

**ORGANIZATIONAL CHANGE IN IT TECHNOLOGY INSIDE A
GLOBAL ORGANIZATION**



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ABSTRACT

This paper will introduce the study of how does IT change impact the whole organization and how do people deal with it to make the change successful as desired. The topic was chosen due to the fact that the change was implemented in a global organization while the change impact and coverage area focuses on Thailand. The purpose of this paper is to analyze the change process used inside a global organization, and then identify the obstacles, inconsistencies, and redundancies. The information was collected using in-depth interviews and non-participant observation techniques. The case was analyzed and discussed in terms of IT change management using Kotter's eight steps of Change Process. The change process in this case went through very well and was success both in terms of effectiveness and cost efficiency. Kotter's eight steps of Change Process are an excellent starting point for an organizational change since the model places most emphasis on building coalition and setting the vision.

KEY WORDS: Change management/ Information technology/ Kotter's eight steps of Change process

28 pages

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CHAPTER I

INTRODUCTION

In the world today, the momentum of change cannot possibly be ignored. It is very essential to foresee the change, prepare for the change, act for the change, and drive for the successful change. Hence change management is exactly what considers those facts.

Organizational change is something that occurs throughout an organization's life cycle and effects the entire organization rather than one part of it. Change is increasing due to a number of forces including globalization led by rapidly advancing technologies, cultural diversity, environmental resources, and the economy; therefore the ability to recognize the need for change as well as implement change strategies effectively in a proactive response to internal and external pressures is essential to organization's performance. Internal changes can include organizational structure, process and HR requirements while external changes involve government legislation, competitor movements and customer demand (Wood et al, 2010).

In this modern world, IT is playing a significant role in every part of life. With this trend, organizations are required to spend a fortune in IT investment. US economic analysis recorded that companies are now spending about 30 percent of their total capital in IT whereas during 1960s only 5 percent were invested. However, even though organizations are spending a lot of money in IT, upgrading and taking it to the next level with new technologies, equipment, and tools, the outcome results are not always as good as expected. Companies have failed to gain business value from IT invested capital which they hoped for. No matter how promising the new IT is, people may not gain and deliver great results from it.

The company in this study is the largest publicly owned oil and gas exploration, development, and production in the world. They have refining operations in 26 countries, 42,000 retail service stations in more than 100 countries and lubricants marketing in almost 200 countries. Without a doubt, IT departments in this company

have significant expertise to manage IT projects and IT service deliverables. They are accountable to drive a large number of change projects, budget planning, prioritizing, and manage outcomes on behalf of the business. It is also their responsibility to support the existing IT equipment (servers, network, and voice) as well as seeking for new IT solutions to keep the organization effective and keep up with other competitors.

Recently there has been a move to convert the existing phone technology to a network technology called IP phones. The current phone system which uses digital phones has reached its so-called “end-of-life” process, meaning that the system is too old. Therefore this new project of IP phones will replace all 3000 Thailand users’ desk phones. This would not only bring new technology to the company but it also brings effectiveness and cost efficiencies as profits, while new phone features will be included as well such as call park, call back, and corporate and personal directories.



Figure 1.1 Digital phone vs. IP phone

Call Park feature is used when we are in a call and the subject we are about to discuss is considered as private or proprietary. Therefore, sometimes we have to change location to somewhere more private (e.g. huddle rooms). However, we do not wish to hang up with our counterpart and we also do not know the destination number to forward the call to, we then use Call Park. When the Call Park button is pressed during a call, our counterpart will be held on hold on the server and the line will be disconnected from our desk phone. After that a set of numbers will appear on screen. We then can use this number code to dial from any IP phone to resume our call with our counterpart.

Call Back feature is like a service. In case the person we would like to talk with is busy talking on another line, we can use Call Back button. Once pressed, the

server will monitor our counterpart's activity that if he/she puts down the phone, it will automatically send an alert back to us that the person we wish to call is now available and we can dial back to them with a given speed dial button on screen.

Corporate Directory is like a giant address book where it keeps all the users' profiles. We can do a name search through our IP phone to find out that person's profile and phone numbers. And from this, we can reduce the time to search for a specific number.

Personal Directory is a personal contact book, just like what we have in our mobile phones. We can do people search and save them as our contact in our Personal Directory. Each user will be given a logon ID to use this feature. They are free to change the PIN as they wish. With this feature, even though the user is on travel to other sites (i.e. located in other country), they can just walk into any IP phone and enter their login ID and PIN, all of their saved contacts will be shown in that phone.

IT change rate nowadays has increased significantly, it affects the economy to move to new directions which leads to structural and process changes in manufacturing ways, market strategies, and relationships. In order to be able to adapt to the world's change, understanding of change management is needed. This paper will introduce the study of how does IT change impact the whole organization and how do people deal with it to make the change successful as desired.

The topic was chosen due to the fact that the change was implemented in a global organization while the change impact and coverage area focuses on Thailand. The purpose of this paper is to analyze the change process used inside a global organization then identifies the obstacles, inconsistencies, and redundancies. With this study, the company could enhance their ability to drive for future successful change by learning from their past. With this learning, the organization will obtain the ability to move itself to higher quality. It would also bring an in-depth understanding of the diversity of attitudes, opinions and behaviours in a change situation for both employees and management.

CHAPTER II

LITERATURE REVIEW

In our globalized world, all organizations are bound to make changes within themselves in order to survive in new environments and circumstances. In a short period of time, many wealthy, successful, and fast growing organizations are forced to be out of business and go bankrupt. This also includes some of the most powerful government departments that ended up delegating its power and responsibilities until there is nothing left to control.

Organizations that do not have the ability to change themselves to new surroundings will mostly face an ineffectiveness issue. However for those who do, they tend to survive and develop speedily in a competitive market. Therefore, change management in organizations is necessary because it not only provides opportunities but it can also determine the potential of the people driving the company.

What is organizational change exactly? The general aim of organizational change is an adaptation to the environment or an improvement in performance. It leverages the organization to minimize negative impacts resulting from any changes made, and smoothes out the operations (Boeker, 1997). Results from a survey of 104 managers found strategic change, change of products, and change of productive processes to be the most welcomed forms of organizational change (Santos & Garcia, 2006). Nonetheless, knowing what change management is will not deliver the desired outcome. There are also risks and consequences in every changes made. Implementing change is more challenging than it is sometimes perceived (Szabla, (2007). In fact, approximately two thirds of organizational change projects fail (Burnes, 2004).

Now looking at problems in change management, there are many statistics reports concerning failed change. As Miller (2002) summarized the findings of a number of inquiries into the change process, only three out of four change initiatives gave the return on investment that leadership forecasted, most independent research showed change failure rates running at about 70 percent. In other words, only about

three out of every ten initiatives gave return on investment that leadership forecasted, seven out of ten change efforts that were critical to organizational success failed to achieve their intended results.

Independent IT research firm Gartner Group (2000) reported that for major new corporate systems implementations:

- 28 percent are abandoned before completion
- 46 percent are behind schedule or over budget
- 80 percent are not used in the way they were intended to be or not used at all six months after installation

McKinsey's survey (2006) suggested that only 6 percent of change management projects were completed successfully and 32 percent mostly successful; the negative emotions were as follows:

- 44 percent of people were anxious
- 22 percent confused
- 23 percent frustrated
- 24 percent fatigued

A Computer Weekly Project/Programme Management Survey (2003) looked at over 1,000 IT projects across the UK and assessed their success and failure rates. It was found that:

- 16 percent of IT projects examined in the survey met all their targets of budget, time and scope
- 55 percent of projects were completed on time with an average of overrun of 23 percent
- 41 percent were completed on or within budget with an average overrun of 18 percent
- 54 percent of projects failed to deliver on the planned-for functionality with an average shortfall of 7 percent of original specification
- 9 percent of projects were abandoned

Prosci's research (2007) found a clear link between excellent change management practices and meeting of objectives, timescales and budgets:

- 20 percent of change management projects exceeded objectives and 40 percent met their objectives, leaving 40 percent only partially or failing to meet objectives
- 56 percent of projects were behind schedule which included 17 percent far behind their schedule
- Almost 25 percent were slightly over budget, with nearly 10 percent well over budget

And they also looked at change management in more than 400 companies worldwide which found that the greatest contributors to success were:

- Effective sponsorship from senior management in terms of active visible support, ongoing support throughout the life of the initiative, acting as role models for the change, communicating and being ambassadors for change
- Buy-in from front-line managers and employees which got the change moving and kept momentum going
- Continuous and targeted communication throughout the project. This would be tailored in depth and breadth to the different interested communities
- An experienced credible team who maintained good internal working relations and also networked into the organization
- A well-planned and organized approach which is suited to the type of change being managed

Lastly, Kotter (1995) looked at over 100 different organizations going through change and picked out eight major errors of the change process which could lead to a failed transformation:

Error 1: Not enough sense of urgency or pressure for change

- When the urgency rate is not high enough to prevent very serious internal problems later on in the process.

- Underestimating the complexities and potential struggles required to shift management and staff from their comfort zones.
- Tendencies to become overwhelmed by the risk involved in retreating to the status quo.

Error 2: Failing to create a sufficiently powerful support base

- Maintaining the existing hierarchy where if that were working well, there would be no need for a major transformation.
- Coalition members having no history of teamwork at the top and therefore undervalue the coalitions importance.
- Not lead by a strong line manager.

Error 3: Not developing a clear vision

- Plans, directives, and programs with no vision, but confused staff.
- List of confusing and incompatible projects and activities that can take the organization in the wrong direction or nowhere at all.

Error 4: Under-communicating the vision

- A vision is developed, but only a single form of communication is used.
- Management not walking the talk. Deeds speak louder than words.
- Not enough communication to remind of the desired behaviors.

Error 5: Permitting obstacles to block the new vision

- Failing to remove powerful individuals who resist the change effort and who resist individual employees who want to help make it happen.
- Organizational structures such as human resource systems that remain intact even when there are clearly inconsistent compensation or performance-appraisal structures.

Error 6: Failing to create short-term wins

- Without short-term wins, too many people give up or actively join the ranks of those people who have been resisting change.

- Absence of defined and measured short term goals - urgency levels can drop.
- Leaving results to chance.

Error 7: Not aligning structures, systems, policies and skills

- Declaring victory before the changes and business improvements have sunk deeply into a company's culture.
- Having premature victory celebrations that kill ongoing momentum.
- Allowing the powerful resisters associated with tradition take over.

Error 8: Not Anchoring Changes in the Corporation's Culture

- New behaviors not rooted in social norms and shared values; they are subject to degradation as soon as the pressure for change is removed.
- Not ensuring that the next generation of top management understand the transformation that has taken place and personify themselves, the new approach.
- Poor succession decisions because boards of directors are not an integral part of the renewal effort.

Now looking at one of the factors that lead to unsuccessful change, the most noticeably concerning issue that arises is the resistance force. Resistance to change is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing or hindering its implementation and increasing its costs (Ansoff, 1990). People resist change for many reasons. They may not understand the objectives driving the change or not agree with the organization's new direction or simply be anxious about how the changes will affect their jobs, a fear of the unknown or a need for things to remain stable. Other studies (Patton, 2002) showed that employees may engage in 'resistant behaviors' when they lose trust in their management or organizations they worked for.

With new things being introduced, what follows usually are new responsibilities, processes, and tools. People are expected to maintain or produce even

higher productivity in no time. Sometimes people are not convinced enough to believe that change is worthwhile and its main purpose is to leverage everyone in some way which results in organization effectiveness. Resistance is naturally inside everyone.

The reasons for resistance in an organization are likely to originate from poor communication, lack of knowledge, and vague goals. Undoubtedly, resistance to change is a key topic in change management and should be seriously considered to help the organization to achieve the advantages of the transformation.

Even though 70 percent of changes fail, organizations can avoid failure and learn to adapt to change. The key to succeed at change is to understand the needs of people who are affected by change and actively take steps to address their issues.

According to the research from Kotter (1995), his research emphasized on increasing the 'felt-need' for change and the importance of communicating the vision as well as keeping the level of communication high during the change. He has proven that following his eight steps of changes for Leading Change will help organizations succeed in an ever-changing world. The eight steps for Kotter's Change Model are as follows:

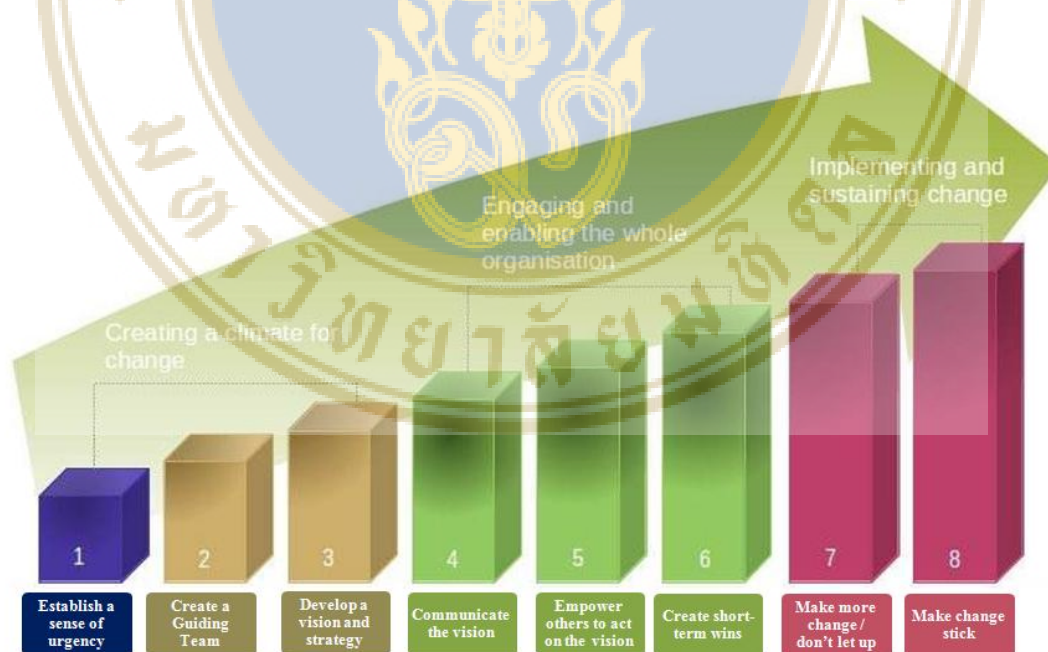


Figure 2.1 Kotter's eight steps Change Model

Kotter asserted that all of these steps must be worked through. Skipping even a single step may lead to a huge disaster for a company (Kotter, 1995). The

transformation suggestions in each step for the change management are in the table below:

Table 2.1 Steps of the Change Process

| John Kotter's eight steps process | |
|-----------------------------------|--|
| Steps | Transformation Suggestions |
| 1. Increase urgency | <ul style="list-style-type: none"> • Examine market and competitive realities • Identify and discuss crisis, potential crisis, or major opportunities • Provide evidence from outside the organization that change is necessary |
| 2. Build the Guiding Team | <ul style="list-style-type: none"> • Assemble a group with enough power to lead the change effort • Attract key change leaders by showing enthusiasm and commitment • Encourage the group to work together as a team |
| 3. Get the Vision Right | <ul style="list-style-type: none"> • Create a vision to help direct the change effort • Develop strategies for achieving that vision |
| 4. Communicate for Buy-in | <ul style="list-style-type: none"> • Build alignment and engagement through stories • Use every vehicle possible to communicate the new vision and strategies • Keep communication simple and heartfelt • Teach new behaviours by the example of the guiding coalition |
| 5. Empowering Action | <ul style="list-style-type: none"> • Remove obstacles to the change • Change systems and / or structures that work against the vision |

Table 2.1 Steps of the Change Process (cont.)

| | |
|---------------------------|--|
| 6. Create short term wins | <ul style="list-style-type: none"> • Plan for and achieve visible performance improvements • Recognize and reward those involved in bringing the improvements to life |
| 7. Do Not Let Up | <ul style="list-style-type: none"> • Plan for and create visible performance improvements • Recognize and reward personnel involved in the improvements • Reinforce the behaviours shown that led to the improvements |
| 8. Make Change Stick | <ul style="list-style-type: none"> • Articulate the connections between the new behaviours and corporate success |

Moreover, several models can be used to analyse change projects. One such model is Kotter's eight steps change model which is probably the best known and the most applied. Therefore, the change project in this paper will be analysed by using Kotter's eight steps model.

CHAPTER III

DATA COLLECTION METHODOLOGY

To answer the research questions, in-depth interviews and non-participant observation techniques are adopted as the data collection approaches. The data were collected using face-to-face interviews. Interview sessions were scheduled and conducted in March 2014.

“Open-ended question” approach is selected to conduct qualitative interviewing because it allows the respondents to elaborate their answers more openly and honestly. The open-ended questions encourage interviewees to provide information including their ideas, concerns, and feelings (Mind tools, n.d.). In addition, it helps to minimize variation in the questions posed to the respondents. (Berry, 1999)

A selected group of people were interviewed using open-ended questions combined with questions on gender, age, and other demographic information. Interviewees were selected based on their work experience due to the research focus on IT change management. The criteria for inclusion in the study were that each interviewee had at least two years of work experience in the company because they were familiar with both old and new technology hardware and they had already experienced this IT change.

The sample is convenient and interviewees include 2 managers and 4 analysts:

- Thailand Area Operations Manager
- Thailand Retail Sales Manager
- Technical Services Analyst (Change Management Lead)
- SAP Application Analyst (User)
- Delivery Planning Analyst (User)
- Human Resources Analyst (User)

A list of open-ended questions is developed to provide an opportunity to gain information and collect data about people's experiences with the change process and their attitude towards change. Basically, there cannot be a real change in the organization without a change of attitude of each individual.

Below questions are divided into three main groups which include:

1. Manager

- What was the purpose of the change?
- What was the new structure and what were the new roles?
- Did the change affect the whole organization or only part of it? Who would be affected and how?
- Who was to take responsibility for leading and implementing the change?
- How ready for change were employees within the organization?
- What did you do to motivate employees to deliver the change? Were they aware of the need for change and motivated to deliver the change?
- How effective were they (employees) in bringing about change?

2. Change Management Lead

- What were the steps along the way, including milestones and timescales?
- What were the change processes and what management styles were there to choose from, and what were the effects of each?
- Would training and development be provided? What were the criteria for setting different groups of user for change communication and training?
- What were the obstacles, and how did you deal with them?
- How did you know whether change is working?

3. User

- Did you understand the purpose of the change?
- Did they provide a clear vision of what the change will bring to your organization?
- Was the vision clearly communicated to everyone?
- Did the change optimize the relationships between employees and increase personal involvement?
- Did the change improve collective performance?

- Did the change improve organization work more efficiently?
- Did the change improve service quality with better strategies to address and fulfill the tasks?
- Did the change affect your motivation?
- Did you think that the change is useful?
- Did you agree or disagree with this change?

After all interview sessions are completed, the information from the literature review is compared with the interview results. Finally, the data are analyzed and discussed in terms of IT change management.



CHAPTER IV

RESEARCH FINDINGS

In this section, the case study was analyzed based on the collected information. However, the change process in this project was not implemented based on Kotter's framework. Therefore, the 4 phases of CISCO IP phones implementation was analyzed by applying Kotter's eight steps of Change process. The details of change strategies and activities during the implementation project based on Kotter's eight steps of Change are as follows:

| | |
|---|--|
| 1. Establishing a Sense of Urgency Discussing today's competitive realities, looking at potential future scenarios. Increasing the 'felt-need' for change. | |
| Core Challenge | Get people out of the bunker and ready to move. |
| Desired Behaviour | People start telling each other, "Let's go, we need to change things!" |

To start the project, they got the direction about implementation from Project Manager. Firstly, they prepared the information to present to top management for gaining their support and approval. The information consisted of an overview of IP phone and its capabilities, the reasons and benefits to change, related cost and expected results from the project. Once they got an approval from top management, they created a meeting with all users to discuss the current situation, to explain the need for change and to communicate the project definition, scope, timeline and expected values to them.

To establish a sense of urgency, First of all, they needed to get the support and agreement from management level and involved the key people; Key people would not be only top managers, but also lower-level managers who supervised the

employees' use of the new technology. Listed below are examples from each respondent.

Thailand Area Operations Manager said *"The idea on getting IP phone implemented was good, but the change team had to be sure to involve key people. I would personally help where I could. I also approved them to conduct activities with users in the department."* This means that, the support from Thailand Area Operations Manager is necessary if IP phone will be successfully implemented and his permission is needed to conduct any activities in the company.

Thailand Retail Sales Manager said *"I was interested in the information on IP phone that the change team shared with me but still, I wanted to know more about how it would improve the performance at my department. I was also concerned that some of my staffs might not be ready for this."* For this case, they did not get her support at the first time so they had to talk to her again. She continued *"I had investigated how a similar IT infrastructure had improved productivity. I found that it brings effectiveness and cost efficiencies as profits. I was more interested in what it could do. I would help to support as I could."* We can see that to obtain the support and permission of the managers, we need to create interest by talk to them until he or she agree to support in the change process.

| 2. Create a Guiding Team Assembling a powerful group of people who can work well together. | |
|--|--|
| Core Challenge | Get the right people in place with the trust, emotional commitment, and teamwork to guide a very difficult change process. |
| Desired Behaviour | A group powerful enough to guide large change, to influence others to accept change, and one that works well together. |

After the project had been approved, project resources (human) from different teams were given to set the project working team and to define their roles and responsibilities. They had to begin working together as soon as they could and started building trust. Thailand Area Operations Manager said *"It was about the people, this was what I searched for when I looked for members to join the team. It was of no*

interest to me if they had managed a million projects or if they had developed a new technical solution. I was interested in their capacity to manage and influence people.”

This means that it is important to put the right man on the right job.

Then the change team, as a local IT team, could proceed with the hardware purchasing. In the meantime, the network team located in Kuala Lumpur would design the topology, migrated call patterns, and completed the configuration settings.

| 3. Develop a vision and strategy Building a vision to guide the change effort together with strategies for achieving this. | |
|--|---|
| Core Challenge | Get the guiding team to create the right vision and strategies to guide action in all of the remaining stages of change. This requires moving beyond number-crunching to address the creative and emotional components of vision. |
| Desired Behaviour | The guiding team develops the right vision and strategy for the change effort. |

A vision was built by the top management; this vision would be used to guide the change effort and to develop clear strategies for achieving it. The change effort needed to target in specific areas, clear timescales of implementation was given and the new structure was put into place to ensure that all users were well managed throughout.

Project Vision

“Aim to, offering better qualitative services in lower costs. To achieve cost-effective operations, we must adjust IT technology to bring effectiveness and cost efficiencies. Advanced technology allows us with greater production flexibility and lowers our processing costs.” A clearly stated vision gives an appropriate feel of understanding the reason for the change. This is done to empower people and to motivate them to take action in the right direction. Vision helps to coordinate the actions of different people with increased efficiency and productivity.

4. Communicate the vision

The vision and accompanying strategies and new behaviors need to be communicated in a variety of different ways. The guiding coalition should be the first to role model new behaviours.

| | |
|-------------------|---|
| Core Challenge | Get as many people as possible acting to make the vision a reality. |
| Desired Behaviour | People begin to buy-in to the change and this shows in their behaviour. |

After the hardware order had been placed, they communicated to the Thailand users (via email broadcast) that there would be some changes in the telephone technology, described what would be changed, introduced IP phone technology and convinced with the benefits to the overall company effectiveness then attached a slide of introduction to CISCO IP phone distributed to all users to create interest. Technical Services Analyst said *“I had obtained Manager's support. He gave me permission to distribute materials about IP phone to all users in the department. The materials were well-received by the users.”*



Figure 4.1 Presentation slides of CISCO IP phone

Technical Services Analyst continued by saying: *“Buy-in from user was the most critical factor in the successful implementation of an IT change. It did not matter where the change initiated; users needed to believe the change would be good for them.”* We can see that communicating with users about what is occurring, why the changes are being made, and how they will develop is critical. Because change can

create a lot of fear, increasing communication can be used to calm staff and encourage their continued support. Listed below are examples from each user.

Human Resources Analyst said *“I thought that IP phone was a project worth implementing. I would try to convince my friends to get involved as well.”*

Delivery Planning Analyst said *“I had sufficient information about the project. I understood how the new system would impact my daily work but I felt that the new system would work for me.”*

| 5. Empower others to act on the vision | |
|--|--|
| This step includes getting rid of obstacles to change such as unhelpful structures or systems. Allow people to experiment. | |
| Core Challenge | Remove key obstacles that stop people from acting on the vision. |
| Desired Behaviour | More people feel able to act, and do act, on the vision. |

Once the equipment had arrived and the design and configurations were in place, they started the implementation. IT team would mount the server onto its rack inside the server room then scheduled a phones rollout plan with the users. All implementations would be done during weekends where it gave very less impact to the business operations. The phones rollout would be completed one site at a time due to resource limitations and financial risks.

After the implementation was completed, IT team would not take out the old digital phones at users' desk yet but they rather put the IP phones side by side with digital phones and made them both functional. They left both phones on for 2 weeks until they reached the actual cutover date. Once IT team did the cutover, all digital phones would be down and no longer had function, then they collected all digital phones back into the stock.

At this stage people were encouraged to experience with new ways of doing things. By doing so, the Application analysts (IT users) were selected from various departments; they could allocate their tasks to other colleagues and paid attention to the new system. They were actively using the IP phones in their works instead of the old ones since they were interested in the new technology and felt easy to change. SAP Application Analyst mentioned that *“I took courses on Information*

Technology at the University. I already knew about IT infrastructure like IP phone and offered to share my knowledge with other users. I was interested in how IT infrastructure could reduce processing time in my department.” This step, Empower others to act on the vision, also allow people to experiment so we can see that users will be able to compare both phones and gain a hands-on experienced before the actual removal of the old ones.

| | |
|--|---|
| 6. Create short-term wins Look for and advertise short-term visible improvements. Plan these in and reward people publicly for improvements. | |
| Core Challenge | Produce enough short-term wins fast enough to energize the change helpers, enlighten the pessimists, defuse the cynics and build momentum for the effort. |
| Desired Behaviour | Momentum builds as people try to fulfil the vision, while fewer and fewer resist change. |

This step, the change team launched the satisfaction survey to collect the feedback from Application analysts (IT users).

For the positive feedback, the change team brought these successful stories from Application analysts (IT users) as a representative of the project and communicated this achievement to all users in the company. Thailand Retail Sales Manager commented: *“I was impressed with IP phone's potential for giving the company a competitive edge. But, "Change takes time" If they wanted to make it compatible with company policies; they still had more work to do.”*

For the negative feedback, the change team analyzed and defined action plans to remove any blockers such as providing more training.

7. Make more change / Don't let up

Promote and reward those able to promote and work towards the vision. Energize the process of change with new projects, resources, and change agents.

| | |
|-------------------|--|
| Core Challenge | Continue with wave after wave of change, not stopping until the vision is a reality - no matter how big the obstacles. |
| Desired Behaviour | People remain energized and motivated to push change forward until the vision is fulfilled - fully realized. |

To make more change, they needed to focus on the role of early success as an enabler of future success. The most important thing in this step was that they had to schedule training courses for all users. Technical Services Analyst said *“I had the Manager's approval to hold the training to increase user's knowledge in using IP phone. The training was a positive experience for everyone and helped users saw the use of it in a new way. They gained new insights into IP phone and enjoyed working with each other.”*

The change team carried out training programs to educate users how to use the IP phones properly, how the phones were connected into the private network, and other new features that had been added. The tips and tricks were announced regularly by emails. Delivery Planning Analyst commented: *“This was more productive than any training I have had in year. I felt ready with the new system since I had the skills and knowledge to effectively complete my tasks.”*

Finally, the top management shown the appreciation to the change team by sending the thank you e-mail to them after digital phone was terminated as planned.

| | |
|---|---|
| 8. Make change stick Ensure that everyone understands that the new behaviors lead to corporate success. | |
| Core Challenge | Create a supporting structure that provides roots for the new ways of operating. |
| Desired Behaviour | New and winning behaviour continues despite the pull of tradition, turnover of change leaders, etc. |

Once the new IP phones were replaced all 3000 Thailand users' desk phones, they needed to make change stick within the organizational culture. They had

to monitor the acceptance of the new technology, the working procedure and the organization structure and how well the organization culture was adapting to have it.

They had set-up a special hotline. In case anybody was experienced the problem, they could make a direct call to IT support team with the given hotline number, and had their problem supported in no time. Technical Services Analyst said *“Follow-up Help was important when people learnt a new skill. Some staff were having problems and thinking of dropping their efforts to use IP phone. Follow-up Help solved their problems and shown how they could use IP phones more effectively.”*

This hotline number was created for only the first 2 months and after things have settle down, they will remove it and users are asked to use the normal process to report any incidents or service requests. Delivery Planning Analyst commented: *“I have been supported on the job after the implementation and then I could successfully perform my job using the new technology.”*

The change team then gathered users' satisfaction by letting them completed the surveys and feedback it back to the Project Manager as a final result. After feedbacks were received, this project would be closed. Thailand Area Operations Manager pointed out that *“The change team did what they were supposed to do; they had conducted the training, set the follow-up help and created enough motivation for why users should change to the new technology. With visible results, users would want to be part of this culture.”*

Therefore, Cultural change occurs only after results are clear. It is vital to ensure that people see the link between the change and success. If they have had to work hard to make this happen, they need to see that it has all been worthwhile.

CHAPTER V

DISCUSSION

Even though the IT department would like to bring new technologies into the organization for the users' own benefit, there will always be resistance accumulating. Resistance to change is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing or hindering its implementation and increasing its costs (Ansoff, 1990).

Resistance can be reduced through participation in future plans, and by increasing the anxiety about doing nothing. Therefore, the change team will have to ask employees to address their concerns. Typically they will discuss about general issues like economic loss, inconveniences and work load shifts. However, they are often hesitant to bring up the other concerns that are more emotional in nature such as a perceived loss of status, anxiety over the unknown or insecurities, or these concerns may appear in a different way like in the form of rumors. In addition, the change team cannot assume that employees will be able to identify and articulate all of their own concerns about the change but they have to take this into account. These people can be categorized into two main groups. The first group is heavy usage users and the second group is senior users.

People in the first group mainly use their desk phones very often and is vital for their business operations. This is why they are afraid of having the phone changed because this will influence with their work performance (quality and quantity). People are worried and stressed because of the lack of knowledge in the all new phone which also leads them to believe that the new ones are not as good as the old ones.

Recommendation: To convince them, the change team has to arrange a separate meeting and schedule a training course specifically for them in order to show the benefits of this new IP phone as well as encouraging them to become an expertise on how to use the IP phones.

The second group mostly consisted of senior people. These people are not quite familiar with new things and especially learning new things. They rather prefer to use the old phones instead because they are afraid that they might not understand how new ones operate since there will be more new functions added.

Recommendation: For this group, the change team also has to separate their training schedule from others and try to divide them into smaller groups as much as possible so that during the course, the change team can cover all the materials with everyone fully understood.

From what I have analyzed using Kotter's eight steps of Change Process, I would recommend that they should use every effective communication channel possible to broadcast the vision. Increasing in communication can be used to calm employees and retain their support. Communicating with many different forms of communication is used to repeat the message such as e-mails, newsletters, presentations, leading by example, two-way communication and so on; it will be communicated anywhere and everywhere. They should be available to take suggestions or answer questions that employees might have such as holding meetings or having an open-door management policy may facilitate change more successfully.

CHAPTER VI

LIMITATIONS AND FURTHER RESEARCH

According to the analysis, there are some limitations factors occurring in the data collected and analyzed summary. The limitations are caused by time strain, interviewing scope, and organization scope. Time is valuable when research is being conducted, for example, it is very difficult to arrange interview sessions with many people coming from different parties or departments. Second factor is the interviewing scope. In order to get the most precise data and feedback for analysis, interviewees must be spread across the organization, not just key persons that interact with the business (thus more interviewees mean more time required). Lastly is the organization scope. To determine the actual fact on a change project, looking at only one organization might not reveal the actual fact of what the result would be. It would only give facts and analysis reports for that certain organization only. Therefore, change management would be most effective when it is elastic and scaled to match the scope of what it really should be to deliver a successful change with a managed situation. Hence, this paper was written based on data collected and analyzed by specific organization so limitations on general findings are bound to be found.

For further research, it is recommended to expand the organization scope to study various organizations with similar change projects. The results would be more precise and accurate with more data collected from various sources for analysis. In addition, further research should involve and apply more depth of analysis and theories since the amount of raw data will be increased from the scope expansion. Lastly, the change process evaluation should be based and conducted on the effectiveness of change management implementation rather than people's own opinion only.

CHAPTER VII

CONCLUSIONS

To sum up, the project went through very well and the satisfaction rate was high. In addition, with telephones monthly fee review (including both local and international calls), the new IP phones could save more than 500,000 baht per month. Therefore, the project was success both in terms of effectiveness and cost efficiency.

In conclusion, Kotter's eight steps of Change Process are an excellent starting point for those who are interested in making large or small-scale organizational change since the model places most emphasis on building coalition and setting the vision. Entering the change consciously, whether it is planned or emergent, will allow you to understand the nature and context of the change, identify its key dimensions and develop relevant strategies and styles. In leading change you need to be a flexible leader and be conscious of the appropriate combinations of leadership roles because leadership plays a critical role in creating and maintaining organization's culture.

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