leaders needs to revise their leading style and make the organization successful as per suggested by different scholars.

## 4.3 The role of leadership in change implementation in Ethiopian Road Authority (ERA)

Many research suggested that in any organization change implementation is pain full and needs commitment of change agents like managers, leaders and supervisors as to take an action in order to smoothly implement organizational change. Emphasis on action orientated implications is to ensure that all issues and concerns are acted upon immediately without procrastination. When a decision to apply organizational change occurs in the government organization, leaders take responsibility for the success of organizational change implementation before and after implementation. Table 4.4 shows the role of leaders before and during change implementation in ERA.

Table 4.3.The role of leaders in before and after change implementation

| Items/ description | Rate of agreement | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Strongly Disagree | | Disagree | | Undecided | | Agree | | Strongly Agree | |
| | Fr | % | Fr | % | Fr | % | Fr | % | Fr | % |
| The senior management played its role properly to create a shared vision and common direction for the change initiative within the organization | 11 | 9.0 | 9 | 7.4 | 12 | 9.8 | 57 | 46.7 | 33 | 27.0 |
| The senior management communicate the nature and context of the change constantly and strategically throughout the organization | - | - | 5 | 4.1 | 9 | 7.4 | 54 | 44.3 | 54 | 44.3 |
| The senior management identified and developed a change leadership team from within the organization for the management of the change process | - | - | 4 | 3.3 | 6 | 4.9 | 69 | 56.6 | 43 | 35.2 |
| Senior management will demonstrate a behavior that is fully supportive of change initiatives | - | - | 10 | 8.2 | 9 | 7.4 | 55 | 45.1 | 48 | 39.3 |
| The management team is on board and ready to support the change | 2 | 1.6 | 16 | 13.1 | 15 | 12.3 | 67 | 54.9 | 22 | 18.0 |
| There is visible leadership of the change by middle managers | 6 | 4.9 | 14 | 11.5 | 3 | 2.5 | 39 | 32.0 | 60 | 49.2 |
| The management team will roll-up their sleeves and get fully involved | 15 | 12.3 | 3 | 2.5 | 2 | 1.6 | 36 | 29.5 | 66 | 54.1 |
| Leadership has tried to create the correct culture fit for the organization throughout the change process | 4 | 3.3 | 16 | 13.1 | 3 | 2.5 | 53 | 43.4 | 46 | 37.7 |
| Managers and supervisors are able to translate the message to the people that report to them | 10 | 8.2 | 4 | 3.3 | 2 | 1.6 | 62 | 50.8 | 44 | 36.1 |
| People's concerns are being heard and responded to, rather than dismissing them or failing to hear them | 5 | 4.1 | 13 | 10.7 | 5 | 4.1 | 77 | 63.1 | 22 | 18.0 |
| There is a way to anchor every change gain made and not let it slip back to the old status quo | 4 | 3.3 | 10 | 8.2 | 3 | 2.5 | 53 | 43.4 | 52 | 42.6 |
| Leaders give due attention to create small wins through the change process in order to improve employees motivation for change | 5 | 4.1 | 7 | 5.7 | 7 | 5.7 | 54 | 44.3 | 49 | 40.2 |
| The management team assessed the reactions of change participants to the change initiatives before, during and after the change initiative | 4 | 3.3 | 7 | 5.7 | 4 | 3.3 | 42 | 34.4 | 65 | 53.3 |
| Leaders conduct regular performance discussion with their teams | 5 | 4.1 | 2 | 1.6 | 8 | 6.6 | 43 | 35.2 | 64 | 52.5 |
| The senior management are committed to the change | 6 | 4.9 | 11 | 9.0 | 6 | 4.9 | 71 | 58.2 | 28 | 23.0 |
| The employees have trust in senior management | 6 | 4.9 | 10 | 8.2 | 4 | 3.3 | 60 | 49.2 | 42 | 34.4 |
| **AVERAGE** | **6** | **5.2%** | **9** | **7.2%** | **6** | **5.0%** | **56** | **45.7%** | **46** | **37.8%** |

In order to apply successful change implementation the role of senior management in creating a shared vision and common direction for the change initiatives, communication on the nature and context of the change constantly and strategically throughout the organization, trust developing among the employees are very important. As it can be seen from table 4.3, the overall average of respondent's answers with "the leaders were not played their role for the target of change implementation" around 5.2% (6 person) is strongly disagreed and 7.2% (9 person) disagreed. Again in contrast of this many respondents believed that the leaders were played their roles in before and after change implementation at different levels of change implementation process. Therefore, about 45.7% (56 person) were agreed and 37.8% were strongly agreed with the overall performance evaluation of leader's role in change management.

Scholars Eduar (2014) suggested that Managers and top executives and leaders must be an exemplary to be the promoters of change within the organization. In which they can play their role should be reflected upon one; active participation in the management of change, with a visible expression of presence and attitude changes during the project. Here there are three keywords that any manager should give attention: active, visible and omnipresent. Managers must be present at all times and visible to all employees; second creating a coalition to support the project and to manage resistance; coalition to support changes is a team of managers and leaders who will transfer changes in departments, divisions or workgroups in which it operates. As the main supporters of change director and top managers should create and maintain a healthy work environment and ready to accept change; thirdly direct communication with employees.

Accordingly, the researchers tried to find out the perception of the respondents whether the leaders are playing their role to change implementation. Figure 4.5 explained the details of the level of staffs agreed with the role of managers in performing change management and process of its implementation.

| Leaders played vital Role in managing change implementation | | |
|---|---|---|
| | Number | Percentage |
| Strongly Disagree | 6 | 5.20 |
| Disagree | 9 | 7.20 |
| Neutral | 6 | 5.0 |
| Agree | 56 | 45.70 |
| Strongly Agree | 45 | 37.80 |
| Total | 122 | 100 |

Leaders played vital Role in managing change implementation

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

5.20%
7.20%
5%
37.80%
45.70%
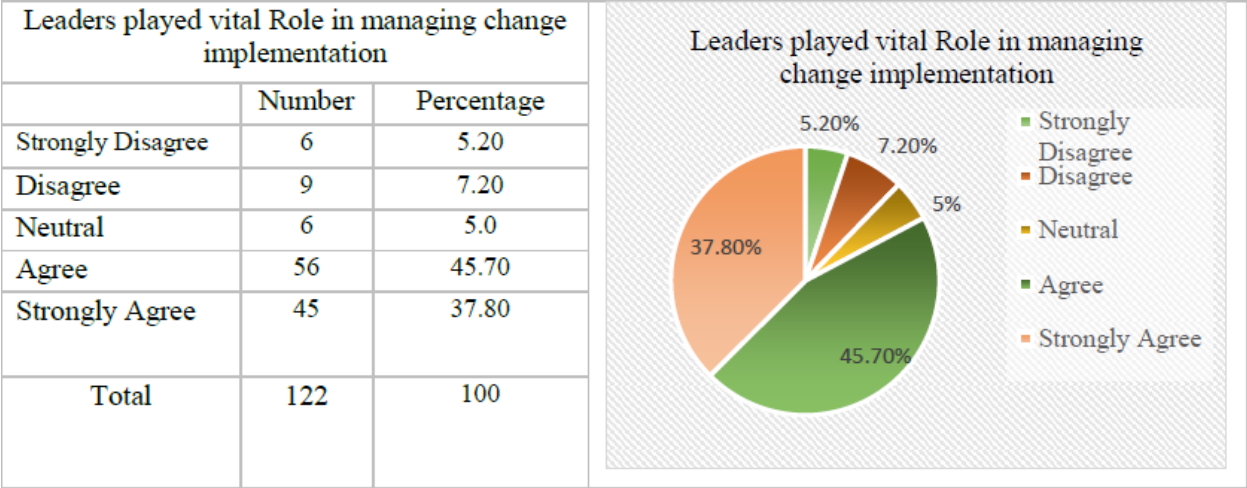
Source; Survey Data, 2018

Figure 4.5. Leaders played vital Role in managing change implementation

As the result indicated on figure 4.5, about 5.2% of the respondents strongly disagreed and around 7.2 % percent disagreed with the 'Leaders played vital Role in managing change implementation. In contrast of this large number of respondents (45.7%) were agreed with change implementation process and while 37.8% were strongly supported the process leaders of ERA followed before and after implementation. This indicated that, change agents act as a medium from before implementation to after change implementation stages.

## 4.4 Association of change with dislodgement and discomfort

The respondents filling were asked to know how much change is painful and resistance occur among an employees. Figure 4.6 shows the dislodgement and discomfort of employees during change implementation.

| Association of change with dislodgement and nervousness | Number | Percentage (%) |
|---|---|---|
| Strongly Disagree | 5 | 4.1 |
| Disagree | 8 | 6.6 |
| Neutral | 4 | 3.3 |
| Agree | 70 | 57.4 |
| Strongly Agree | 35 | 28.7 |
| Total | 122 | 100 |
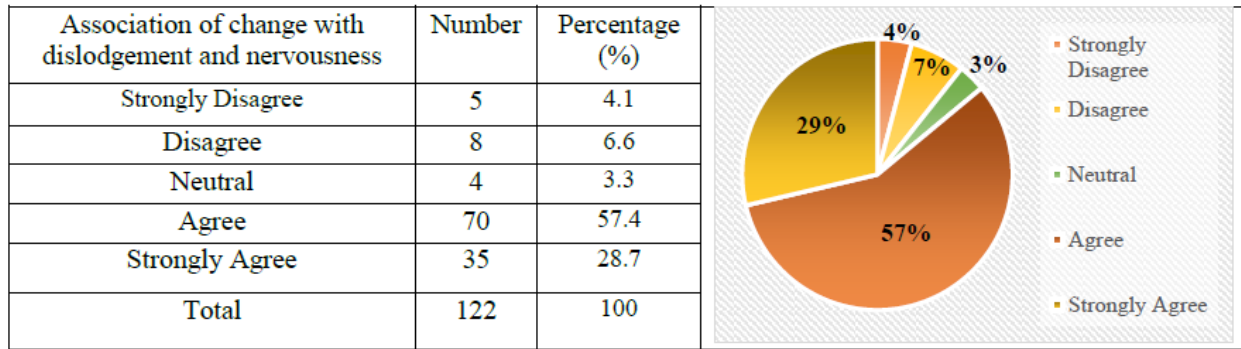
Source: Survey data, 2018

Figure 4.6. Dislodgement and discomfort of employees during change implementation

As it can be seen from figure 4.6, most the respondents agreed with dislodgement and discomfort of during change implementation. Therefore, it is possible to conclude that 86.1% of respondents believed that change is positively associated with dislodgement and uneasiness as change disturbs employee satisfaction and happiness.

The interview made with managers directly support the above idea.

> *He said many staffs resist to accept the change through different ways. Actually they are not saying 'I do not accept any change' but systematically they are refusing to accept. Sometimes few staffs complaining without evidences and bases to refute the change. At first stage of change implementation it is very tough to convince the whole staffs but gradually change implemented with majority support obtained. Furthermore very few people decide to lose their jobs or change to other organization.* As many scientists suggested that change is very painful and take time implement but has positive implication for the organization if properly managed.

### 4.4.1 Leaders shows direction of change better than outsiders

The surveys was conducted on leader's potential and giving direction of change before implementing change. The figure 4.7 below shows the idea of respondent comparing of leaders with outsiders who can better show change direction.

| Leaders shows direction of change better than outsiders | | |
|---|---|---|
| | Number | Percentage |
| Strongly Disagree | 10 | 8.20 |
| Disagree | 53 | 43.44 |
| Neutral | 4 | 3.30 |
| Agree | 32 | 29.50 |
| Strongly Agree | 23 | 18.85 |
| Total | 122 | 100 |
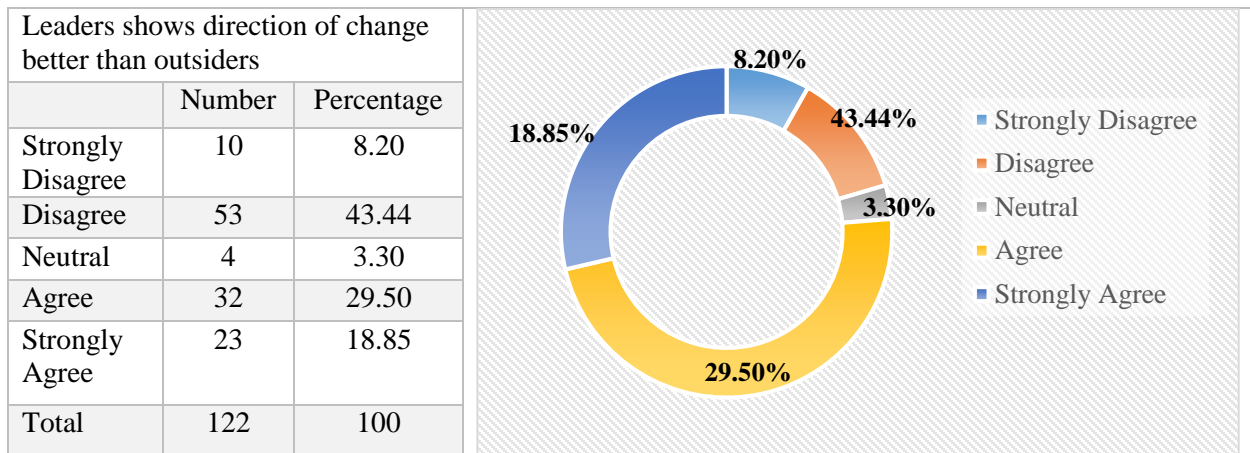


Source: Survey data, 2018

Figure 4.7. Leaders shows direction of change better than outsiders

Based on the result of figure 4.7, around 29.50% respondents agreed and 18.85% strongly agreed with the statement saying the leaders of ERA shows the direction of change. But majority of respondents 43.44% disagreed with the leaders of ERA shows the direction of change and around 8.2% strongly disagree with the leaders of ERA shows the direction of change. Therefore, it is possible to say that the leaders of ERA did not fulfilled their responsibility by showing the direction of change of an organization better than outsiders.

### 4.4.2 After change implemented the performance of the organization

The implication of change on organization can be seen from organization performance improvement. To check the improvement of organization because of change implemented, simple survey was conducted among the selected respondents of ERA staffs. The result of the survey was summarized in figure 4.8 below.

| Change improves the performance of the organization | | |
|---|---|---|
| | Number | Percentage |
| Strongly Disagree | 26 | 21.3 |
| Disagree | 38 | 31.15 |
| Neutral | 2 | 1.6 |
| Agree | 39 | 31.9 |
| Strongly Agree | 12 | 9.8 |
| Total | 122 | 100 |
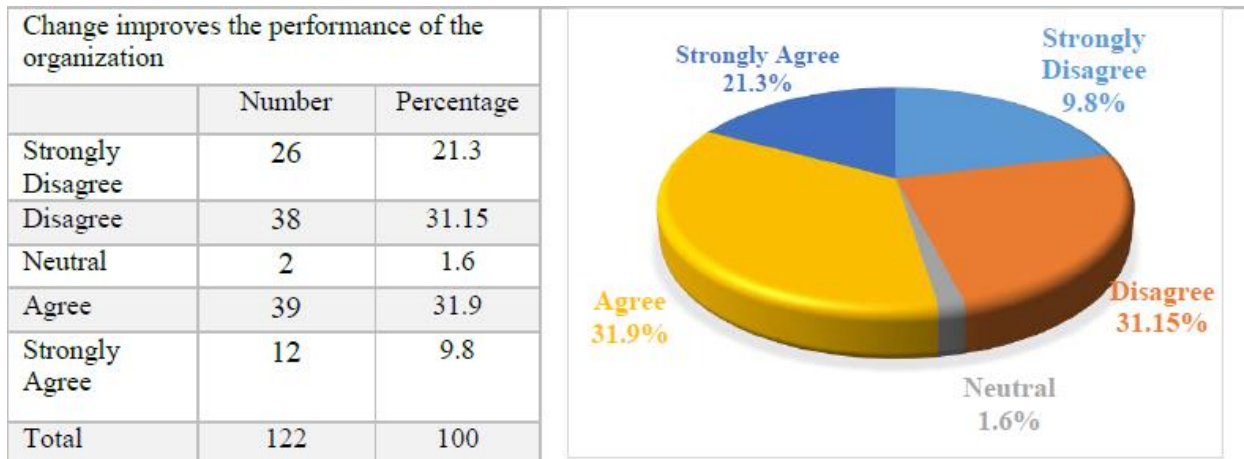


Source; Survey data, 2018

Figure 4.8. Change improves the performance of the organization

As it is clearly indicated on figure 4.8 change occurred after change implementation was not clear. Around half of the respondents agreed as the change was occurred after change implementation and again half of respondents disagreed by saying there is no change occurred after change implementation. This indicate that after change implemented whether organizational change occurred or not it is difficult to decide. Consequently, this implies that the change occurred is not significant and apparent to convince the staffs to speak about the change confidently. That is why the response obtained shared almost equal percentage of answers for the question.

## 4.5   Impact of Leadership on organizational change

The relation between Leadership role and organizational change expressed in terms of change occurred in the organization and different techniques leadership to overcome challenges that leads to direct relationship either positive or negative relationship. As many scholars suggesting that the key strategy for the success and survival of any business institution is the deliverance of quality services to fulfilling organizational goal.

### 4.5.1 Pearson Correlation analysis

Correlations estimate the strength of the linear relationship between two (and only two) variables. Correlation coefficients range from -1.0 (a perfect negative correlation) to positive 1.0 (a perfect positive correlation). The closer correlation coefficients get to -1.0 or 1.0, the stronger the correlation. The closer a correlation coefficient gets to zero, the weaker the correlation is between the two variables. Ordinal or ratio data (or a combination) must be used. For the relationship between leadership parameters and organizational change, the Pearson correlation was computed and presented in Table 4.10.

Table 4.4. Pearson Correlation

|  |  | Organizational Change |
| --- | --- | --- |
| Leadership role in managing change | Pearson Correlation | 0.780* |
|  | Sig. (2-tailed) | 0.000 |
|  | N | 122 |
| Leadership Style | Pearson Correlation | 0.872* |
|  | Sig. (2-tailed) | 0.000 |
|  | N | 122 |
| Improvement of internal challenge systems | Pearson Correlation | 0.812* |
|  | Sig. (2-tailed) | 0.000 |
|  | N | 122 |
| Leadership competencies | Pearson Correlation | 0.920* |
|  | Sig. (2-tailed) | 0.000 |
|  | N | 122 |
| Organizational Change Framework and Process | Pearson Correlation | 0.763* |
|  | Sig. (2-tailed) | 0.000 |
|  | N | 122 |

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Analyzed result from questionnaires, 2018

As it can be seen from table 4.4, there is positive and significant relationship between variables of leadership and organizational change. The Leadership role in managing change ($r = 0.780$, p

< 0.05) which means there is strong positive relationship between Leadership role in managing change and organizational change. Leadership Style and organizational change (r = 0.872, P < 0.05). This indicate that the relationship between Leadership Style and organizational change is strong and positive relation. The improvement of internal challenge systems of has strong positive relationship with organizational change with (r = 0.812, P < 0.05). Leadership competencies and organizational change has strong positively relationship with (r = 0.920, P<0.05). The organizational Change Framework and Process has positive relationship with organizational change. In general the results indicated that all parameters of leadership have positive relationship with organizational change. Most importantly, the correlations are plausible; organizational change correlates positively and substantively with all other variables. This makes sense because each variable reflects as positive quality that's likely to contribute to better customer organizational change.

## 4.5.2 Regression model for leadership indicators

The regression model was applied to test how far the leadership had impact on organizational change. The R square indicates the proportion of variance in customer satisfaction that can be "explained" by leadership indicators. In the other hand the $R^2$ is the measure of proportion of the variance of dependent variable about its mean that is explained by the independent or predictor variables (Hair *et.al.,* 1998). Higher value of $R^2$ represents greater explanatory power of the regression equation. R denotes the correlation between predicted and observed customer organizational change. The adjusted R square estimates the population R square for this model and thus gives a more realistic indication of its predictive power. Therefore, the researcher conducted a linear multiple regression analysis so as to test the relationship among variables (independent) on organizational change of ERA. The findings are presented in the following table 4.5 below.

Table 4.5. Regression model for leadership indicators

| Model Summary | | | | |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | 0.892[a] | 0.796 | 0.876 | 0.3626 |
| a. Predictors: (Constant), Leadership  role in managing change, Leadership Style, Challenge of organizational change management, Leadership competencies, Organizational Change Framework and Process | | | | |

Source: Analyzed result from questionnaires, 2018

It can be observed from the table 4.5 above, the $R^2$ value is 0.796 that indicates the independent variable (leadership) accounted for is 79.6% of the variance in customer organizational change. Thus 79.6% of the variation in organizational change can be explicated by leadership parameters and the rest 20.4% can be explained by other unexplored variables. Therefore, the effects of leadership on organizational change are significant. In case one unit independent variables (leadership) changes the dependent variables also changed with the same magnitude of the independent variables changed.

## 4.6 Challenges encountered in ERA during implementation of change

There is no organization that did not face a challenge during change implementation. Many scholars suggested that challenge is one part of change management and implementation process. Likewise the Ethiopian Road Authority face a lot of challenges from different perspectives. Challenges come from employees, challenges come from policies, challenges may come from environmental and a socioeconomic in general. But the survey conducted on an internal challenges the organization faced during working and implementing challenge management practices by ERA was summarized in table 4.6 below.

Table 4.6. Internal challenge improvement systems of ERA

| Items/ description | Rate of agreement | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Strongly Disagree | | Disagree | | Undecided | | Agree | | Strongly Agree | |
| | Fr | % | Fr | % | Fr | % | Fr | % | Fr | % |
| Barriers which have derail change been identified with a plan to remove them | 38 | 31.1 | 38 | 31.1 | 14 | 11.5 | 16 | 13.1 | 16 | 13.1 |
| Leaders used a consistent change story to align the organization around change's goals | 54 | 44.3 | 51 | 41.8 | 4 | 3.3 | 6 | 4.9 | 7 | 5.7 |
| Change participants were prepared well for the anticipated change initiatives | 48 | 39.3 | 45 | 36.9 | 6 | 4.9 | 11 | 9 | 12 | 9.8 |
| Employees are understood how the change will impact them | 45 | 36.9 | 47 | 38.5 | 5 | 4.1 | 12 | 9.8 | 13 | 10.7 |
| Middle management commitment to the planed change is in place | 50 | 41 | 42 | 34.4 | 7 | 5.7 | 11 | 9 | 12 | 9.8 |
| Encouraging and respecting individual perspective throughout the change process is maintained | 48 | 39.3 | 44 | 36.1 | 9 | 7.4 | 8 | 6.6 | 13 | 10.7 |
| People's fears have been addressed in tangible ways | 51 | 41.8 | 41 | 33.6 | 7 | 5.7 | 11 | 9 | 12 | 9.8 |
| There is an established sense of urgency for the need for this change | 42 | 34.4 | 36 | 29.5 | 9 | 7.4 | 17 | 13.9 | 18 | 14.8 |
| Employees are regularly assessed against their individual goals and targets | 37 | 30.3 | 39 | 32 | 7 | 5.7 | 19 | 15.6 | 20 | 16.4 |
| There is a change plan that sets up a serious of quick wins to build momentum | 32 | 26.2 | 45 | 36.9 | 11 | 9 | 14 | 11.5 | 20 | 16.4 |
| There is improved organizational integration across business processes | 42 | 34.4 | 36 | 29.5 | 9 | 7.4 | 17 | 13.9 | 18 | 14.8 |
| The communications I have received so far about the change have been useful | 41 | 33.6 | 36 | 29.5 | 6 | 4.9 | 19 | 15.6 | 20 | 16.4 |
| I understood how I can provide feedback on the change | 35 | 28.7 | 30 | 24.6 | 8 | 6.6 | 24 | 19.7 | 25 | 20.5 |
| I think there is enough consultation with staff on the change | 33 | 27 | 28 | 23 | 8 | 6.6 | 25 | 20.5 | 28 | 23 |
| There is an established communication mechanisms between leaders and employees concerning change | 32 | 26.2 | 29 | 23.8 | 8 | 6.6 | 25 | 20.5 | 28 | 23 |
| Process are in place to quickly identify issues or problems the root causes of those issues, and solutions employees at all levels receive effective feedback | 35 | 28.7 | 29 | 23.8 | 5 | 4.1 | 28 | 23 | 25 | 20.5 |
| Average | 41 | 34.0 | 39 | 32 | 8 | 6.3 | 16 | 13.5 | 18 | 14.7 |

Source; Survey data, 2018

As it is depicted on table 4.6, most of the respondents around 34% were strongly disagreed and 32% of the respondents were disagreed with internal challenge improvement systems of ERA. This result indicated that the way of problem that the managers communicate, show directions in the future and implication of changes on organization is poor. In other hand there were few respondents around 13.5% agreed and around 14.7 % strongly agreed with the internal challenge improvement systems of ERA. It implies that there is a big gap between the systems ERA developed to improve the internal challenge and perception of respondents on accepting and implementing the systems to solve their internal problems.

## 4.7   Challenges faced during major changes

The respondents were given to identify the major challenges and obstacles during major change implementation. As it can be seen from the table 4.6 below about 2.5% of respondents consider the Employee resistance as very low, around 9.8% considered as low, 17.2% believed as a moderate but the majority of respondents 54.1% considered as high challenge and only 16.4% said very high in employee resistance during change management implementation and process. When we came to the management resistance large number of respondents 28.7% consider the resistance as low, and 21.1% of the respondents consider the resistance as moderate and followed with 21.5% or respondents mentioned as very high, about 20.5% mentioned as high and the rest 7.4% of the respondents considered the management resistance is very low.

Table 4.7. Main challenges and obstacles that organizations face during major changes

| | | Very low | low | Moderate | high | Very high |
|---|---|---|---|---|---|---|
| Employee resistance | No | 3 | 12 | 21 | 66 | 20 |
| | % | 2.5 | 9.8 | 17.2 | 54.1 | 16.4 |
| Managers resistance | No | 9 | 35 | 27 | 25 | 26 |
| | % | 7.4 | 28.7 | 22.1 | 20.5 | 21.3 |
| Lack of knowledge | No | 1 | 2 | 15 | 46 | 58 |
| | % | 0.8 | 1.6 | 12.3 | 37.7 | 47.5 |
| Communication break down | No | 1.0 | 12.0 | 47.0 | 37.0 | 23.0 |
| | % | 0.8 | 9.8 | 38.5 | 30.3 | 18.9 |
| Insufficient training and devoted to training | No | 3 | 12 | 23 | 54 | 30 |
| | % | 2.5 | 9.8 | 18.9 | 44.3 | 24.6 |
| Costs exceed budgets | No | 0 | 22 | 35 | 47 | 18 |
| | % | 0.0 | 18.0 | 28.7 | 38.5 | 14.8 |
| Timeliness developed for change for change implementation was not feasible | No | 0 | 17 | 38 | 42 | 25 |
| | % | 0.0 | 13.9 | 31.1 | 34.4 | 20.5 |
| Insufficient employee participation in training | No | 0 | 15 | 31 | 34 | 42 |

When we came to the knowledge, 0.8% of the respondents consider the lack of knowledge said it is very low, about 1.6% of respondents considered as low, next about 12.3% of the respondents mentioned as moderate. But the majority respondents 37.7% is considered as high and the largest values 47.5% of the respondents considered the resistance is very high. In the case of communication breakdown 0.8% of the respondents considered as very low, about 9.8 % of the respondents considered as low while the majority of the respondents 38.5% believed as moderate, about 30.3% of respondents considered as high and the left 18.9% of the respondents mentioned as the communication breakdown is very high. When come to insufficient training and devoted to training average respondents 2.5% agreed as very low, about 9.8% considered as low, bout 18.9% believed as moderate challenge but the majority of the respondents 44.3% believed as it is high challenge and the rest 24.65% of respondents said as its highly challenge. In case of costs exceed budgets, the majority respondents 38.5% said that Costs exceed budgets is highly a challenge and followed by 28.7% considered as a moderate challenge and the rest 18% and 14.8% said low and very challenge respectively. The respondents result on timeliness developed for change for change

implementation was not feasible about 13.9% of the respondents considered as low, 31.1% of the respondents said as moderate, the majority 34.4% of the respondent considered its high and the rest 20.5% agreed as it is very challenge. When it comes to Insufficient employee participation in training majority of the company employee is not well informed about the change management model, about 12.3 % of the respondents agreed its low, about 25.4% agreed is moderate, and 27.9% of the respondents considered its high and he rest majority 34.4% respondents considered as it is very high challenge faced ERA during major change implementation.

## 4.8   An interview on Challenges in ERA during change

The interviewees from managers and supervisors was summarized as follow. The change management practiced in ERA faced the different challenges during implementation. One of the major challenge the organization faced was the Time being underestimated hence most of the executors have a time limit that is simply an estimation as a result of manifestation of an unforeseen issues. To the question on some of the challenge that emerge unexpectedly during change management process, the respondents indicated that political upheavals was the most prominent matter confronting the change execution exercise specially the four years ago.  For the question "What was the challenge in change management in your company".

The manager explained as follow;

> *"By the nature human being is resistance to change accepting, while the managers explained us about the change for the whole staffs most of the staffs raised different question to not only to understand even to resist to accept the change implementation. But after long dialogues and discussion, the staffs were start accepting slowly the changes and ready to implement. Therefore, change implementation in any organization is slow process that needs sufficient time to convince the whole or the majority of employees. Furthermore, change implementation should be supported by different training and short term refreshing courses. Unfortunately training, workshop opportunity is very few to give a chance to whole employees again this is other challenge we are facing different time to overcome other challenge.*

According to supervisor's opinions implementing c*hanges in ERA within short period of time other challenges in addition to resistivity and nervousness of employee. He also mentioned that most of employees become nervous and resistant to accept the change. At first stage they are complaining*

*and raising different question deliberately not accept the change at all. Then to convince them It takes time to explain the advantage of a change needed and weakness of the previous systems,…..this emanated from the nature of human being and late accepting the new systems after understand clearly.* Again they raised *that during technological change some of the technology were not working properly that leads to customers dissatisfaction again this leads to staffs incontinence on their job.*

# CHAPTER FIVE

# 5   SUMMARY, CONCLUSION AND RECOMMENDATIONS

## 5.1   Summary

The study was conducted on Ethiopian Road Authority (ERA) in Addis Ababa, Ethiopia. The general purpose of the study was study the Role of Leadership in Organizational Change in Ethiopian Road Authority (ERA). This study included the managers and supervisors and other staffs to fulfill the questionnaires and interviewed. Cross sectional survey research method was employed. All the distributed questionnaires to respondents of employees of ERA about 122 questionnaires were returned back. The highest percentage 73% of the respondents were male while the rest 27% were female from selected respondents. The majority of an employees were in age between 25- 35 years ages. Most of the respondents were at productive age.  In the case of educational status of an employees, majority of an employee around 89.3% were first degree holders.

As the result of leadership style being implemented indicated that most of the respondents around 74% agreed as leaders of ERA are democratic and participatory. As the interview result assured that, most of the activities in ERA are transparent and all employees have equal chances to react on any questions, strategy, meeting, and any issues request decision. Success of organizational change can be seen through comparing current status with previous, physical observation, through checking by checklist, through research conducting, through discussion and forum preparation and evaluation of organizational performance.

The result of change implantation indicated that change occurred after change implementation was not clear. Around half of the respondents agreed as the change was occurred after change implementation and again half of respondents disagreed by saying there is no change occurred after change implementation. This indicate that after change implemented whether organizational change occurred or not it is difficult to decide. Consequently, this implies that the change occurred is not significant and apparent to convince the staffs to speak about the change confidently. That is why the response obtained shared almost equal percentage of answers for the question.

As the result indicated that the leaders of ERA did not fulfilled their responsibility by showing the direction of change of an organization better than outsiders i.e. majority of respondents 43.44% disagreed with the leaders of ERA shows the direction of change and around 8.2% strongly disagree with the leaders of ERA shows the direction of change. Again the finding indicated that after change implemented in ERA, the performance of the ERA whether changed or not, it is difficult to decide. Consequently, this implies that the change occurred is not significant and apparent to convince the staffs to speak about the change confidently.

The Pearson correlation result indicated that there is positive and significant relationship between variables of leadership and organizational change. The Leadership role in managing change ($r = 0.780$, $p < 0.05$) which means there is strong positive relationship between Leadership role in managing change and organizational change. Leadership Style and organizational change ($r = 0.872$, $P < 0.05$). This indicate that the relationship between Leadership Style and organizational change is strong and positive relation. The improvement of internal challenge systems of has strong positive relationship with organizational change with ($r = 0.812$, $P < 0.05$). Leadership competencies and organizational change has strong positively relationship with ($r = 0.920$, $P<0.05$). The organizational change framework and process has positive relationship with organizational change. In general the results indicated that all parameters of leadership have positive relationship with Organizational change. Most importantly, the correlations are plausible; organizational change correlates positively and substantively with all other variables. This makes sense because each variable reflects as positive quality that's likely to contribute to better customer organizational change.

The regression model result indicated that $R^2$ value is 0.796. This means independent variable (leadership) accounted for is 79.6% of the variance in customer organizational change. Thus 79.6% of the variation in organizational change can be explicated by leadership parameters and the rest 20.4% can be explained by other unexplored variables. Therefore, the effects of leadership on organizational change are significant. In case one unit independent variables (leadership) changes the dependent variables also changed with the same magnitude of the independent variables changed.

The findings obtained from respondents indicated there are many challenges identified. These challenges are; Employee resistance, Managers resistance, Lack of knowledge, Insufficient training and devoted to training, Costs exceed budgets, and Timeliness developed for change implementation, insufficient employee participation during trainings. The manager's interview result indicated that most of the staffs raised deliberately different questions to resist the change required and systematically ignore change.

In a nut shell, there were some good elements in ERA's change process. The leadership had experience from change processes and was aware of some critical aspects. Nevertheless, there were basic elements missing for this to be "successful" change processes. The researcher found that the critical aspects influencing the most were ineffective leadership, inadequate communication, inadequate knowledge about change and insufficient training.

## 5.2   Conclusion

➢ Leadership plays a central role when it comes to implementing organizational change. Leadership style is the way in which the process is carried out. As a result indicated that even though the leadership style exercised by ERA's leadership was democratic, the organizational change management process faced unclear leadership direction and improper communication. These was the root cause for prevalence of ineffective organizational change implementation and system which contribute to weak organizational change and performance management.

➢ The top leaders and immediate managers did not dedicated and supported the organizational change practices of ERA as expected. As a result success of organizational change at ERA is not significant. As the survey results disclosed, employees have confirmed that if they were given a chance they would do anything to support the change but the change at ERA has kept majority in gloomy environment.

➢ As leadership has a central role in evolution and cultivating an organization, the process of organizational change demands a very effective and highly competent leadership that is well capable to perceive the most desirable shape of an organization and address the issue of organizational change in most appropriate way. As the finding indicate that the role of leadership in the management of change at ERA was not in the desired level and effective.

- As the result of study indicate that change occurred after change implementation in ERA was not significant and apparent even to convince the staff to speak about the change confidently. Again the finding indicate that after change implemented at ERA the performance of ERA weather changed or not, it is difficult to decide. This implies that the change occurred at ERA is not significant.

- People have a natural instinct to resist changes and specially they resist most radical changes and it is only the leader's ability to overcome this. As showed in the finding ERA's leadership faced different challenges in the implementation of change. The major challenges identified are; employee resistance, managers resistance, inadequate knowledge about change, insufficient training and less devotion to training, costs exceed budgets, and timeliness developed for change implementation, unproductive employee participation and feedback mechanism, weak communication, staffs resistance and systemic ignorance of change because of lack of practical reward mechanisms and motivation .

## 5.3 Recommendations

- As the effectiveness of organizational change management is the pillar of the organization by setting job to be performed and integrating the effort of people who perform such job and its feasibility should be verified vigorous and depth study. Thus, it can be suggested that first and foremost, the need for change and the type of change should be thoroughly assessed in the way it can address the due genuine involvement of its stakeholders.

- Success of organizational change in ERA is not significant and apparent to convince the staffs to speak about the change confidently. Therefore, serious attention should be given to the change agents, the implementation process before and after implementation and continues follow up and feedback of the process.

- Even if the leaders are democratic and participatory did not fulfilled their responsibility by showing the direction of change of an organization better than outsiders. Therefore, it can be recommended that leadership put in place clear and consistent directions regarding the change process, have regular and open employee consultations and put in place feedback and learning mechanisms to enable adaptation during the course of the change process. These actions are essential for effective change processes management and leadership.

- The organization must promote the development of capacities by emphasizing the presence of shared vision .Therefore, investments in capacity development in the form of training,

coaching, mentoring, leadership development and motivational rewards are very essential to make the change effort successful at ERA.

➢ In order to implement effective changes at ERA, communication plays great role to reduce barriers and challenges. Therefore, the management of ERA should give due emphasis for establishing the system for effective communication of change.

➢ Since the managers are a change agent who played great role in the course of change, the managers at ERA should 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 processes.

➢ Once the staffs resist accepting changes practices in time given because of nature of human being resistance to change, the managers should arrange attitude changing and refreshment trainings and exercise humanistic approach to guide them to accept the change before and while implementing the change.

➢ Finally the researcher believes that this study could be taken as a good start in the area of leadership role on organizational change management. Hence, it is strongly recommended that further studies should be needed to expand this research as country level because of area limitation that focused only on Head quarter of ERA.

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# 7. APPENDIX

## St. Mary's University (SMU)

## School of Graduates Studies

## A questionnaire to be filled by employees of ERA

This questionnaire is prepared by student of Master of Business Administration (MBA) at SMU to gather data about **''The Role of Leadership in Organizational Change: The Case of Ethiopian Road Authority (ERA)''**. The data to be collected will be used only for academic purpose i.e. to produce a research paper which is a partial requirement for the student's award of Master of Business Administration in General Management.

The investigator would like to confirm you that the information you will provide will certainly be kept confidential. Bear in mind that your information and its accuracy are the very inevitable inputs for the research to produce qualified paper.

If you face any question about this study, please communicate the investigator for the better understanding on asseamedin@gamil.com or in cell phone no +251 911 067342.

**Directions**

1. No need of writing your name.
2. Mark your response in boxes provided by putting (✓) or (X) and write in brief in the space provided whenever necessary.
3. Read the instruction and each questions before attempting to complete it.
4. The questionnaires consists of two parts.

Thank you in advance for filling the questionnaires and making considerable sacrifices.

**Part I: Demographic Characteristics**

1. Sex       Male ☐      Female ☐
2. Age   <25 years ☐      25-35 years ☐     36-45 years ☐     >45 years ☐
3. Your academic status     Degree ☐      Master and above ☐
4. Your division's or department's fields?    Support ☐    Core (Technical) ☐
5. Years of experience   <5 years ☐    5-10 years ☐   11-15 years ☐     > 15 years ☐
6. Position      Managerial ☐        Non- managerial ☐

**Part II: Questions Meant to Address Organizational Change and Leadership Practice**

For the questions listed hereunder, please reflect your feelings by showing feeling of agreement or by rating the level of scale as follows: Strongly Disagree (SD), Disagree (D), Undecided (UD), Agree (A) Strongly Agree (SA) or Very Low (VL), Low (L), Fair (F), High (H), and Very High (VH).

### A. Organizational Change Framework and Process

Please give your perception of how well you believe ERA managed the following organizational change imperative/activities during the change process.

| No | Items/ description | Rate of agreement | | | | |
|---|---|---|---|---|---|---|
| | | SD | D | UD | A | SA |
| 1 | This organization needs to be changed | | | | | |
| 2 | An assessment of the need for organizational change has been done | | | | | |
| 3 | I know what the vision for the change looks like | | | | | |
| 4 | I am aware of about the models of change and the reasons why change is needed | | | | | |
| 5 | There are a number of good and rational reasons for this change to be made | | | | | |
| 6 | The scope of the proposed change models (BSC,BPR) are appropriate and achievable | | | | | |
| 7 | I understood how the change will impact me | | | | | |
| 8 | There is an established a sense of urgency for the need of this change | | | | | |
| 9 | I feel that I have the necessary skills and knowledge to make this change work | | | | | |
| 10 | I think that the change is well planned in the organization | | | | | |
| 11 | The organization usually provides appropriate training for those who need it | | | | | |
| 12 | The staff at the organization generally have the skills required for this change and will be able to build on this | | | | | |
| 13 | There is a clear parameters for organizational change models | | | | | |

| 14 | Employees have been given reasons to buy in and be engaged with the change | | | | | |
|----|----|---|---|---|---|---|
| 15 | Employees are aware of being accountable for making or not making the change | | | | | |
| 16 | The team has received the coaching they need to help make the change | | | | | |
| 17 | There is an informed, passionate, and engaged change team in place | | | | | |
| 18 | The teams are aligned with the goals of the organization | | | | | |
| 19 | Communication about change to employees throughout the organization is in place | | | | | |
| 20 | There is an initiative of encouraging creativity by employees during change | | | | | |
| 21 | The management team is committed to the change | | | | | |
| 22 | The employees have trust in senior management | | | | | |

## B. Leadership Role in managing change

Based on your experience within ERA, please indicate your opinion regarding the following leadership role in managing change.

| | Items/ description | Rate of agreement | | | | |
|---|---|---|---|---|---|---|
| | | SD | D | UD | A | SA |
| 1 | The senior management played its role properly to create a shared vision and common direction for the change initiative within the organization | | | | | |
| 2 | The senior management communicate the nature and context of the change constantly and strategically throughout the organization | | | | | |
| 3 | The senior management identified and developed a change leadership team from within the organization for the management of the change process | | | | | |
| 4 | Senior management will demonstrate a behavior that is fully supportive of change initiatives | | | | | |
| 5 | The management team is on board and ready to support the change | | | | | |
| 6 | There is visible leadership of the change by middle managers | | | | | |
| 7 | The management team will roll-up their sleeves and get fully involved | | | | | |

| No | | | | | | |
|---|---|---|---|---|---|---|
| 8 | Leadership has tried to create the correct culture fit for the organization throughout the change process | | | | | |
| 9 | Managers and supervisors are able to translate the message to the people that report to them | | | | | |
| 10 | People's concerns are being heard and responded to, rather than dismissing them or failing to hear them | | | | | |
| 11 | There is a way to anchor every change gain made and not let it slip back to the old status quo | | | | | |
| 14 | Leaders give due attention to create small wins through the change process in order to improve employees motivation for change | | | | | |
| 15 | The management team assessed the reactions of change participants to the change initiatives before, during and after the change initiative | | | | | |
| 16 | Leaders conduct regular performance discussion with their teams | | | | | |
| 17 | The senior management are committed to the change | | | | | |
| 18 | The employees have trust in senior management | | | | | |

### C. Leadership Style

Please indicate your level of agreement regarding the following leadership style in managing change at ERA.

| No | Items/ descriptions | Rate of agreement | | | | |
|---|---|---|---|---|---|---|
| | | SD | D | UD | A | SA |
| 1 | Leaders at ERA was democratic and participatory | | | | | |
| 2 | Leaders at ERA was authoritarian and commanding | | | | | |

### D. Challenge of Organizational Change management

Please give your perception of how well you believe ERA managed the following challenges in the implementation of organizational change.

| No | Item/ description | Rate of agreement | | | | |
|---|---|---|---|---|---|---|
| | | SD | D | UD | A | SA |
| 1 | Barriers which have derail change been identified with a plan to remove them | | | | | |
| 2 | Leaders used a consistent change story to align the organization around change's goals | | | | | |
| 3 | Change participants were prepared well for the anticipated change initiatives | | | | | |

| No | Items/ descriptions | | | | | |
|----|---------------------|---|---|---|---|---|
| 4 | Employees are understood how the change will impact them | | | | | |
| 5 | Middle management commitment to the planed change is in place | | | | | |
| 6 | Encouraging and respecting individual perspective throughout the change process is maintained | | | | | |
| 7 | People's fears have been addressed in tangible ways | | | | | |
| 8 | There is an established sense of urgency for the need for this change | | | | | |
| 9 | Employees are regularly assessed against their individual goals and targets | | | | | |
| 10 | There is a change plan that sets up a serious of quick wins to build momentum | | | | | |
| 11 | There is improved organizational integration across business processes | | | | | |
| 12 | The communications I have received so far about the change have been useful | | | | | |
| 13 | I understood how I can provide feedback on the change | | | | | |
| 14 | I think there is enough consultation with staff on the change | | | | | |
| 15 | There is an established communication mechanisms between leaders and employees concerning change | | | | | |
| 16 | Process are in place to quickly identify issues or problems the root causes of those issues, and solutions employees at all levels receive effective feedback | | | | | |

### E. Overall Success of Organizational Change models

Based on your experience within ERA, please rate the following organizational change success.

| No | Items/ descriptions | Rate of agreement | | | | |
|----|---------------------|-----|---|---|---|-----|
| | | VL | L | F | H | VH |
| 1 | Improved organizational integration across business processes(Finance, Human Resource, Operation and Regulation) | | | | | |
| 2 | Improved knowledge sharing(Skills development and transfer) | | | | | |
| 3 | Increased new business process creation and adoption | | | | | |
| 4 | Progress against the original change initiative scope | | | | | |
| 5 | Stated change business case objective achieved | | | | | |
| 6 | Reduced time taken for major business decisions(total elapsed issue escalation and resolution) | | | | | |
| 7 | Reduce communication delays to key change stakeholders(total elapsed time between issue resolution and communication of decision) | | | | | |
| 8 | Alleviate duplication of function | | | | | |
| 9 | Improved delegation of authority and responsibility | | | | | |
| 10 | Allow flexibility | | | | | |

| No | Items/ descriptions | | | | | |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|
| 11 | Imposed accountability | | | | | |
| 12 | Improved employee satisfaction | | | | | |
| 13 | Improved employee participation in change initiatives | | | | | |
| 14 | Reduced employee turnover ratio | | | | | |
| 15 | Improved the financial perspective of the BSC that focuses on the delivery of value to the organization through the implementation of a change initiative | | | | | |
| 16 | Improved a customer perspective of the BSC that focuses on the development of partnership | | | | | |
| 17 | Improved a process perspective of the BSC that focuses on the implementation of operational excellence | | | | | |
| 18 | Improved a learning and growth perspective of the BSC that focuses on the improvement of employee commitment to change | | | | | |

## F. Critical leadership competencies

In your stay at ERA, how can you rate leadership capability of ERA's leadership?

| No | Items/ descriptions | Rate of agreement | | | | |
|----|-------------------------------------------------------|-----|---|---|---|----|
|    |                                                       | VL  | L | F | H | VH |
| 1  | Possess clarity of direction                          |     |   |   |   |    |
| 2  | Has the ability to inspire others to high performance |     |   |   |   |    |
| 3  | Communicate well and listen intensively               |     |   |   |   |    |
| 4  | Demonstrates a collaborative orientation               |     |   |   |   |    |
| 5  | Works to develop people                               |     |   |   |   |    |
| 6  | Has the ability to think creatively                   |     |   |   |   |    |
| 7  | Possess intelligence and learning agility             |     |   |   |   |    |
| 8  | Is capable of creating a culture of excellence        |     |   |   |   |    |
| 9  | Practices consistent discipline                       |     |   |   |   |    |
| 10 | Decision making ability                               |     |   |   |   |    |
| 11 | Clarifies expectations                                |     |   |   |   |    |
| 12 | Practices accountability                              |     |   |   |   |    |
| 13 | Exercises good judgment                               |     |   |   |   |    |
| 14 | Delivers results                                      |     |   |   |   |    |

## G. Open Ended Type Questions

Q1. To your opinion, how far the leadership in place contributed for the success rate of the implementation of the change models such as BSC?

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Q2. In your point of view, what are the challenges of change management in your organization?

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Q3. What aspects do you appreciate from your leaders and what aspects need to improve? --------
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Q4. In your personal opinion, how successful has the overall organizational change process been for ERA?  ------------------------------------------------------------------------------------------------------

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**NB:  If you have any other comments or opinion, please forward.**

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**Thank you for your time and response!**

# Semi-structured interview questions for top and some selected middle management of ERA

1. How do you rate the success of organizational change implemented in your organization?
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2. What major roles do leadership played in the change process in ERA?
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3. Have you changed as you wanted or are you still working as you did before?
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4. To what extent has the adoption of change management (BSC, BPR) improved the organizational performance management? As a whole, would you consider the process to be well conducted?
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5. How do you evaluate over all changes before and after implementing planned change models (BSC, BPR) in ERA?
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6. How did you communicate the initial process of change to the employees?
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7. How do you plan to evaluate the result and the process itself?
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8. How has your leadership style been during the process?  Is it democratic or authoritarian?
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9. Are you satisfied with the result of your change management?
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10. Which part of the leadership can be improved or altered to be effective change leader?

## H. Organizational Change Framework and Process

| Items/ description | Rate of agreement | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Disagree | | Undecided | | Agree | | Strongly Agree | |
| | Fr | % | Fr | % | Fr | % | Fr | % |
| This organization needs to be changed | 19 | 15.6 | 11 | 9.0 | 62 | 50.8 | 30 | 24.6 |
| An assessment of the need for organizational change has been done | 15 | 12.3 | 9 | 7.4 | 70 | 57.4 | 28 | 23.0 |
| I know what the vision for the change looks like | 18 | 14.8 | 8 | 6.6 | 69 | 56.6 | 27 | 22.1 |
| I am aware of about the models of change and the reasons why change is needed | 23 | 18.9 | 7 | 5.7 | 75 | 61.5 | 17 | 13.9 |
| There are a number of good and rational reasons for this change to be made | 21 | 17.2 | 9 | 7.4 | 76 | 62.3 | 16 | 13.1 |
| The scope of the proposed change models (BSC,BPR) are appropriate and achievable | 15 | 12.3 | 7 | 5.7 | 63 | 51.6 | 37 | 30.3 |
| I understood how the change will impact me | 14 | 11.5 | 13 | 10.7 | 62 | 50.8 | 33 | 27.0 |
| There is an established a sense of urgency for the need of this change | 25 | 20.5 | 12 | 9.8 | 51 | 41.8 | 34 | 27.9 |
| I feel that I have the necessary skills and knowledge to make this change work | 22 | 18.0 | 12 | 9.8 | 30 | 24.6 | 0 | 0.0 |
| I think that the change is well planned in the organization | 24 | 19.7 | 9 | 7.4 | 59 | 48.4 | 30 | 24.6 |
| The organization usually provides appropriate training for those who need it | 18 | 14.8 | 13 | 10.7 | 51 | 41.8 | 40 | 32.8 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| The staff at the organization generally have the skills required for this change and will be able to build on this | 9 | 7.4 | 15 | 12.3 | 76 | 62.3 | 22 | 18.0 |
| There is a clear parameters for organizational change models | 16 | 13.1 | 10 | 8.2 | 54 | 44.3 | 42 | 34.4 |
| Employees have been given reasons to buy in and be engaged with the change | 16 | 13.1 | 11 | 9.0 | 50 | 41.0 | 45 | 36.9 |
| Employees are aware of being accountable for making or not making the change | 23 | 18.9 | 15 | 12.3 | 61 | 50.0 | 23 | 18.9 |
| The team has received the coaching they need to help make the change | 17 | 13.9 | 10 | 8.2 | 63 | 51.6 | 32 | 26.2 |
| There is an informed, passionate, and engaged change team in place | 25 | 20.5 | 9 | 7.4 | 59 | 48.4 | 29 | 23.8 |
| The teams are aligned with the goals of the organization | 20 | 16.4 | 9 | 7.4 | 46 | 37.7 | 47 | 38.5 |
| Communication about change to employees throughout the organization is in place | 23 | 18.9 | 8 | 6.6 | 53 | 43.4 | 38 | 31.1 |
| There is an initiative of encouraging creativity by employees during change | 28 | 23.0 | 7 | 5.7 | 55 | 45.1 | 32 | 26.2 |
| The management team is committed to the change | 24 | 19.7 | 9 | 7.4 | 50 | 41.0 | 39 | 32.0 |
| The employees have trust in senior management | 30 | 24.6 | 10 | 8.2 | 39 | 32.0 | 43 | 35.2 |
| AVERAGE | 20.2 | 16.6 | 10.1 | 8.3 | 57.9 | 47.5 | 31.1 | 25.5 |