

**THE VIEWS OF EMPLOYEES ON CHANGE OF
OWNERSHIP OF STATE OWNED COMPANIES
FROM GOVERNMENT TO PRIVATE OWNED: A
CASE OF ZAMBIA TELECOMMUNICATIONS
COMPANY (ZAMTEL)**

**BY
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DEDICATION

This thesis is dedicated to my beloved family: My best friend and wife Tendai E. Lifuka, our loving and ever smiling children Alice, Nasilele and the special masters baby Rosemary Ziba, all of whom are my source of confidence, inspiration and encouragement. Even during the times that i could not give you all the attention, you all still came through for me. To my parents Gilbert Ziba and Miriam Nsakilwa Ziba not forgetting my Uncle and Auntie Mr. & Mrs. Nsakilwa in Monze, to you all I say thank you for giving me an opportunity to do what I love best and for ensuring that I had a strong foundation in my education.

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AUTHOR DECLARATION

I, **GREENWELL ZIBA**, do hereby solemnly declare that this piece of work represents my own, and that all the works of other persons have been duly acknowledged. I further declare that this work has not been previously presented for any degree at this and indeed at any other University for similar purposes.

Author's signature.....

Date.....

Supervisor's signature.....

Date.....

CERTIFICATE OF APPROVAL

This dissertation by GREENWELL ZIBA is approved as fulfilling part of the requirements for the award of degree of Master of Business Administration of the University of Zambia & Zimbabwe Open University.

EXAMINERS SIGNATURES

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ABSTRACT

The Zambia Telecommunications company (ZAMTEL) began in 1975 as the Zambian Post and Telecommunication Corporation (PTC) which was formed from the General Post Office (GPO). In July 1994 the government of Zambia passed a Telecommunications Act that led to the splitting up of the Post and Telecommunications Corporation into two separate companies: the Zambia Postal Services Corporation (ZAMPOST), and the Zambia Telecommunications Company (ZAMTEL). The Company falls under the jurisdiction of the Ministry of Transport, Works, Supply and Communications.

In 2010, the Zambian government, under the Movement for Multi-Party Democracy (MMD) President, Rupiah Banda, sold 75% of the Zamtel to the Libyan company, LAP Green Networks. The 2011 Zambian national election saw the incumbent MMD party replaced by the opposition Patriotic Front (PF). President Michael Sata ordered a reversal of the \$257m deal and the government of Zambia seized control of Zamtel.

This thesis is a case study of organisational change taking place at ZAMTEL, and how employees are reacting to the change process. The research was mainly descriptive. Secondary data was used to answer the research questions. Questionnaires, indepth discussions, interviews and observations were the main research instruments.

The study concluded that organisational change is taking place at ZAMTEL, and that while some employees have responded positively to change, others have been negative. The study also concluded that the strategic leader is playing an important role in the change effort.

The research concludes by making recommendations on how to further improve and manage the change process at ZAMTEL.

CHAPTER ONE

INTRODUCTION

1.2 Background

The Zambia Telecommunications company (ZAMTEL) began in 1975 as the Zambian Post and Telecommunication Corporation (PTC) which was formed from the General Post Office (GPO). In July 1994 the government of Zambia passed a Telecommunications Act that led to the splitting up of the Post and Telecommunications Corporation into two separate companies: the Zambia Postal Services Corporation (ZAMPOST), and the Zambia Telecommunications Company (ZAMTEL). The Company falls under the jurisdiction of the Ministry of Transport, Works, Supply and Communications.

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1.2 Statement of the Problem

It is not surprising that, over the years, resistance to change has attracted increasing attention from researchers, practitioners, and the general public. A great deal of research has focused on understanding the sources and determinants of resistance to change. The media and the general public are generally interested in various forms of active resistance to change such as strikes or protests. Other forms of resistance such as passive resistance, although less observable, have not gone unnoticed and thus have also warranted extensive research over the years. Not surprisingly, resistance to change is frequently reported as being one of the sources of organizational change failures (Kotter and Cohen, 2002).

Employees who are confronted with changes in their organisation face an inevitable choice: whether they should support or resist such changes in order to still (or best) achieve their personal goals and objectives. Despite a large body of normative literature on techniques for managing change, for example, models of implementing change by Judson (1991), Kotter (1995), Galpin (1996), and Kotter and Cohen (2002), empirical studies of their application seem to be too sparse to indicate convincingly and

conclusively whether the techniques presented in those models have had significant influences on employees' reactions to change. Because I do not share the views and assumptions of some prior researchers, this research theoretically deviates from the mainstream research on change management by introducing an effect-based view of change as an alternative approach to understand employees' reactions to change; my focus is on ZAMTEL as an institution.

1.7 Research Objectives

Since the case study method reflects situational conditions, the research attempted to offer reasonably accurate explanations of human behaviour in response to organisational change. Objectives thus were as follows;

- (a) To determine whether change has had negative responses.
- (b) To discover whether change has had positive responses
- (c) To identify tactics and strategies that can be used in the change process for the best applicable means to implement change and manage employees.

1.8 Research Questions

- a) Describe whether change has had negative responses from employees.
- b) Explain whether change has had positive responses from employees.
- c) Identify tactics and strategies that can be used in the change process for the best applicable means to implement change and manage employees.

1.9 Significance of the study

The purpose of this study is to offer an understanding of the process of change in the Zambian context, which might help other organisations intending to or currently undergoing change. It also offers useful guidelines on how to manage the change process that are applicable to other organisations in general or specific terms, because the old employer/employee relationship in terms of conditions and contractual beliefs that existed implies to most of them.

As most organisations acknowledges the need for change in Zambia's new economic environment, positive responses to change provide useful guidelines to those

organisations plagued with inertia to make the change effort. The merits of change provide the impetus to emulate and embark on the required organisational changes.

When initiating change, the commonest problem is related to human resistance to change, in form of rebellion, passive resistance, or deliberate efforts to undermine management. The study's close look at negative response to change assist other organisations planning change to avoid identified pitfalls and to anticipate potential resistance to change and minimise it. Knowledge and awareness of this should make the management of this easier.

Positive responses to change reflect very well on the CEO as the driver that turns strategic plans on paper into realities. Such CEOs should be quoted as role models in Zambia.

CHAPTER TWO

LITERATURE REVIEW

3.0 Empirical literature review

Literature review is an integral part of any social and academic research. Taylor (2014) avows that literature review is an account of what has been published on a topic by accredited scholars and researchers. Ndhlovu (2012) also echoes that literature review refers to the works or studies the researcher consulted in order to understand and investigate the research problem. Bryman (2008) attests to the fact that as one undertakes a study, ample time should be accorded to examining various documents which range from; news bulletin's, journals, newsletters, magazines and dissertations. Bosswell and Cannon (2009) stress that the review of literature shows the gap between the researcher's curiosity and knowledge of the subject area.

This review therefore, demonstrates to the reader why the writer's research is useful, necessary, and important. With reference to the study, this chapter helps amplify specific arguments and ideas related to the study. In totality, the researcher attempts to show what has been studied in the field, its weakness and gaps. This section discusses the central tenets of theories of change, perception, attitude, emotion, individual decision-making, resistance to change and support for change, focusing on the core theoretical and empirical arguments. It is important to note that I neither seek to provide an exhaustive literature review, nor seek to explicitly review an extended list of the critiques of the core arguments previously made. This narrow focus is deliberate, for my purpose is to concisely outline the main tenets of concepts and theories concerning these topics, to assess how they are conceptualized, to provide a basis for establishing the link between key concepts, and to develop my research model.

Research has been done on organisational inertia, which examines the role and impact of organizational inertia on organisational structure and design. In the organisational inertia literature, it is argued that various factors generate several forms of inertia in the organisation (e.g., strategic, structural, or cultural inertia). Organisational change may be limited by internal factors such as an organisation's investments in plant, equipment, and specialized personnel (Hannan and Freeman, 1984). It is also possible that top managers

or decision makers may receive limited or insufficient information to the extent that they may fail to make a decision on organisational change or adaptation. If internal politics exist in an organisation, they may also contribute to organisational inertia; that is, political disequilibrium in an organisation may lead to resistance towards certain proposed changes.

Indeed, most organisational changes are designed to benefit the organisation as a whole; and these benefits are likely to take time to be realized; however, any political resistance within the organisation generates short-run political costs that may either exceed the potential benefits or be high enough that top executives may decide against the intended change (Hannan and Freeman, 1988). Likewise, external factors such as the dynamics of political coalitions, costly or limited information with regard to relevant environments, and legal and other barriers to entry or exit from the market may also restrict the nature and degree of organisational change or adaptation in organisations (Hannan and Freeman, 1977).

Research on organisational change has led to various views and perspectives. However, there are at least three most prominent views on organisational change. The first view, based on population ecology theory, argues that most of the variations in organisational structures occur through the creation of new organisations and organisational forms, and the demise of old ones (Hannan and Freeman, 1984; Freeman and Hannan, 1988).

According to Hannan and Freeman (1977), this perspective, which may be called “selection theory,” argues that existing organisations, particularly the largest and most powerful ones, seldom change their strategy and structure quickly enough to keep up with the demands of uncertain and changing environments. The second view, based on random transformation theory, proposes that endogenous processes induce structural changes in the organisations, but the changes are loosely associated with the goals of the organisation and the demands of the uncertain and changing environments (March and Olsen, 1976; Weick, 1976). The third view, based on the rational adaptation theory developed by March and Simon (1958), argues that organisational variability generates changes in strategy and structure of organisations in response to threats, opportunities, and environmental changes. There are some variations in this view. For example, strategic contingency theories focus on structural changes that match organisational structures

(Thompson 1967), whereas resource dependence theories focus on structural changes that neutralize sources of environmental uncertainty (Pfeffer and Salancik, 1978).

The literature suggests several internal and external factors that lead a firm to commence a change. Examples of these factors include: (1) increased competitive pressure (Meyer, Brooks and Goes, 1990); (2) new government regulation (Haveman, 1992; Fox-Wolfgramm, Boal and Hunt, 1998); (3) technological change (Haveman, 1992); and (4) management team change (Castrogiovanni, Baliga and Kidwell, 1992).

Firms that undertake change, any change, in their organisation often aim to improve their performance in terms of, for example, higher profits, better responsiveness to the market, and long-term competitive advantage. For example, past studies on corporate turnaround (e.g., Hofer 1980; Bibeault, 1982; Hambrick and Schecter, 1983; Barker and Duhaime, 1997) have found several actions or strategies that can revive the troubled firms through corporate turnaround. We can thus conclude that the real value of organisational change rests on its ability to alter an organization's identity, strategy, structure, operation or human resources as a means to enhance firm performance.

Now let us consider the characteristics of change. Change is defined as a movement away from a current state toward a future state (George and Jones, 1995). In the organizational change literature, at the abstract level, there are two distinct modes of change: first- and second-order change. The phrase "first-order change" is used to describe organisational changes that occur within a relatively stable system that remains mostly unchanged; and for a system to remain stable or unchanged, it requires frequent first-order changes (Weick and Quinn, 1999). On the contrary, second-order change or so-called episodic change modifies or transforms fundamental structures or properties of the system (Weick and Quinn, 1999). The concept of first- and second-order change is very popular and powerful, and its fruits have been many. To give but a brief sample of some of the works that have benefited from this concept, it has advanced several theoretical models such as Argyris and Schon's (1996) single and double-loop learning by individuals, Miller and Friesen's (1984) adaptation vs. metamorphosis by organizations, and Tushman and Anderson's (1986) competence-enhancing vs. competence-destroying changes in technology. In summary, there are several patterns or types of change (Miller, 1980; Johnson-Cramer, Cross and Yan, 2003): small or large (Ledford et al., 1989), planned or

emergent in nature (Johnson-Cramer et al., 2003), radical or incremental (Weick and Quinn, 1999).

There are several relevant questions concerning change. What is it? Why do firms need to change? Under which conditions will firms initiate changes in their organization? What kinds of outcome will a change bring to firms? Certainly, these questions already suffice to show that there is need for research on organizational change. The wide range of past research on organizational change has focused on four main categories. One category has to do with content issues, and it mainly focuses on factors related to successful or unsuccessful change attempts (e.g., Hofer 1980; Bibeault, 1982; Hambrick and Schecter, 1983; Barker and Duhaime, 1997). Another category concerns process issues, mainly focusing on steps, phases, or actions undertaken during the implementation of an intended change (e.g., Judson, 1991; Kotter, 1995; Galpin, 1996). An additional category deals with context issues, focusing on internal or environmental forces or conditions affecting a change in an organization (e.g., Schendel and Patton, 1976; Slatter, 1984; Robbins 1996). The final category concerns reaction issues, and it focuses on employees' responses to organizational change (e.g., Weiss and Cropanzano, 1996; DeWitt, Trevino, and Mollica, 1998; Patterson and Cary, 2002).

Another aspect of change is that it can occur at differing organisational levels. First, change can occur within a population of organisations. For example, changes occurring at an industry level (e.g., changes in customers' demands and preferences) have implications for most, if not all, companies within the industry. Similarly, changes occurring at a country level have implications for most, if not all, organisations within the country. In addition, changes can occur in a single organisation, having implications for the whole organisation or for specific parts of the organisation. Last but not least, changes can occur at the level of individuals within an organization, that is, at the level of employees or managers. The important point for us to observe is that changes at differing levels may share some common characteristics but may also possess certain unique characteristics.

One of the central issues of organizational change concerns the ability of the organisation to enact change. The ability may be partly limited by organisational inertia; that is, the organisation may not be inclined to search for new solutions (Meyer and Rowan, 1977). This raises the question of whether organisations can change themselves. That is a

difficult question, and no single answer will adequately answer it. My answer is that they cannot, due to the fact that from a legal perspective, an organisation is a non-human entity; therefore, we can argue that it is not the organisation that changes itself but rather the people in the organization that change themselves and thereby change the organisation. But this leads to the question of whether an organisation's capability to adapt is conditioned by its employees' capability to adapt, which may be determined by the levels of inertia at the individual level.

In summary, as the review of the literature has shown, organisational change, regardless of its form, will have implications for the organisation as well as its employees. Simon (1991) noted that "employees, especially but not exclusively at managerial and executive levels, are responsible not only for evaluating alternatives and choosing among them but also for recognizing the need for decisions." Accordingly, it is useful to understand how employees view and react to organisational change. In support of this view, the main focus of this research is on the effects of organisational change and employees' reactions to organisational change.

2.2 Theoretical Review

2.2.1 Employees' Response to Change

Behaviour in an organisation is not random but caused and directed towards some end that employees believe is in their best interest (Ghauri et al. 2008). Organisational change affects every part of the organisation's goals, strategies, management style, skills, rules, culture etc. This means that it affects employees personally, hence the importance of studying human behaviour in response to organizational change (Cohen et al. 2006). Leadership's role involves ensuring that both individual and organisational barriers do not obstruct the change effort because change can be stimulating, painful or a cause for anxiety (Dalziel & Stephen 2005). This is why responses to it are many and varied.

Organizational change is a process during which events unfold over time. It involves the crystallization of new action possibilities, behaviours, methodologies,

products or new markets, based on re-conceptualized patterns in the organisation (Robert 2014). Examples of transformation methods include restructuring, quality programmes, strategic change and cultural change.

Unplanned changes occur at random or spontaneously without a change agent's direction (Johnson and Scholes, 2000). For instance, a recurring customer complaint that forces an innovative procedure that turns out to be a better way of handling a particular process. The aim in unplanned change is to act immediately after recognizing the problem to minimize negative results (Kotter et al., 1996). In contrast, planned change occurs as a result of specific effort by change agents, and implemented by management in order to sort out experienced problems.

Kreitner (1998) says: "In blunt terms, organisations that fail to change are sure to fail" Change is the only way for organisations to remain competitive and to grow.

At the individual level, change presents opportunities to enrich careers and personal lives. Both organisations and individuals can respond to change in three basic ways: by resisting, following or leading it. Resisting change means being stagnant and becoming obsolete (Moorhead and Griffin, 1995). Most organizations and people that initially resist change often end up following and striving to catch up with the leaders. Failure to do this leaves them at a competitive disadvantage, which can have disastrous consequences like folding up entirely (Margin, 2012).

Successful organisations seek to anticipate change and be the dominant leaders with the largest market share (Mwanakatwe, 1994). To succeed the emphasis on why organisations should change should be on "getting the logic of the strategy right and then persuading people of that logic; designing structures and control systems appropriate to the strategy and using them as mechanisms of change; putting in place the resources required and planning timing and sequencing of change in detail" (Pettigrew & Whipp, 2011).

There is also natural change in organizations. With time organisations mature and evolve and undergo major changes in policy and practice (Robinsane, 2010). For instance, the fact that with time, the Zambia telecommunications company was unable

to cope with the provision of services as industrialisation, urbanisation and population growth increased in the major towns, inevitably led to major change in the decision to liberalise the provision of telecommunications services in Zambia.

Thus in managing organisational change, crucial management responsibilities include: how much change to bring about; how much effort will be directed at problem solving as against developmental change; and what specific strategy and tactics to use.

2.2.2 Causes of Change

Change in organisations always has some major underlying causes. Specific changes in the organisation's internal structure and external markets usually stem from broader changes in society, economics or technology (Rosabeth, 2016). The causes of change with regard to the provision of telecommunications services in Zambia have been both external and internal. External in that they have resulted from the broader changes in the country's social trends and the political scenario that led to the decision to liberalise these services; and internal in that, ZAMTEL was operating under increasing financial and social pressure to cope with the provision of the telecommunications services.

2.2.2.1 Social Causes

Trends in society, politics and population affect organisations, and it is important for managers to be aware of such changes (Tembo 2002). Zambia's high birth rates of the mid 1960s to late 1970s means that there are more job seekers and young people in employment today compared to fifteen to twenty five years ago; there has been a shift from the traditional community/extended family to an individual centred society, which also affects business in that economic patterns in consumer demand are affected (Schermerhorn et al. 2012). Managers have to be aware of such trends in order to cope with change.

2.2.2.2 Technological Causes

When technology changes so does the nature of work (Strickland 2010). Advances made in technology are far reaching and are unfolding at a rapid rate (Basil and Cook, 2004). At corporate level technology leads to cost efficiency, which gives organisations competitive advantage, which also means customers are satisfied (Tembo, 2002).

Customers enjoy the speed, comfort and conveniences that come with improved technologies. According to Moorhead and Griffin (1995), change through technology lies in three main areas:

- (a) **New discoveries** - new products create an increase in the customer base and can provide an opportunity for an organisation to enjoy monopoly before others follow as was the case with ZAMTEL.
- (b) **Improvements in existing products** - most products are continually being modified to attract larger markets in terms of greater convenience, speed, ease or comfort.
- (c) **Automation** - advances in this area has cut down on human inefficiencies and also releases them to perform other tasks. Changes in technology also mean that new skills have to be acquired to operate equipment.

2.2.2.3 Economic Causes

Studies of past data show that the tides of economic change are cyclical and slow but severe in strength (Bull, 2016). Although their trends are relatively stable, sharp fluctuations can occur to change an organisation's competitive advantage, or new technologies can change the established patterns. Organizations need to be able to respond quickly to sudden changes and also try to have contingency plans to cushion periods of uncertainty (Cohen et al., 2006). In Zambia, there has been little or no forecasting in terms of tides of economic change with regard to provision

of telecommunications services, for which reason the country's local ZAMTEL ended up being swamped by the demand for the services which had fallen below expectations. Growth in population, industry and housing was not matched with expansion in the telecommunications infrastructure.

2.2.3 Types of organizational change

The working definition of organisational change given above is "a planned or unplanned response of an organisation to pressures" (Dalziel & Stephen, 2005). Change can be either anticipatory (proactive) or reactive, while the scope of the change can be either incremental or strategic. Transformational or strategic change is occasional (Johnson and Scholes, 2000). Most change in organisations is incremental, which has the advantage that an organization can build on the skills, routines and beliefs of its employees in order to make the change efficient and achieve their commitment. Resulting from these factors, the Nadler-Tushman Model identifies four types of organisational change illustrated in Fig. 1 below.

Anticipatory changes are systematic and well planned in order to exploit expected situations, while reactive changes are a result of unexpected events or pressures in the environment (Robinsane, 2010). On the horizontal axis is the scope of the change, either incremental or strategic. Resulting from this matrix are the four types of organisational change in this model, i.e. Tuning, Adaptation, Re-orientation and Re-creation.

Figure 1 The Nadler-Tushman Model of types of organizational Change

Extent of Change		
	Incremental	Strategic/Transformational
Anticipatory/Proactive	Tuning	Re-creation/Planned Transformation
Reactive	Adaptation	Forced Transformation

Source: Johnson & Scholes (2000) page 451

2. **Incremental Change** involves only certain departments that are specially selected for organizational survival. Two types are identified:
- (a) **Tuning** the current way of operating. A good example of incremental change is what we have learnt from the Japanese idea of 'continuous improvement' rather than waiting for things to go wrong and then correcting them.
 - (b) **Adaptation** - similar to tuning but change results from external forces such as economic, social, political or competitive pressure that causes companies to adapt the existing paradigm and current ways of operating. Proactive tuning and reactive adaptation have given rise to the concept of the 'learning organisation', i.e. organisations that are continually sensitive to environmental change and can continually adapt to the changes.
3. **Strategic/Transformational Change** is undertaken when incremental change is inadequate because it is based on existing paradigm but the circumstances require more drastic action. Change focuses on a complete turn-around and encompasses the whole organisation; it also results from either reactive or proactive processes. Two types emerge:
- (a) **Re-orientation/Planned Transformational** - such change is anticipated, giving an organisation time to plan. It is change in which an organisation changes direction in management style because the change was expected, but maintains its past, and
 - (b) **Re-creation/Forced Transformational** - where competitive pressure forces an organisation to re-create its strategy and product's; changing to win by beating the competition. This often involves radical change after an environmental scan shows the same pattern, and an organisation comes up with a product that is welcome by customers to re-create a major market. The shareholders can also force change if they are displeased with the firm's current strategy.

In real life most organisational change involves a combination of all different types. Effective change means practical improvements as well as change in the thinking

of organisational members, which must be reflected in their behaviour. Change must also bring direct or indirect benefits to both customers and employees.

3.1.4 Benefits of Change

Properly planned, implemented and managed, change allows the organisation to progress towards some long-term goal provided progress can be measured and the organisation knows where it ought to be, compared to the current position (Rosabeth 2016). If profitability is evident, it ensures sustainability, which in turn ensures economic survival (Schermerhorn et al. 2012). The outcome of this is that change gives the firm competitive advantage, especially if it becomes the dominant leader. Secondly, change introduces new skills, education, experience and new responsibilities. Employees become intrinsically motivated and derive greater satisfaction (Strickland 2010). This association with success enhances organisational citizenship, sense of achievement, and for the strategic leader, self-actualisation.

3.1.5 Responses to Organisational Change

In order to understand the relationship between organisational change and employees' reaction to it, it is helpful to start with a brief look at the basic individual-organization relationship. We have noted that human beings are complex creatures, and that change is not always an easy process to introduce and manage (Basil and Cook 2004). Although there are no absolutes in Organizational Behaviour, it is possible to make reasonably accurate explanations of human behaviour and offer valid predictions (Cohen et al. 2006). At the same time, we need to recognize and appreciate the nature of individual differences. For real organisational change to take place, often employees have to adjust their behaviour, and behaviour is normally beyond the control of managers.

Moorhead and Griffin (1995) summarize the basic individual-organisation relationship concepts as shown in Fig. 2.

Fig. 2. Individual-Organization Relationship Concepts

Concept	Key Points
Psychological Contracts	Understanding individuals is an important consideration for all managers. A basic framework that can be used to facilitate this understanding is the psychological contract, i.e. the set of expectations held by people with respect to what they will contribute to the organisation and what they expect to get in return. Organisations strive to achieve an optimal person-Job fit, but this process is complicated by the existence of individual differences.
Personality	Personality is the relatively stable set of psychological and behavioural attributes that distinguish one person from another. Managers can do little to alter personality. Instead they should strive to understand the effects of important personality attributes such as locus of control, self-efficacy, authoritarianism, dogmatism, Machiavellianism, self-esteem, and risk propensity.
Attitudes	Attitudes are based on emotion, knowledge, and intended behaviour, and they are influenced by social information. Whereas personality is relatively stable, some attitudes can be formed and changed easily. Others are more constant. Job satisfaction or dissatisfaction, organisational commitment, and job involvement are important work-related attitudes.
Perception	Perception is the set of processes by which an individual becomes aware of and interprets information about the environment. Basic perceptual processes include selective perception and stereotyping. Perception and attribution are also closely related.
Workplace Behaviour	Workplace behaviour is a pattern of action by the members of an organisation that directly or indirectly influences effectiveness. Performance behaviours are the total set of work related behaviours the organisation expects the individual to display to fulfill the psychological contract. Basic withdrawal behaviours are absenteeism and turnover. Organisational citizenship refers to behaviour that makes a positive overall contribution to the organization.

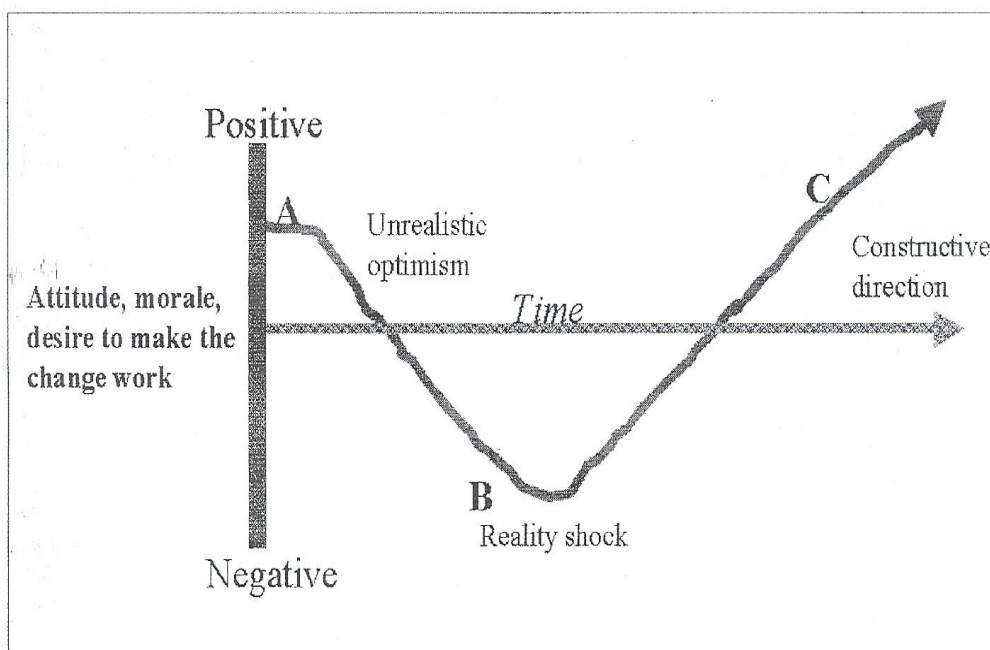
Source: Morehead & Griffin (1995) page 71

In today's business environment, change is inevitable but it must be planned on sound principles rather than left to be guided by reactive initiatives or wishful vision. If change has the right purpose it should lead to positive outcomes (Ghauri et al., 2008).

And to repeat, for employees to accept and respond positively to change, they need to feel that they have some influence over it and can see benefits in it for themselves. Effective change leaders therefore tend to be those that deal with tangible as well as hidden processes of change (Robert, 2014).

Change always has personal implications to employees because it entails new job assignments, new reporting procedures, and, sometimes new skills to be acquired. While some may welcome the new challenges, others will dislike them for various personal, group and organisational reasons. Kreitner (1998) graphically illustrates these two responses as shown in Fig. 3 (a) and 3 (b) below:

Fig. 3 (a) Response to Change People Like



Source: Kreitner (1998) page 482

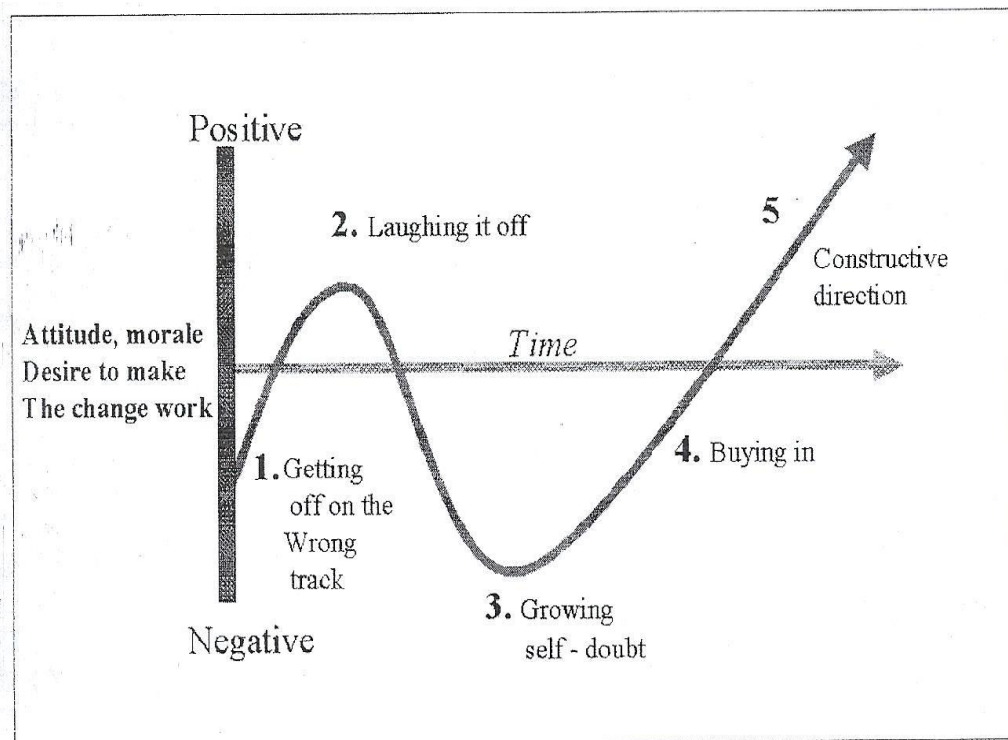
A to C is a three-stage adjustment which includes personal factors such as attitude, morale and a desire to make the change work.

Stage A: Because the employee likes the change, he/she is filled with unrealistic optimism.

Stage B: With time, optimism may turn to reality shock if things do not turn out as anticipated, e.g. employee had a wrong interpretation of the changes. If this phase takes long some employees may give up.

Stage C: Because the employee likes the change, efforts are made to re-adjust and get back on track, the direction becomes constructive.

Fig.3 (b) Response to Change People Fear and Dislike



Source: Kreitner (1998) page 482

Graph (b) is the more common and closer to reality than graph (a) because change has that 'unknown' element accompanied by distrust. Most employees feel that their sense of stability has been disrupted and according to Kreitner, their thought processes might be as follows:

Stage 1: Fear, uncertainty, and indecision as to whether the employee likes the change or not.

Stage 2: Laughing it off with co-workers who might feel the same about the change: "It won't work out and will be abandoned very soon, don't worry." This shared feeling makes the employee feel better and improves his/her

attitude towards the change.

Stage 3: As the change process continues, contrary to the belief that it would be abandoned, new job assignments have to be met, self-doubt sets in and the employee begins to worry about job security - "Will I manage the new job?" - Morale drops.

Stage 4: From stage 3, a sensitive manager's intervention to employees' personal responses is critical. Without encouragement and effective communication about the benefits of the change, some employees remain negative and fail to buy into the change. Some employees begin to respond positively when they see their manager's supportive effort and come to terms with resistance to change, and get on the constructive direction. With a more positive attitude come positive results, followed by high morale and great support for the change that was initially resisted. Management sees this and there are promotion prospects and inevitably, job security.

Kreitner goes further to suggest ways to help individuals deal with change at each stage. During the change process, until the situation clears and improves, some training is provided, security restored and moral returns among employees that fear of the unknown lingers. Managers' responsibilities should involve guidance through it. Resistance and its consequences should be anticipated rather than taking employees for granted because each individual judges change according to what it promises or threatens for him/her personally.

3.1.6 Why Employees Resist Change

Even in the absence of a change effort conflict is inherent in any form of organisation, because it is not easy to achieve a common purpose and to align individual goals with those of the organisation. People are different; leadership must explain why change is necessary and what benefits are in it for them, as well as reconcile differences to achieve organisational goals. Johnson and Scholes (2000) argue that resistance to change and organisational inertia are often a result of the "cultural webs" that leave organisations trapped in their own paradigm and routines that require

“unfreezing”. Although change always meets some resistance, some of it can be pre-empted by anticipating and understanding employees' reservations and misunderstandings. Ideally, management should accommodate some of the objections and fight others. Reasons why change is resisted is on two levels: individual and organisational.

3.1.7 Individual Resistance

Even in change that is positive at individual level, people that are affected by it go through emotional turmoil because change involves loss and uncertainty. E.g. a new position may make one feel happy, but it also means building new work relationships and reporting procedures, which he/she might not be ready for. As the saying goes: "The devil you know is easier to function with".

- 1. Surprise** - Even people who may like the change probably dislike being taken by surprises, especially when change is sudden; it creates an imbalance and leads to resistance.
- 2. Inertia/habit** - most employees prefer to maintain a safe, secure and predictable status quo. The cultural web provides this security for them, and doing the same thing every day is more comfortable than having to change routines.
- 3. Misunderstanding/ignorance/lack of skills** - Employees may resist change when they incorrectly perceive that they might lose more than they will gain. This can happen when they have not fully understood the implications of the change itself. Thus, perceptual limitations of people, especially in the absence of adequate communication and re-training, employees tend to develop negative attitudes even if the change itself is good for both the organisation and themselves.
- 4. Lack of trust** - in the change initiator-employee relationship - trust is an essential element in the change process because without it employees will fail to acknowledge promises of improvement. Similarly, managers will fail to empower employees they do not trust.

5. **Fear of the unknown/failure** - new challenges can be intimidating. Some employees may know or just fear that they will be unable to develop new skills or expected behaviours, especially if the change effort requires too much too quickly of them. This sort of resistance is often unconscious.
6. **Personality conflicts** - a hated manager will experience difficulties in instituting change.
7. **Threat to job security and status** - people work to meet certain basic needs. Any threats, real or imagined are bound to be resented. At managerial level, resistance may also be in order to save face, because going along with it is an admission that previous practices or decisions were wrong. A resistant attitude from a manager/supervisor may spread to subordinates, thus worsening the situation.

3.2 CONCLUSION

Organisational change is triggered by both internal and external forces and is necessary for organisational survival. Successful organisations anticipate change and carefully plan changes to avoid being placed at a disadvantage. Success is also dependent on the appropriateness of strategic choice depending on the circumstances, and to ensure maximum benefits for change are realized. It is also important for organisations to avoid, concentrating on the change itself without considering how employees would react to changes introduced, because work is done through human beings. Change cannot just be introduced; it has to be managed. Consequently, the role of strategic leaders in instituting and managing change is a crucial requirement for success.

Robert (1994) uses a formula for change that provides a satisfactory conclusion to this chapter.

Change = UN x V x CR x TPL/R

Where UN - Understanding the need for change -- Why?

V = Vision - Where to?

CR = Current reality - Where are we now?

TPL = Transformation Plan - How do we get there?

R= Resistance to Change - What are the fears and concerns?

CHAPTER 3

METHODOLOGY

6 Introduction

The purpose of this study was to ascertain the effects of change of ownership of state owned companies from government to private owned and employee's reactions: a case of Zambia telecommunications company (ZAMTEL). This chapter presents the various steps and methods used and the reasons why, in order to meet the objectives of the research as itemized in Chapter 1.

6.1 Research Design

This research was a descriptive case study of the transformational change that took place at Zambia Telecommunications Company (ZAMTEL). The change process was studied with a view to ascertain whether it had in fact resulted in specific reactions from the employees, whether negative or positive. The research was therefore descriptive and was based on both qualitative and quantitative methods.

6.2 Data sources

Both primary and secondary data were used.

6.2.1 Primary Data:

- Questionnaires - two sets, one for management and another for the general staff.
- In-depth interviews with some heads of directorates and some supervisors.
- Group Interviews - small groups of 6 to 10 general staff employees.
- Observations - to gather first hand information a natural setting, interpret and try to understand behaviour and attitudes as accurately as possible; and to determine the general atmosphere of the company.

6.2.2 Secondary Data:

- Published test books to provide structure and establish the background to the research problem.

- Organizational documents e.g. organizational charts, annual reports, strategic plan, annual reports, status reports, pamphlets, and quarterly reports of ZAMTEL
- Zambian business journals.
- Zambian national newspapers.

6.3 Sampling procedures

6.3.1 Target Population

The target population was 500, ZAMTEL employees.

6.3.2 Sampling Design

Stratified random sampling method was used, taking into account the various departments, number in each department, the salary scale of the employees, and gender. Numbers were assigned to each employee and the random number tables were used to select the sample for the professional and general employees. Since the sample size does not necessarily affect the precision of results, it was arrived at taking into account the time and resource constraints.

6.4 Data Analysis Techniques

Both qualitative and quantitative methods of analysis were used using simple tables and pie charts.

6.4.1 General Information about the Sample

Age Categories		Educational Qualifications		Years at ZAMTEL	
Number		Number		Number	
Over 50	4	Degree	6	Recruited by	
40-49	12	Diploma	9	ZAMTEL	17
30-39	14	Form 5/Grade 12	22	Less than 8 years	2
20-29	10	Form 2/Grade 9	9	8-10 years	15
Not indicated	10	Not indicated	4	10-14	1
				15 years and above	5
Totals	50		50		50

Total sample size = 50

- **Questionnaires** with a cover letter explaining the nature of the study were given to the sample size of 50, of which 42 were administered to the general staff (Questionnaire 1) and 8 to management staff (Questionnaire 2).

- **Individual interviews** were held with selected general and management staff while group interviews were held only in the Technical and Customer Service departments.
- **In-depth discussions** were held with some directorate heads, i.e. Technical, Finance, Human Resources and the Management Information Systems (MIS).
- **Observations** were conducted in some departments.

6.5 VALIDITY AND RELIABILITY OF THE STUDY

The study made every effort to seek knowledge and results that were true. Having selected the case study method, the research results have internal validity. With regard to external validity, the research being a case study of organisational change in the Zambian context, it is hoped that the results can be generalized to other organisations within the country.

Nevertheless, threats of both internal and external validity may exist in areas such as:

- (a) **Maturation** - i.e. processes operating within the research period as a function of passage of time. Zamtel saw the need for organisational change, and there is evidence of improvement in various areas. However, was the improvement due to the change *per se*, or could it be that the change had made the employees aware of the serious situation and motivated them to perform better in order to keep their jobs? (Perves *etal* 1995).
- (b) **Selection Bias** (self-selection) - this can also be a serious threat to validity when there is a possibility that the researcher might not have had control over selection of the subjects. Questionnaires were issued and collected later. It cannot be ruled out that subjects may have given the questionnaires to others to answer on their behalf, thereby rendering the observed findings invalid.

6.6 Summary of the chapter

This chapter discussed the research methodology which was used in the study. It employed a descriptive survey study design where both qualitative and quantitative approaches were used in collecting and analysing data. This allowed the researcher to obtain a clearer and complete picture of the undertaken research. The sample included 50 ZAMTEL members of staff. Questionnaires and Focus Group discussions were used in data collection. Data collected was presented and analysed using frequency distribution tables, pie charts and percentages, while qualitative data was presented using themes. The next chapter presents the findings of the study.

CHAPTER FOUR

RESEARCH FINDINGS, ANALYSIS

AND INTERPRETATION

4.1. Introduction

In the preceding chapter, the methodology that guided this study was explained. This chapter aims to report the findings of the study that was conducted on the effects of change of ownership of state owned companies from government to private owned and employee's reactions: a case of Zambia Telecommunications Company (ZAMTEL).

The main focus of this research was to ascertain whether ZAMTEL was undergoing change and, if so, how the employees had responded to the change; and thirdly, to identify tactics and strategies that can be used in the change process for the best applicable means to implement change and manage employees.

This section presents the findings as revealed in the questionnaires, interviews and observations that were conducted for the purpose of collecting data on specific areas related to the purpose of the study. Standardised data was then quantified, analyzed and summarized, from which inferences were then made from the representative sample about ZAMTEL. One limitation to take note of is that the researcher did not get 100% response to the questionnaire; therefore the generalisations do not include non-respondents.

4.2 RESEARCH FINDINGS

The findings were presented as answers derived from the following specific questions:

- 1. What were the challenges facing ZAMTEL that made change imperative?**
- 2. Did organisational change take place at ZAMTEL? If so,**
 - a) What type of change was it?
 - b) Was the strategic choice appropriate for the organization?

- c) Evaluation of the strategy
- 3. How did employees respond to change?**
 - a) Positively: Responses to change employees like
 - b) Negatively. Resistance to change employees dislike
 - c) Informal Group Behaviour
- 4. How did the change process managed?**
- 5. What was the role of the strategic leader in the change process?**

4.2.1. WHAT WERE THE CHALLENGES FACING ZAMTEL THAT MADE CHANGE IMPERATIVE?

Seventeen (17) respondents out of twenty one (21) outlined the challenges as follows;

- a) Unreliable Databases**-many customers were enjoying the company services without paying for them because ZAMTEL didn't know the actual number of the customers connected to their networks.
- b) Low collection levels**- ZAMTEL had low collection levels coupled with huge liabilities.
- c) Interruptions**-in most of the major cities, the availability of ZAMTEL network were not assured; there were interruptions most of the times.
- d) Poor payments from government institutions**-the company had always operated as semi-government organisation. This encouraged non payment of telecommunication services by government institutions and contributed to the huge liabilities inherited by the new company.
- e) Run-down Infrastructure**-the networks were very old and broke down very often. This resulted in loss of the much needed

income.

Added to this list of challenges is another problem that the change process was grappled with: that of seconded staff. There were 500 employees inherited from ZAMTEL. *“They did not meet required and desired levels of performance in a privately owned organisation and were less committed to their new employer LAP Green Networks”*. The change effort had introduced training to improve skills, as well as hiring new personnel in order to meet the new organisational objectives.

“The problem of run-down infrastructure had been eased by the ongoing rehabilitation to improve the network”.

The first year of operations recorded a loss, due to mainly low revenue collections. With the change, it can be said that major strides had been made to improve the operations since then. Improvements with change included; computerization of the accounting system; reduction in expenditure achieved through competitive bidding etc.

ZAMTEL become a commercially viable entity, with a committed CEO and management team. “The Company had a five-year strategic plan in place to: outline the transformation from ZAMTEL managed services, spell out the corporate objectives, and address current and future challenges”. The Company was committed to meeting these challenges. Both strategies were being implemented as a system with overlaps, not as isolated phases.

The motivating factors for this paradigm shift are spelt out in a paper presented by the CEO of ZAMTEL on World Telecommunications Day on 17th May 2011. The paradigm shift is described as a shift from telecommunications management to telecommunications demand management, and the motivating factors are given as follows:

- Dwindling investment capital
- Increasing cost of capital
- Need to promote telecommunications use
- Declining economies

4.3 DID ORGANISATIONAL CHANGE TAKE PLACE AT ZAMTEL?

Results as to whether employees acknowledge that change is taking place were that 31 out of 42 general staff agreed that it was taking place, and that there was a major difference between working under ZAMTEL then compared to their current employer LAP Green then; 11 responded that there was no change in process. Of the management staff only 2 of the 8 respondents worked under ZAMTEL, and admitted that change was taking place; 6 were recruited by LAP Green.

As stated before, the working definition of organisational change is a planned or unplanned response to pressure. The pressures that made organisational change imperative have been outlined. The change effort eased some of the pressures in areas such as cleaning up of the unreliable database, improved collection levels, upgrading of the network to 3G, rehabilitation of the old infrastructure, training of unskilled workers to improve performance and the establishment of customer service centres in residential areas to improve interaction between the company and its customers.

It was established that “planned organisational change did in fact take place at ZAMTEL and a five-year Corporate Transformation Strategy was put in place”.

The study established that the change was well structured. It is evident from mere visits to the company premises that the general atmosphere is quite different, in that the mood is more serious and better organised; employees know what they are doing, smile at customers, are eager to assist them, and can be found in their offices to attend to business, all this is as a result of change. Monitoring by management was a continuous process, and quarterly reports were prepared to measure performance and progress achieved. These are documented and available. At the time of the research, a job analysis exercise was in progress to clarify job descriptions and improve reporting procedures in the new work environment. The managers hold monthly Family Meetings, during which they inform all employees on the progress and status of the Company operations.

4.3.1. What Type of Change was in Process?

37 out of 42 of which 22 were males and 15 were female, respondents to this

question.

It was noted in Chapter 2 that organisational change is broadly categorised into changing structure, technology or people. The change at ZAMTEL has encompassed all three areas. According to the Nadler-Tushman Model of types of organisational change (Chapter 1 Fig. 1) the type of change ZAMTEL was undergoing is **reorientation**, and **strategic** in scope because the Company was being significantly re-directed. Importantly, there was not a significant break with the organisation's past. ZAMTEL is still in the telecommunications business but management is changing almost every aspect of the business, e.g. recognition that an important success factor is a customer-driven focus, on which success in the service industry is dependent; another example is the important corporate objective to make ZAMTEL a profitable entity.

In effect, from what was discussed with managers, other types of change were in play as well because they recognised that “change meant practical improvements in operations as well as a change in the thinking of the employees”, which must be revealed in their behaviour at work. Management was also aware that the change effort must bring direct and indirect benefits to both customers and employees. Benefits to employees included regular salaries as compared to their previous employer, provision of training to gain new skills and career advancement in those responding positively to change. Benefits to customers lay in improved services and opportunities for more interaction with the company through Customer Service and Public Relations departments.

According to the transformation plan, restructuring was done in Phase 1. A simplified organizational chart is shown in Appendix 1V and this is what is currently operational in the change effort's emphasis for concentration on specific functions of the organisation. Focus was on creating a new mind set, i.e. changing people's attitudes, behaviour, skills and motivation. This was being conducted through education and training, workshops and seminars, both in-house and participation in externally organised ones.

From observations, changes in technology were ongoing, particularly in the computerisation of the billing and accounting systems, as well as in the rehabilitation of the old infrastructure to a more modern one. Interviews with top management staff indicated that the Company had systematically planned changes designed to take advantage of the circumstances then, i.e. the strengths, weaknesses and opportunities as mentioned in the situation analysis shown in Appendix V. Simultaneous with Phase I of the transformation strategy is Phase 2, which entails setting the strategic direction. The main objective here was to close strategic gaps and maintain unity of direction.

4.3.2. Was the Strategic Choice Appropriate for the organisation?

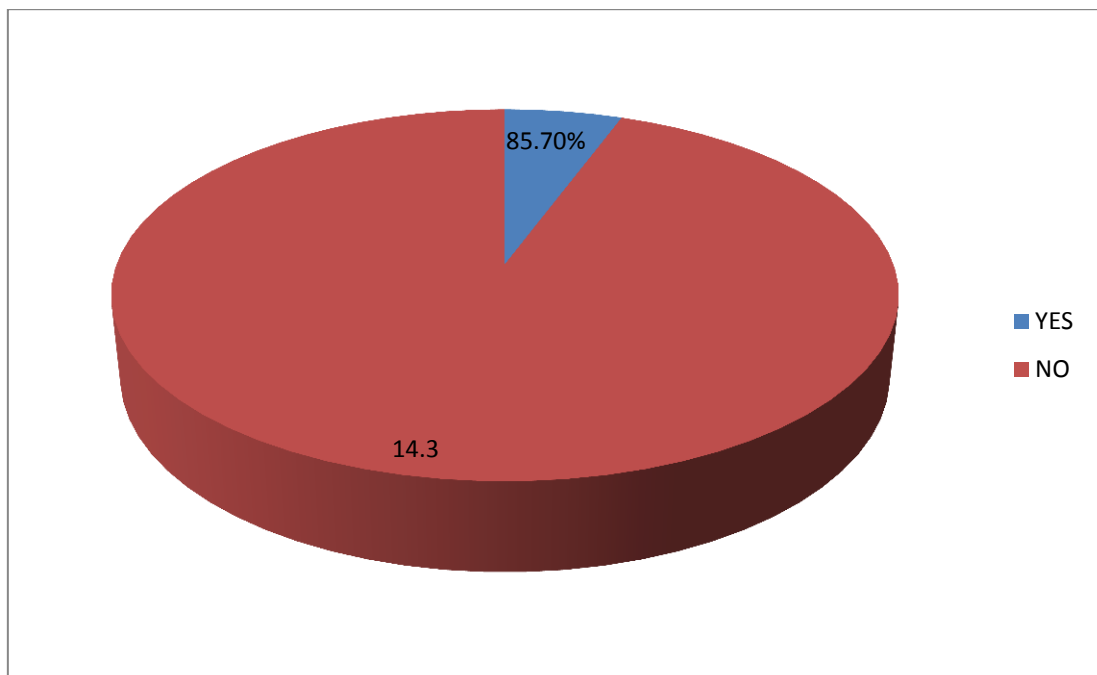
40 out of 50 respondents responded in the affirmative.

Johnson & Schools (2000) says, *"In many ways strategic choice is the core of strategic management. It is concerned with decisions about an organisation's future and the way in which it needs to respond to the many pressures and influences identified in strategic analysis. In turn, the consideration of future strategies must be mindful of the realities of strategy implementation which can be a significant constraint on strategic choice"*.

*"The strategic choice at ZAMTEL was to use Total Quality Management (TQM) for **internal growth through concentration and specialisation** in order to improve what the firm was already engaged in"*. The Company was directing its resources towards the continued and profitable growth in the provision of services. Alongside this was the intensive training which was provided to the employees to enhance growth, just as the restructuring shown in the organisational chart is directed at concentration and specialisation of the various functions. TQM is defined as "creating an organisational culture committed to the continuous improvement of skills, teamwork, processes, product and service quality, and customer satisfaction" (Kreitner, 1998). Thus for it to succeed, concentration and specialisation is important, which makes the strategic choice appropriate for ZAMTEL.

The study found out through in-depth discussions with the Director of Technical Services

that the past history of the Company's failures and its consequences were thoroughly investigated in order to understand the problem and then come up with an appropriate strategic choice. The challenges the Company was facing have been mentioned in the introductory part of this chapter, and the situation analysis lists the weaknesses and threats. Interviews with management staff revealed agreement that the focus on changing employees' attitudes was just what former ZAMTEL workers required in order for the change effort to move forward and yield results, given their background of laissez affairs work attitudes. The ultimate goal as indicated in the comprehensive transformation strategy is Total Quality Management, which in a service industry such as ZAMTEL is engaged, would be most appropriate as it is centred on changing employees' mindsets in order to achieve one of the corporate objectives: *"To have delighted and satisfied customers"*. During interviews, all the managers and supervisors agreed that the need to change employees' attitudes was urgent for the change process to succeed. Considering the low education levels among the general staff, it was a positive sign that the vision statement was understood by most employees and they saw the direction the organisation was heading: Response to the question on the vision statement in Questionnaire 1: *"To be the leading communication services provider of choice"*, asked: Did you understand and saw the direction ZAMTEL was going?



The Management questionnaire further asked that the vision and mission statements be

stated. All 8 respondents did so clearly. Finally, asked was the question: 'were you winning?' 6 out of the 8 respondents said 'Yes', 2 did not respond.

4.3.3. Evaluation of the Strategy

As there are no perfect indicators to judge the success of strategy, the study used Seymour Tiller's guidelines as presented by Tembo (2002). Tiller in an article entitled 'How to Evaluate Corporate Strategy' (*Harvard Business Review*: July-Aug 1993) suggests a series of questions as criteria to evaluate strategy rather than wait until the end of the targeted period.

- **Was the strategy identifiable and had it been made clear in either writing or practice?**

6 of the 8 management staff confirmed that the strategy was identifiable.

"The Corporate Transformation Strategy was identifiable and clearly written down (Appendix I) to facilitate action in terms of what activities to conduct as well as to provide focus to organisational effort". In terms of practice, i.e. how employees conduct themselves with respect to expected workplace behaviour, this was mostly still in the transitional stage. There was more evidence of changed attitude among middle and top management who led by example. This was good, because they were the people to identify strategy, as they were partly involved in its formulation and were fostering the implementation through and with the lower level employees.

- **Did the strategy fully exploit environmental opportunity?**

ZAMTEL did have competition. It wouldn't make sense for ZAMTEL not to bother with any kind of organisational change, as was the case with the previous management. The mission statement indicates that the Company intended to fully exploit its environmental opportunity: *"To provide cost effective relevant total communication solutions and services that consistently offer unrivalled customer experience through the use of cutting edge technology and customer focused*

marketing whilst maximising shareholder value". This target was yet to be reached: there were still areas that required the company's services that had not yet been reached; telecommunications still had great demand but was not available country wide.

- **Was the strategy consistent with corporate competence and resources?**

ZAMTEL was a privately owned company whose owners were willing to invest in it. The management team in place was confident that it could meet shareholder expectations as well as the challenges ahead. Questionnaire 2 asked management staff their opinion of the Strategic Transformation Plan: *“yes the strategy was consistent with corporate competence and resources”*

Question: Do you think the Strategic Transformation Plan was...?

Table 1: Management Opinion of the Strategic Plan

Question	Number	%
Ambitious?	1	12.5
Lacks enough? challenge	0	
Just right?	7	87.5
Not right?	0	
Total	8	100

The question further asked respondents to give reasons for their answers, which included;

- a) It had identified challenges, required resources and set out a reasonable time scale to achieve the objectives.
- b) It could improve the quality of service to our customers, improve the welfare of employees and pay return to shareholders.
- c) Operations systems were being put in place.

The study indicated that the strategy was consistent with corporate competence at management level, but not so much among general staff. Management acknowledged this situation and had embarked on an intensive training programme at a cost of two hundred thousand kwacha. To complement this, hiring of new qualified and experienced personnel was ongoing. In line with these plans, two key objectives of the Human Resource Directorate were: To develop a systematic approach for staff training and development at all levels that was aimed at meeting future managerial, technical and professional needs; and to recruit and retain experienced and skilled human resources.

“The strategy was consistent with corporate financial resources in as far as the shareholders were willing to invest in it”.

- **Was the strategy appropriate to the personal values and aspirations of key managers, especially the CEO?**

The CEO himself was the chief architect of the transformation strategy, which was based on his personal values and aspirations. Response to the question: ‘were your values similar to your employers?’ ‘In Questionnaire 2, all the respondents’ agreed that they were. Further, interviews with top and middle management also indicated *“we are all in agreement with the strategic choice and it is in line with our personal values and aspirations, such as unity of purpose, excellence, integrity and team spirit”.*

- **Was the strategy appropriate to the desired level of contribution to society?**

ZAMTEL had introduced a Public Relations department that was going out into the community to interact and generate public awareness on e.g. the importance of reporting vandalism and other faults, paying bills etc. The 2010 Company Status Report mentioned that Customer Service Centres had been established in residential areas not just as service points, but also places where they could get information about ZAMTEL's operations. The Company was trying to reorient its customers so that they were not detached. These efforts support one of the success

factors, i.e. customer driven focus. *“ZAMTEL's contribution to society started showing signs of improvement and short term wins by solving some of the problems of the community within which it operated. This is what the community expects more as the company progresses”.*

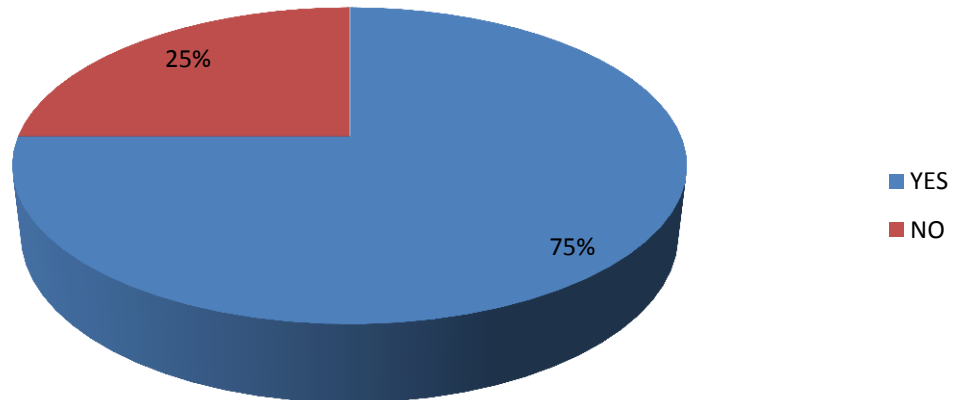
- **Did the strategy stimulate organizational effort and commitment?**

Questionnaire 2 asked management whether they felt that their subordinates were committed to their jobs and the company and to give reasons for their answers. The summary was:

- a) Yes. They were willing to learn and put in more effort
- b) Not all. Most needed sensitization
- c) The majority needed education
- d) Some were, others liked sitting idle and sometimes chatting as they worked, walking around etc.
- e) Some were. Especially those recruited from private companies; others were not committed.

The Company had not yet achieved 100% commitment from its employees, but the managers did recognise that some were on the constructive path. Further asked whether the change had increased morale and motivation among their staff, responses were as follows:

Level of Morale and Motivation among General Employees



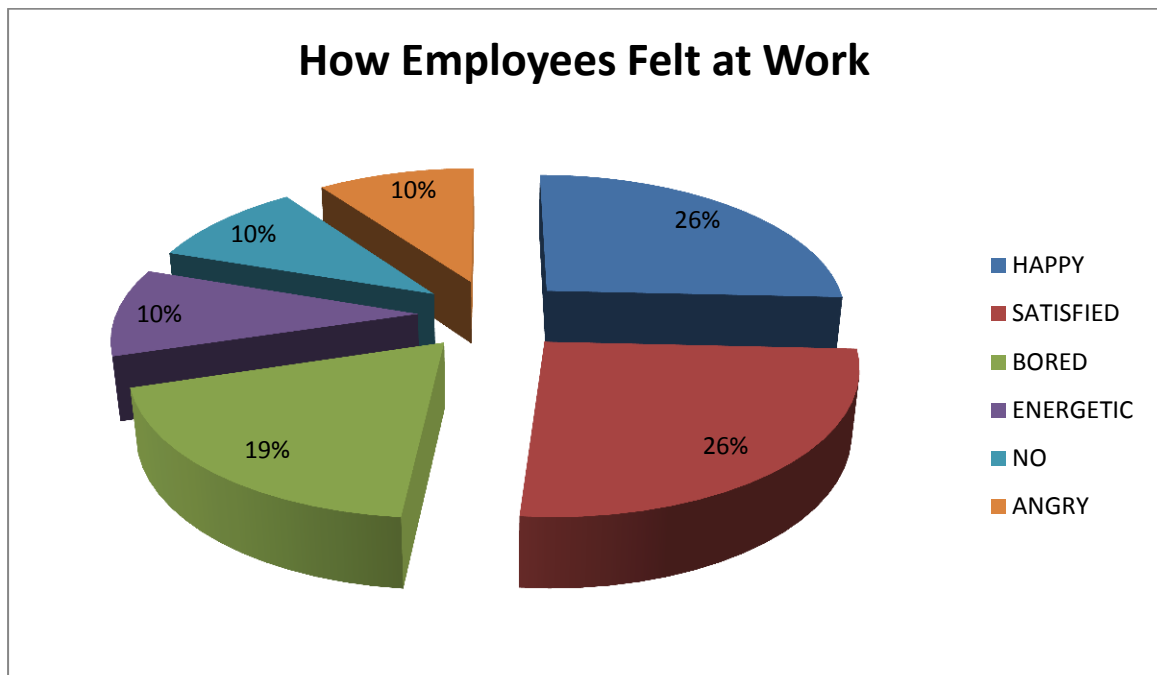
Interviews held with middle and top management indicated much commitment and effort into their work as they faced new challenges, because they realised that corporate objectives could only be realised through them, and how successfully they communicated the change effort to their subordinates. They were contributing to the change effort in various ways, e.g. developing new policies, explaining the benefits of change, hard work and teamwork to their subordinates, setting up departmental systems in line with change. Managers/supervisors reported that some employees that were responding positively to their initiatives, and the training being given to them was leading to more organisational effort as they realised the direction the company was going. Those that were still resisting change displayed an obvious lack of commitment, which was evident in the manner of responding to the questionnaire, e.g. not responding at all to certain sections, or one word answers where sentences were required.

4.4. WHAT HAD BEEN EMPLOYEES' RESPONSE TO CHANGE?

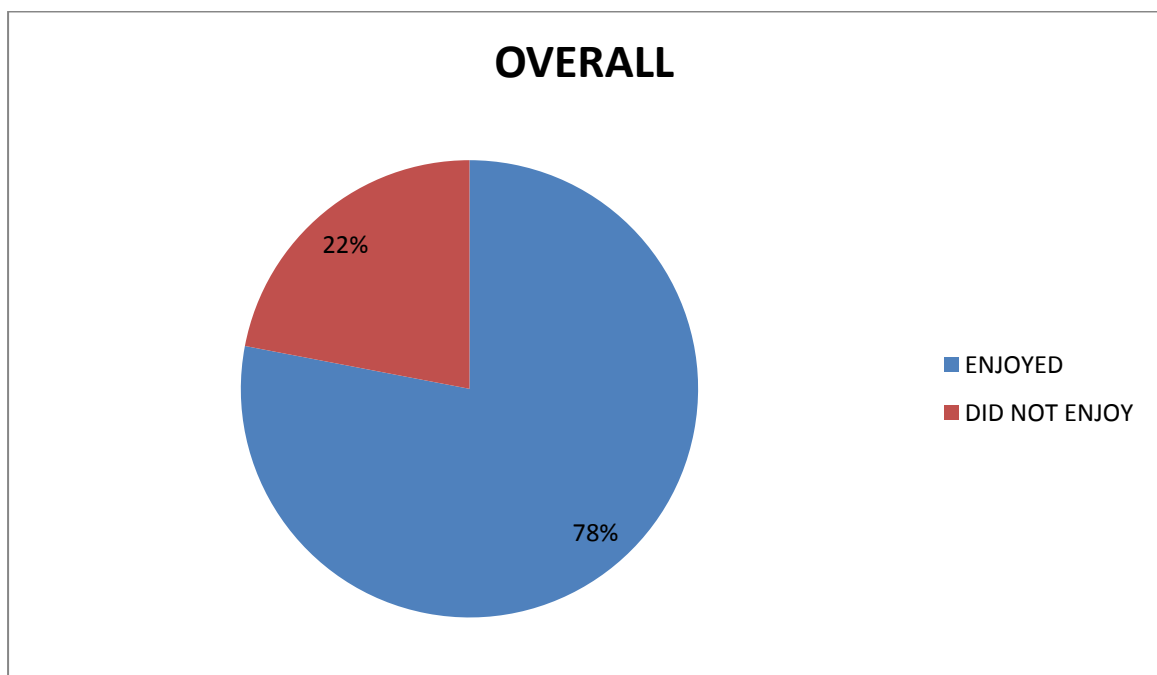
At management level, all respondents felt the change had affected them positively, and that they enjoyed their jobs. Of their subordinates, asked how they saw their response to the change, results were:

Excellent: (0), Good: (3), Average (4) Poor (0)

The general response among general staff can be summarised as follows:



Overall, 39 (78%) out of the 50 respondents said that they enjoyed their jobs, 11 (22%) said they did not, see the overall pie chart. This gives an indication of the general overview of response to change.



In conformity with the complexity of human beings, the list of changes that employees enjoyed was different from what they actually *expected* when ZAMTEL initiated the change. Responses to what changes the general staff expected were as follows:

Changes Employees Expected - General Staff

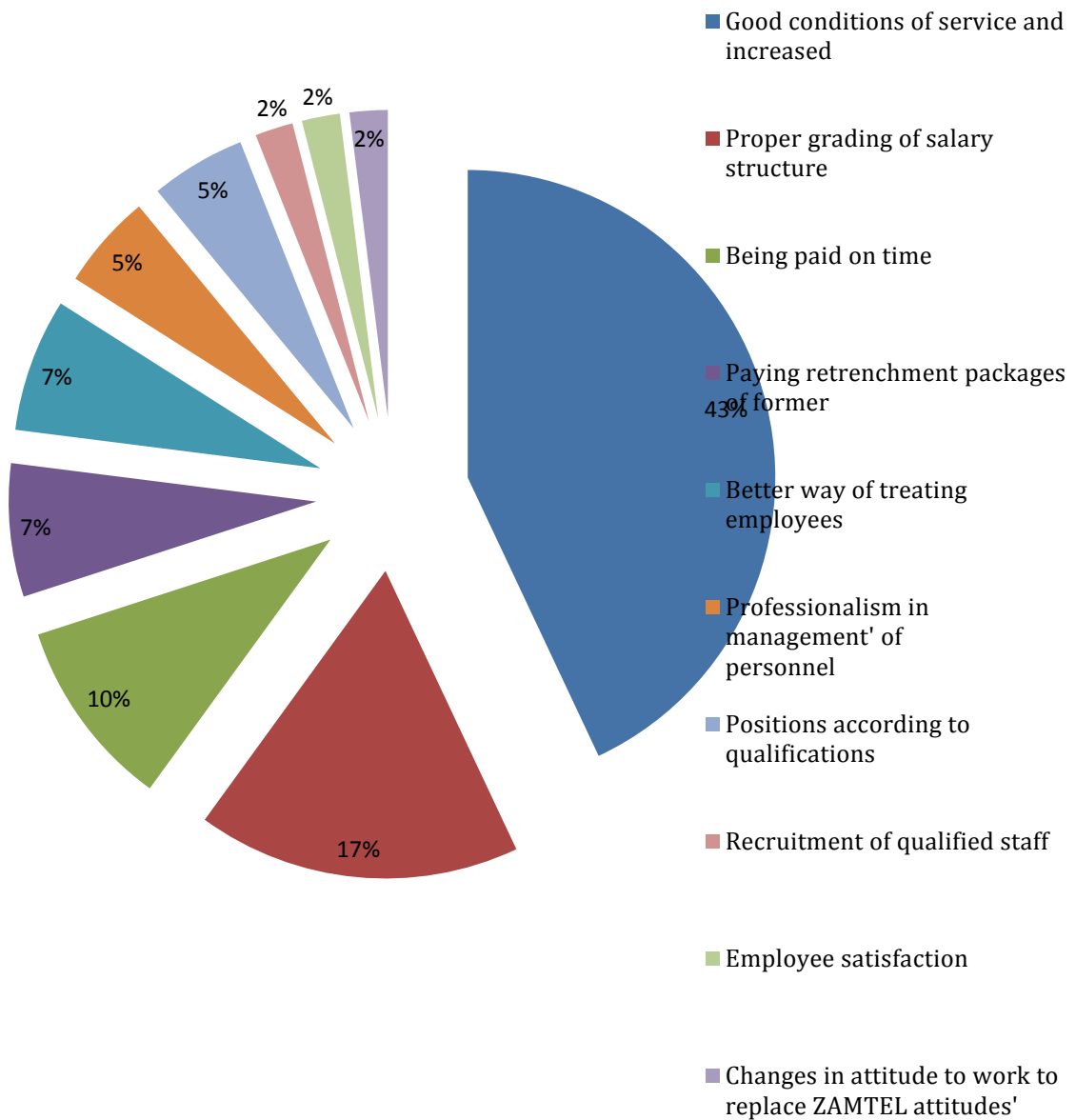


Table 4:
Changes Employees Expected - General Staff

Expected Changes	Number	%
Good conditions of service and increased salaries	18%	43%
Proper grading of salary structure	7	17%
Being paid on time	4	10%
Paying retrenchment packages of former ZAMTEL workers	3	7%
Better way of treating employees	3	7%
Professionalism in management of personnel	2	5%
Positions according to qualifications	2	5%
Recruitment of qualified staff	1	2%
Employee satisfaction	1	2%
Changes in attitude to work to replace the 'ZAMTEL attitudes'	1	2%
Total	42	100%

The reward system was a major cause for resistance, i.e. conditions of service and salary increases needed to be looked into because these expectations ranked quite high. Interviews seem to indicate that promises in this regard were made to the employees. Senior managers however clarified that such promises were only made based on the organisation's performance.

Asked to list expected changes, management staff responses were: -

Table 5: Changes Employees Expected - Management Staff

Expected Changes	Number	%
To recruit qualified personnel	2	25
To turn the company around so that it starts making profits	1	12.5
Changed work attitudes	2	25
Unity among all	2	25
Improved quality of service	2	25
Increased efficiency	1	12.5

Increased staff morale	2	25
Development of infrastructure	1	12.5
For ZAMTEL to be a more dynamic company that shall service customers more satisfactorily	1	12.5
ZAMTEL to perform much better	1	12.5

4.4.1. Positive: Response to Change Employees enjoyed

Fig. 3 (a) in Chapter 2 graphically illustrates response to change people like. We noted above that while 11 responded that they did not enjoy their jobs, 39 said that they do. Asked to list what they enjoyed about the change, results from both general and management staff included positive personal as well as organisational aspects:

Table 6:
Aspects of Change Employees Enjoyed

Aspect	Number	%
Nothing	11	22
Getting things done quickly, e.g. response time to rectify faults	4	8
Improved operations and service expected	4	8
New ideas from new employees/new culture	4	8
Potential for further development and challenges	4	8
Improved working atmosphere	3	6
Employees that are responding to change and appreciating the vision	2	4
Being paid on time every month	2	4
Delivery to customers	1	2
Positions according to qualifications	1	2
Employee satisfaction & increased morale	1	2
Changes in attitude of former ZAMTEL personnel	1	2
To turn the company around so that it starts making profits	1	2
Unity among all	1	2
Increased efficiency	1	2

Development of infrastructure	1	2
A dynamic institution	1	2
ZAMTEL to be much better than before	1	2
Team work and motivated workforce	1	2
Change will help company achieve its goals and objectives within time	1	2
Better employer-employee relationship	1	2
Customer response - paying their bills	1	2
Seminars and workshops	1	2
Good earnings	1	2
Less interference from politicians	1	2
Committed labour force	1	2
Commercial activities	1	2

Such were positive responses that management was trying to encourage and build on before optimism turned into reality shock. Further asked if they thought they were well trained for their jobs, 37 out of 42 general staff answered 'Yes' and 13 answered 'No'. Many general staff employees interviewed had served with ZAMTEL for many years that had given them much experience and they were competent on the workings of the whole infrastructure inside out. However, with the changes in technology being introduced, they felt inadequate to perform new tasks, particularly the older employees. What the change process was doing to reinforce positive responses was to improve their work culture through changing attitudes and training employees. Some employees had appreciated this, as reflected in the question:

Given a choice when you were still under LAP Green, would you have liked going back to Zamtel before LAP Green?

24 out of 42 general staff answered 'No' while 9 answered 'Yes'; 9 failed to respond.

Noted in some interviews were attitudes like: 'Why not improve myself instead of resisting? Why not learn from others?' This had become the driving force for self-improvement and willingness to change. Recognition of factors such as improved

working atmosphere and delivery of service, quick decision making, new culture, less interference from politicians during the time of Lap Green etc were a plus for the management effort as well.

4.4.2. Negative: Response to Change Employees Disliked

Fig.3 (b) in Chapter 2 illustrates the thought processes in employees whose responses to change were negative and would resist change.

Resistance to change is not easy to deal with because it is normal for employees to resist what threatens them personally. A key cause for resistance is the low formal education levels among former ZAMTEL employees. Among the general staff of the sample, there were no degree holders. Interviews with management brought out this feeling of inadequacy in them quite clearly. This was worsened by the new recruitment policy, which emphasised higher educational qualifications. The older, less educated employees, despite their invaluable years of experience, felt threatened by new entrants who had 'stolen' their jobs, and would rather not teach them the skills they required to learn the ropes. Resistance in such circumstances should be anticipated as it is based on job security and status.

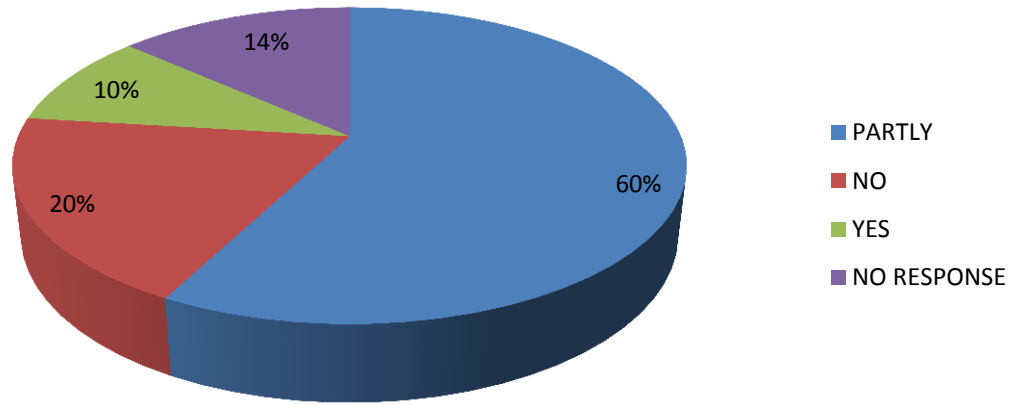
Asked to list what was disliked about the change, results were:

Table 7: Aspects of Change Employees Disliked

Aspects Disliked about the Change	Number	%
Segregation between former ZAMTEL workers and newly recruited Lap Green employees	6	12
Conditions of service	5	10
Low salaries for seconded staff	8	16
Unpaid benefits from the previous owners	0	0
Disparities in salary structure	3	6
Unfulfilled expectations	3	6
Inadequate government financial support	2	4
Taking on all former ZAMTEL employees	2	4
Lack of resources e.g. transport and office Equipment	2	4
Negative attitude and resistance to change by some employees	2	4
Some employees were regarded as professionals while others were not	1	2
Company uncaring: no allowances, e.g..housing, medical; no funeral grants, no salary advances	1	2
Lack of consultation on issues were longer serving, experienced personnel could assist; new managers pretended to know it all and made wrong decisions	1	2
Disrespect for low level employees	1	2
No well-defined job descriptions	1	2

A response such as `disrespect for low level employees, especially former ZAMTEL workers' reinforces responses to the question: Did you feel your employer treats you with dignity and respect? 23 out of 42 general staff answered `No' while 19 answered `Yes'. One manager confirmed that segregation did exist. Furthermore, when distrust comes in, resistance is heightened. Asked whether the employer had fulfilled promises made, responses were:

Asked whether the employer had fulfilled promises made, responses were:



‘Partly’ fulfilled and outright ‘No’ together makes up 80% of the general staff. In contrast, trust was very high among management staff. Asked the question:

‘Did you sometimes feel betrayed by your employer?’ Response:

No: (6) Yes: (1) No response: (1)

Resistance manifests in various ways and can be directed at various targets. Asked what categories of co-workers made them feel disappointed at work? Managers and supervisors rank highest:

Table 8: Source of disappointment at work among general staff

Managers	16	38%
Supervisors	11	26%
Workmates	9	21%
Dealing with customers	4	9%
No response	2	5%
Total	42	100%

Interviews revealed that it was more the ‘new’ managers/supervisors that employees referred to here because of the coincidence of their coming in and the change implementation process. This perception was carried over to other areas, e.g. because

the recruitment criteria emphasized educational qualifications, most of the new recruits were diploma or degree holders and above. Question: Who was benefiting the most from the change? The criterion used by the general staff was financial.

Table 9(a): Who was benefiting most from the change? (General Staff)

Category	No	%
Managers	19	45.5 %
Shareholders	9	18%
Customers	6	14%
Employees	5	12%
The Public	2	12%
Suppliers	1	2%
Total	42	1 00%

In contrast, the criteria used by management staff were the change itself and the services provided by the company. Responses to the Questionnaire 2 were as follows: -

Table 9(b): Who was benefiting most from the change? (Management Staff)

Category	No	%
<i>Managers</i>	0	
<i>Shareholders</i>	0	
<i>Customers</i>	5	62.5%
<i>Employees</i>	3	37.5%
<i>The Public</i>	3	
<i>Suppliers</i>	0	
Total	8	100%

The fact that the old guards had the required experience but lacked the educational qualifications, a lot of them earned less than new recruits, hence the statements such as ‘*some employees are regarded as professionals and others not*’, lack of consultation on issues where longer serving, experienced personnel could assist; new managers pretended to know it all and made wrong decisions, no well-defined job descriptions, disparities in salary structure and low salaries. These were obvious cases for resisting change that lead to low morale and reduced job involvement.

Asked if they were adequately paid for the work they did, responses were;

Table 10: Satisfaction with Pay

	<i>No</i>	<i>%</i>	<i>Yes</i>	<i>%</i>	Total
General staff	25	59.5	14	33	12

4.4.3. Informal Group Behaviour

ZAMTEL could not afford to ignore the informal groups that existed in the organisation because, unless carefully handled, they could threaten or advance the change process. Informal groups are formed by their members, and are different from formal groups that are officially established by the organisation. They existed quite strongly at ZAMTEL in the form of *interest* groups. Observations and group discussions revealed that these groups were strengthened by a common perception: that they were treated as outsiders and therefore maintained their cohesiveness and supported each other. This came out more clearly in the technical department, which had the largest number of employees. Even answering the questionnaire was treated as a group activity, confirming mutual acceptance. Break up of informal group is enough cause to resist change for the groups.

During interviews some managers confessed that there were some employees who wanted to get actively involved in the change process but had to go along with their group decision to remain aloof. One manager saw this as detrimental to the change effort and had made it a point to try and break it by drawing such employees aside and helping them at individual level so that the department could move forward.

The reverse of negative group behaviour was also apparent especially among females and younger males who were happy with the change. This was established during informal chats with various groups and in observations. A change in attitude to work and a desire to succeed was obvious and was a basis for cohesiveness that could help the Company to advance.

4.5. HOW WAS MANAGEMENT MANAGING THE CHANGE PROCESS?

The change process at ZAMTEL was still in transition for both management and the general staff whether there was resistance or acceptance, managing the change process was important because it was necessary to balance the need for change and innovation with the need for stability and continuity. In other words, ability to adapt successfully to a changing environment is a primary characteristic of effectiveness in managing change. Observations indicated that one obvious advantage in the organisation's favour was that the overall management style was not bureaucratic. The rigidity had been removed and there was more openness. What came to light during in-depth discussions was that management was more concerned with dealing with resistance to change than directing and encouraging positive reactions to it. Yet both were equally important. As suggested by Kreitner in Fig.6 Chapter 2, identified styles of managing change during interviews, observations and from Company documents were;

- a) **Education and Communication** - interviews with managerial staff indicated that much of the resistance was as a result of ignorance and poor communication on their part. Management was aware of the urgent need for training, thus, had come up with a training budget, some of which was in-house. Even at managerial level, further education was being encouraged, e.g. some of the managers were pursuing long distance MBA programmes. The Human Resource department had an on-going programme of indoor and external workshops and seminars that involved employees and this was being well received. I noted earlier that some employees mentioned seminars and workshops as what they enjoyed about the change.

With regard to communication, responses to the question: Are you regularly informed about the operations of the Company?

Table 11: Regular Communication

	Yes	%	No	%
General staff	22	52	20	48
Management	8	100	0	-
Total	30	60	20	48

The result that all 8 respondents from management said they are regularly informed indicated that not enough information filtered down wards.

Interviews held with top management revealed that the purpose of training was to;

- Demonstrate management commitment to change
- Foster an attitude of change
- Develop skills in employees
- Develop a common language
- Develop a team spirit
- Continually communicate the company's vision in order for employees to recognise what might be possible, so that they could aspire towards something. Vision was a top management responsibility and efforts are being made to get employees to pursue the same goal - unity of direction and purpose.

With regard to the vision statement, asked: Did you understand and see the direction the Company was going? The overall response was that 32 (64%) out of 50 respondents said 'Yes' 8 (16%) said 'No' indicating that management still had some work to do in this area. Observations showed that the vision statement was pinned on most walls around the premises.

- b) **Participation** - through small group involvement. Managers and supervisors encouraged participation because they realised that this promoted commitment, for it became difficult for employees to resist change process in which they get involved.
- c) **Facilitation and Support** - having recognised that some of the sources of resistance were fear and anxiety for the security of their jobs, fear of failure to perform new tasks, management tried to offer supportive efforts through e.g. new skills training to minimise resistance. One manager's view was that in fact there was very little resistance, rather the employees had limited capacity to

learn and absorb new ideas and skills, especially given a background of inertia in long-serving employees who preferred to maintain a safe, Secure and predictable status quo.

- d) **Direction** - use of authority by managers and supervisors to set direction and means to change. This seemed to work well because it was more familiar in relation to their background.
- e) **Open Door Policy** - employees appeared to be free to enter manager's offices to seek clarification, just saying good morning, passing on documents etc.
- f) **Family Meetings** – were held monthly to foster a feeling of belonging and unity within the organisation as well as their families. Dates when these meetings would take place were displayed on notice boards to ensure all employees were aware. Managers took this opportunity to update employees on Company activities and progress achieved

Neither interviews nor observations gave any indication of other styles of managing resistance to change such as negotiation, manipulation and cooperation, or coercion. Positive response to change was being encouraged by some managers/supervisors and such employees had been given more responsibilities as they moved onto the constructive path.

4.6. ANALYSIS AND INTERPRETATION OF FINDINGS

The interpretation of the research findings above was as follows: -

4.6.1 Organizational Change

The study established that the change in process at ZAMTEL was not a random or spontaneous exercise but planned with a change agent's direction. The external triggers of change were mainly a result of changes in the political scenario in Zambia, when in 2010, the Zambian government, under the Movement for Multi-Party Democracy (MMD) President, Rupiah Banda, sold 75% of the ZAMTEL to the Libyan company, LAP Green Networks. Internal pressures at ZAMTEL were numerous, chief among which included:

an unreliable database, low collection levels, poor payments from government institutions, a rundown infrastructure and a poor corporate image. The required changes were not minor but large scale, encompassing the whole organisation and employees. The change effort had proper management that could direct the company the right way.

Change was reflected in new procedures, policies, functions, attitudes, new relationships among employees and the general working atmosphere were somewhat different from the previous ZAMTEL environment. Customers visiting the company premises were met with smiling, patient and co-operative employees most of who knew what they were doing,

Compared to bored, rude, "I am not the right person", "Come back next week" "The right man is not in the office" answers, and lost files/documents that were the order of the day at ZAMTEL. However, despite the advantage of the transformation plan being planned, a clearly sharp distinction between ZAMTEL and LAP Green was not that obvious in all aspects. For instance, customer complaints still poured in, some bills had serious errors, the premises were not that clean and some employees still loitered around the corridors, while others sat idle in their offices. In short, the desired impression of 'efficiency' that customers seek was not yet fully achieved. Greater effort was required to change the public's perception of the Company and its image.

4.6.2 Type of Organizational Change

The type of change was identifiable as re-orientation and strategic in scope, selected because incremental change would have been inadequate, as it would have been based on the then existing ZAMTEL paradigm while the circumstances LAP Green found itself in required drastic action. Re-orientation because the company was trying to change direction in management style; trying to significantly re-direct it from what it was previously. The hurdles were what had already been identified in this Chapters, under the heading 'Challenges that made Change Imperative'. They were *mammoth*. Was the strategy in fact a hundred percent appropriate? Inertia and low levels of education were proving to be stumbling blocks to re-orientation.

Total Quality Management as the ultimate was ideal in a service industry because it is customer focused, though it stands better chances of success with the new crop of employees and particularly with those former ZAMTEL employees that had responded positively to change, because they were able to compare and appreciate the benefits of change and were on the constructive path. Such employees were genuinely committed to their jobs and the organisation.

Restructuring had taken place and the new structure was operational without serious hitches. Technological changes were still taking place, at a rather slower pace. Changing employees' attitudes was also taking place with a measure of difficulty, given the large number of semi-educated former ZAMTEL employees and their long period of employment in a work culture that had little chance of survival in private enterprise. The outcome that changing people might not work could not be ruled out. The slow pace in technological, change and the difficulties in changing attitudes were contributing to the desired overall speed required to effect change. The new recruitment policy was however a step in the right direction in that, new employees readily accepted what was in practice, and new ideas were fused in to supplement management effort.

Much as the Company started recording profits in 2010, this was partly due to increases in tariffs. The liquidity position was still shaky as revealed in the use of credit facilities with suppliers. There was need for the change effort to address the liquidity issue for a stronger financial base, as it was now a profit making organisation.

4.6.3 Response to Change

In the change effort at ZAMTEL, it was evident that both the organisation and its employees had expectations with respect to what they could contribute to the organisation and what they expected to get in return. Some of these expectations were emotional, others rational, and still others conscious and unconscious. The company expected *effort, ability, loyalty, skills, time, competencies and commitment* from the employees, while employees expected *pay, job security, benefits, career, status and promotion opportunities* from the company. Neither party had fulfilled all these expectations. Organisational change at ZAMTEL had therefore evoked both positive and negative reactions.

c) Positive Response

Employees that had responded positively to the change reflected the following trends on Kreitner's constructive path: -

- A positive attitude towards the change and willingness to gain acceptance in the new work environment with minimum or no resistance at all.
- Along with this was a growing trust in the organisation and what it was trying to achieve.

A general satisfaction with their jobs, because they saw that their needs and aspirations at work were being fulfilled, they had developed good relations with workmates and managers/supervisors, and they were in agreement with conditions of service and the new organisational policies. Many employees were pleased that they could then apply book knowledge to practical issues at work, instead of performing routine tasks. A direct consequence of this is that;

- Job satisfaction led to higher performance.
- Organisational commitment was higher. Committed employees speak of everything in terms of 'we', rather than 'they' which reflects detachment from the organisation.
- Job involvement was high. The percentage of employees that were intrinsically motivated, though not high, did exist. Several employees were willing to go beyond the normal expectations associated with their jobs because of the high degree of job involvement. Closely related to job involvement was;
- Organisational citizenship, i.e. the behaviour of such employees above that made a positive overall contribution to the organisation. These are many in the management category and were setting a good example for their subordinates to emulate.
- Informal groups. These existed because they easily identified themselves as having something in common: a positive response to the change effort that they wanted to see succeed and desire to be part of.

Unfortunately, results reflected that the group of general staff employees that had

responded positively to change formed the smaller percentage of workforce, while management staffs, all showed a positive response.

d) Negative Response

The change process at ZAMTEL began in 2010. Some employees still required more time to get out of the depression of self-doubt before they started buying into the change effort. Trust in the organisation was not yet established and there was a general unwillingness to invest heavily in the employer-employee relationship, especially among the general staff. Lack of trust in the employer leads to negative outcomes, e.g. *“a decrease in the perceived obligation to the employer, lowered citizenship, reduced commitment, motivation and satisfaction”*. It is therefore easy to cause the company to distrust them as well as failing to perform to desired expectations. Such employees exhibited the following trends;

- Uncertainty - caused by problems arising from the fact that the organisational change had thus focussed more on tangible processes such as restructuring, policy and intentions to declare all employees redundant. The benefits of change for the employees were not immediately; therefore, there was a lot of doubt among them, worsened by lack of required skills to contribute to the new work environment. The longer serving former Zamtel workers were the most affected, and their doubts were understood against questions such as:
- What was the reaction of employees who were promised promotions when change was instituted?
- How were they reacting to an external recruitment policy to fill vacancies when they were so used to an internal one?
- How did they perceive the withdrawal of medical covers, funeral grants and salary advances?
- In what state of mind were the former ZAMTEL workers who felt insecure and angry at being separated from valued colleagues or group members who were left behind?

Answers to such questions were influencing and determining employees' attitudes, motivation, commitment and loyalty to the company, in short the general life of the

organisation, which in turn determined productivity and readiness to adapt to change.

The workforce stood at more than 500, which made it quite difficult for management to know all the staff very well, assist them through the transitional stage and get them onto the construction path. To make things worse, employees at the various sites were not always in contact with managerial staff except by phones, which made it difficult to get to know them and their work behaviour well enough. There was also the danger that they felt unrecognized and neglected and therefore resisted change.

There was need for management to guard against misinterpretation of slow learners as negative responses. With lower levels of education, only basic instructions could be clearly understood and executed. More complex instructions required patience and a slowing down by supervisors/managers because failure to complete a task was not necessarily a sign of resistance. Managers required a great deal of flexibility to handle different levels of education.

Much as logic dictates that withdrawal of fringe benefits such as funeral grants, medical cover, and salary advances makes economic sense for a Company with such a huge liability in Zambia's economic times, nevertheless the decision had evoked negative attitudes to change. This was worsened by the fact that general staff employees felt they were not adequately paid and they were not happy with their conditions of service.

4.6.4 Group Behaviour

Informal groups existed. They showed signs of *conservatism and resisted* change because group norms had formed barriers to anything that threatened to disband them. It is enough that they were separated from valued colleagues.

4.6.5 Leadership

The CEO was young, dynamic, and was moving at a faster pace than the directors, who were older and had a more bureaucratic background. This had not, however

triggered conflict or marred the working relationship. Instead, a strong leadership was in place, headed in the right direction, and committed to managing the change effort and encouraged employees through it. To make the effort more effective, more communication was encouraged from bottom upwards.

The CEO was playing a major role in the change process, as an inspiration and role model to his subordinates worthy of emulation. The management team shared the CEO's vision and values and was committed to seeing the organisation achieve its set out objectives.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

Organizational change had been taking place at Zambia telecommunications company (ZAMTEL) only from 2010; therefore coping with it was a fundamental survival issue because there were both hazards to be met as well as opportunities to be exploited. The change effort was strategic in nature, involving the whole organisation. Small changes were easily being overcome through educating employees; the larger changes were posing challenges to both management and general staff. The workforce at ZAMTEL (LAP Green) was largely made up of former ZAMTEL workers who needed to let go of deeply held beliefs, attitudes and work habits. This research was undertaken to study the effects of change of ownership of state owned companies from government to private owned and employee's reactions: a case of Zambia telecommunications company (ZAMTEL), how the employees were reacting to it and how the change process was being managed.

5.2 CONCLUSIONS

Conclusions based on the findings of the study are as follows: -

1. The type of organisational change that took place at ZAMTEL was orientation and strategic in nature. The aim was to change the structure, technology and people.
2. The change process was in its transitional stage, during which employees' initial response was either to immediately like the change, or fear and dislike it for reasons such as: fear of the unknown/failure, threat to expertise as new employees were recruited and technological changes were introduced, inertia, misunderstanding, ignorance, and lack of skills and threat to job security and status.

3. Therefore managing the change effort was crucial during the transitional stage, which for ZAMTEL had been prolonged as a result of inertia under the previous conditions, coupled with low levels of education. Managers and supervisors had some degree of awareness of employees' responses to change and were providing the support and encouragement required, though more could have been done in this regard, especially for those whose response was dislike or fear for the change.
4. Short-term wins had been achieved, e.g. realizing profits, rehabilitation of the infrastructure, and computerization of the billing and accounting systems, training that had yielded results, some degree of changing attitudes, spirit of ownership among employees, and involvement with the community. This had increased morale and enhanced organisational citizenship.
5. The corporate values are on paper. The study did not find evidence of creativity and innovation, though a team spirit and some degree of unity of purpose existed to some degree within the organisation, especially among the general staff.
6. The role of the strategic leader was important for change to succeed. The CEO had a well-articulated vision that had been communicated to management and staff. His role had been identified mainly as inspirational, to which employees had responded favourably and accepted his leadership.

5.3 RECOMMENDATIONS

The study came up with the following recommendations;

1. There is need for the organisation to increase transition awareness among both management and general staff, but more so the managers, so that they can be alert to the differing vulnerability of employees, and also the opportunities that can allow a faster pace of the change process. This entails integrating the human resource policies with strategies and the change process. Training and compensation packages are not just operational issues for the personnel department, they also affect how employees relate to the nature and direction of the organisation, they can therefore hinder strategic change, or they can significantly facilitate its success.

2. There is need to increase employee support because the change is major. More of the managerial action steps should be aligned with what Kreitner suggested in Fig. 4 Chapter 2, e.g. encourage enthusiasm, listen supportively to both positive and negative feelings and neutralize unreasonable fears, build self-confidence, recognize and reward positive attitudes, celebrate individual and group achievements, being a positive model for the vision for a better way, encouraging former ZAMTEL workers to let go of the past and look forward to a better future etc. While a directive style may be appropriate to launch the change, tolerance and support is necessary during the transition phase.
3. Related to point number 2 is that the Company needs to make a deliberate effort to recognize employees that contribute positively to the change effort to avoid losing them after the retrenchment packages are paid, especially middle management personnel with experience still required in the new system.
4. Constant review of the transformation plan as both management and staff get a more and more clear picture of the new reality. This will enable the Company to know whether attitudes are actually changing or not. If not, the organisation may have to recruit new employees in order to succeed in the change effort. Constant review should be more thorough, not just on paper, because management should allow itself options to select alternate tactics for managing change if the current ones reveal ineffectiveness.
5. Management will have to work on harmonious relations with the union representatives because they are better placed as vehicles for communicating the benefits of change to the unionised staff. General workers listen better to their union representatives than to management. Conflict between management and the union is more likely to jeopardize the change effort because of the influence union representatives hold over general workers.
6. Harmonize former ZAMTEL workers with newly recruited ZAMTEL workers under LAP Green rather than allow the rift to widen. The organisation has to stick to unity of purpose as set out in the corporate values.

7. Communication in the organisation is mostly directed downwards from the top in the form of briefs, notice boards, family meetings etc. but these are not always about real work situations. They keep workers informed but do not provide enough opportunities for them to keep managers informed. Yet they are the people doing the actual work and are more likely to know about the work problems than the managers. Workers must be allowed to question, criticize and challenge. Questioning encourages freedom to discuss and management should be worried if this does not happen. A questioning workforce might be better committed because doubts are dispelled with adequate explanations. Besides, not all resistance is a challenge and should be seen as feedback to some aspects of operational changes within the company. After all, an important corporate value is to encourage creativity and innovation.
8. Management to work on more 'quick-fix' changes, for instant results at this early stage in the change programme because they generate further momentum and sustain morale (e.g. to regularise the salary structure and raise salaries, speed up introduction of a medical scheme, and formalise formation of the union), while adhering to the well articulated long term plans for long-term pay-offs of the change, e.g. changed attitudes.
9. Although forecasting can never be precise, planning ahead is good but works better in stable environments. The organisation should watch out for over-dedication to the plan so that it does not end up losing opportunities that might present themselves. Flexibility is better than rigidity.
10. There is need to take fuller advantage of the environmental opportunities as itemized in the situational analysis, especially improving current operations and widening the customer base in the absence of the threat of competition.

5.4 IMPLICATIONS OF THE STUDY

The implications of the study are: -

1. Organisational change is possible, even where inertia has a strong hold and has become 'the way things are done here'.
2. Planned change has its advantages, especially if it is identifiable as this

provides direction and focus on what needs to be accomplished within specific time frames.

3. Change inevitably arouses both negative and positive responses from employees. This is to be expected, but needs to be managed properly using appropriate tactics for the change effort to succeed. Employee involvement in the change process is important so that employees feel they have had an influence over the change itself. Also important is clear communication between management and employees to avoid misunderstandings that may lead to avoidable resistance to change.
4. The role of the strategic leader is an important one in the change process for it provides vision, mission and strategic direction, without which the change may lose direction or fail to succeed. With such a large number of seconded former ZAMTEL employees, unless more effort is directed towards developing a new ZAMTEL organisational culture to differentiate it from the previous ZAMTEL culture, changing attitudes and developing a new image might prove difficult tasks to achieve. Even amidst resistance, 'the way things are done here' should reflect a new ZAMTEL culture once it is identifiable.

5.5 FURTHER RESEARCH

It is hoped that this case study of ZAMTEL will provide helpful guidelines and insight for further research on organisational change. Whether the organisational change is planned or unplanned, it is hoped that this study will be of help in the change management style and process, and being alert in order to avoid predictable pitfalls during the change process. The research has laid some groundwork for further research on organisational change and how employees react to it. This research paid a blind eye to the fact that ZAMTEL was repossessed by the Zambian government, it is no longer under the private hands and thus more research can be done and assess if change is still in process.

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APPENDIX 1

The University of Zambia & Zimbabwe Open University

Post Graduate Programmes

Questionnaire for ZAMTEL members of staff

Introduction

Dear Respondent, I am a postgraduate student pursuing a master's programme; Masters of Business Administration (MBA) at the University of Zambia/Zimbabwe Open University.

The research being conducted is for academic purposes. It is an investigation on the effects of change of ownership of state owned companies from government to private owned and employee's reactions: A case of Zambia Telecommunications Company (ZAMTEL)

I humbly request you to participate and answer the questionnaire freely and honestly.

Your responses in this questionnaire will be treated as confidential.

Instructions

1. Please do not write your names on the questionnaire.
2. Kindly answer all the questions by ticking (✓) on **a, b, c** or **d** or by writing your answers' in the spaces provided.

QUESTIONNAIRE 1: (GENERAL STAFF)

1. AGE:.....
2. SEX:.....
3. DEPARTMENT:.....
4. Highest educational qualification attained (tick which is applicable)
 - (a) Degree
 - (b) Diploma
 - (c) Form 5 (Grade 12)
 - (d) Junior Secondary (Grade 9)
 - (e) Other (specify).....
5. How long have you worked with Zambia Telecommunications Company (ZAMTEL)?
 - (a) 6 to 9 years
 - (b) 10 to 14 years
 - (c) 15 years and above
6. Have you noticed any major difference between working for ZAMTEL as a state owned company and as a privately owned company?
Yes **No**
7. State the major difference you noticed if any.....
.....
.....
.....
8. What changes did you expect when ZAMTEL was changed from state owned to privately owned and back to state owned?
.....
.....
.....
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9. What do you like about the changes?

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10. What do you dislike about the changes?

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.....

11. How did you react to the change in ownership from state to privately owned, give examples below

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

12. Have the changes impacted positively or negatively on your working altitude? State one positive and negative example.

(1).....

.....

(2).....

.....

13. Who do you think is benefiting the most from the change?

Shareholders

Managers

Customers

Employees

Suppliers

The public

14. Did new management put up or sponsor any training programs for employees?

Yes

No

15. If your answer to the above question is yes, please state the training or sponsored programs that were put in place.

.....

.....

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.....

.....

16. Are you satisfied with your current working environment?

Yes

No

17. Did anyone lose employment as a result of change of ownership?

Yes

No

18. How do you feel now that the company is in the hands of government again?

(a) Happy

(b) Satisfied

(c) Bored

(d) Angry

19. Do you feel that your previous employer (private company) treated you with dignity and respect?

Yes

No

20. Has your current employer (government) maintained the changes that come with the selling of ZAMTEL?

Yes

No

Partly

21. Would you recommend some further changes in the way ZAMTEL is been managed?

Yes No

22. If your answer to the above question is yes, please list down your recommendations below.

- (a)
.....
.....
- (b)
.....
.....
- (c)
.....
.....
- (d)
.....
.....

23. Would you recommend that ZAMTEL is sold back to the private sector?

Yes No

Thank you for your participation

In case you need to inquire on any issue regarding this research, feel free to contact the researcher using the following details:

Name: Ziba Greenwell

Address: C/o UNZA, Institute of Distance Education, Post Graduate Studies. P.O. Box 32379, Lusaka.

Phone number: +260 955-717-106/+260 965-717-106/+260 976-285-096

APPENDIX 2

The University of Zambia & Zimbabwe Open University

Post Graduate Programmes

Questionnaire for ZAMTEL members of staff

Introduction

Dear Respondent, I am a postgraduate student pursuing a master's programme; Masters of Business Administration (MBA) at the University of Zambia/Zimbabwe Open University.

The research being conducted is for academic purposes. It is an investigation on the effects of change of ownership of state owned companies from government to private owned and employee's reactions: A case of Zambia Telecommunications Company (ZAMTEL)

I humbly request you to participate and answer the questionnaire freely and honestly.

Your responses in this questionnaire will be treated as confidential.

Instructions

3. Please do not write your names on the questionnaire.
4. Kindly answer all the questions by ticking (✓) on **a, b, c** or **d** or by writing your answers' in the spaces provided.

QUESTIONNAIRE 2: (MANAGEMENT STAFF)

1. **AGE:**
2. **SEX:**
3. **DEPARTMENT:**.....
4. Highest educational qualification attained (tick which is applicable)
(a) Degree
(b) Diploma
(c) Form 5 (Grade 12)
(d) Junior Secondary (Grade 9)
(e) Other (specify).....
5. How long have you worked with the Zambia Telecommunications Company (ZAMTEL)?
(a) 6 to 9 years
(b) 10 to 14 years
(c) 15 years and above
6. Have you noticed any major difference between working for ZAMTEL as a privately owned company and as a state owned company?
Yes **No**
7. Do you understand ZAMTEL's vision and mission statements? If so, please state them below.
.....
.....
8. Are your values similar to your employer's? **Yes** **No**
9. What changes did you expect when ZAMTEL was sold? (List)
.....
.....
.....
.....
10. How did you react to the changes that come with the selling of ZAMTEL?
Yes **No**

Thank you for your participation

In case you need to inquire on any issue regarding this research, feel free to contact the researcher using the following details:

Name: Ziba Greenwell

Address: C/o UNZA, Institute of Distance Education, Post Graduate Studies. P.O. Box 32379, Lusaka.

Phone number: +260 955-717-106/+260 965-717-106/+260 976-285-096