

UNIVERSITY OF KWAZULU-NATAL

**An Assessment of the Business Process Review: A Study of the Finance Division at the
University of KwaZulu-Natal**

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**An Assessment of the Business Process Review: A Study of the Finance Division at the
University of KwaZulu-Natal**

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**In fulfilment of requirements for the degree of
Masters in Business Management**

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DECLARATION

I, **Nancy Thangavelu** declare that:

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Signed: Nancy Thangavelu

Date: 13 July 2018

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ABSTRACT

The University of Kwazulu-Natal (UKZN) Finance Division underwent a restructuring process in 2014 that saw the number of staff in Finance reduce from 120 to 75 staff. The aim of this process was to downsize staff from the support sector and re-allocate funds to the Academic sector. Overall the re-structuring has not been an easy process especially on the Human Resources of the organisation and the productivity at the University. The purpose of this study is to look at the strategies that can be used to effectively restructure the organisation without effecting the motivation and morale of the staff. Managers and change consultants need to implement the correct strategy that fits the organisation and will improve staff satisfaction which in turn will boost staff moral resulting in optimum productivity.

The research was based on a quantitative approach. Random sampling was used to select a sample of 63 finance staff. A questionnaire was designed with close-ended questions and sent to the sample who were located on five of the University's campuses. According to the findings, the respondents felt that management did not follow crucial steps in the restructuring process which according to academic theory is essential to success of any restructuring process. The results also revealed that more than 50% of staff are demotivated and have a very low morale. Staff also feel that their perceptions of restructuring is being ignored by management.

The study recommends that the UKZN use a change theory for future change endeavours. It is also recommended that management should communicate pertinent information to staff when undergoing a restructuring process, should introduce rewards to those staff who are carrying more workloads than employed for, create small short-term wins for staff and ensure that a culture of positive well-being amongst staff to ensure that staff remain motivated.

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CHAPTER ONE: INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

Restructuring according to Cascio (2010:6), is change that is planned by the organisation and is directed at adjusting the organisational structure which ultimately affects the human resources of the organisation. Every organisation in the global economy needs to restructure and change from that which the organisation is comfortable with to an organisation that is innovative and globally competitive. Restructuring assists organisations to react to favourable opportunities expeditiously and efficiently and are able to react positively to sudden pressured ensuring that the company has competitive advantage. In the absence of change and restructuring the organisation will not survive in the globally transforming market which will inevitably lead to the death of the organisation. The study investigates the restructuring process that was undertaken by the Finance Division in the year 2014 and its impact of staff motivation and morale. The background to this study is presented in this chapter. The research objectives and research questions have been formulated from the research problem. The significance and limitations are also discussed in this chapter.

1.2 Background to the Study

The beginning of a new millennium saw profound restructuring of the Higher Education Division. Pioneered by the then Minister of Education Prof Kader Asmal, a new Higher Education sector was born. According to Seepe (2010: 2), Prof Kader Asmal's vision was to create a new institutional landscape through mergers and incorporations which was the last piece in the educational jigsaw, which consigned to history had the grand vision of an educational system in which Africans will be prepared for their role as the 'hewers of wood and drawer of water' and as the administrative cogs for ensuring the smooth functioning of the Bantustans.

The reason behind the reconstitution and metamorphosis was to refocus Higher Education from the direction the apartheid government had set it on. The University of KwaZulu-Natal

(UKZN) was born in January 2004 from the merger of the University of Durban Westville which was historically an Indian University and the University of Natal which was for the elite white population in the apartheid era. Hence, January 2004 saw the birth of the first Post-Apartheid South African University.

According to McCalman *et al.* (2016:5), change management involves planning, appraising and enforcing the functional, crucial and strategic exploration. UKZN implemented the change process three times in an attempt to survive in the competitive tertiary market in South Africa. In the year 2014 the 3rd phase of change was carried out where the University relooked its Finance and Human Resource Division structure. This was called “The business process review”. The aim of this process was to downsize staff from the support sector and re-allocate funds to the Academic sector. The University is situated in the province of KwaZulu-Natal and is spread over two cities namely Durban and Pietermaritzburg. The institution has five campuses namely Edgewood, Westville, Howard, Medical School and Pietermaritzburg to which the Finance staff are dispersed over these campuses.

Change management is defined as “the process of continually renewing an organisation’s direction, structure and capabilities to serve the ever-changing needs of external and internal customers” (Moran and Brightman, 2001:111). According to Hodges (2016:42) change is an ever-present feature of organisational life, both at an operational and strategic level. Humans, plants, animals and organisations will face changes sometime in their life. Nobody has control over change. Depending on how effectively employees adapts to this change will result in death or continued existence of the organisation. Hughes (2011:451) has recorded that among the change initiatives undertaken there is a total of 70% of these initiatives that have failed. This is due to a lack of a proper framework to implement change and to manage change by leaders.

Restructuring can result in downsizing the organisation by reducing the number of employees or redeploy human resources to other areas in the organisation so that staff talent is contained. According to Chaddha (2017: 7) no matter what process restructuring takes the careful planning of this process is essential to enable staff to keep morale high during this process as unplanned processes can result in the loss of staff moral in the long term.

Jong and Weizer (2016:91) explains that the way in which restructuring is managed impacts on the wellbeing of an employee and wellbeing that is negatively impacted will result in poor productivity and financial performance for the organisation. The negatively affected well-being

affect the individual's job security and which ultimately impacts on the worker's occupational health and safety.

1.3 Research Problem

Employees in an organisation is considered one of the most important assets that an organisation has. According to McCalman *et al.* (2016:216) a successful organisation is as a result of staff that are motivated whose performance results in customer satisfaction and a profitable organisation. Employees that are happy and motivated ensures that their customers' needs are met or exceeded which ultimately results in a productive and profitable organisation.

The restructuring of UKZN's Finance Division has affected the moral and motivation of the employees in this department. There was a decrease in staff from 120 to 75 staff in the Finance Division. The restructuring at UKZN's Finance Division has not been an easy process especially on the HR and ultimately negatively impacted the productivity at the University.

Staff had uneasy feelings about change and resisted change as soon as the restructuring announcement was made. Staff were used to their everyday tasks and felt that restructuring was disruptive and stressful for various reasons. According to Riley (2012), this is due to narrow minded self-interest, misapprehensions, intolerance of change, and divergent evaluation of the situation, economic implications and the emotional fear of the unknown that will transpire. Hence restructuring has a major impact on the morale and the motivation of the staff.

1.4 Aim of the Study

The aim of the study is to assess the restructuring process of the Finance Division at the UKZN and to provide recommendations that would uplift the morale of the staff and to also keep the staff motivated.

1.5 Research Objectives

The research objectives for this study are as follows:

- To determine the restructuring steps that was followed by UKZN's Finance Divisions;
- To assess the impact that restructuring has had on the employee's morale and motivation; and
- To recommend restructuring strategies that an organisation can use that would not affect an employee's motivation and morale during change management initiatives.

1.6 Research Questions

Based on the research problem for this study, the following research questions were formulated:

- What was the restructuring steps that was followed by UKZN's Finance Divisions?
- How did the restructuring process effect employee's morale and motivation at UKZN?
- What restructuring strategies can be recommended to the organisation that will add positively to employees motivation and morale?

1.7 Significance of the Study

This study is significant in that it provides beneficial insight into the restructuring process undertaken in the Finance Division. In addition, the study recommends academic restructuring theories that can be used for future change endeavors that are positive and that will not affect the morale and motivation of its employees. The study also provides insight into the effects restructuring has on the morale and motivation of the Finance staff and makes recommendations on how to improve morale and motivation of staff. The results of this study will add to the body of knowledge in the area of study.

1.8 Limitations of the Study

This study was only conducted with UKZN's Finance Divisions. The quantitative approach was used to gather data hence probing for answers was not possible as is the case in a qualitative approach.

1.9 Format of the Study

The research is displayed under the following chapters:

- **Chapter One: Introduction and Background to the Study** – this chapter discusses the scope, context and significance of the study being researched.
- **Chapter Two: Literature Review** - the literature behind change management and restructuring that underpins that study is discussed in this chapter.
- **Chapter Three: Research Methodology** - this chapter presents a detailed he research methodology that was used in the study.
- **Chapter Four: Findings, Discussions and Interpretations** – this chapter presents the findings derived from the study, discusses and interprets the findings relating to the study.
- **Chapter Five: Conclusion and Recommendations** - this chapter concludes the research and presents the recommendations.

1.10 Conclusion

Globalisation and the worldwide economic crisis has resulted in markets that are more fiercely competitive, personnel that are more demanding and shareholders that are more challenging. These factors poses as challenging considerations that organisational executives have to consider and are forced to reorganise the company in an effort to increase cost efficiency and financial efficacy through restructuring. Chapter one is an introduction to the research and discusses the background, problem statement, research questions, research objectives, significance of the study and the limitations of the study. It provides a brief description of the research. The next chapter discusses the literature review that was gathered for this study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Literature review according to Sarantakos (2013:151), is searching, evaluating and summarising literature that is current and relates to the research topic. The process involves identifying, assessing, analysing and writing a review of the various identified sources. For this study the review of literature involved identifying information from the origination of studies in order to produce an intellectual framework which spearheaded the evolution of the study. Hence, the information gathered is based on intellectual literature, pragmatic review and the visionary structures. This chapter presents the concept of restructuring, analyses Kotter's eight step model and the reasons for failure in restructuring or change efforts.

2.2 Change Management and Restructuring

Change management is defined as "the process of continually renewing an organisation's direction, structure and capabilities to serve the ever-changing needs of external and internal customers" (Moran and Brightman, 2001:111). According to Hodges (2016:42), change is an ever-present feature of organisational life, both at an operational and strategic level. Humans, plants, animals and organisations will face changes sometime in their life. A large number of organisations can be compared to large oil tankers that are at sea in that the icebergs can be seen, however they cannot change course quick enough to avoid hitting the obstacles. Likewise in the market organisations can see the dangers, yet cannot change in time to avoid a catastrophe.

According to Kowalski and Loretto (2017:229), the global markets and the changing consumer trends demands that organisations are constantly changing and cannot conduct business the way they had always done in the past. Organisations that refuse to change and is caught up in the routine that used to work for them in the past will not survive in this ever-changing and demanding market. Moran and Brightman (2001:11) define change management as a the process of constant renewing an industry's direction, structure and capabilities to serve the constantly changing needs of customers. According to Smith (2010:211), restructuring should

be considered a long-term process that builds on itself and skipping stages in a process will not accelerate the process but slow it down or even derail it.

Organisational change according to Bamberger *et al.* (2012:592), is adjustments made to the primary system of the organisation which incorporates the way an organisation works, its values, strategy and structure which includes changes to the operating procedures and to the organisational system. According to Jong *et al.* (2015:92), restructuring is a change in the organisation that is more important than normal changes. Restructuring is a series of actions in order to achieve major change in the company's structure that requires a reduction in management levels and changing elements of the company through divestiture, acquisition and through the reduction of the workforce. According to Jong *et al.* (2016:92), the consequences of restructuring impacts on either a section of the organisation or the organisation in its entirety in the form of shutting down, consolidating, expansions, bringing in contractors, reorganisation of the organisation and offshoring.

Monette *et al.* (2016:93) further adds that restructured is more than just change that affects the whole organisation through merging, closing down, contracting out, offshoring and manoeuvrability within the organisation. Changes in the manner in which a business is run can take the form of restructuring, renewal, reorientation or transformation. Restructuring is a type of change which is essential to the continued existence of the organisation in the foreseeable future which is referred to as a going concern.

In the early 1980s corporate restructuring swept through the global landscape changing the corporate environment and restructuring is to this present day a prevailing factor on this landscape. McCalman *et al.* (2016:5) opines that change will never dissolve or fade due to the accelerated phase of technology, civilisation and innovative thought. Cawsey *et al.* (2016:94) advise that prior to the implementation of the restructuring staff should have been advised of the risks and opportunities that the change will bring.

When staff are advised there will be an excitement created and a discussion is ignited in the organisation to ensure a successful change initiative. According to Godbole (2013:1), organisations restructure with the belief that they are more innovative than their competitors and will result in the organisation becoming industry leaders. The majority of the restructuring processes were implemented under the belief that corporate financial performance were

increasing however the by-product of this process were strains on the organisation's association, its employees, taxpayers and government.

2.3 Types of Corporate Restructuring

Chadda (2016:13) explains that restructuring has a profound impact on the morale of the affected staff. The author further states that employees feel that restructuring is unfair to them and there is immense confusion about their roles and expectations. Low levels of morale in staff will affect their loyalty and trust towards the organisation and employee's sense of security is reduced. Low levels of staff moral ultimately. There are three distinct types of restructuring that Furrer (2011:151) identifies namely:

2.3.1 Portfolio Restructuring

Portfolio restructuring involves rearranging the firms business through acquisitions and divestitures as a result of changes in management insight on the scope of the firm. According to Furrer (2010:151), programmes of strategic divestment is a necessity to avert weakening the firm's assets.

2.3.2 Financial Restructuring

Lubian (2014:51) points out that financial restructuring focuses on changing the capital and ownership structure. This type of restructuring is prevalent in organisations that wish to cut the agency related inefficiencies and tighten up on ownership and control then public firms are made private. The author further states that restructuring financially is also implemented in organisations that have a high debt to equity ratio.

2.3.3 Organisational Restructuring

Organisational restructuring according to Brooks (2018:223), is a systematic process of changing significant changes to the structural properties of the organisation, reporting within the

organisation, realignment of the sub-units, ways of communicating and working within the organisation to adapt to changes within the environment.

2.4 Change Process Theories

Hayes (2018:5) reviewed literature on change theories and found that there were over twenty theories that existed. However, after an extensive analysis of the literature only four theories proved to be ideal in that different views on the change process was offered. The four ideal theories are as follows:

2.4.1 Teleological Theory

According to Burke (2018:174), the Teleological Theory presumes that organisations are resolute and are able to adapt to the change that is occurring through goal constructions, execution, assessment and learning. Learning is essential as it can result in the improvement of the goals initially formulated and the actions that were taken to attain these goals.

2.4.2 Dialectical Theory

Hayes (2014:5) point out that the Dialectical Theory focuses on the contrasting goal between the parties involved and describes in detail the change and solidity with regards to confrontation and the balance of power between the parties that are against each other.

2.4.3 Life Cycle Theory

Burke (2018:173) explains that the Life Cycle Theory performs under the assumption that change advances through different stages that are progressive in that each stage forms part of the outcome and every stage is the predecessor for the next stage.

2.4.4 Evolutionary Theory

According to Hayes (2014:5), the Evolutionary Theory postulates that change continues through an ongoing cycle of differences, careful selection and retention. Variations does not happen on purpose but they are matched with the resources and environmental demands.

2.5 Pest Factors and Organisational Change

Figure 2.1 shows the PEST analysis (political, economic, socio-cultural and technological factors) also known as PESTEL analysis (included legal and environmental). For this study only PEST analysis will be review and discussed. According to Jurevicius (2013:1), the PEST analysis is an instrument that is used in a situational analysis to identify the important macro environmental forces that affect the organisation and which will create either an opportunity or a threat to the organisation.

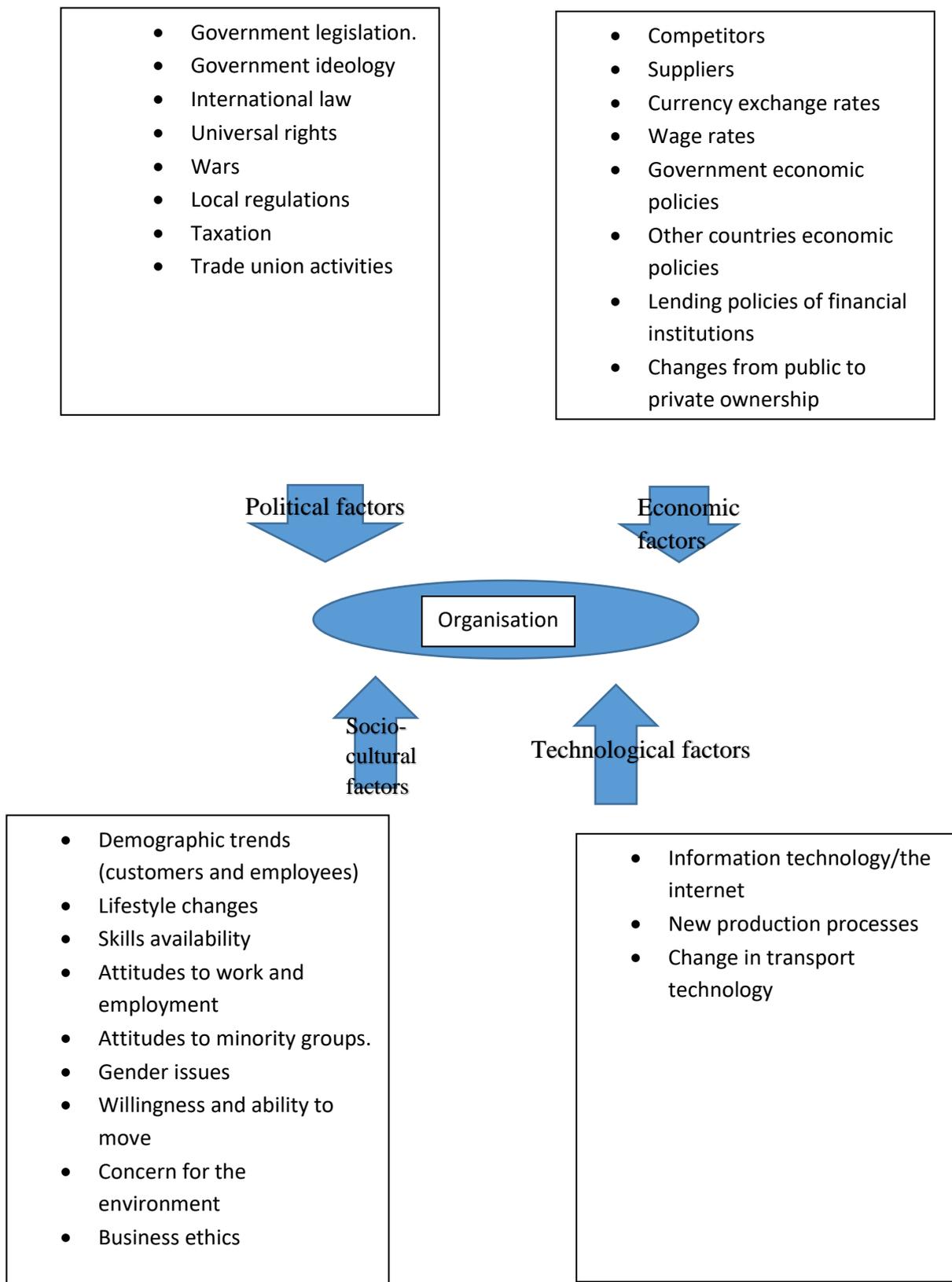


Figure 2.1: Pest factors and organisational change

Source: Senior and Swailes (2010:15)

The focus of the PEST analysis (Figure 2.1) is to ensure the following:

- Scan the macro environment and look at the present factors that are affecting the organisation;
- Pinpoint the external factors that could result in future change; and
- To use the opportunities that have been identified or protect the organisation against threats by competitors.

After the completion of the PEST analysis the company has a clear understanding of the organisation in terms of its opportunities, threats strengths and weaknesses. PEST is also conducted in order to assess the potential of a product in the new market. Environmental factors which are political, economic, socio-cultural and technological also known as PEST factors affect the organisation's subsystems both internally and externally as well as their products/services, components and market. Below is a discussion on the PEST factors and how it affects organisational change.

2.5.1 Political Factors

According to Senior and Swailes (2016:15), national and international bodies affect the organisation. Changes in the political environment such as legislation, laws, regulations, trade union, taxation, universal rights and war influences the organisation directly and could result in the change in an organisation. The main aim of government is to ensure that the country prospers and are also responsible for passing legislations that could also trigger change.

Hayes (2014:68) mentions that political factors that can result in an organisational change process being initiated is changes in the legislation that affect the management of the environment, employment, laws that affect consumers, changes in fiscal policy, telecommunication and broadcasting. Organisations that do business outside of the South African borders should be constantly aware of the changing legislation in that country and should also scan the environment to assess the political stability as these factors affect the operations in an organisation.

2.5.2 Economic Factors

Senior and Swailes (2016:25) state that organisational change is affected by the effects of credit crunch on the organisation, the fluctuations in the amount of disposable income the organisation has, the effects of the exchange rate on the organisation, new competitors in the marketplace, trade effects of the trade cycle, the price of the raw materials and security of supplies.

The authors further iterates that the economic factors as seen in Figure 2.1 are all interrelated and they all operate in a composite way to set off change in the organisation. The organisation's main aim is to make a profit therefore organisations have to look at economic factors like competitors, exchange rates, taxes by government, skills of their employees and the wages of their employees more closely so that they are constantly under the radar for change which will affect the company's ability to compete in the market.

The political environment and the economic environment are interlinked. Political decisions effect the economic fortunes and the economic environment effect the political decisions. The four economic factors have to be kept in balance by the government which are:

- The growth of output goods and services which results in economic growth;
- The tip top condition of the balance of payment which will result in more imports and exports;
- The inflation rate should be lowered; and
- The rate of unemployment in the country should be low.

Countries that have gone through recession due to the unemployment rate and inflation rate increase has resulted in the organisations being less confident which impacts on the employees who then become worried about their jobs and their future career in the organisation. Priorities will then change and projects that were meant to be initiated are put in the back burners resulting in changes in the organisation. Therefore organisations will have to regroup and change according to their environment so that they remain competitive.

2.5.3 Socio-cultural Factors

All the factors listed in Figure 2.1 above affect the way an organisation is initiated, managed and continue to attract employees to the organisation. According to Senior and Swailes (2016:17), changes in the socio-cultural environment that impacts on an employee's demeanour to work which will cause change could be an employee's expectation that the standard of living will continuously increase; demographic changes will be constant in the workforce; changes in hours of work due to the change in the family structure and awareness of unethical practices and unfair rules.

Certain organisations do business differently globally because they are influenced by certain cultures which influences their business ethics. Hayes (2014:68) identified some of the socio-cultural factors as:

- The increase or decrease in the birth rate and death rate that affects the demographics;
- Changes in attitudes about education and training; and
- Changes in attitudes about work and leisure.

Organisations have to go back and review their business practices in order to keep it in line with socio-cultural changes and to ensure that there is no discrimination present in the business practices like recruitment processes and promotion guidelines. Managers have to be actively involved in eliminating all racists and sexists elements in the organisation. Demographics in the population like the increase in life expectancy rate influences the availability of skill in the market which in turn influences the market itself.

2.5.4 Technological Factors

There are a number of factors that could effect change in the organisation and these technological factors has an effect on both the organisation as well as society in the long term. Organisations that invest in technology invests in the future sustained productivity of the organisation in the long term. The investments that organisations make will replace the labour required in production and it will create other specialised labour driven jobs. According to Myers *et al.* (2012:20), some of the technological influences are development of mass

customisation (adapting to customers trending needs), GRIN technologies (technologies that will change society) and social networking and innovative devices (the internet has resulted in faster information sharing and to transact or purchase online).

Organisations could use technology to improve on their productivity and delivery while other organisations exist because they were created from technology from example Microsoft. Some organisations can only remain competitive and survive in the market with continuous introductions of new technology therefore these organisations invest a large portion of income to research and development efforts. According to Hayes (2014:68) the technological factors are the amount of resources that competitors are using in research and development and what the research is yielding, the availability of raw materials and the need to reinvest in plant and people.

2.6 Change Model

A model according to Cummings and Worley (2014:20), is used to make an occurrence easier for the purpose studying and understanding it. The change models are theories of change that focuses on the process of implementation of change. These theories form frameworks that consists of activities that has to be carried out to accomplish successful change. The following change management models is discussed in the study:

- Kotter's Eight Step Model;
- The Kurt Lewin Change Management Model;
- The McKinsey 7-S Model;
- Nudge Theory;
- Bridges' Transition Model; and
- Kubler-Ross' Change Curve.

Change is a rule of business (Pratap, 2017:1). The business environment influenced through technology, economy and demographics is rapidly changing the global business landscape. Organisations need to react to these changes through some kind of change initiative whether it be changes that have very little impact on the organisation or changes that have major long lasting effect on the organisation. According to Kotter (2012:28), 70% of all change efforts fail

due to the change process not being followed through. Implementing change models creates a framework for change which results in an increased change of a successful change.

2.6.1 Kotter's Eight Step Model



Figure 2.2: Kotter's Eight Step Model

Source: Kotter (2005:3)

Leadership guru Dr Kotter developed the eight step model (Figure 2.2) after more than 30 years of leadership research. Implementing this model will result in the reduction of the present failure rate (presently more than 70% of change efforts fail). The eight steps are discussed below.

- **Step 1: Increase Urgency**

According to Lunenburg (2010:2), in this step the organisation requires unfreezing/thawing out. Unfreeze the organisation by inventing an evoking reason for one to buy into change. A sense of urgency must be created in the environment so that discussion and excitement is sparked in the organisation. Strong arguments must be invented to convince people to participate in change.

- **Step 2: Build the Guiding Team**

Kotter and Cohen (2012:37) explain that building and guiding the team involves pin pointing and convincing employees from all levels in the organisation, from diverse groups and cultures about the change. This coalition of change leaders will bring momentum to the plan. According to Smith (2010:140), it is essential to create a group of influential powerful individuals that will drive the change process to successful implementation.

Jones and Dirndorfer (2002:52) point out that leadership plays an essential role in the corporate vision by creating an inspiration for employees to grasp the vision and crafts of the organisation. Leaders should forge visions for employees so that employees have direction to attain successful restructuring. Swanson and Power (2001:162) conducted a study which revealed that employees that received little support from managers had experienced role conflict, ambiguity and overload. Appelbaum *et al.* (2012:766) explains that successful restructuring cannot be carried out by a single individual but by a coalition of individuals with essential skills and position of power, expertise, credibility and leadership. Organisations are made up of teams with the required skill needed to attain organisational goals.

- **Step 3: Get the Vision Right**

According to Pratap (2017:1), a vision is the compilation of ideas. A clear powerful vision must be created so that the organisation is aware of why change is needed and what will be achieved after change is complete. According to Appelbaum *et al.* (2012:769), a vision is essential for a successful change process because without a clear vision the change objective can dissipate resulting in confusion.

- **Step 4: Communicate for Buy-In**

According to Kotter and Cohen (2012:83), the vision must be communicated to all levels in the organisation to dispelling confusion and misgivings resulting in an organisation that has motivated people. A lack in communication will result in rumors and misconceptions resulting in failure. According to Kotter (2012:230), communication ensures that everyone envisage a shared future that motivate staff in order to ensure that transformation and successful change is inevitable.

According to Nelisen and Selm (2015:309), communication is an essential feature of the change process as it reduces ambiguity and uncertainty which inevitably reduces negative

reactions to organisational change. Hayes (2014:450) adds that effective communication with staff during the change management process reduces the uncertainties that staff members have.

- **Step 5: Empower Action by Removing Obstacles**

Lunenburg (2010:3) mentions that step five involves removing barriers and using target elements of change to transform the organisation. For successful change organisations must encourage creative thinking and risk taking. According to Cameron and Green (2012:189), leaders that address the obstacles namely structure, skill, system and supervisors will result in employees being empowered. Employees that are empowered are more likely to be successful.

- **Step 6: Create Short-Term Wins**

Step 6 involves taking long term goals and creating accomplishable short term wins. Achieving short term goals will allow the organisation to be motivated about the overall plan which is essential for the sustained motivation and focus of the staff. Mento *et al.* (2002:52) argue that replacing long term goals with short-term wins is an essential component in restructuring as it motivates and prevents resistance in staff. Staff should be rewarded for their wins. Kottler (2012:12) explains that rewarding staff on their wins motivates staff and reassures them that their change initiative is on the right path.

- **Step 7: Build on the Change**

According to Green and Cameron (2015:111) in Step 7 staff that are working towards the organisation's new vision needs to be acknowledged and rewarded. The change team needs to gauge to see whether the achievement of the short term goals is contributing to the achievement of the long term goals. Analysis must be done and improvements must be made to achieve the long term goal.

- **Step 8: Make Change Stick**

Lunenburg (2010:4) states that the organisation should strengthen the change by focusing attention on the fact that there is a direct link between the changed behavior and processes and the reason for the companies' victorious accomplishments. Change can successfully be implemented if it is made part of the organisational culture. According to Hayes (2014:392), after any project that has been implemented the company has to review what works and what does not work in order to allow for the constant refinement of the evolution.

2.6.2 Kurt Lewin Change Management Model

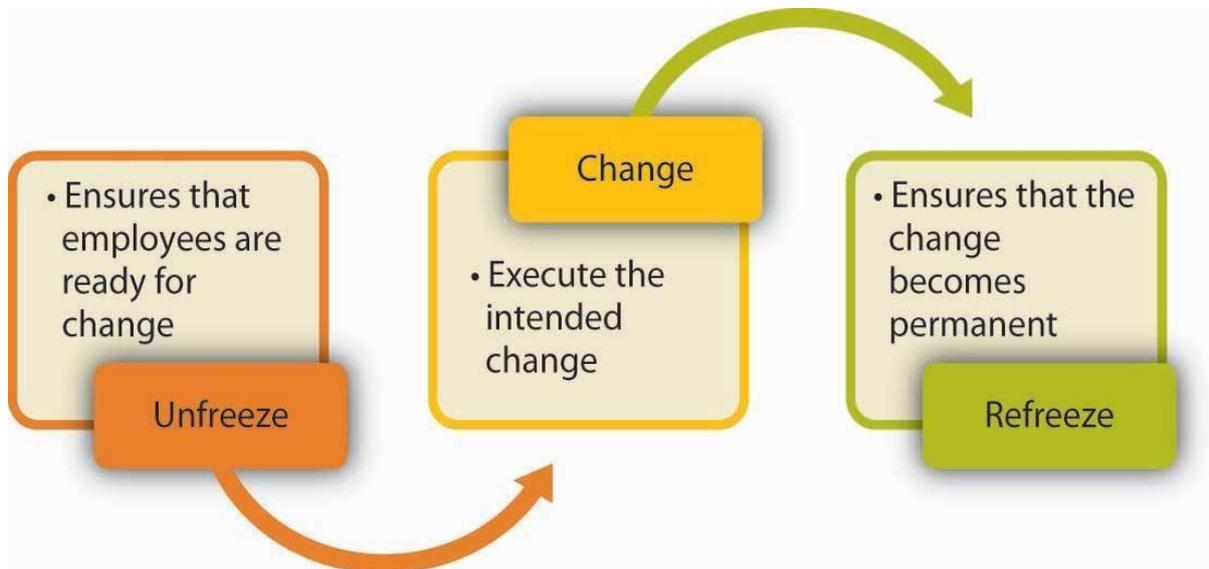


Figure 2.3: Kurt Lewin Change Management Model

Source: Carpenter *et al.* (2009:105)

Green and Cameron (2015:107) explain that Lewin's Model is a dynamic intellectual tool that assists in the comprehension of change situations. There has been a number of theories that have been built on this theory but the original theory remains a powerful tool for change. There are three steps in this model which is unfreezing, moving and refreezing. These steps are explained below.

- **Step 1: Unfreezing**

According to Hayes (2014:23), this phase involves the stagnation and breaking down of the present way of thinking and creating a perception of what is to come in the future. This involves thawing out or unfreezing before starting change. Lunenburg (2010:2) adds that in this step the organisation unfreezes by inventing and evoking reason for one to buy into change. This can be compared to removing meat out of the freezer before it is prepared. The meat has to thaw out before preparation can begin. Resistance to change is the norm for any change and the thawing out process in the organisation involves creating awareness of how the present

situation is affecting the organisation and the effects it will have if status quo remains. According to Graetz (2010:120), this involves smashing down emotional attachments that occurred in the past and use information that exhibits the existence of the problem. Employees must be shown the urgency for the organisation to gain competitive advantage through the analysis of their processes, actions, people and organisational structure. Communicating with staff is essential so that staff are aware of the need or urgency for change and are motivated to drive the organisation through a successful change effort.

- **Step 2: Changing**

According to Kazmi (2014:4), this phase is associated with disarray and uncertainty which is as a result of people trying to protect old habits when they are challenged. This phase involves moving into a new standing through the implementation of change. This is the most difficult phase where change becomes a reality and individuals wrestle with the reality of change. Fear and uncertainty experienced in this phase results in this being the most difficult phase to prevail over. The key to success in this phase is to educate, communicate and support staff about change so they are aware of what is to come and they will be prepared. The reason for change must also be emphasized and the benefits accompanying the change so that employees will be focused.

- **Step 3: Refreezing**

Hayes (2014:23) states that the refreezing phase involves augmenting changed behavior to maintain new performance and avoid going back to the old state. Refreezing involves crystalizing the new mindset that was created to achieve the high level of comfort that the organisation had before the unfreezing process. This phase involves solidifying the new changes to the organisation's operations, structure, staff and goals and ensure that people do not revert back to their old ways. Positive reinforcement efforts will ensure that repeated positive behavior is continued into the future.

2.6.3 The McKinsey 7-S Model

The McKinsey 7-S Model was developed by Peters, Waterman and Philips in the 1980s and who were all employed as consultants by McKinsey and Company. This model has remained a popular planning instrument among academic and practitioners. The main aim of this model is

to emphasis the human capital which is referred to as the ‘Soft S’ rather than the ‘Hard S’ namely capital, infrastructure and equipment. According to Jurevicius (2013), the ‘Hard S’ elements (strategy, structure and system) are easier to identify and manage as compared to the ‘Soft S’ (style, staff and skill) which are harder to identify and manage. However, the ‘Soft S’ are the foundation by which an organisation creates a competitive advantage.

Mulholand (2017:5) describes the McKinsey Model as a mechanism for creating logical and consistent analysis of the organisation and discourages intensive analysis and large shifts in the organisation. The model looks at seven elements of the company namely strategy, structure, systems, shared values, style, staff and skill and examine how they affect each other. The model shows the link between these seven elements. The elements are all interlinked and change to one of these elements has a ripple effect on all the other elements which inevitable effects the operations of the organisation. Mulholand (2017:5) mentions that this model is most commonly used for the following reasons:

- To ease the process of change in an organisation;
- To put into practise a new strategy;
- To distinguish or pinpoint areas that will require change in the distant future; and
- To ease the process of a merger in an organisation.

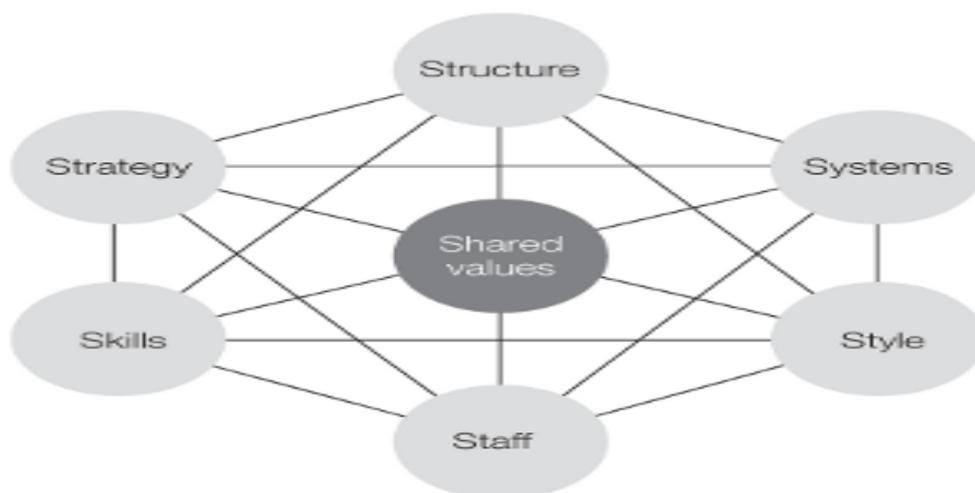


Figure 2.4: Key Management Models

Source: van Assen *et al.* (2009:215)

Elements from Figure 2.4 are discussed in detail below.

2.6.3.1 Strategy Assessment

The policy of the company should be realistic and formal enough to gain and retain competitive advantage in the market against competitors but it should also be pliable enough to again adaptability to modifications without destroying progression. According to Zincir and Tunc (2017:106), a well aligned and sound strategy is one that is well hinged, is applicable for the long-term, one that can achieve competitive advantage and one that is fortified by a well-developed vision, mission and values. The following questions need to be answered when performing an assessment:

- What is the objectives of the organisation?
- What strategy is being used to achieve the objective?
- What strategy is being used to keep the company competitive?
- How can your strategy adapt to the present and future situation?

All the answers should be answered in full and recorded before moving on to the next step.

2.6.3.2 Analysis of the Structure

According to Hayes (2014:136), analysis of the structure refers to the division of activities. The structure of the organisation should be analysed and recorded. The following questions should be answered and recorded before moving to the next step:

- What is the organisation's hierarchy?
- In what manner are departments organised and managed?
- How does individual team members organise themselves?
- Who makes the decisions?
- How are decisions carried out/passed down?
- How does everyone communicate?
- How often does communication occur?

2.6.3.4 Examine the Company's System

The company's systems must be examined by looking at the formal processes, informal processes, informal shortcuts, rules and how everything is tracked. The organisation needs to answer the following questions:

- What are the core systems in the organisation?
- How are the systems stored and used?
- How are the systems updated?
- Are the systems accurate?
- How is the organisation tracking and assessing the results of the processes?
- Who has access to these system?

2.6.3.5 Assess Skills

Mulholand (2017:7) mentions that skills are the abilities that employees have which they use in their performance. Skills analysis must be performed to determine the skill that human resources in the organisation has and what skill is required further to perform effectively.

2.6.3.6 Staff

Hayes (2014:137) describes the staff element as the human resources of the organisation and what their demographics are, level of education and their attitudes towards the organisation. The staff or human resources of the organisation is one of the most important asset an organisation has. The organisation needs to determine how many staff the company has and how many will be further required to perform the function. Training, recruitment, motivation and rewards must be considered.

2.6.3.7 Style

The management style must be considered which will determine how managers interact, their actions, and their symbolic value.

2.6.3.8 Shared Value

According to Zincir and Tunc (2017:106), this is the centre of the organisation to which all other variables are connected to. Shared values form the core of the model and are the standards that an employee uses as a guide in their behaviour. Shared values underpin the structure.

2.6.4 Kubler-Ross' Change Curve

The change curve was developed by Elisabeth Kubler-Ross in 1969. The model was initially developed to explain the grieving process in terminally ill patients. The model was widely used until the 1980s when it was introduced into the change management circles. According to Kubler-Ross and Keblers (2014:5), the change curve consists of five stages of feelings that a person goes through when they experience a loss that is organisational/restructuring change.

The five stages of grief as explained by the change curve are:

- Shock or denial;
- Anger;
- Bargaining;
- Depression; and
- Acceptance.

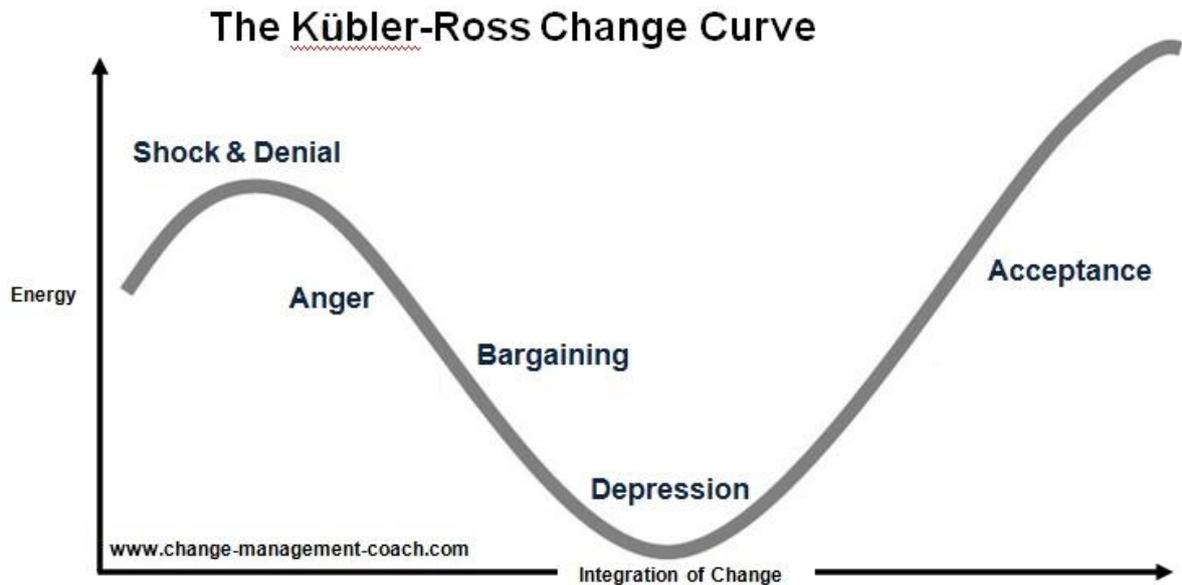


Figure 2.5: Kubler-Ross’ Change Curve

Source: Cameron and Green (2015:32)

Figure 2.5 depicts the Kubler-Ross’ change curve and is discussed in detail below.

2.6.4.1 Shock or Denial

Oridge (2012:5) explains denial as a defense that allows an individual a period to take in the reality of change and is accompanied by numbness and disbelief. This results in a sharp decrease in productivity as a result of individuals seeking guidance and reassurance. The initial stage of shock or disbelief is due to terror of the unknown, terror of doing wrong and absence of information.

After shock passes denial creeps in and the individual pretends that change is not happening. At this point people go back to their normal production resulting in an incline in the curve to almost the same level as it previously was before the change. At this stage communication is the key to success and individuals need to be told that there is change, the reason for change and how they will benefit from the change initiative. Reassurance and support are essential tools to success in this period.

2.6.4.2 Anger

According to Myers *et al.* (2012:70), as the organisation takes in organisational change, anger is yet to follow resulting from an expectation that individuals feel have not been met by the organisation. The denial phase gives way to anger. Individuals find scapegoats that they focus their anger, fears and anxiety on which could include organisation, individual or groups. Feelings of suspicion, frustration or/and scepticism is portrayed.

2.6.4.3 Bargaining

This occurs when an individual wants to put off change or find a way out of the situation. Bargaining is made with god, others or life and are made in secret. The individual might work harder or work more extra hours to prove that the organisation cannot do without them and to prove they are invaluable.

2.6.4.4 Depression

Oridge (2012:5) explains that individuals comes to the realisation that bargaining will not work then depression will start to develop. Individuals become aware of the potential losses that could result from change and the reality of leaving it behind. The result of this stage is sadness, depressed and low energy leading to demotivation, increase in illness and absenteeism. This results in a steady decline in production.

2.6.4.5 Acceptance

According to Myers *et al.* (2012:70), this stage brings acceptance of organisational change, acceptance of the future and releasing the past expectations. This stage is accompanied by optimism and enthusiasm. Individuals work with the inevitable change and portray thoughts of excitement for the future opportunities, anxious for the completion of the change process and relieve that they got through change. The last step is integration which is associated with a steady increase in productivity. There is a feeling of acceptance, hope and trust.

2.7 Restructuring

“We trained hard. But it seemed that every time we were beginning to form into teams, we would be reorganised. I was to learn later in life that we tend to meet any new situation by recognising. And what a wonderful method it can be for creating the illusion of progress while producing confusion, inefficiency, and demoralisation (Gaius Petronius Arbiter; 1st century AD)”.

The quote above was spoken more than two thousand years ago by Arbiter and it was just as true then two millenniums ago as it is in today’s world. Managers today do not take heed to this quote resulting in the organisation having negative feelings towards restructuring.

According to DePamphilis (2018:19), corporate restructuring is made up of the following types:

- Financial restructuring: this refers to changes to the organisation’s capital structure which involves shares or increase in debt to either prevent a take-over or to increase equity; and
- Operational restructuring: refers to changes to the organisation’s asset structure.

Kowalski (2017:54) mentions that business restructuring is a process that tackles the organisation’s poor market state through planning strategically, implementing innovation and/or through a tactical response to unforeseen circumstances. Restructuring has become a solution to a number of organisational issues and therefore managers have to look into the impact it has on the lives of the staff. According to Cameron and Green (2015:232), due to restructuring occurring so often managers need to be aware of the process of restructuring, what could go wrong and an example of a good restructuring process. Restructuring is a process that should be chosen as a last resort as it does not always address the problem it initially set out to resolve.

Hughes (2011:451) has recorded that among the change initiatives undertaken there is a total of 70% of these initiatives that have failed. This is due to a lack of a proper framework to implement change and to manage change by leaders. According to Smith (2010), restructuring should be considered a long-term process that builds on itself and skipping stages in a process will not accelerate the process but slow it down or even derail it. Burke and Nelson (2016:325)

explain that restructuring does not occur because the organisation is not profitable but it can also be implemented because the organisation needs to keep its competitive edge. In a survey that they carried out 81% of restructured organisations were profitable in that said year of restructuring. Restructuring according to Cameron and Green (2015:232), is a method that does not take into account the organisation's issues nor does it find solutions to these issues. Therefore the author suggests that restructuring should be the last option that organisations resort to when implementing change in the organisation.

2.7.1 Reasons for Restructuring

There are a number of reasons why an organisation takes a decision to reorganise the organisation's operations and structures. The restructuring process if implemented correctly can positively improve efficiency, can result in the implementation of the latest technology available and implement changes to governance or strategic changes. Restructuring can occur because of the following reasons:

- **Downsizing or Rightsizing**

According to Nayab (2012:2), downsizing is the most common reason that results from the changing economy. Organisations could adopt new strategies or new product mix; intense competition and pressure from organisations that are adopting the low price strategy and decreases in input costs could all result in an organisation being downsized or rightsized.

- **Finance Related Issues**

Cameron and Green (2015:233) explains that due to the conditions in the market the organisation is forced to restructure to reduce costs. Organisations that are heading into bankruptcy might need to relook at their resources like human resources and try and make the resource more lean thereby reducing costs or look at excess assets and sell them off to raise a cash flow. These strategies will keep the organisation out of bankruptcy.

- **Efficiency or Effectiveness**

Organisations may relook at the efficiency and the effectiveness of the organisation and make internal improvements so as to ensure that the organisation is running at its optimum level and that productivity is maximised.

- **New Work Methods**

The traditional work hours is from 8am to 4:30pm in most organisations however with the introduction of new working methods such as *inter alia* outsourcing, flexi-time and telecommuting has resulted in the changes to the policy and procedures, culture change and new systems which demands the need for the restructuring process.

- **Flattening the Hierarchy**

Organisations that are adopting the new flattened structure to improve the organisation internally requires the restructuring process to be adopted to carry out the changes to the structure.

- **Technological Changes**

According to Nayab (2012:3) changes in technology, work processes and other business processes all require restructuring to be implemented in order to keep up with the latest innovations and technologies.

- **Merger and Acquisitions**

Mergers and acquisitions requires restructuring to be used to achieve the following:

- To eliminate duplications in human resources and systems;
- To take into account what the new owner requires and the owner's preference; and
- Relooking at the systems and procedures of the merged organisation to ensure consistency.

- **New Product or Service**

The introduction of a new service or product requires restructuring to be implemented so that a new strategy can be implemented through restructuring.

- **Statutory an Legal Compliance**

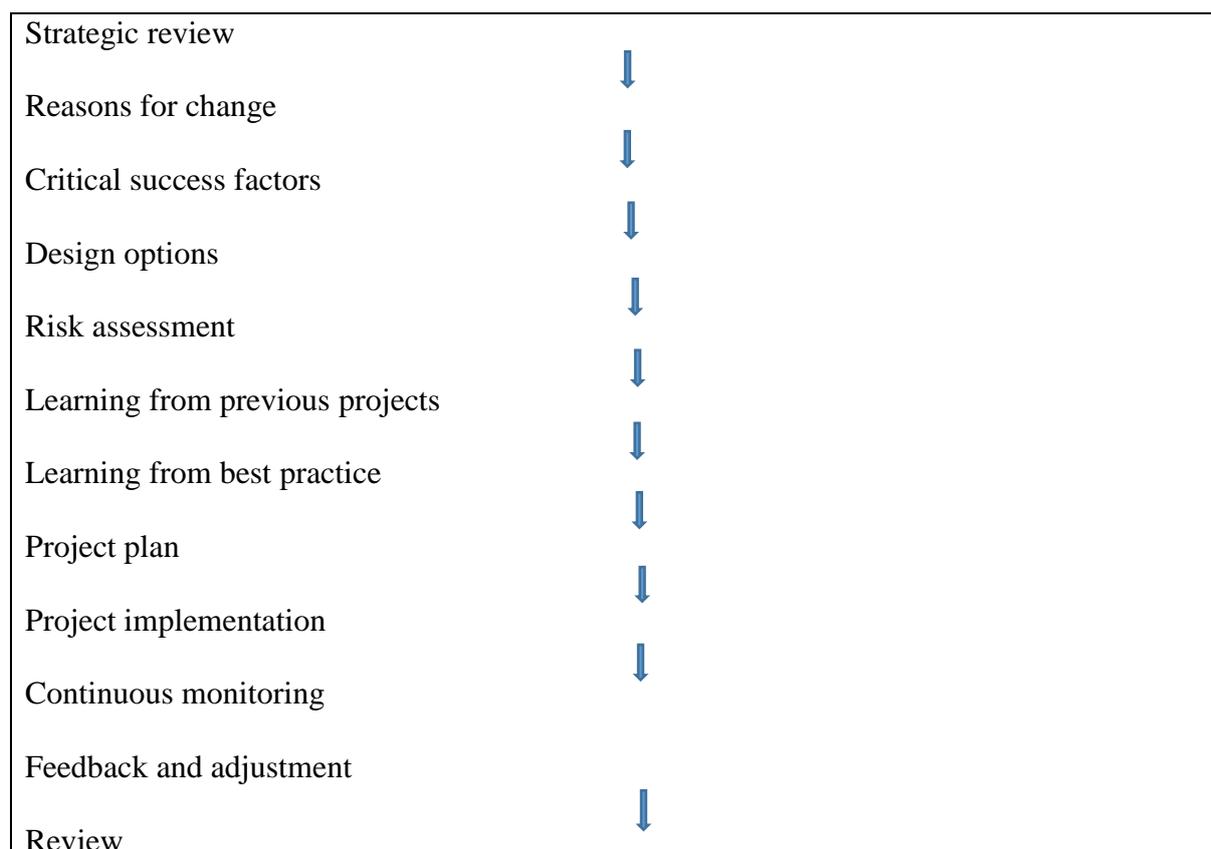
Changes in the statutory and legal requirements results in restructuring of the organisation so that compliance with the new statutory or legal requirement is achieved.

- **Internal or External Crisis**

Unforeseen or unexpected change requires restructuring to be implemented in order to accommodate the change in an efficient and effective manner.

2.7.2 The Restructuring Process

Table 2.1: The Restructuring Process



Source: Cameron Green (2015:237)

Table 2.1 explains the restructuring process which is also discussed below.

a) Strategic Review

Any organisation that wants to restructure requires a logical basis for the course of action. Through the process of strategic review issues from the business environment (internally and externally) is highlighted as areas of concern that needs to be addressed.

b) Reasons for Change

The organisation has to establish why the change is required. Below are some of the possible reasons for change:

- Increase in customer responsiveness;
- Mergers and acquisitions;
- Change in management;
- Improve efficiency; and
- Change in legislation and regulation.

c) Critical Success Factors

Defining and identifying critical success factors is an essential part of restructuring. According to Cameron and Green (2015:237), to identify critical success factors the organisations will be required to look at the organisation's infrastructure, market, culture, strategy and organisational processes.

d) Design Options

Design options refers to the many ways that a company can be structured. Miles and Snow (1984) gave a detailed account of the progression of the structure of the organisation and the organisational structure's relationship to the organisational strategy:

- Entrepreneurial structure: this occurs when there is a local market or only one product or service;
- Functional structure: transpires when there is a national market or restricted or classic service or product;
- Divisional structure: occurs when there is a changing range of products or national/international markets;
- Matrix structure: exists in stable and changing markets or when products are standard and innovative; and
- Dynamic network: occurs when there is a demand for product and service design or international changing markets.

Organisations are usually designed in accordance to their functional, divisional, entrepreneurial or matrix structure.

e) Risk Assessment

Every restructuring process has inherent risks attached to them. The managers of the organisation has to identify these risks and understand the nature of these risks. Managers need to note all possible risks and find appropriate ways of minimising the risks identified. Some of the possible risks which varies from organisation to organisation is people, communication, synergies, corporate identity, synergies, structure and cost.

f) Learning from Previous Projects and Best Practice

According to Cameron (2015:248), managers need to make a list of what had worked and what had not worked in previous restructuring initiatives in the organisation and use this in the present restructuring initiative.

g) Project Planning and Project Implementation

- **Leadership**

This phase creates instability in the organisation both for the management as well as the staff. Staff are in a state of confusion. Managers have to ensure that business within the organisation does not stop; staff have to be set to produce on the new structure and the change from the old to the new structure has to be a smooth uneventful transition.

- **Future Direction and Strategy**

Successful restructuring occurs when there is clear strategy and direction resulting from a balance between vision and pragmatism. Staff should be made aware of how restructuring will improve their future, how it will improve their work lives and how it is better now than previously.

- **Communication**

Communication is one of the most essential factors in restructuring. There has to be a balance between over communication and under communication. The method used to communicate is essential and the method should be more personalised like face to face and preferably not impersonal methods like e-mails. Managers has to ensure that communication is well planned and sent out to the affected individuals at the correct time and medium.

- **Implementation Process**

According to Cameron and Green (2015:249); managers underestimate the complexity involved in restructuring and often restructuring timelines are not adhered to resulting in delays which puts undue stress on staff. Managers have to ensure that the restructuring plan and timelines are adhered to and any delays should be communicated to the staff timeously.

- **Supporting Mechanism**

Support mechanisms must be put in place to ensure the smooth process of restructuring and the smooth running of the new systems.

- **Visible Management Support**

Managers must be supportive and visible throughout the restructuring process. They should express to staff the purpose of the restructuring and emphasise how restructuring will change the old ways of doing things for the better.

- **Continued Communication of the Purpose**

Managers should plan personalised communication sessions to ensure there is communication given at the right time and to the right staff. This communication should be two way so that staff can be clear on the information that they are receiving.

- **Senior Management Attention**

Senior management should be visible during restructuring, should attend meetings and visit the staff. Their presence is appreciated by staff who can appreciate that senior managers are involved and care about them.

- **Constructive Consultation**

Staff and middle managers should be involved in the planning of change process so that they are able to pick up inconsistencies and discrepancies early in the process and resolve it at an early stage.

h) Monitoring and Review

Monitoring and review should take place throughout the restructuring process from start to finish. The plan for restructuring has to be monitored and there should be constant feedback throughout the process so that managers can monitor and react accordingly.

Staff could resist to change even if there is nothing wrong with the restructuring process. Staff are human and it is their human reaction to certain emotions they are experiencing which should

be managed by their managers. On the other hand there can be resistance to change because there are flaws or gaps in the restructuring process which has to be addressed by management. Only through getting staff involved and listening to them can the restructuring process work. Monitoring and review should start from the beginning of the restructuring and should continue even years after the restructuring is completed.

2.7.3 The Impact of Restructuring on Employees Wellbeing

According to Weinberg and Cooper (2012:69), the effects of stress on staff is ill health. Wellness is a process that is vigorous and will allow individuals and groups to be more alert to the responsibilities and choices that affect their life. In addition, individuals will take a conscious choice or decision to live a life of wellness and quality. The employee's wellbeing is an essential part of the organisation to ensure that there is a positive impact on the organisation by having a health workforce which results in a happier, healthier and more productive workforce.

Wellness according to Hurley and Schlaais (2017:1), is an advancement towards an employee's personal health that stresses on the responsibility of the individual for wellbeing through health-promoting lifestyle behaviour. Quigg (2011:72) has found that employees that have survived restructuring are often demotivated, are not committed to the organisation and are insecure due to the lack of career growth. Restructuring forms a very dominant role in the life of employees both in the private and public sector. Change and restructuring forms an integral part of the development and sustainability of an organisation thus making it an essential process in the organisation.

Restructuring being an essential tool for the company to continue to exist in the foreseeable future has a negative effect on the well-being of the workforce. According to Jong (2016:93), some restructuring initiatives fail to enhance the productivity and the monetary performance in the organisation due to the negative impact restructuring has on the employee's well-being. It is for this reason that organisations should investigate and understand the impact that restructuring process has on the organisation and the well-being of its employees. This will result in happier staff who are motivated and productive after restructuring which will affect productivity and profitability positively.

Productivity is essential to any organisation. According to Harkiolakis and Thurman (2016:27), productivity is linked to an individual's psychological state and their feelings which will determine how productive they are. Staff that are happy are psychologically stable are more productive. Hayes (2014:463) points out that employee engagement and company climate has a direct impact on productivity. A happy organisational climate fosters a productive workforce.

Studies undertaken by Weinberg and Cooper (2012:182) suggest that restructuring that results in downsizing and job insecurity will effect an employee's occupational health and safety. Job insecurity expresses the effects that downsizing has on the occupational health and safety of the employee. The employee's mental health is also impacted on in the short-term as a result of restructuring and downsizing.

Staff are emotionally affected after the restructuring process. Kieselbach and Triomphe (2010:209) explain that after a restructuring process staff are paralysed by fear of losing their job and are therefore not flexible, innovative or committed to their tasks resulting in a decrease in the competitiveness of the organisation and a reduction in customer satisfaction. According to Cummings and Worley (2013:359) downsizing the organisation will result in a decrease in career opportunities. Every employee has a psychological contract with the organisation they are employed at and one component of this contract is to have career enhancement and restructuring breaks this contract which results in unhappy employees.

Vakola and Petrou (2018:216) mentions that a study of restructuring was undertaken and staff in the study felt that their career opportunity had worsened resulting in staff exhaustion and decreases in productivity by the staff as a result of mental and physical exhaustion by staff. Employees that remain after restructuring are referred to as survivors of restructuring. Stanislav and Thornton (2017:122) suggest that employees who remain after restructuring experience a lack of motivation, have feelings of insecurity and have no commitment to the organisation due to the loss of a traditional career as a result of restructuring.

Waddel *et al.* (2017:135) highlight that transformation of an organisation resulted in more intensive work demands, increase in accountability and the breaking of the psychological contract between the employer and employee has inevitably caused employees to lose their commitment to the organisation. Employee's perception of restructuring and change is an

explaining variable. An example of this is the personality and other personal characteristics will affect the employee's perceptions. Rationalization can reduce the adverse effects on employee's health and safety.

Employees form the heart of any organisation. Morell (2011:116) states that employees are the most important asset that a company has and motivating staff ensures that employees work hard and are dedicated to the organisation. According to Psyres (2011:124), the following are some of the negative effects of restructuring that result from the different types of restructuring (relocation; offshoring; outsourcing; bankruptcy; mergers/acquisition; restructuring and business expansion):

- Employees that experience change through a change in the organisation's ownership experience job insecurity even after five years of the change in comparison with those who did not experience this change;
- Organisations that drag organisational change over a period of time being a minimum of two years are impacting negatively on the employee's well-being. Employee's dedication to the organisation is lowered, the employee's health is adversely affected, job satisfaction is decreased and absenteeism and illness is increased; and
- An employee's well-being is adversely effected by an experience of a declined position resulting in a decrease in productivity and an increase in stress and tiredness.

Restructuring has also positive effects. An individual that has improved in their employment position will have a positive effect on an employee's wellbeing. The result will eventually lead to an increase in job satisfaction, increase in innovative behaviour and an increase in work engagement.

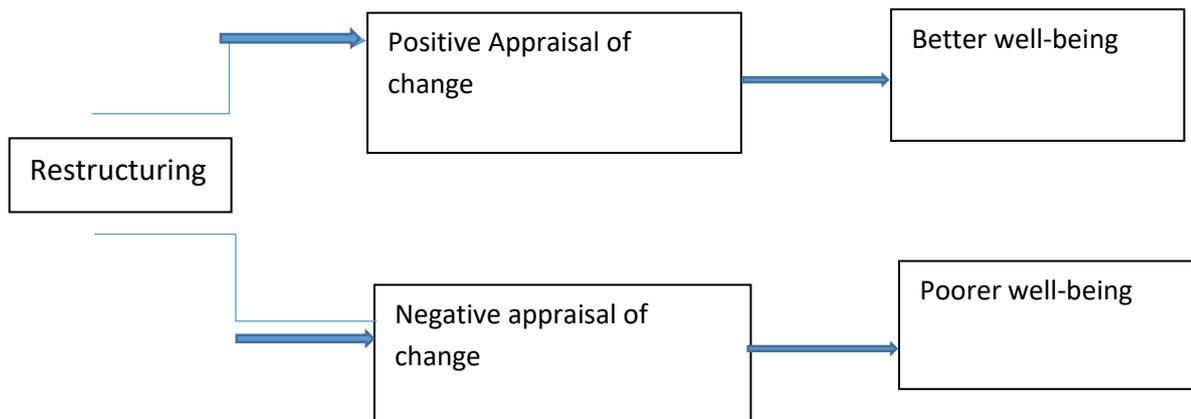


Figure 2.6: Process of restructuring

Source: Psyres (2011:124)

Weizer *et al.* (2011:58) explain that the effect that the process of restructuring will have on an employee will depend on how the employee perceives the restructuring process. Employees need essential support from the various stakeholders. The effects of restructuring are notable less if there is good communication, managers and co-workers must be supportive and there has to essentially be trust in management. Employees have to be active participants in the restructuring process. They should be allowed to be part of the decision-making process. The three factors that will increase wellness in the organisation among employees is clear communication, participation and support.

According to Carbery(2005) employees that are older and are less employable in the market portray a higher negative impact to restructuring than employees that are younger and more employable. Older employees are tied of change and if possible they choose early retirement while the younger employees find it much more difficult to adapt to the new changes and their new careers compared to the employees that have been with the company longer.

Weizer *et al.*(2016:58) mentions that the manner in which an employee copes will determine if restructuring will affect their well-being negatively or positively. Employees who took direct action to improve their situation found that this had a positive effect on well-being while employees that had an emotional reaction to restructuring had a negative impact on well-being.

Restructuring effects job demand which effects employee well-being because tasks become unclear and this impacts on job demands. Employees are also concerned about job security and the changes to their job which effects well-being negatively. Increased support from managers and supervisors will result in an employee's well-being improving due to the support. Restructuring causes conflict and bad behaviour among employees. Support from co-workers is an essential tool that results in well-being of employees being increased.

An increase in stress can be linked to restructuring which causes changes in policy, procedure and rules; changes in people's attitude and changes in work organisation. According to De Jong (2015:92), the level of stress that an employee has affects employee wellness. Stress is a very concerning factor for management as it has a direct impact on the effectiveness of the organisation therefore management should take measures to prevent and control stress levels. Stress has a direct impact on the increase in staff absenteeism which inadvertently affects production. Some causes of workplace stress include:

- Demanding workloads that are perceived by employees as being unreasonable due to unrealistic deadlines and targets;
- The job itself has poor task design, repetitive and not challenging tasks;
- Unrealistic working hours;
- No training in present position;
- No management support;
- Acquisitions, mergers amongst others that result in job insecurity;
- Lack of communication; and
- Disapproval of the manager's leadership style.

People spend more time at work than doing any other activity. People spend most of their waking hours at work and this time spent at work influences an employee's wellbeing. Management must put into place preventative measures as well as controlling factors that will increase an employee's wellbeing and which will inadvertently affect the company's profitability.

2.8 Motivating Employees to Change

Choi (2011:480) has discerned that successful organisational change can only be accomplished if employees change their job behaviour in support of the change. Management in turn plays

a key role in ensuring that the necessary steps are taken to make sure that all employees support the change initiative as employees will determine the success of the change process. Management should place emphasis on communication as this holds the keys to successful change initiatives.

An organisation is like an open system which always wants to be in a state of balance where all their components are in order. One of the company's components is staff and when staff are thrown off balance by change there is pressure that is placed to bring the state of balance. The realignment process can be achieved by aligning the other components to the ones that have just been changed or the components will resist the change and try and bring the components all back to the old change. Managers play an essential role here in supporting the staff through their change and motivating them to support change. Managers must motivate staff by emphasising the benefits change will bring or to stress the negative impact that no change will have on the organisation.

2.9 Staff Commitment and Support for Change

Jong (2016:92) explains that staff are more accepting of organisational change and puts in extra effort to make change successful if they are committed to the organisation. Organisational commitment also assists in reducing the stress that employees experience during the change process. Every employee has a psychological contract with its employer. The psychological contract according to Guest (1996:143) is a discernment of fairness, trust and a pact between employer and employee. The contract is an unwritten set of rules between employer and employee that includes fairness and interdependence (staff and organisation).

Some of the psychological contract the employer will expect from the employee is to be loyal, keep company secrets and work to a maximum potential. The employee expects the employer to pay them fairly, to be treated fairly, have security in employment, have autonomy and be willing to learn and develop. When employees feel that the employer's part of the psychological process is being fulfilled then employees will be highly committed to the organisation. If employees feel that employers are not keeping up to their side of the contract then they will readdress the contract, they will be less committed, and they will be less willing to innovate and will not respond to change.

Hayes (2018:245) found that employees that have been retained in the change process may not necessarily respond with higher levels of commitment and productivity but they may respond with being guilty and concerned for those that have left, shock, indignation and anxiety. Employees may also react if they feel that they have been treated unfairly due to the staff leaving receiving better benefits than them.

2.10 Factors that Undermine Support for Change

Hayes (2018:263) has identified four factors that affect the organisational change process by resisting change which are explained as follows:

2.10.1 Low Trust

According to Hayes (2018:248), the misunderstanding by employees and not knowing what change will bring to them is one of the main reasons that causes resistance to change initiatives. These misconceptions will cause employees to perceive that change will not be beneficial to them and will result in them losing out in this process. This usually happens when there is no trust between the change manager and the employees which results in resistance to change. Managers should anticipate and plan for resistance to change. There has to be communication to the staff every step of the change process through the change managers. No matter how good and beneficial the change process will be to employees but if communication is not present and ongoing then there will be no successful change initiative implemented.

2.10.2 Low Tolerance for Change

Employees resist change when they feel that they cannot develop the skill that is required to run the new changed process. Some staff may understand why change is needed and how it will improve their work-life but they resist change because they cannot emotionally handle the change. Employees will go into a state of denial and will be reluctant to let go if they have the perception that they are lost in the change process.

2.10.3 Different Assessment

Employees assess the situation differently in comparison to those that are involved in the change process resulting in them seeing change as less beneficial for them and their constituency. Managers often assume that employees have the same information as they do which often results in resistance to change. According to Senior and Swales (2010:266), communication is the key to resisting change. Change managers need to also consider external stakeholders who can also be an important factor contributing to the resistance to change and need to ensure communication between staff.

2.10.4 Parochial Self-interest

Hayes (2018:249) suggests that managers do not consider how change will affect employees personally and only look at resistance from a coherent resource allocation perspective and thus aggravates the resistance to change. The level of resistance is determined by the employees perception of the level of benefit or harm that the change process will bring to them.

The impact that change has on employee could include ways of working, job opportunities, career perspectives and job satisfaction and the way these effect the employee's power, status and prestige. Change initiatives that threaten power and status results in one of the most influential resistance to change. In mergers the biggest fear that management and employees have is losing decision-making power.

2.11 Resistance to Change and the Need to Motivate Staff

There are a number of different ways that an organisation's change leadership can motivate staff to support the change initiative. Below is a discussion of some of these methods.

2.11.1 Education and Persuasion

According to Pathak (2017:107), the most widely used method to reduce resistance to change is to educate people about the need for change by presenting to them logical argument and

specialised affirmation. Employees who are considered rational human beings that are able to recognise facts are given an educative unbiased presentation of the facts to which they will change their behaviour according to the facts that are presented to them.

Another approach is through persuasion by appealing to the employee's emotions, by presenting a fervent argument in favour of change and influencing the message of change to make change more appealing to employees. Persuasion is an essential tool in advertising and is an essential mechanism when the staff commitment to the change process is low. This method increases buy-in from staff by convincing them about the benefits of change or the consequences of not changing. Myers *et al.* (2014:158) stress that staff are more likely to be persuaded to change if they were convinced about what they will lose if change does not happen than if they were told about what the benefits of change will be. People are more likely to change if they know what they will lose in the change process rather than what they will gain in change.

Employees need to be motivated to change organisations and has to create an environment of dissatisfaction with the present state through persuasion and education showing employees exactly what they will lose if change does not go through. However, managers must be cautious not to place blame on employees as this will result in them resisting change as they want to justify current practices and rejecting the need to change.

2.11.2 Involvement

Employees have to be involved in the collecting, analysing and presentation of information so that they are aware that the information is correct and not falsified by management. Their involvement will motivate them to change. Employee participation and involvement in process creates an environment of excitement, motivation and shared understanding.

Employees feel that change is not shoved onto them but that they are part of the change which makes acceptance of change more likely. Participation not only increases motivation but it also assists in sustaining the change as staff feel that they are part of the change process. Latham (2012:115) held studies that proved that when employees are involved in the change process planning they are more accepting to change and new practices as they are jointly responsible for the practice.

2.11.3 Facilitation and Support

Hayes (2014:245) suggests that resistance to change comes from fear and anxiety. Organisations can lower resistance through facilitation and support through training employees, giving leave to staff to cope with the loss from change or providing emotional support. People need time after a sense of loss to disconnect with their present position and the author suggests the value of group sharing sessions where employees have an opportunity to express their feelings about their loss.

Ceremonies and rituals assist people to let go of a loved one when they become deceased and so too in change when there is a sense of loss experienced then ceremonies and rituals can allow staff to leave the old behind and start up with the new. Managers should emphasise to staff why change was required and what would have happened if change was not implemented. Managers should also provide emotional support to staff.

2.11.4 Negotiation

According to Myers *et al.* (2012:158), this requires employees incentives to be agreed to be given to resistors to prevent resistant and compensate employees for their potential loss. Employees that do not feel that change will benefit them can be motivated to change by rewarding them for behaviour that facilitates change. Negotiation is a very effective factor that can overcome resistance to change.

2.11.5 Manipulation and Co-option

Pathak (2017:240) explains this as using individuals that are influential in the organisation to be part of the implementation or design of change so that these individuals can endorse change. The downside to this is that these employees can be co-opted which can be very treacherous for the organisation as they can change direction and cause further resistance to change.

2.11.6 Explicit and Implicit Coercion

Hayes (2014:111) explains that explicit and implicit coercion occurs when managers motivate people to change by threatening to withhold valued outcomes if they resist change. Employees may proceed to comply but their motivation in support of change will be low. Managers have to be constantly on guard monitoring the situation and continue with the threat in order to succeed.

2.11.7 Goal Setting

Goal setting effects the motivation of staff and performance. Seijt and Latham (2012:229) states that attractive goals has an effect on persistence, priorities and effective working methods.

2.12 Expectancy Theory and the Motivation to Support Resistance to Change

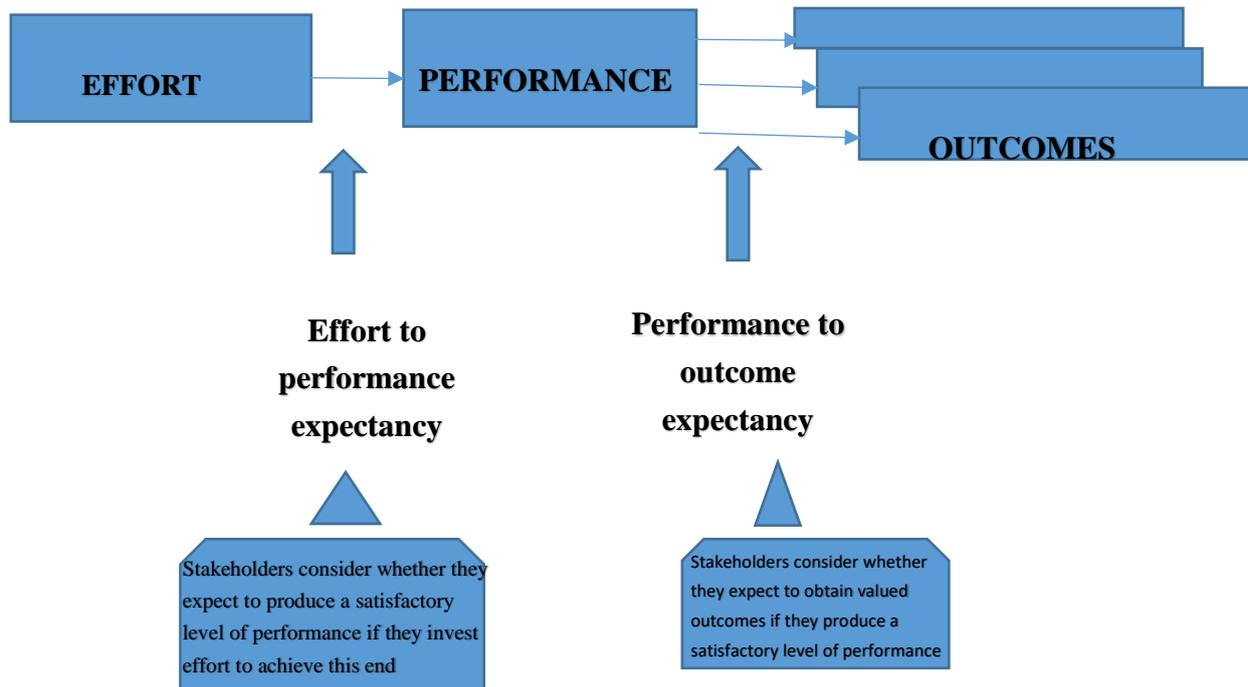


Figure 2.7: Expectancy Theory

Source: Hayes (2014:245)

According to Hayes (2014:245), when employees that have been part of the change process has the expectation that change will bring positive benefits to them they are motivated and supportive of change. However only when the promised benefit is received will employees respond with positive action. The Expectancy Theory explains the effects expectations has on motivation.

The Expectancy Theory separates the effort which recipients of change receive from motivation, the performance of the recipients and the outcomes. The theory assumes that the behaviour of recipients come from conscious choice that they make and the main aim of this is to receive the utmost pleasure and the least amount of pain. Performance from recipients is based on a person's own factors such as skill, personality, knowledge, experience and abilities. Personal motivation is linked to effort, performance and motivation.

The Expectance Theory is driven by perceptions. An employer can do everything possible to motivate staff and it will have a positive outcome on most staff however there could still be

staff that have perceived that it did not work for them. In some situations the employee will be motivated by the reward for performing a good job and if recipients believe that continuing to perform well will lead to further rewards then they will be more motivated to perform. In other instances recipients will perform in a certain way because they expect a certain outcome. The Theory of Expectancy relates to the relationship that people make towards expected outcomes and the participation they make to the result.

2.13 Conclusion

This chapter dealt with the literature behind change management and restructuring. The types of restructuring was discussed, the change process theories was explained, the PEST factors affecting change was discussed, the different change models were analysed and the reasons behind restructuring were evaluated. The next chapter discusses the research methodology that was used for this study in detail.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter imparts a detailed assessment of the methodology that was undertaken in the study. According to Clough and Nutbrown (2012:5), research is a way of describing a methodical examination of a phenomenon which are scientifically measured or the collection of data that is analysed and compared to trends, similarities or differences. Research is more than gathering information, it is a critical examination of the subject, an understanding and formulation of rules guiding the subject and the development of theories to improve the practise.

Research focuses on creating answers to dilemmas or creating something that does not exist. It is not reliant on personal feelings and personal beliefs but by scientific techniques which are used in each stage of the research process making it independent from personal emotions. The scientific methods used are the sampling method used in choosing a sample (for example random sampling), quantifying variables, gathering information (for example telephonic interviews) and scanning the collected data. This chapter provides an overview of the essential areas there were considered when the study was undertaken which includes amongst others the selection of the sample, the target population, data collection and data analysis.

3.2 Aim and Objectives

The aim of the study is to assess the restructuring process of the Finance Division at the UKZN and to provide recommendations that would uplift the morale of the staff and to also keep the staff motivated. The objectives of the study are as follows:

- To determine the restructuring steps that was followed by UKZN's Finance Divisions;
- To assess the impact that restructuring has had on the employee's morale and motivation; and
- To recommend restructuring strategies that an organisation can use that would not affect an employee's motivation and morale during change management initiatives.

3.3 Research Design

Research design according to Bryman and Bell (2011:40), imparts an essential framework for the collection and detailed examination of the data. Essentially research design is a plan that is dependent on time and activity, research questions and guides the source of information. The following are the different research designs namely:

- **Experimental Design**

Bryman and Bell (2011:714) explain that this design deletes contra explanations researched through an experimental group consisting of a controlled and a treatment group given random assignments.

- **Cross-Sectional or Social Research Design**

According to Chambliss and Schutt (2016:31), this method involves gathering data from multiple cases and at one point in time which results in qualitative and quantitative data that consists of multiple variables which are contrasted to determine patterns.

- **Longitudinal Research Design**

Cooper and Schindler (2014:660) define longitudinal research design as a repetitive measure that is practiced over a period and the changes in variables over this period are recorded. This design involves panels and cohort groups.

- **Case Study Research**

According to Bryman and Bell (2011:713), it is a methodology that requires the intense analysis and detailing of an individual case. There are instances where two or three cases are used to contrast and compare.

- **Comparative Research**

According to Maree (2014:73), the comparative research design involves comparing and contrasting two or more cases so that existing theories will be highlighted or to gain added theoretical insight.

- **Exploratory Research**

Schindler (2014:129) mentions that the exploratory research is used when the researcher does not fully understand the problems that the research could bring. This study enables the researcher to answer the question what happened. Exploratory research will identify why the actual problem occurred.

- **Explanatory Research**

Maree (2014: 299) describes explanatory design as a method that uses qualitative framework to assist in interpreting quantitative conclusions. The explanatory research allows the researcher to explore the question why the phenomenon had occurred.

The explanatory research method was used in this study.

Research design also comprises of the following:

3.3.1 The Research Philosophy

There are three different research philosophies namely qualitative, quantitative and mixed method. According to Bryan and Bell (2011:410), the results of the comparison is ambiguous due to certain authors looking at these strategies as a contrast while others have perceived it as being useless or false. The three strategies are defined as follows:

3.3.1.1 Qualitative Research

Qualitative research is defined as “interpretive techniques that seek to describe, decode, translate and otherwise come to terms with meaning, not the frequency of certain phenomena; a fundamental approach to exploration, including individual depth interviews, group interviews, participant observation, videotaping of participants, projective techniques and psychological testing, case study, street ethnography, elite interviewing, document analysis, and proxemics and kinesics” (Cooper and Schindler, 2014: 664).

3.3.1.2 Quantitative Research

Quantitative research is defined as “the precise count of some behaviour, knowledge, opinion or attitude” (Cooper and Schindler, 2014:664).

Gauri and Kjell (2010) argue that the distinction between qualitative and quantitative data is procedural and not quality. The differentiation between qualitative and quantitative methods and approaches is the mirroring of contrast perspectives on understanding and research goals and is not limited to quantification.

3.3.1.3 Mixed Method

Mixed method is implemented when a researcher uses a combination of quantitative and qualitative research in a study.

This study used the quantitative research because this type of research is more reliable and objective in its responses. For this study the quantitative research was used in order to determine the link between the various factors and instituted cause and effect in situations relating to the study. Using quantitative methodology this study quantified attitudes, point of views, conduct and other factors and had inferred the outcome from a bigger sample population. The data that was collected was used to devise facts and expose patterns in the research. This research was suitable as the study purports to understand the perceptions and behaviour with regards to restructuring in the Finance Departments. The information that was collected explained how staff felt about the restructuring process prior, during and post restructuring.

3.4 Research Strategies

There are two types of research strategies namely positivist research strategy (quantitative approach) and phenomenological research strategy (qualitative approach). The two types are discussed below:

3.4.1 Positivist Research Strategy

Bryman and Bell (2015:28) explain positivist as an theoretical position that advocates the application of the method of natural science to the study of communal reality. Below is discussion of the common type of research instrument that is used in a positivist (quantitative research).

3.4.1.1 Surveys (Questionnaire)

Survey research is a deductive method of collecting quantitative data that falls within the positivism framework. Questionnaires are structured instruments that are the same for all participants and are clear, compact and accurate in the questioning and response. Rossi *et al.* (2010:1) mention that the questionnaire is a methodical, systemised method of collecting data through questioning systematic samples. It is a measurement instrument that individuals can report about themselves regarding specific attributes. Quinlan (2011:322) explains that questionnaires are highly structured data gathering instruments that gather quantitative data that are highly factual and derives a positivistic perspective on the study. Questionnaires are ideal data collection instruments in a large population.

According to Dane (2011:151), scales are essential part of the questionnaire and choosing the correct scale is essential to the success of the study. The author points out that the following are the different types of scales that can be used in designing a questionnaire:

- **Likert Scale:** the Likert scale measures attitudes. This scale measures the force and direction of the attitudes. The respondent responds to a question by ticking the attitude statement that applies to the respondent.
- **Sematic Differential Scale:** uses opposite adjectives and respondents has to indicate which attribute best describes the occurrence that is being investigated.
- **Bogardus Social Distance Scale:** This scale measures the social space between social and ethnic groups.

According to Ekinici (2015:4), there are two types of questions that can be used in a questionnaire:

- **Open ended format questions:** these questions allows the respondents to comment on their feelings and desires. Respondents do not have set responses and can voice their own feelings.
- **Closed ended format questions:** These questions have pre-set answers that the respondent must choose from a list. The following are the types of closed ended format questions:
 - **Leading questions:** this is a question that puts pressure on a respondent to choose a single opinion. These questions are presented to sift out the respondent's opinion within a set limited words.
 - **Importance questions:** these are questions that require respondents to rate how important something is from a scale of between 1-5.
 - **Likert questions:** questions asked that determines the rate at which respondents agree with a specific statement for example how often do you watch television?
 - **Dichotomous questions:** questions that result in respondents answering with a no or a yes.
 - **Bipolar questions:** questions that have two different levels of extremities as responses which shows the opinion of the respondent for example what do you prefer? Drinking sugary cool drinks or drinking water?
 - **Rating scale questions:** questions that require respondents to answer questions on a rating scale for example 1-10 .
 - **Buying propensity questions:** These are questions that is aimed at deterring the future intention of the respondent.

3.4.2 Phenomenological Research Strategies

Phenomenological research also known as qualitative research according to Remler and Ryzin (2011:530), does not involve figures or quantification. Qualitative research is defined by Cooper and Schindler (2014:664) as an approach that construes, decipher, translate and achieve settlement with the meaning of certain development through interviews, observations, case study and other methods. Below are the different types of research strategies used in a qualitative study:

- **Case Study:** According to Bryman and Bell (2011:59), a case study entails the itemised and exhaustive analysis of a single case. The case study is a popular and widely used study.
- **Grounded Theory:** Remler and Ryzin (2011:522) defines grounded research as an emerged theory from observations that was made in a particular quantitative study and in a particular setting.
- **Ethnography:** According to Cooper and Schindler (2014:656), ethnography research occurs at the place where the behaviour takes place. The interviewer and participant work together on the field where the participant is observed and unstructured interviews take place.
- **Action Research:** this method according to Bryman and Bell (2011:413), is a collaboration between the action researcher and the client to identify the problem and to generate solutions to resolve these problems.

The positivist research strategy was used in this study. The survey in the form of a closed ended questionnaire using the Likert Scale was handed out to participants to complete. The forced-choice questions that were asked in the questionnaire encouraged respondents to respond to the feeling that best fitted them.

3.5 Target Population

According to Wang (2015:400), the target population is a smaller part of the overall population that the researcher focuses on for its research. The researcher uses a target population to draw conclusions from. The study's target population was the 75 Finance staff at UKZN's Finance Department spanning from all five UKZN campuses namely Edgewood, Westville, Howard, Medical School and Pietermaritzburg that are employed both on a contractual and permanent basis.

3.5.1 Sampling and Sample Size

Desu (2012:1) define sample size as the actual number of subjects selected to represent the population. A sample according to Uma and Bogie (2016:396), is a fragment of the population that is selected for research so that the results can be generalised. The sample is a subdivision

or selection of the population. The sample selected was 75 staff irrespective of their position namely from executive to officers. There are two broad types of sampling:

3.5.2 Sampling

> Probability Sampling

Probability sampling according to Sekaran and Bogie (2016: 395), is a technique in which there is a known probability that the components of the population will be chosen in the sample. Probability sampling allows all the subjects in the population a similar chance of being chosen.

The following are the different types of probability sampling:

- **Simple Random Sampling**

This study used the simple random sampling. Cooper and Schindler (2014:349) describes this sampling as the purest form of probability sampling as all components in the population have an equal chance of being selected.

> Non-probability

Dane (2011:121) argues that non-probability sampling is different from probability sampling as it involves any random procedure that chooses components who have an unequal chance of being selected.

Probability sampling using simple random sampling method was the chosen sampling method used to undertake this study. This method was used because the study required a fair unbiased sample selection where all the subjects have the same weighted probability of being chosen. This study aims to produce results that is representative of the total population and allows generalization so that this study can have external validity.

3.6 The Research Instrument

Data collection instrument is a tool that is used in research to collect data. In this study the instrument that was used to gather data was the questionnaire. The questionnaire was developed

using closed ended questions. The Likert scale was also used in the development of the questionnaire.

According to Connaway and Powel (2012:145), the questionnaire is the most commonly used data collection technique. This method has a standard set of questions that all respondents have to answer and they are usually interpreted in the same way. The questionnaire is advantageous to the study in the following ways:

- Respondents had the anonymity to express their feelings and were able to give well thought out, honest answers;
- The questionnaire allowed respondents sufficient time to gather their thoughts and answer the questions without having the researcher present requesting an immediate answer;
- The cost of administering questionnaire were inexpensive; and
- The questionnaire allowed for quantitative data to be easily extracted with the large sample at hand (Connaway and Powel, 2012:145).

The disadvantages of using the questionnaire are as follows:

- Staff that are uneducated will have a more difficult time completing the questionnaire;
- Respondents could misinterpret questions and researchers are not present to correct it; and
- Non response rate are higher with questionnaires (Connaway and Powel, 2012:145).

This study used closed ended questions. This method consisted of questions with pre-set answers that the respondent had to choose from. This methodology allowed for the calculation of statistical information and derived percentages which assisted in obtaining an opinion about UKZN's restructuring in a more efficient manner.

3.6.1 Questionnaire Construction

The questionnaire consisted of three sections. The scale that was used in the questionnaire was the Likert scale of rating. According to Monette *et al.* (2011:357), the Likert scale of rating is the most commonly used scale. The continuum scale had on one end strongly agree and the

other end strongly disagree. The respondents had to choose which feeling best expressed the answer to the question.

3.7 Pilot Study

Dane (2011:228) defines a pilot study as a miniature scale administration of the survey by adapting the same processes and procedures that is to be used in the main survey. The questionnaire was tested through a pilot test to refine the measure instrument. A pilot study was held at Westville Campus with 13 respondents. These respondents were not included in the statistical analysis. The aim of the pilot test was to ensure to detect possible flaws in the questionnaire and to identify ambiguous items that may be present. The pilot study revealed that there were no changes to the questions. The questions were simple to understand and took approximately 10 minutes to complete.

3.8 Administration and Collection of Questionnaires

Table 3.1: Distribution and collection of questionnaires

Details	Number of Questionnaires	Percentage Represented
Number sent out	75	100
Number Returned	54	85.7
Not returned	21	33.3

According to Dornyei (2014:70), questionnaire administration is just not another process but it is an essential step in retrieving quality reliable responses. Questionnaires that are personally administered to the respondents allows for a better relationship with the respondent. The questionnaire, the aim and the objectives of the study was explained to the respondents. Sixty three questionnaires were e-mailed to the respondents. Respondents were explained the purpose of the questionnaire in the e-mail and were given a week to complete and return. After one week, 54 questionnaires were returned. Another e-mail was sent out to the respondents as

a friendly reminder to complete the questionnaire, however after another week of waiting, there were no further response from the respondents which meant that 21 questionnaires were outstanding. The response rate was 72%.

3.9 Data Analysis

According to Vithal and Jansen (2010:27), the purpose of data analysis is to make sense of the data that has been collected. Bezuidenhout and Cilliers (2014:81) argue that data analysis involves sifting through the data collected to sort, select and organise information to make sense of the study phenomenon. Vithal and Jansen (2010:27) mention that there are three steps in data analysis as follows:

- **Examining and removing impure data:** requires preparing the raw data for analysis by reading data, checking data and identifying trends;
- **Organising data:** requires the researcher to make sense of the data through counting, describing, comparing and categorising; and
- **Representing the data:** involves using data collected to create meaningful summaries in the form of tables, graphs, statistical summaries and case boxes.

Descriptive analysis is a regulation that reports on attributes of a selection of data. This discipline aims at summarizing a set of data. The study used descriptive analysis because this type of analysis has the ability to gather, arrange and contrast data in an organised manner. Descriptive statistics was chosen because of its simple uncomplicated process that produces descriptions and summaries of data.

This study also used inferential analysis to analyse the questionnaire. Inferential analysis is statistical techniques that use the hypothesis drawn from the sample to make inferences to the population. Inferential analysis is known for its accuracy and trustworthiness of the conclusions it helps to draw. The study used the following methods to achieve the following:

- Describe and summarize the data;
- Establish relationships between variables;
- Compare variables; and
- To establish the difference between variables.

3.10 Validity and Reliability

According to Bezuidenhout and Cilliers (2014:157), validity and reliability occurs in quantitative research when the statistical data generates the same numerical and statistical results if tested repeatedly.

3.10.1 Validity

According to Schindler and Cooper (2014:257), validity is the extent to which the research instrument reflects the reality of the constructs that were being measured. Validity simply means that the research had measured what it was meant to measure. The following are the different types of validity:

- **Face Validity:** refers to the degree to which the research instrument performs what it is supposed to measure.
- **Concurrent Validity:** refers to the degree to which the instrument measures an elemental construct.
- **Construct Validity:** refers to a measure that is appropriate for one group and is inappropriate for another.

The study ensured that validity was considered in the research by conducting a pilot test and ensuring that all questions asked were clear and not suggestive. Every measure was taken to guarantee a high response rate in order to ensure the validity of this study.

3.10.2 Reliability

According to Sarantakos (2012:104), reliability refers to how accurate and precise the measurement procedure is. Reliability can be measured when a different researcher retests the data at a different time but using the same method or instrument and achieves the same result. Reliability is how consistent the measure, score or rating is. Reliability relates to the credibility and consistency of the research. This involves another person retesting the data and achieving the same results.

Cronbach's Alpha was used in this study to measure reliability. Cronbach's Alpha weighed consistency in that it looked at how closely related items are in a group. If the coefficient is between 0.7 and 0.8 then it is reliable (see Chapter four, Reliability Test). The research data received from the respondents showed that the questionnaire was answered in the same consistent manner despite respondents being from five different campuses. This reveals that the research instrument design, administration and content used was reliable.

3.11 Limitations

This study was only conducted at UKZN. The research was also restricted to the Finance staff only and did not extend to other departments at UKZN. The quantitative approach that was used to gather data does not allow for probing of responses as is the case in the qualitative approach.

3.12 Elimination of Bias

Bias according to Dawson (2013:119), is a desire or inclination for a specific conclusion, perspective or result. The study eliminated bias by asking all respondents the same questions. No specific gender or race was selected to participate in this study, hence avoiding bias of gender and race. The use of a questionnaire ensured objectivity throughout the study hence bias was eradicated.

3.13 Ethical Considerations

According to Vithal and Jansen (2010), ethical consideration refers to methods, procedure and perspectives that relates to the researcher how to act, how to analyse complicated problems and issues. The study ensured that openness and honesty were held in reporting its results. All information used in the study was correctly referenced and free of plagiarism. The respondents gave written consent and was free to choose if they wished to participate in the study and was not coerced or pressured. The respondent's identity was kept anonymous and access to their responses was limited. Confidentiality of the responses was upheld. Respondents were adequately informed of the objectives and nature of the research prior to their participation.

Ethical approval was obtained from the UKZN ethical committee and a gate keepers' letter from the Office of the Registrar at UKZN was received prior to the start of this study.

3.14 Conclusion

The research methodology that was used to answer the research objectives for this study was discussed in this chapter. The quantitative approach with the use of a questionnaire was used to collect the necessary data for this study. The research design, research approach, sampling method, data collection instruments, data quality, data reliability and data analysis were discussed in this chapter. The next chapter discusses the data analysis, interpretation and findings.

CHAPTER FOUR: DATA ANALYSIS, INTERPRETATION AND FINDINGS

4.1 Introduction

This chapter gives an account of the data that was obtained from respondents that participated in this study. According to Flick (2013:229) research results should be communicated to readers in a manner that allows them to view every response given without looking through every completed survey. The data collected from the questionnaires is presented through graphical presentation and interpretation.

The results and interpretation derived from the completion of the questionnaire has been exhibited into various sections namely demographic profile and the objectives of the research. It should be noted that the total percentage does not equate to 100 percent due to the SPSS's rounding off system.

4.2 Descriptive Statistics

The results of the study are based on the descriptive statistics of the staff profiles in the form of bar charts and tables. The purpose of using descriptive data was to transform the data collected from the research instrument and give the data meaningful information by using study variables range, mean and standard deviation. Frequencies and percentages were used to determine the sample profile and the questions under the respective dimensions. The overall response to the dimensions was assessed by the mean and standard deviation.

4.2.1 Profile of the Sample

The profile of the sample is presented and discussed below:

4.2.1.1 Gender of Respondents

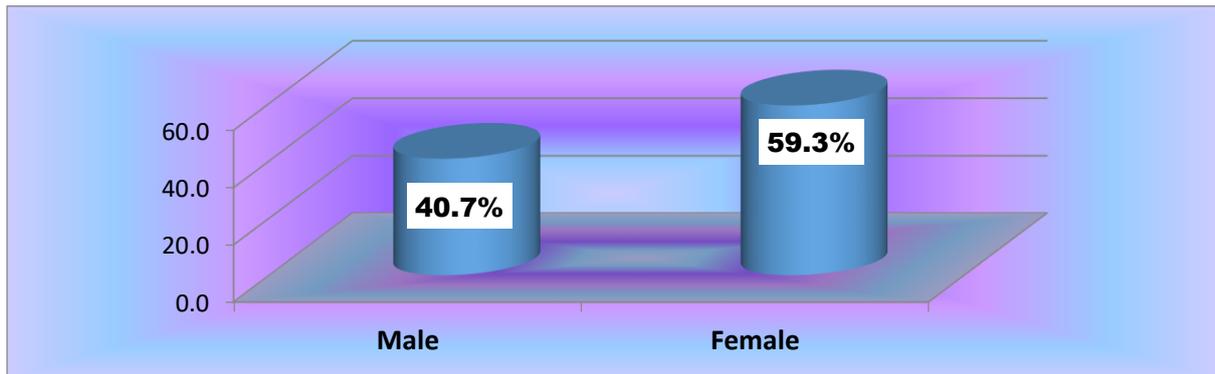


Figure 4.1 Gender of respondents

Figure 4.1 illustrates that the questionnaire was completed by 59.3% of females and 40.7% of males. This reveals that the gender is unequally represented with the majority being females of 59.3%, followed by males (40.7%). The illustration clearly shows that management has met the gender targets in the Finance Division of UKZN.

4.2.1.2 Race of Respondents

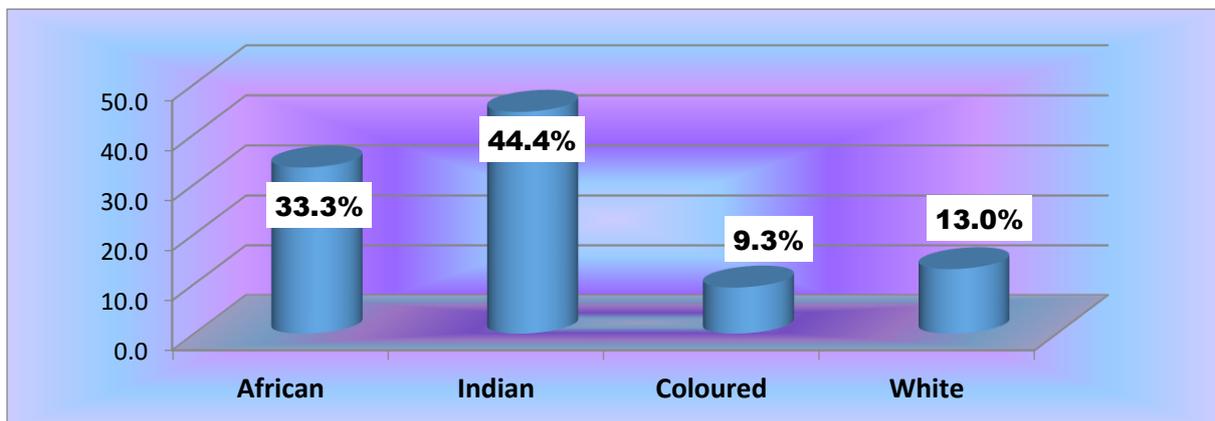


Figure 4.2: Race of the respondents

The study was extended to all race groups (African, Indian, Colored and Whites) and had no restrictions to any race group. Figure 4.2 illustrates the percentage response to the questionnaire from all four race groups. The highest percentage respondents came from the Indian group

(44.4%). The lowest percentage came from Coloured group (9.3%). The response from the African group was 33.3% followed by the White group equaling 13%. The illustration reveals that management needs to look into the profiles of the Whites, Blacks and Indians as it is not in keeping with UKZN's race profile targets. The University is committed to employing underrepresented groups and is devoted to fulfilling the equity legislation. The University has a specialized unit that has been set up to ensure that the University meet their employment equity targets in the future. The Coloured profile was in keeping with UKZN's target. A diverse working team is essential to gain and maintain competitive advantage in the markets (Bendl *et al.*, 2015:376).

4.2.1.3 Age of Respondents

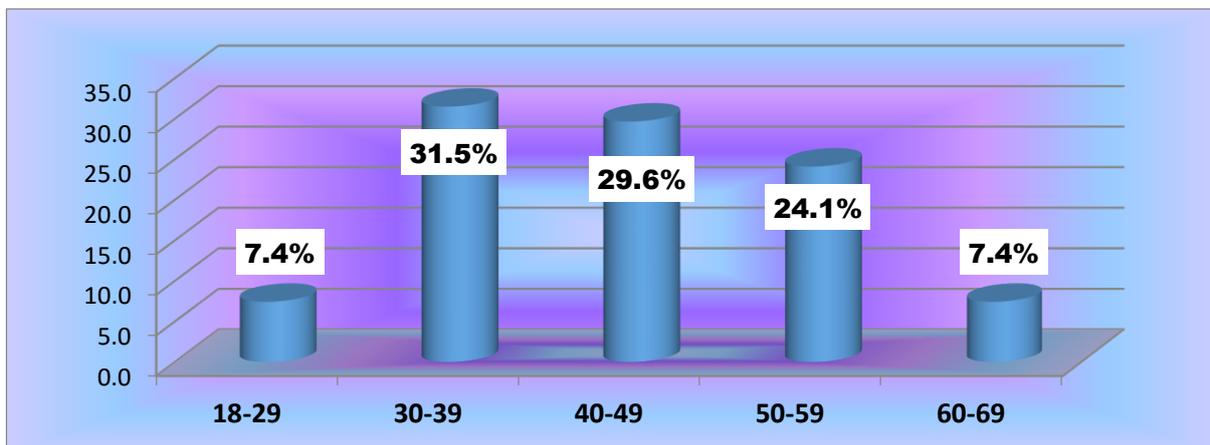


Figure 4.3: Age of respondents

In Figure 4.3 it can be seen that the majority of the respondents (31%) are in the age group of between 30-39 years, 40-49 years was the second highest comprising of 29.6%, followed by the age group of 50-59 years with 24.1%. The results further revealed an equal weighting in the age of 60-69 and 18-29 years.

4.2.1.4 Period of Employment

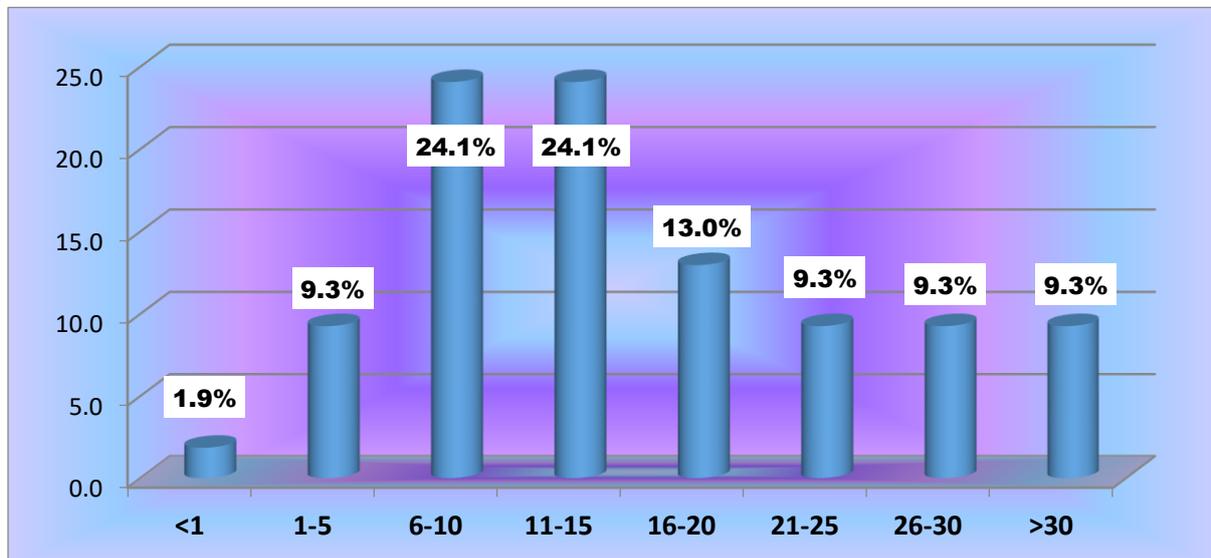


Figure 4.4: Period of employment

Figure 4.4 illustrates the respondents' length of service at the University. There was an equal weighting of 24.1% of the respondents for the period of employment between 6-10 and 11-15 years. Employment ranges between 16-30 years were 13%, followed by 1-5 years with 9.3%. A further response of equal weighting of 9.3% was received from the employment ranges of 21-25; 26-30; 1-5 and > 30 years. Only 1.9% of the respondents were in the employment range of < 1 year.

4.2.1.5 Grade Level

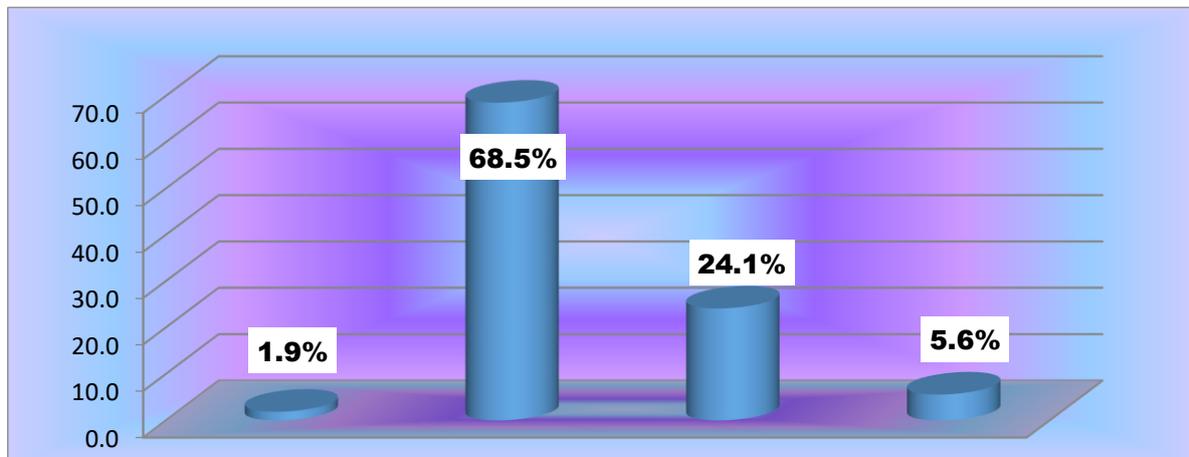


Figure 4.5: Peromnes grade levels of the respondents

Figure 4.5 illustrates the Peromnes grade level that the respondents fall under. Respondents that were between Grades 09-12 was the highest number with 68.5%. Respondents from Grade 07-08 had 24.1%; Grade < 7 had 5.6% and grade 15-17 had the lowest with 1.9%.

4.2.1.6 Highest Qualification

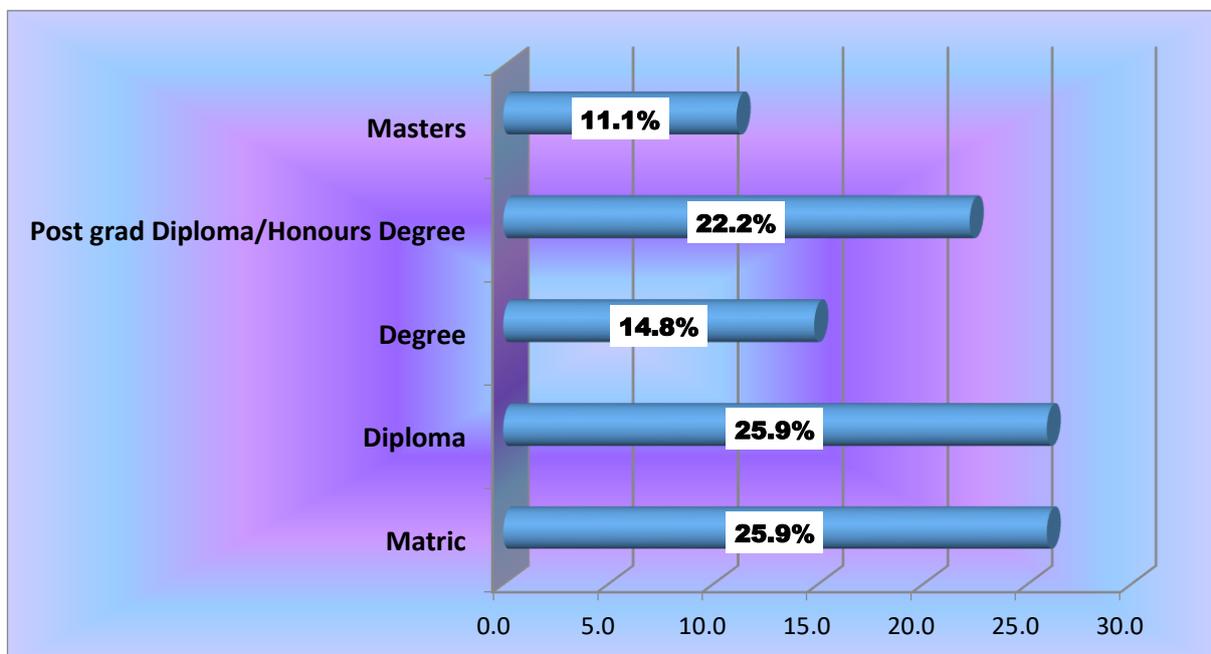


Figure 4.6: Highest qualification of the respondents

Figure 4.6 illustrates the highest qualification that respondents had. The majority of the respondents that had Matric and a Diploma had equal weightings of 25.9% each. There was a further response of an Honours/Post Graduate Diploma (22.2%); respondents with a degree amounted to 14.8% and respondents with a Masters was the lowest with 11.1%.

4.2.1.7 Campus and Location

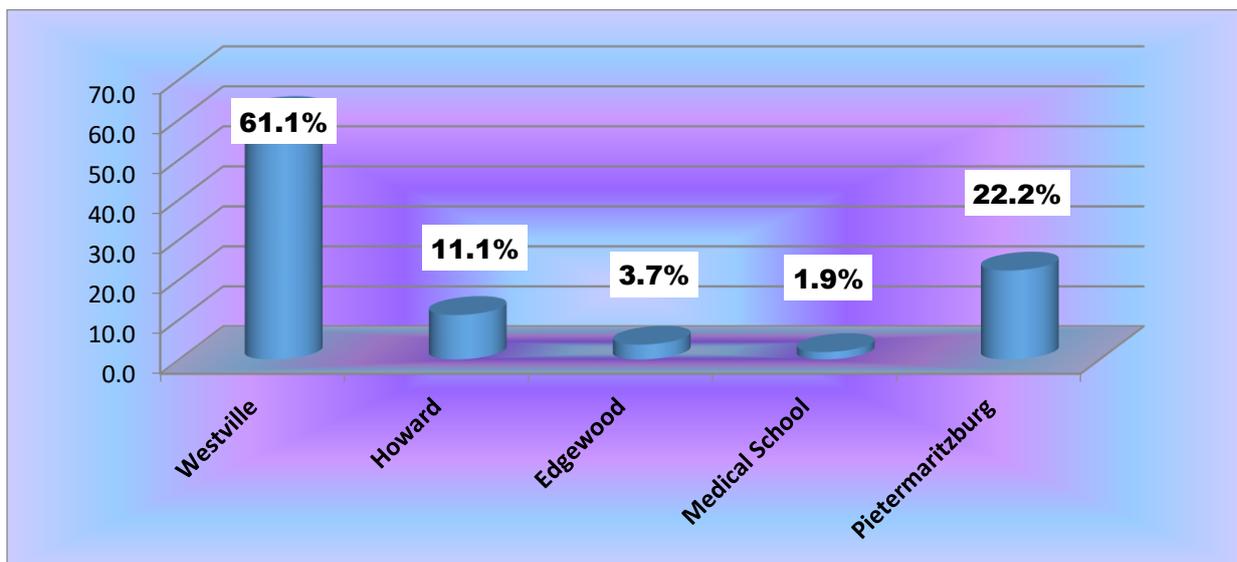


Figure 4.7: Campus Location

The results in Figure 4.7 illustrates the composition of the sample according to the campus they are located on. It is evident that the highest which is 61.1% of the respondents are located on Westville campus followed by Pietermaritzburg campus with 22.2%; Howard Campus with 11.1%; Edgewood Campus with 3.7% and the lowest was from the Medical school with 1.9%. The Head Office of Finance is in Westville therefore the number of respondents are very high at Westville campus. Pietermaritzburg has the second largest number of respondents as the General Debtors, Fee/Debtors offices and the Cashiers offices are based there. At Howard, Edgewood and Medical School the number of respondents are less due to those campuses only housing Fees/Debtors and Cashiers offices only.

4.2.1.8 Department of Finance

Table 2.1: Distribution of Department

Department in Finance	Frequency	Percent
Fees, Debt & Cashiers	28	51,9
Taxation and Systems	3	5,6
Finance and Accounting Services	8	14,8
Procurement and Insurance	4	7,4
Creditors	4	7,4
Professional Services	3	5,6
Cashbook	3	5,6
Helpdesk	1	1,9
Total	54	100,0

Table 4.1 illustrates the composition of the sample according to Departments. The highest number of respondents were from the Fees, Debt and Cashiers office (51.9%), followed by the Finance and Accounting service with 14.8%; Procurement and Insurance and Creditors had equal weighting of 7.4%; Cashbook, Professional services and Taxation and Systems were also equally weighted with 5.6%. The Helpdesk response was the lowest with 1.9%. The highest

number of staff is employed at the Student Fees, Debt and Cashiers office which is based on all five of UKZN's campuses.

4.2.2 Responses to the Questions for each Objective

Responses to the questions relating to each of the objectives are presented below.

4.2.2.1 Restructuring Process at UKZN

According to Smith (2010:211), restructuring should be considered a long-term process that builds on itself and skipping stages in a process will not accelerate the process but slow it down or even derail it. The statistics gathered below relates to the essential steps required for a successful change initiative.

- a) **Prior to the launch of the restructuring process, management created an urgency by explaining the necessity and importance of the restructuring process**

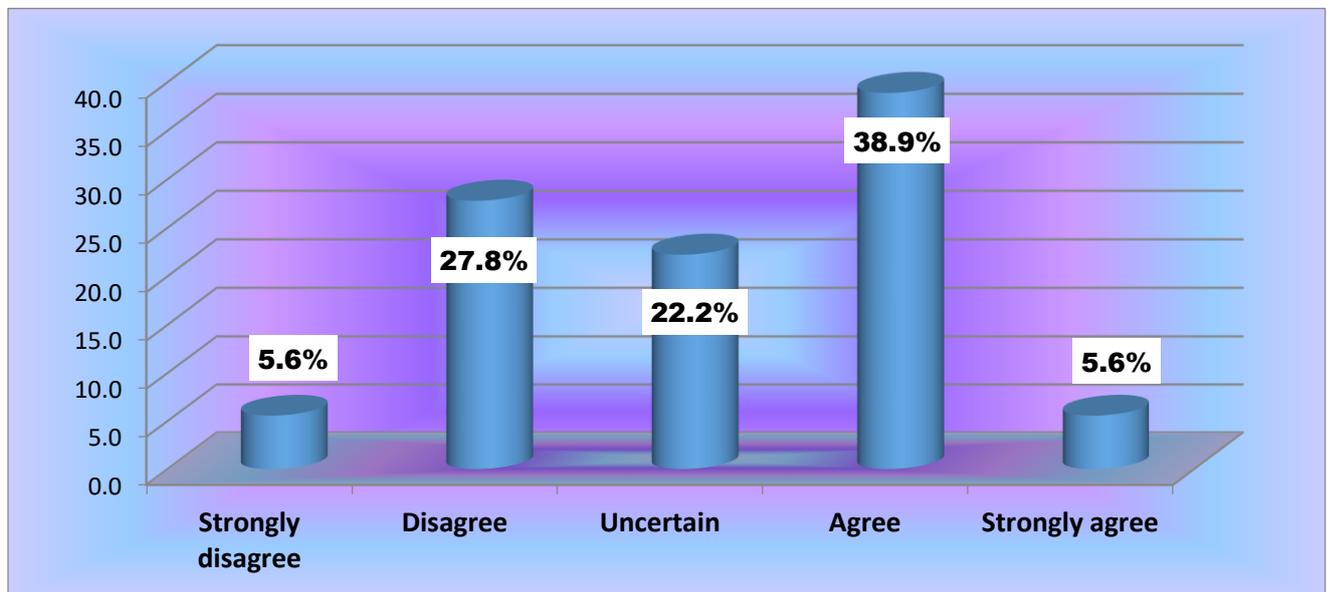


Figure 4.8: An explanation of the necessity and importance of the restructuring process was given

The majority of the respondents (44.5%) in Figure 4.8 strongly agreed/agreed that prior to the restructuring management created an urgency by explaining the necessity and importance of the restructuring process. There was a further response of 33.4% who strongly disagreed/disagreed and 22.2% were uncertain. Statistics has therefore revealed that this step was followed during restructuring. According to Lunenburg (2010:2), in this step the organisation unfreezes by inventing and evoking reason for an employee to buy into change. This step is essential in a restructuring process as a sense of urgency must be created in the environment so that discussion and excitement is sparked in the organisation. Strong arguments must be invented to convince people to participate in change or the restructuring process has a high likelihood of failing.

b) Management prior to the launch of the restructuring process explained the risks and opportunities that this phase would yield

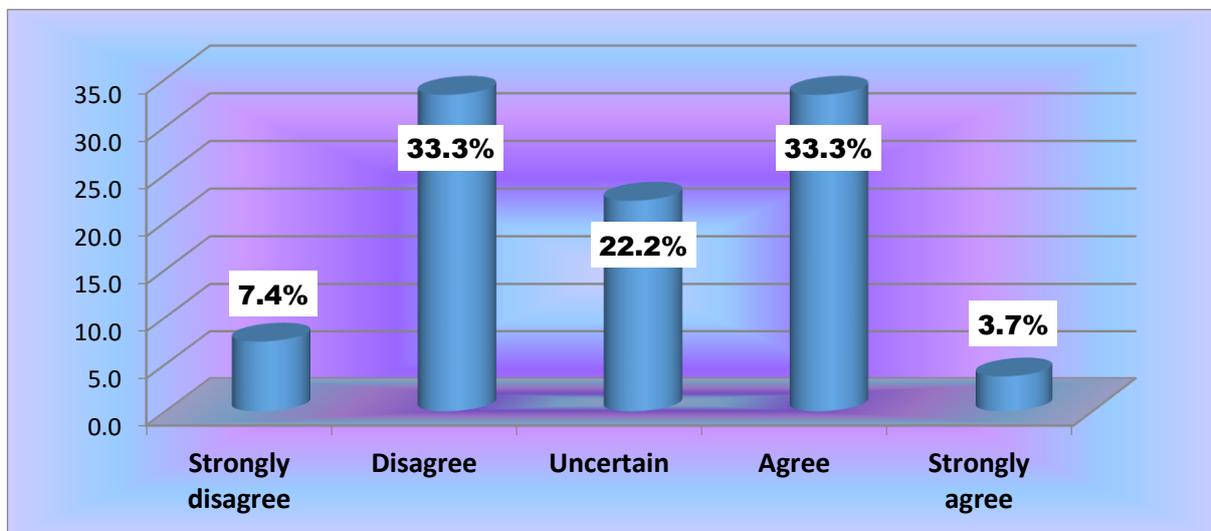


Figure 4.9: Risks and opportunities were explained prior to the restructuring

Figure 4.9 shows that the majority of the respondents (40.7%) strongly disagreed/disagreed that prior to restructuring management did explain the opportunities and risks that restructuring would yield. A further 37% of the respondents strongly agreed/agreed, while 22.2% remained uncertain. The statistics have revealed that management did not prepare staff for the opportunities and risk that was to come and therefore staff walked blindly into the restructuring process and did not prepare themselves adequately for what was to come. According to Cawsey

et al., (2016 : 94), prior to the implementation of the restructuring staff should have been advised of the risks and opportunities that the change will bring so that excitement and discussion is ignited in the organisation to ensure a successful change initiative.

c) Management created a coalition or a team of staff to drive the restructuring process

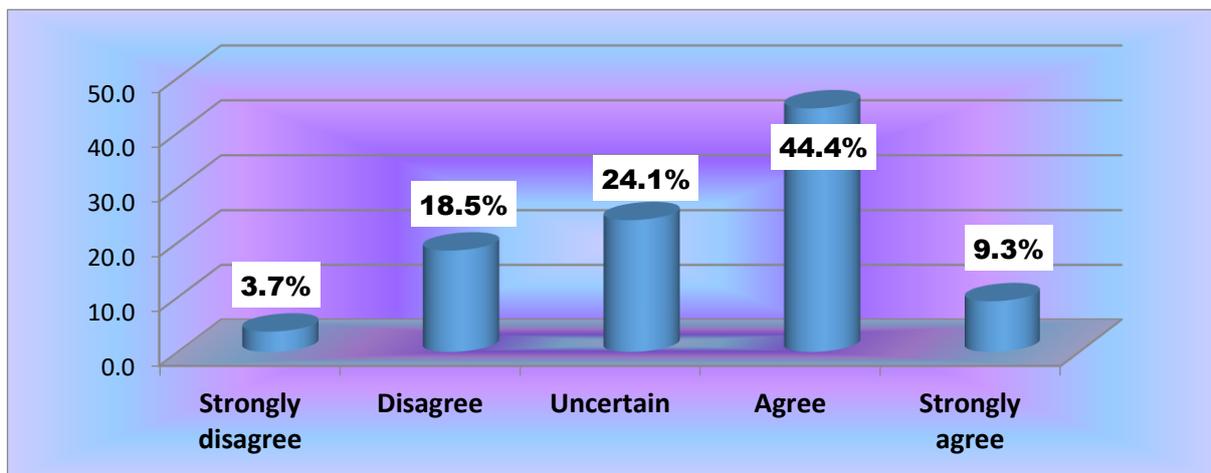


Figure 4.10: Team set up to drive the restructuring process

According to Smith (2010) it is essential to create a group of influential powerful individuals that will drive the change process to successful implementation. Figure 4.10 reveals that the majority of the respondents agreed/strongly agreed (53.7%) that management created a team or coalition to drive the restructuring process while 22,2% of respondents strongly disagreed/disagreed followed by 24.1% who were uncertain.

d) The restructuring team appointed had the power, credibility, expertise, excellent leadership skills, and a shared objective to lead the restructuring process

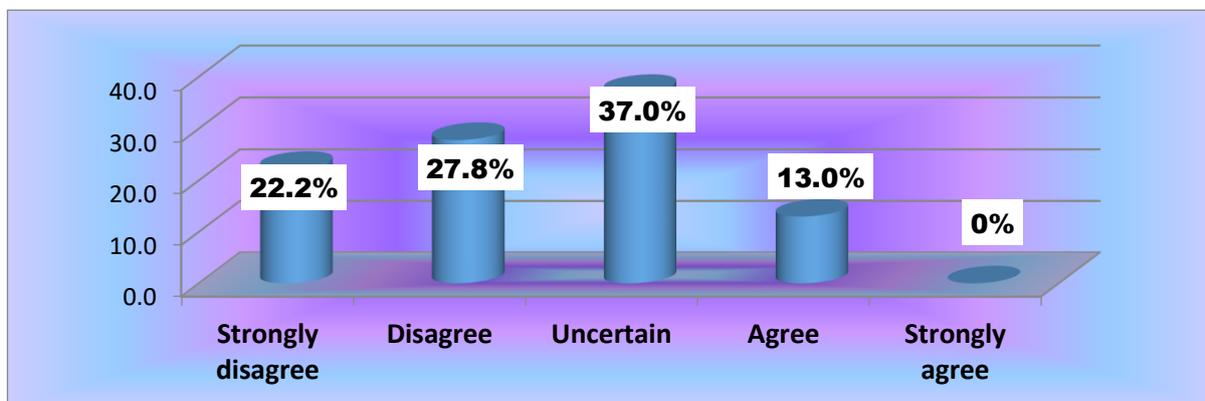


Figure 4.11: Power and skill of the restructuring team

Figure 4.11 revealed that the majority of the respondents (50%) strongly disagreed/disagreed that the restructuring team that was appointed had the credibility, expertise, excellent leadership skills and shared objective to lead the restructuring process. A further 37% of the respondents were uncertain, while 13% agreed. Appelbaum *et al.* (2012:766) explains that successful restructuring cannot be carried out by a single individual but by a coalition of individuals with essential skills and position of power, expertise, credibility and leadership. Management coalitions that are not equipped with the right skills required will not be able to drive the change process and lead the organisation to success.

e) **The restructuring team created a clear vision that was imaginable, desirable, feasible, focused and flexible**

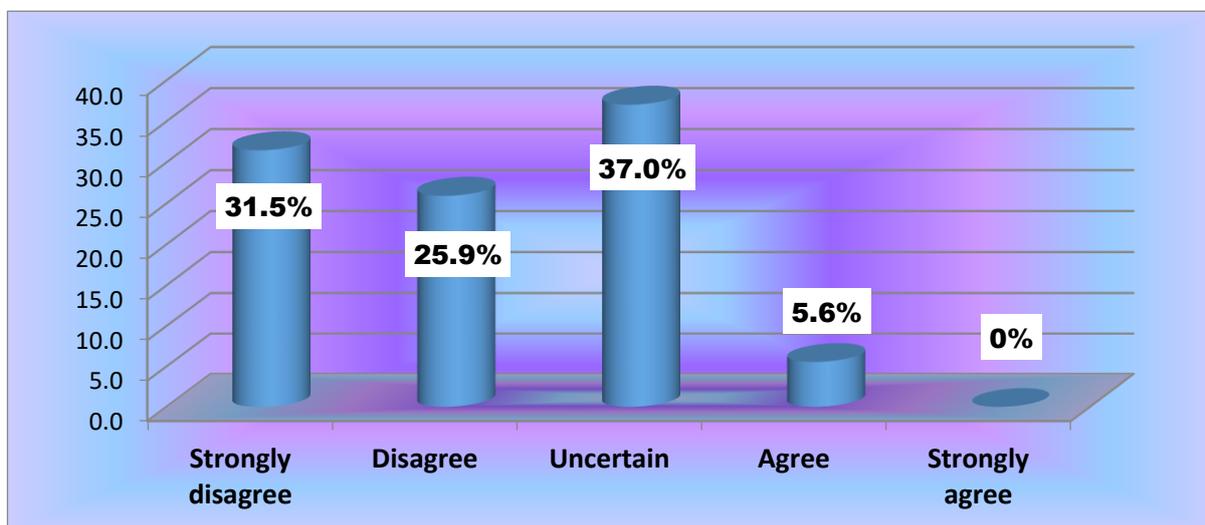


Figure 4.12: Clear vision was created

The results in Figure 4.12 show that the majority of the respondents (57%) strongly disagreed/disagreed that the restructuring team created a clear vision that was imaginable, desirable, feasible, focused and flexible while 37% of respondents were uncertain and 5.6% agreed with the statement. The results in Figure 4.12 has shown that there was no clear vision and without clear vision the change process will not be successful. According to Appelbaum *et al.* (2012:769) a vision is essential for a successful change process because without a clear vision the change objective can dissipate resulting in confusion.

f) The new vision for the restructuring of UKZN Finance was clearly communicated verbally and through other means of advertising by management to staff on all five campuses

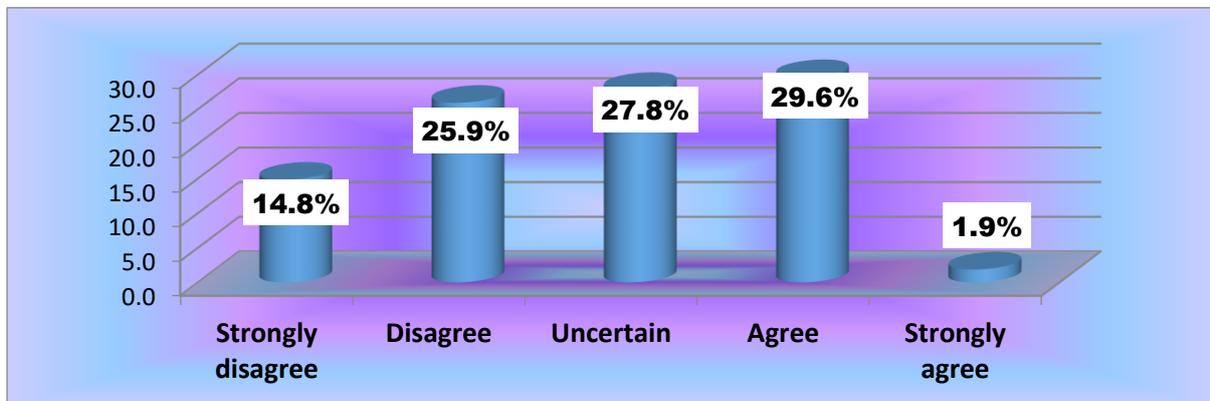


Figure 4.13: Vision was clearly communicated

The majority of the respondents (40.7%) in Figure 4.13 strongly disagreed/disagreed that the new vision for the restructuring was clearly communicated verbally and through other means of advertising on all five campuses while 31,5% disagreed/strongly disagreed followed by 27,8% that was uncertain. According to Nelisen and Selm (2015:309), communication is an essential feature of the change process as it reduces ambiguity and uncertainty which inevitably reduces negative reactions to organisational change. Communication is an essential component to any change initiative. Communication dispels confusion and misgivings and results in motivated staff. A lack in communication would have resulted in rumors and misconceptions circulating among staff which ultimately results in demotivated staff.

g) Through their actions the leadership had inspired and motivated respondents to follow the vision

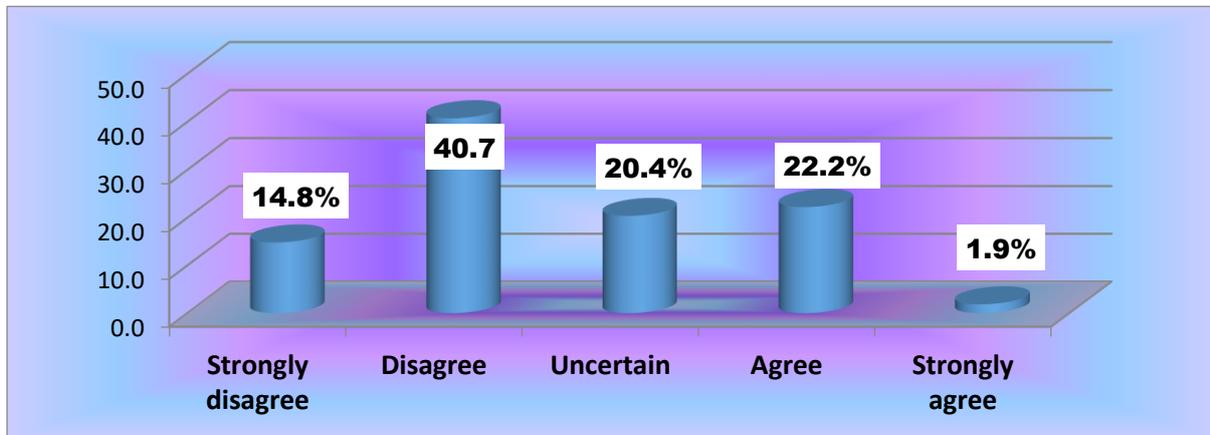


Figure 4.14: Leadership was inspirational

Figure 4.14 shows that the majority of the respondents (55.5%) strongly disagreed/disagreed that leadership through their actions inspired and motivated respondents to follow the vision followed by 24.1% of respondents that agreed/strongly agreed and 20.4% that were uncertain. According to Jones and Dirndorfer (2002:52), leadership plays an essential role in the corporate vision by creating an inspiration for employees to clasp the vision and crafts of the organisation, hence is one of the critical steps of restructuring. Staff that are demotivated and are not inspired will lead to low levels of productivity, profitability and most importantly restructuring will result in an unsuccessful change initiative which was in the case of UKZN.

h) The restructuring team assisted staff to remove barriers or obstacles that they encountered during restructuring

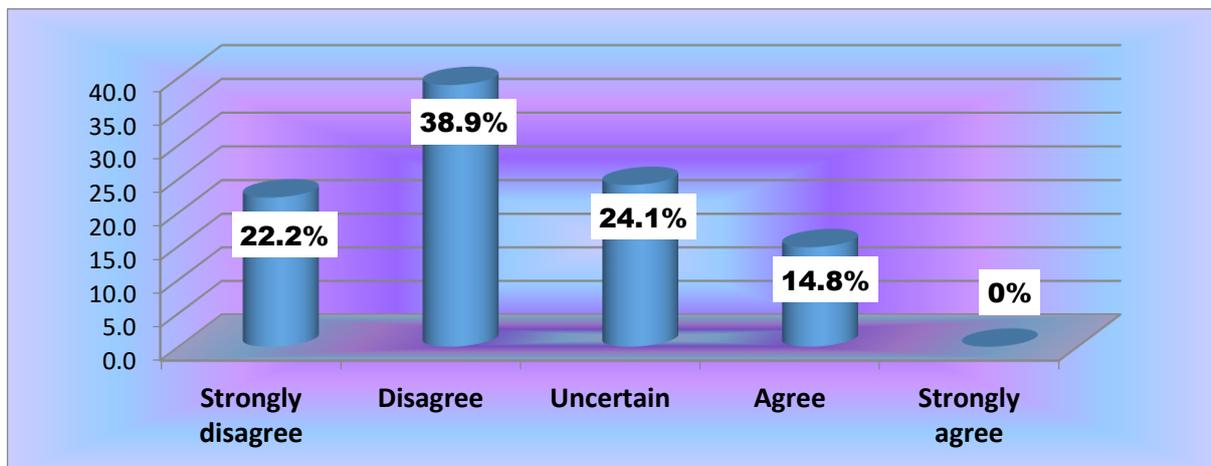


Figure 4.15: restructuring team assisted to remove barriers

The results in Figure 4.15 show that the majority of the respondents (61.1%) strongly disagreed/disagreed that the restructuring team assisted staff to remove barriers or obstacles that they encountered during restructuring followed by 24.1% that were uncertain and 14.8% that agreed with the statement. According to Lunenburg (2010:3), this step involves removing barriers and using target elements of change to transform the organisation. The research proves that the restructuring team did not assist to remove barriers or obstacles encountered during restructuring. Staff had to face these challenges alone which ultimately resulted in low levels of motivation which adversely affected restructuring.

i) The managers for the different support staff departments ensured that staff had the right skills, tools and information systems (computer system) needed to bring about the change and perform their tasks successfully post restructuring phase

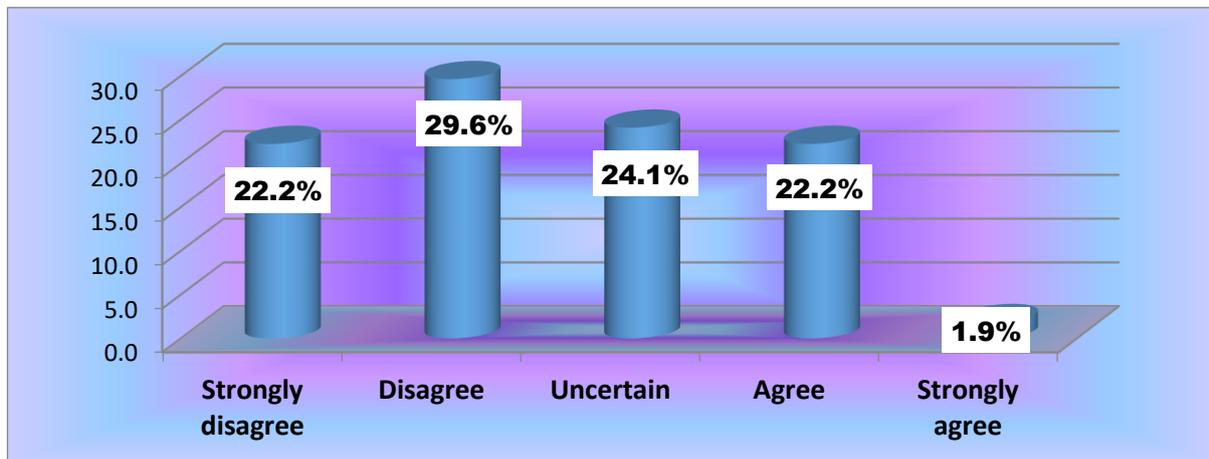


Figure 4.16: Tools for successful restructuring

Figure 4.16 shows that the majority of the respondents (31.8%) strongly disagreed/disagreed that managers ensured that staff had the right skill, tool and information needed to bring about change and perform tasks successfully post restructuring while 24.1% agreed/strongly agreed and were uncertain respectively. According to Cameron and Green (2012:189), leaders that address the obstacles i.e. Structure, skill, system and supervisors will result in employees being empowered. Staff that are not equipped with the correct tools to do the job correctly will not be able to perform their function. Staff according to the research were not given the tools to equip them to perform which would result in a decrease in productivity as they will not be able to perform without the correct tools to do so.

j) During the restructuring process management cut down the long term goals to create short term wins to ensure sustained motivation of the staff

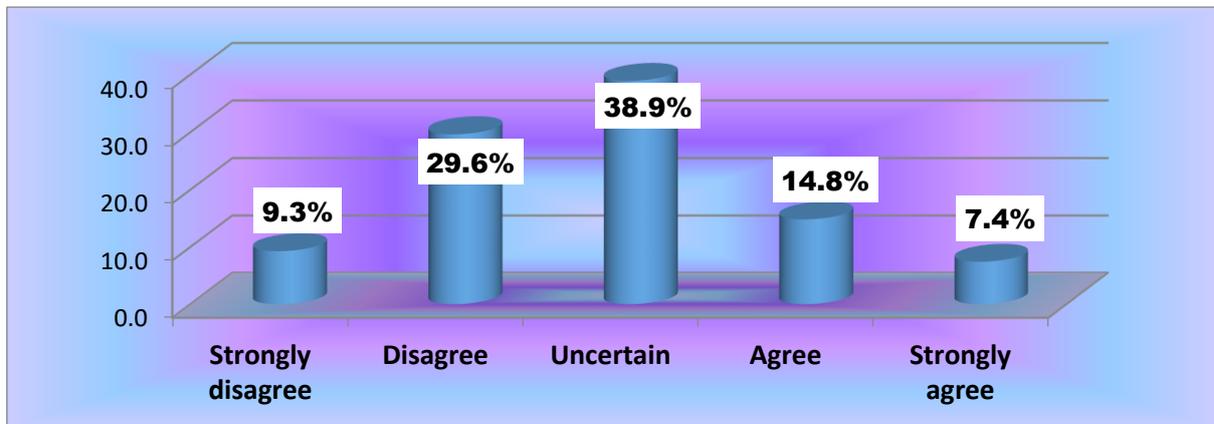


Figure 4.17: Ensuring sustained motivation

In Figure 4.17 it can be seen that the majority of the respondents that strongly disagreed /disagreed and respondents that were uncertain was 38.9% respectively to the statement that during the restructuring management cut down on long term goals to create short term wins to ensure sustained motivation by staff. A further 22.2% of the respondents agreed/strongly agreed to the above statement. Mento *et al.* (2002:52) argue that replacing long term goals with short-term wins is an essential component in restructuring as it motivates and prevents resistance in staff. Achieving a short-term goal is essential to ensure sustained motivation and focus of staff throughout restructuring. According to the statistics derived this was not adhered to which resulted in low motivation and the lack of focus from staff.

k) During the restructuring management communicated with staff frequently about how the new process was improving productivity

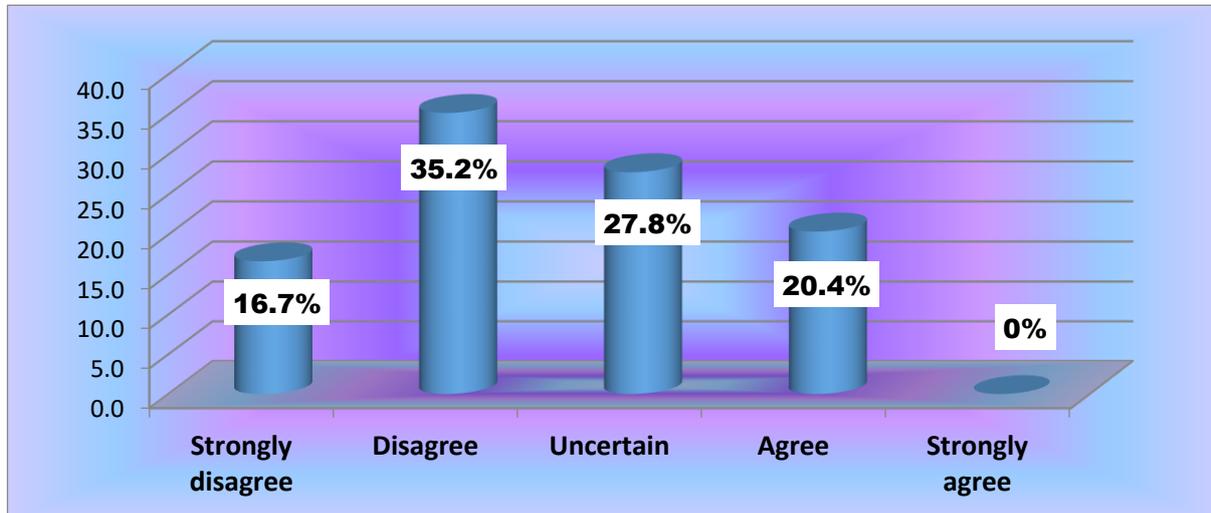


Figure 4.18: Frequent communication by management

Figure 4.18 indicates that the majority of the respondents (51.9%) strongly disagreed/strongly disagreed that management communicated with staff frequently about how the new process was improving productivity while 27.8% were uncertain and 20.4% of the respondents agreed. According to Kotter (2012:230) communication ensures that everyone envisage a shared future that motivates staff ensuring that transformation and successful change is inevitable. Communication, honesty and making staff part of the restructuring is an essential step in the change management process. Communication is essential to any successful change initiative. The respondent's response has shown that there was no communication to staff on the new process and its effects on productivity. No communication leads to low motivation which results in unhappy employees.

1) During the restructuring process management rewarded short-term wins

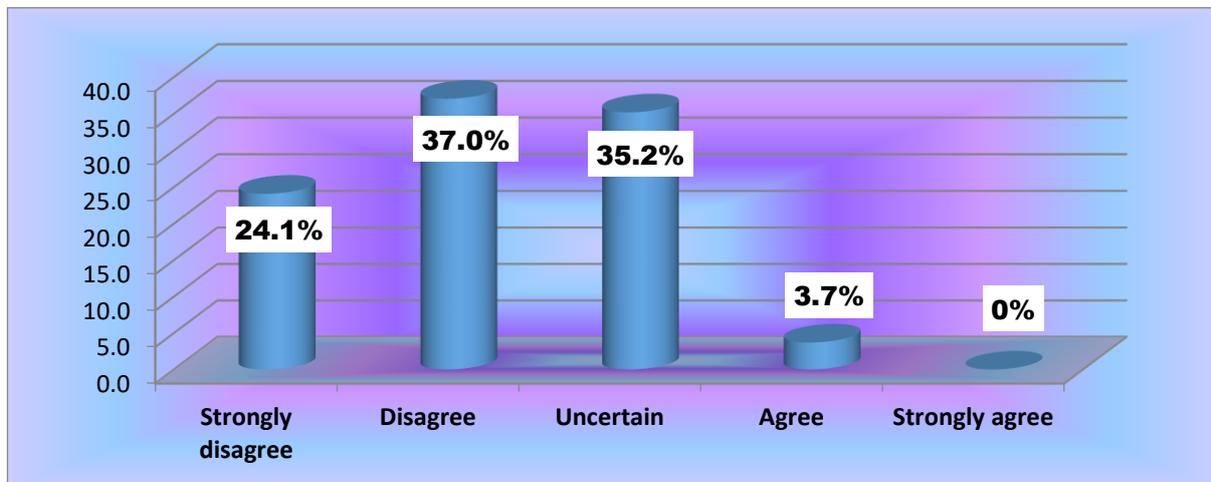


Figure 4.19: Management rewarded short-term wins

In Figure 4.19 it can be seen that the majority of the respondents (61.1%) strongly disagreed/disagreed that during restructuring management rewarded short-term wins, while 35.2% was uncertain and 3.7% of the respondents indicated their agreement. Kottler (2012:12) explains that rewarding staff on their wins motivates staff and reassures them that their change initiative is on the right path. Creating short-term wins boosts motivation of staff and gives them direction on where change is leading to. The statistics show that short-term wins were not created which has lowered staff morale and staff had no forged direction on where restructuring was leading to.

m) After the completion of the restructuring process management went back and reassessed the outcome of the restructuring process

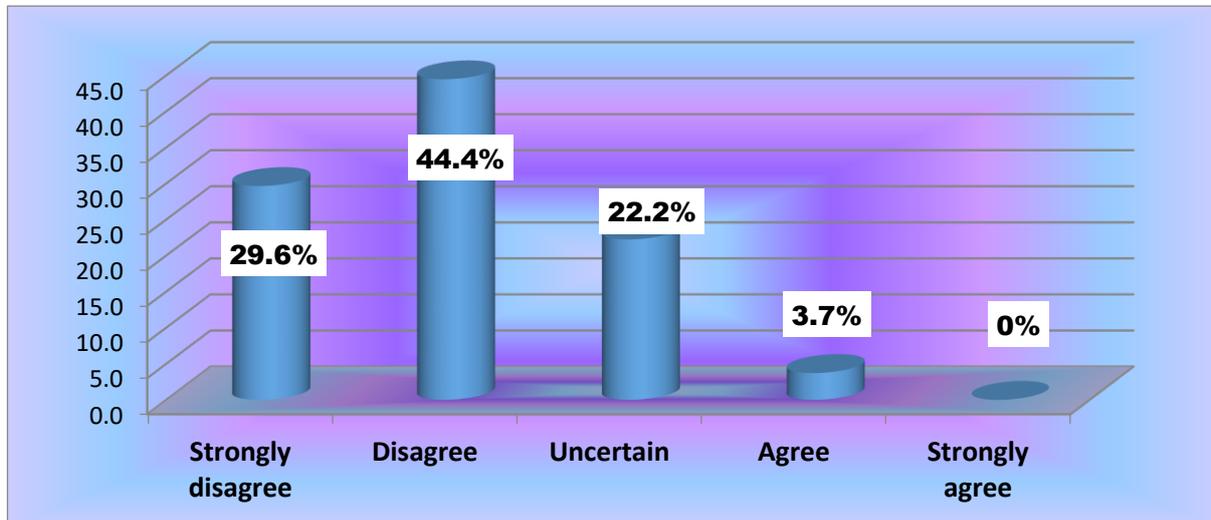


Figure 4.20: Outcome of the restructuring was reassessed

The results in Figure 4.20 show that the majority of the respondents (74%) strongly disagreed/disagreed that after the restructuring management went back and reassessed the outcome of the restructuring process. A further 22.2% of the respondents were uncertain followed by 3.7% that indicated their agreement to the statement. According to Hayes (2014:392) after any project that has been implemented the company has to review what works and what does not work in order to allow for the constant refinement of the evolution. Change is constant and does not end after restructuring has taken place. It is essential that managers go back to the restructuring that they had undertaken and review if restructuring is work. At UKZN finance restructuring there were no post restructuring assessment carried out and there could presently be parts of the restructuring that is presently not working.

4.2.2.2 Staff's Perception of the Restructuring

a) The restructuring has increased customer satisfaction in Finance

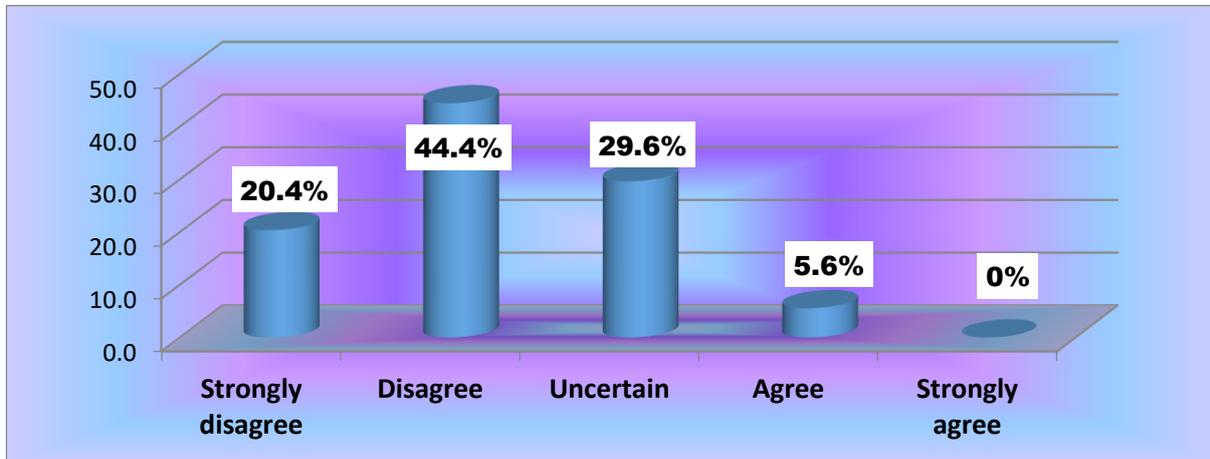


Figure 4.21: Increase in customer satisfaction

Figure 4.21 indicates that the majority of the respondents (64.8%) strongly disagreed/disagreed that customer satisfaction in finance has increased after restructuring while 29.6% were uncertain and 5.6% indicated their agreement. Wetzel (2016:5) acknowledges that during restructuring more time is spent on the complex process than on customers. Customers form an integral part of the restructuring process and assessing the satisfaction of customers is essential to any change process as it impacts on revenue growth and profitability in the organisation. According to the feedback from respondents customer satisfaction has not increased. Customer satisfaction affects the profitability of the company and decreases the market competitiveness.

b) The restructuring process has improved productivity in my Department

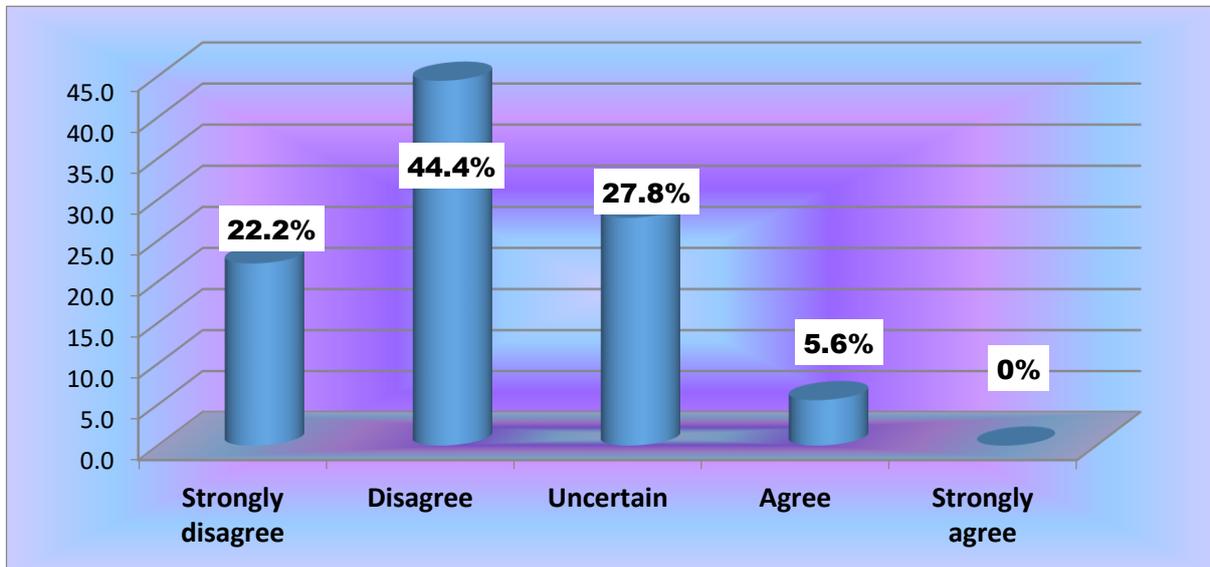


Figure 4.22: Improved department's productivity

The results in Figure 4.22 indicate that the majority of the respondents (66.6%) strongly disagreed/disagreed that the restructuring process has improved productivity in their department while 27.8% were uncertain and 5.6% strongly agreed/agreed. Harkiolakis and Thurman (2016:27) mention that productivity is linked to an individual's psychological state and their feelings which will determine how productive they are. Productivity is essential to the profitability and growth of the organisation and without increased or sustained productivity the organisation will eventually not exist. Research has shown that the majority of the respondents felt that productivity has not improved after the restructuring initiative and would therefore affect the profitability and growth of UKZN.

c) The restructuring process has improved my productivity as a staff member

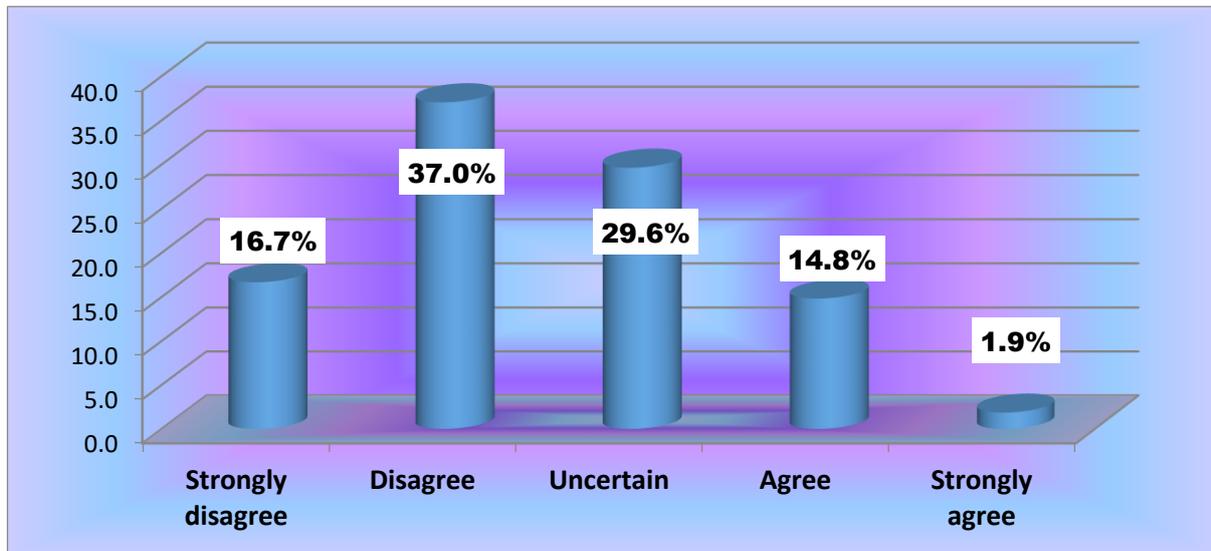


Figure 4.23: Improved personal productivity

Figure 4.23 shows that the majority of the respondents strongly disagree/disagree that restructuring has improved staff's productivity as a staff member while 29.6% were uncertain and 16.7% strongly agreed/disagreed. Hayes (2014:463) states that employee engagement and company climate has a direct impact on productivity. The majority of the respondents disagreed that restructuring has improved their productivity which could be as a result of managers not engaging with their staff before, during and post restructuring. Adverse company climate could also affect an individual's productivity. Low levels of an individual's productivity has a detrimental effect on the organisation's profitability and market share.

d) I believe that management implemented the restructuring process effectively and efficiently

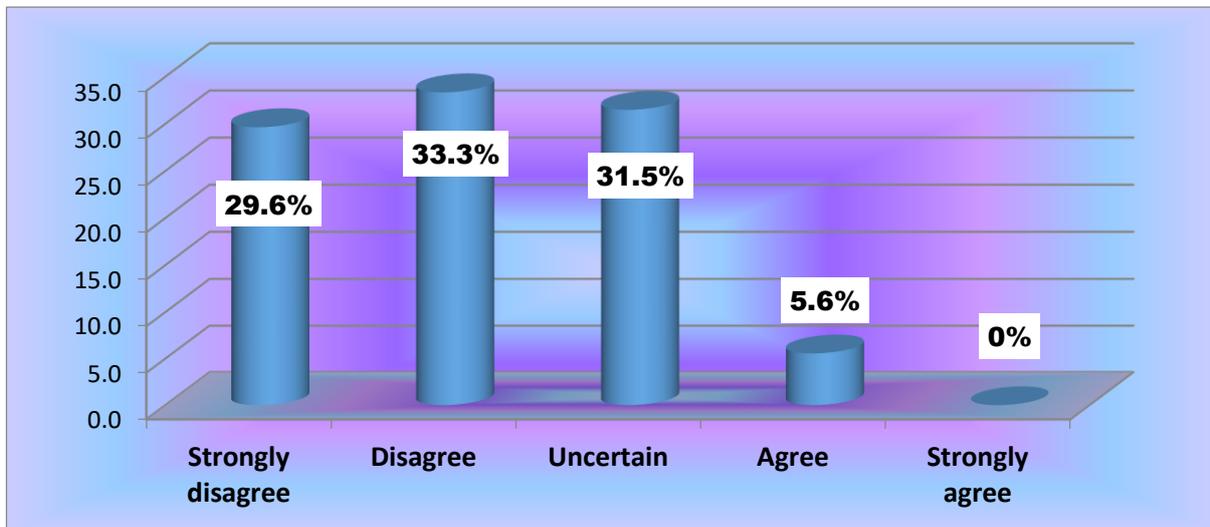


Figure 4.24: restructuring process was implemented effectively and efficiently

In Figure 4.24 it can be seen that the majority of the respondents (62.9%) strongly disagreed/disagreed that management implemented the restructuring process effectively and efficiently while 31.5% were uncertain and 5.6% agreed. Hodge (2016:184) explains that a smooth implementation of the change initiative will decide on how effectively and efficiently the change process will proceed which is not the case at UKZN in that the majority of the respondents disagreed.

e) I was consulted throughout the restructuring process and was aware of what was happening every step of the way

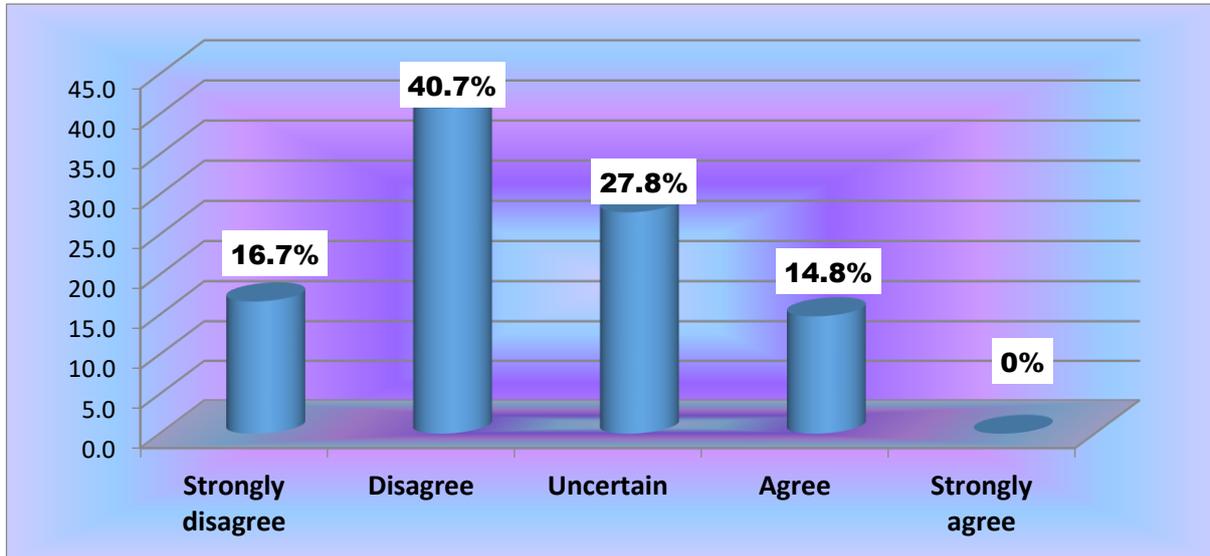


Figure 4.25: Awareness throughout the restructuring process

The results in Figure 4.25 indicates that the majority of the respondents (57.4%) strongly disagrees/disagrees they were consulted throughout the restructuring process and they were aware of what was happening every step of the way while 27.8% were uncertain and 14.8% agreed. Hayes (2014:450) point out that effective communication with staff during the change management process reduces the uncertainties that staff members have. Communication is an essential driver to a successful restructuring as it reduces uncertainties that staff have and 57,4% of staff indicated their disagreement to the statement that there was communication from management during restructuring which would have resulted in staff uncertainties and highly demotivated staff.

f) Management was honest, caring, supportive and transparent throughout the restructuring process

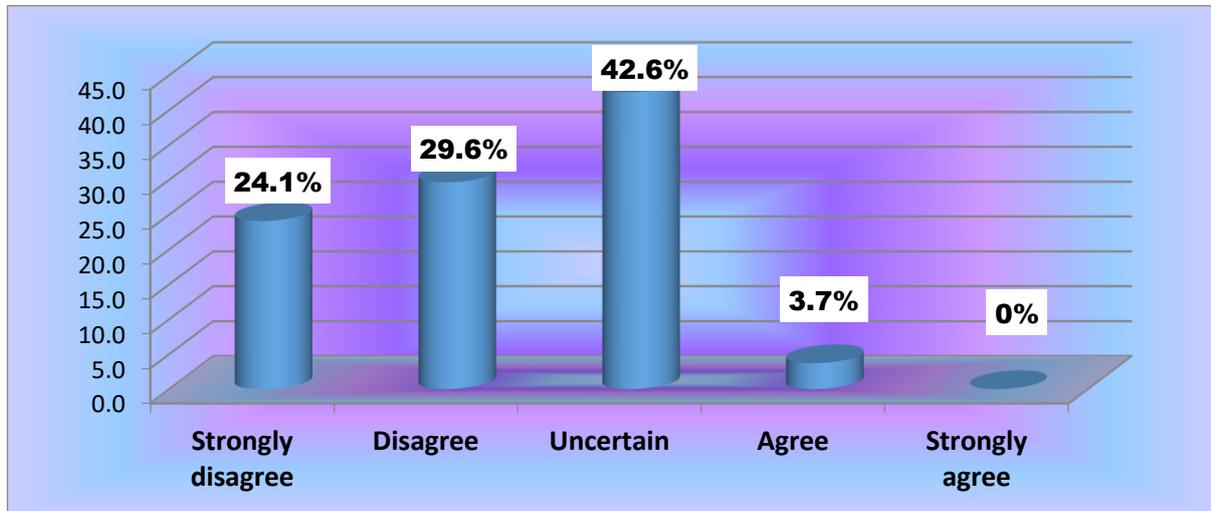


Figure 4.26: Management was honest, caring, supportive and transparent

The results in Figure 4.26 show that the majority of the respondents (53.7%) strongly disagreed/disagreed that management was honest, caring, supportive and transparent throughout the restructuring process while 42.6% were uncertain and 3.7% agreed. Swanson and Power (2001:162) in their study found that employees that received little support from managers had experienced role conflict, ambiguity and overload. Results show that management was not supportive during the restructuring process which would have resulted in staff experiencing role conflict, ambiguity and overload. Hence, staff would be highly demotivated and would have low morale.

g) I was treated fairly throughout the restructuring process

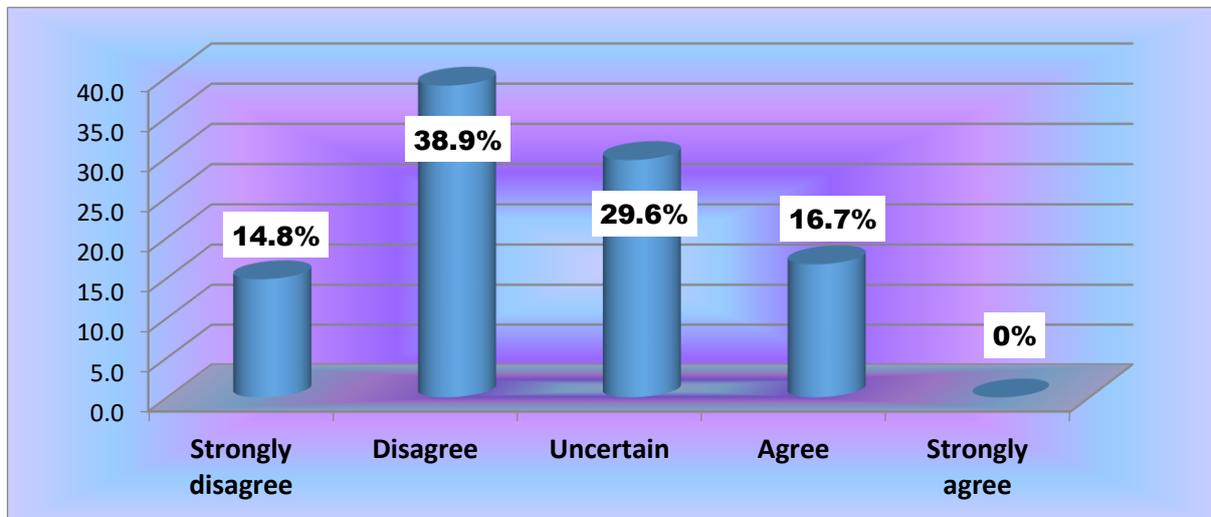


Figure 4.27: Fair treatment was given throughout the restructuring process

Figure 4.27 indicates that the majority of the respondents (53.7%) strongly disagreed/disagreed that they were treated fairly throughout the restructuring process while 29.6% of the respondents were uncertain and 16.7% agreed. Management should consider staff's behaviour with as much importance as strategies, structures and systems as a combination of all these factors results in a successful change initiative. Staff that feel that they have been treated unfairly would be highly demotivated which adversely affects productivity, profitability and the market competitiveness. Weinberg and Cooper (2012:69) highlights that the effects of stress on staff is ill health.

h) The Finance division has changed for the better after the restructuring process took place at UKZN

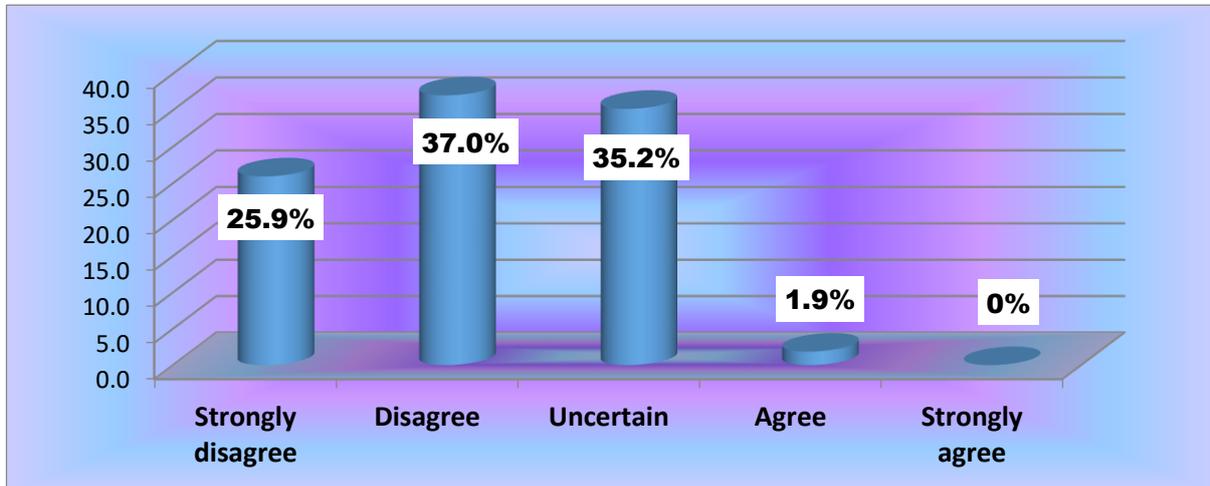


Figure 4.28: Finance Department has changed for the better

According to Figure 4.28, the majority of the respondents (62.9%) strongly disagree/disagreed that the Finance Department has changed for the better after the restructuring took place while 35.2% were uncertain and 1.9% of the respondents indicated their agreement. According to Turley and Luke (2012:191) restructuring is aimed at improving the efficiency in an organisation, however restructuring can also have adverse effects on the organisation which has to be monitored. The aim of any restructuring initiative is to change the organisation positively. Respondents are of the belief that restructuring has not changed positively at UKZN which defeats the purpose of restructuring which means that restructuring was unsuccessful.

4.2.2.3 Staff's Morale and Motivation after Restructuring

a) The restructuring process has benefited all employees within the Finance Department

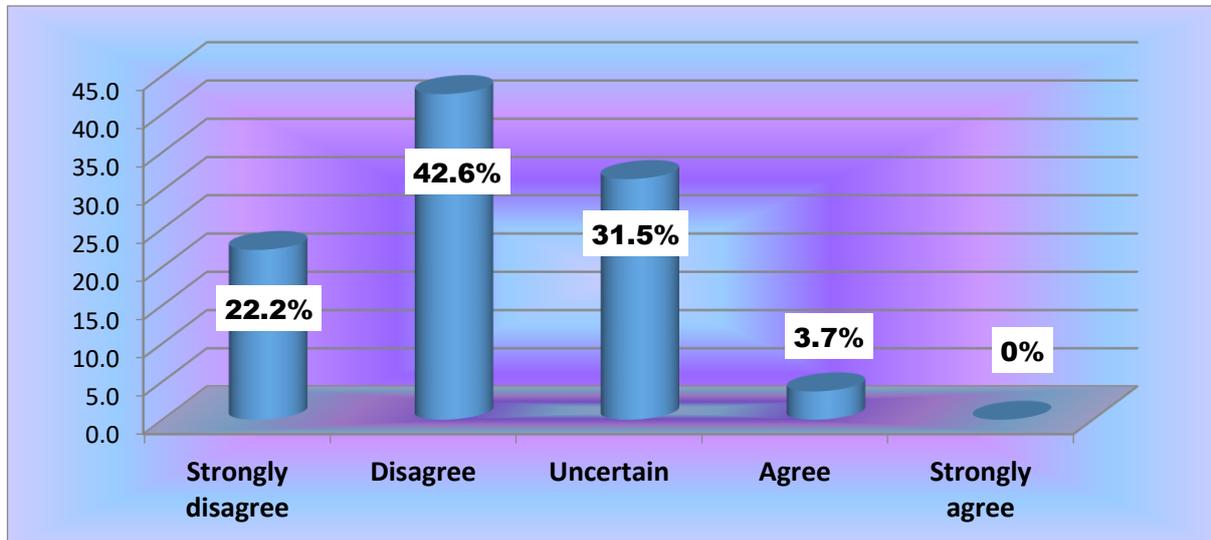


Figure 4.29: Benefit to the Finance Department

Figure 4.29 indicates that the majority of the respondents (64.8%) strongly disagree/disagree that the restructuring process benefited all employees in Finance Department. A further 31.5% of the respondents were uncertain and 3.7% indicated their agreement. Quigg (2011:72) has found that employees that have survived restructuring are often demotivated, are not committed to the organisation and are insecure due to the lack of career growth as can be seen at UKZN.

b) Staff are able to perform their tasks more efficiently after the restructuring process

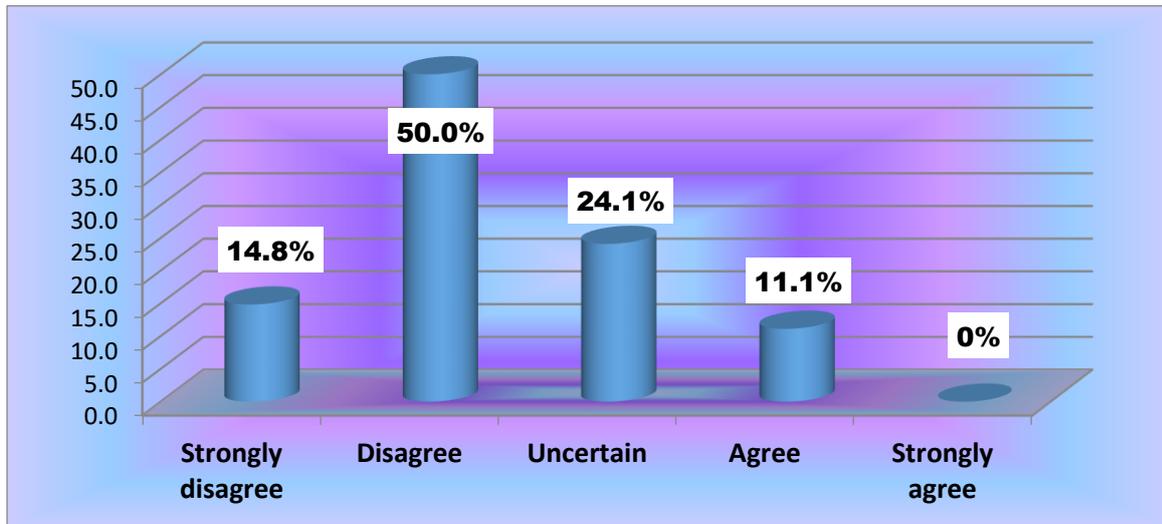


Figure 4.30: Ability to perform tasks more efficiently after the restructuring process

The results show in Figure 4.30 that the majority of the respondents (64.8%) disagreed/strongly disagreed they are able to perform their tasks more efficiently after the restructuring process followed by 24.1% that were uncertain and 11.1% that agreed. Kieselbach and Triomphe (2010:209) explain that after a restructuring process staff are paralysed by fear of losing their job and are therefore not flexible, innovative or committed to their tasks resulting in a decrease in the competitiveness of the organisation and a reduction in customer satisfaction.

c) The restructuring process has created more career growth within the Finance Department

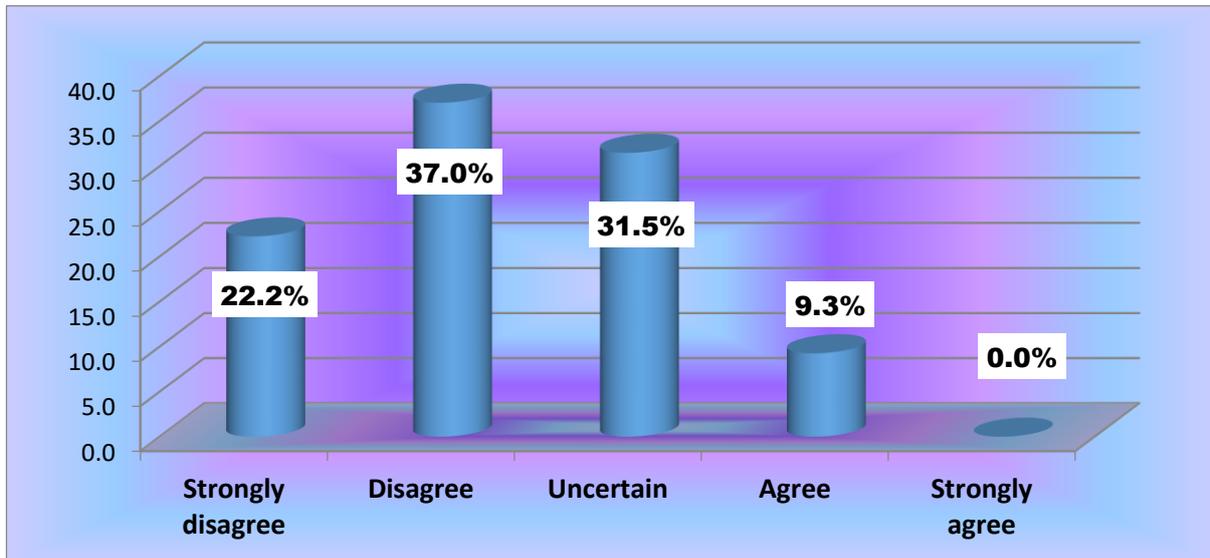


Figure 4.31: Restructuring process has created career growth

The illustration in Figure 4.31 reveals that the largest number of respondents (59.2%) strongly disagreed/disagreed that the restructuring had created more career growth within the Finance Department. A further 31.5% of the respondents were uncertain and 9.3% agreed to the statement. According to Cummings and Worley (2013:359), downsizing the organisation will result in a decrease in career opportunities. Every employee has a psychological contract with the organisation they are employed at and one component of this contract is to have career enhancement and restructuring breaks this contract which results in unhappy employees.

d) Respondents trust the executives/management responsible for the restructuring process at UKZN

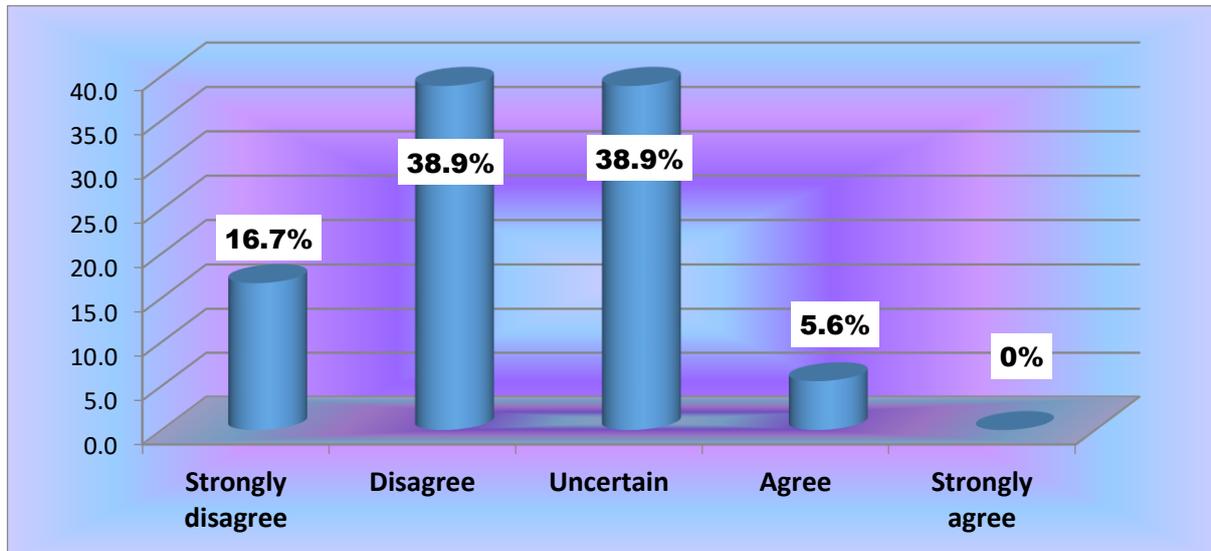


Figure 4.32: Respondents trust the executives/management

The results in Figure 4.32 show that the majority of the respondents (55.6%) strongly disagreed/disagreed that they trust the executive and management responsible for restructuring while 38.9% were uncertain and 5.6% agreed. Butchholz (2017:219) conducted a study on restructuring and trustworthiness and according to their research found that staff did not trust top management in comparison to their direct line managers. Trust forms an essential link between employees and managers. The wider the trust gap the more competitive advantage is lost in the market.

e) Respondents are more motivated after the restructuring process and look forward to coming to work each day

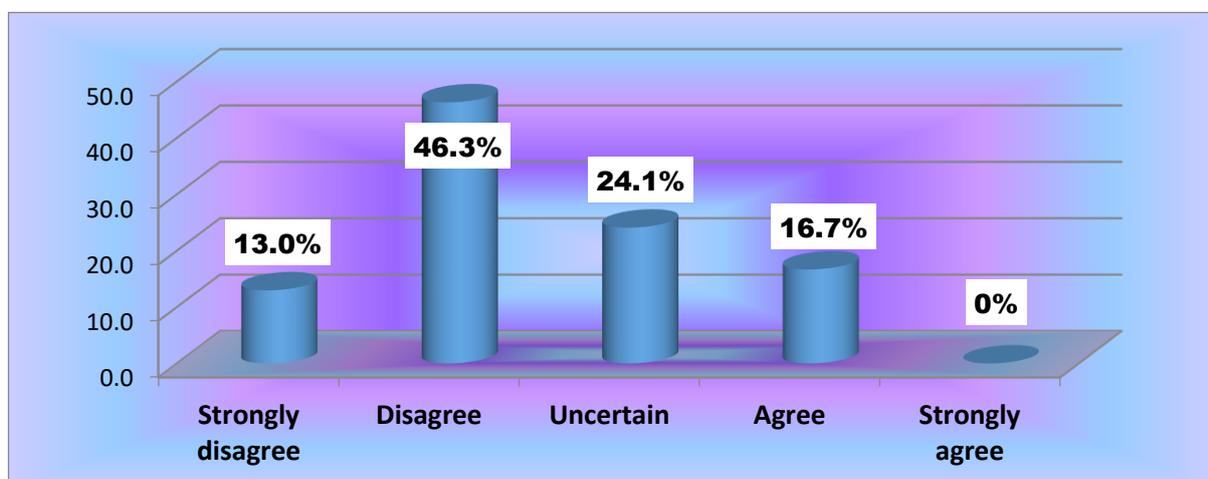


Figure 4.33: Staff are more motivated after the restructuring process

Figure 4.33 shows that the majority of the respondents (59.3%) strongly disagree/disagree that they are more motivated after the restructuring process and look forward to coming to work each day, 24.1% remained uncertain and 16.7% of the respondents indicated their agreement. According to Morell (2011:116), employees are the most important asset that a company has and motivating staff ensures that employees work hard and are dedicated to the organisation.

f) The restructuring process has resulted in an increase in the respondent’s job satisfaction

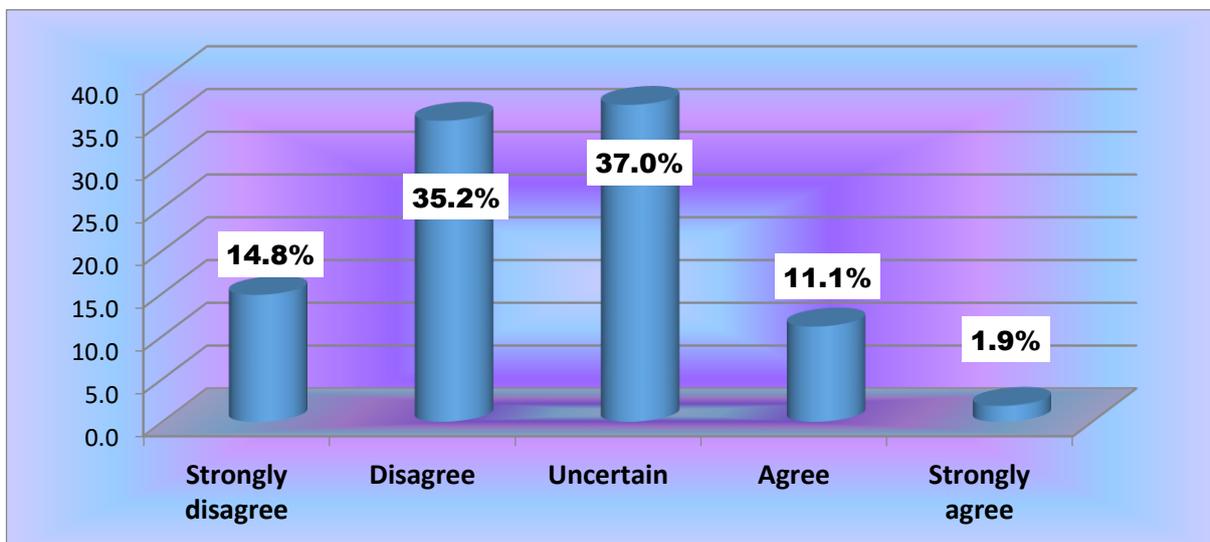


Figure 4.34: Increase in job satisfaction

The results in Figure 4.34 show that 50% of respondents strongly disagree/disagree that the restructuring process has resulted in an increase in the respondent’s job satisfaction. A further 37% of the respondents remained uncertain, while 13% indicated that their agreement to the statement. According to Stanislav and Thornton (2016:126), after a restructuring process staff cannot use their full energy or talent because they feel trapped in their jobs and are dissatisfied. At UKZN dissatisfaction has been noted. Dissatisfaction could be as a result of the following:

- Increase in workloads.
- Limited career growth and Advancement.
- Lack of interest
- Poor Management.

g) Respondents are more committed to the organisation's goals and objectives after the restructuring process at UKZN occurred

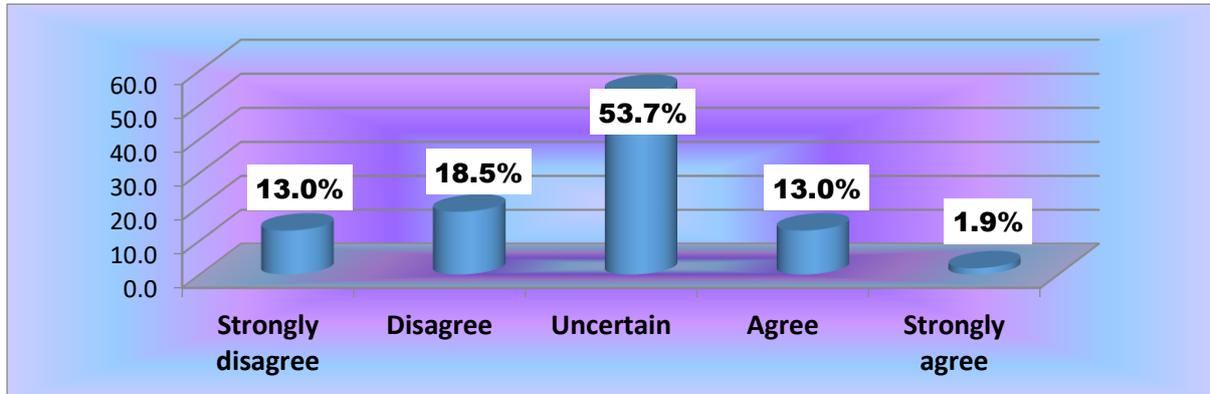


Figure 4.35: Respondents are more committed to the organisation's goals and objectives

According to Figure 4.35 the majority of the respondents (53.7%) were uncertain to the statement that they were committed to the organisation's goals and objectives after the restructuring process followed by respondents that strongly disagree/disagree (31.5%) and respondents that strongly agree/agree (14.9%). According to Waddel *et al.* (2017:135), transformation of an organisation resulted in more intensive work demands, increase in accountability and the breaking of the psychological contract between the employer and employee has inevitably caused employees to lose their commitment to the organisation.

h) Respondents are happier with their job after the restructuring process

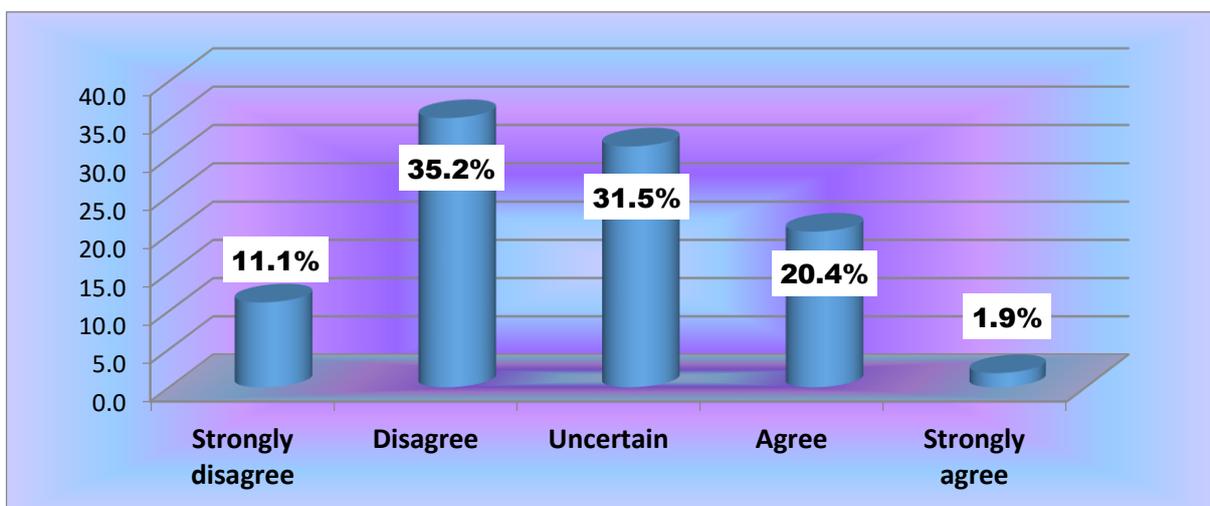


Figure 4.36: Happier with their job after restructuring

In Figure 4.36 the results show that the majority of the respondents (46.3%) strongly disagreed/disagreed that they were happier with their job after restructuring followed by 31.5% that were uncertain and 22.3% that strongly agreed/agreed. Ndlovu and Parumasur (2005) explains that the survivor syndrome can cause negative feelings about their work than those that were retrenched which has a negative impact on the future of the organisation.

i) The restructuring process has given respondents the enthusiasm and confidence to learn new things

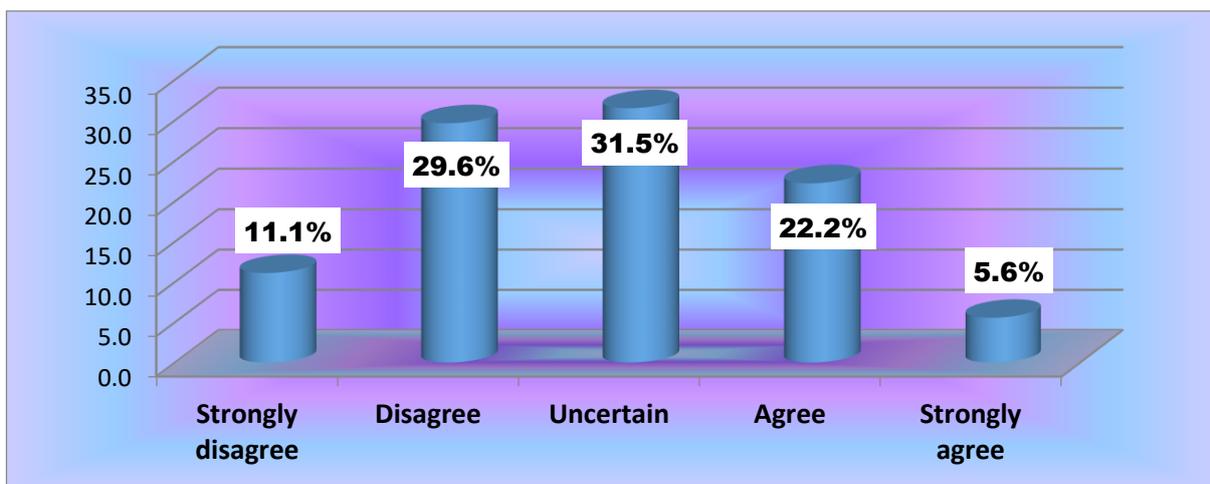


Figure 4.37: Enthusiasm and confidence to learn new things

The illustration in Figure 4.37 reveals that the majority of the respondents (40.7%) strongly disagreed/disagreed that restructuring had given the respondents the enthusiasm and confidence to learn new things. A further 31.5% of the respondents were uncertain and 27.8% agreed/strongly agreed to the above statement. According to Stanislav and Thornton (2017:122), suggests that employees who remain after restructuring experience a lack of motivation, have feelings of insecurity and have no commitment to the organisation due to the loss of a traditional career as a result of restructuring.

j) The restructuring process has made respondents happy to put in extra effort to ensure that UKZN's goals and objectives are achieved

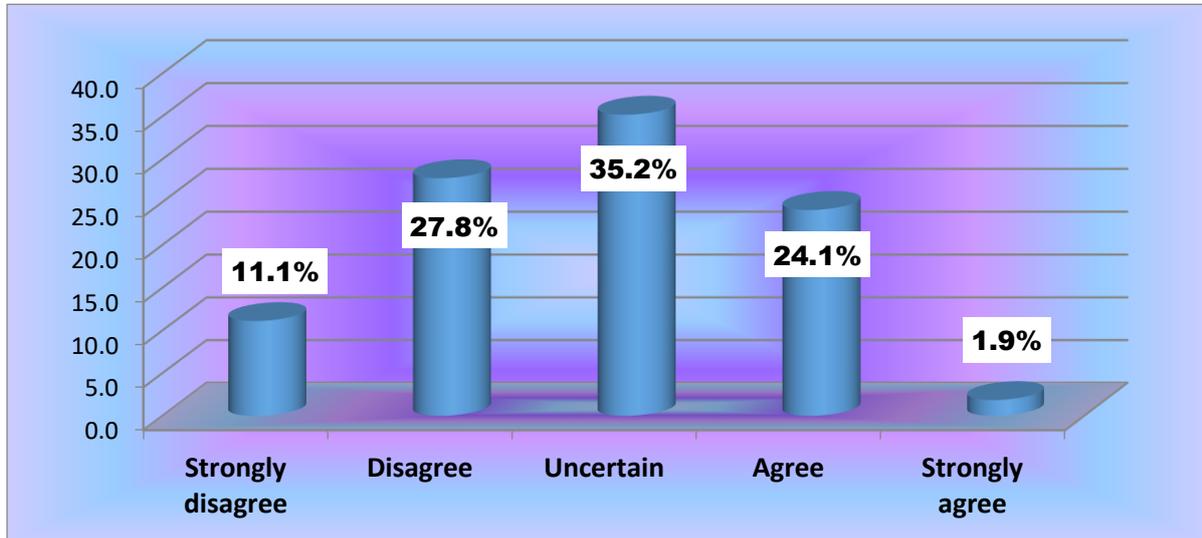


Figure 4.38: Restructuring process has made them happy to put in extra effort

The results in Figure 4.38 show that the majority of the respondents strongly disagree/disagree (38.9%) with the statement that the restructuring process has made them happy to put in extra effort to ensure that the university's goals and objectives are achieved. The response from the respondents that were uncertain was 35.2%, while 26% of the respondents indicated their agreement. According to Senior and Swales (2010:368), employees and employers have a psychological contract and once the contract is broken through restructuring and other change initiatives which results in demotivated employees who will not perform to their optimum. Survivors will perform their function as they fear losing their jobs rather than performing due to commitment to the organisation.

k) The restructuring process has assisted respondents in foreseeing a promising career with UKZN in the future

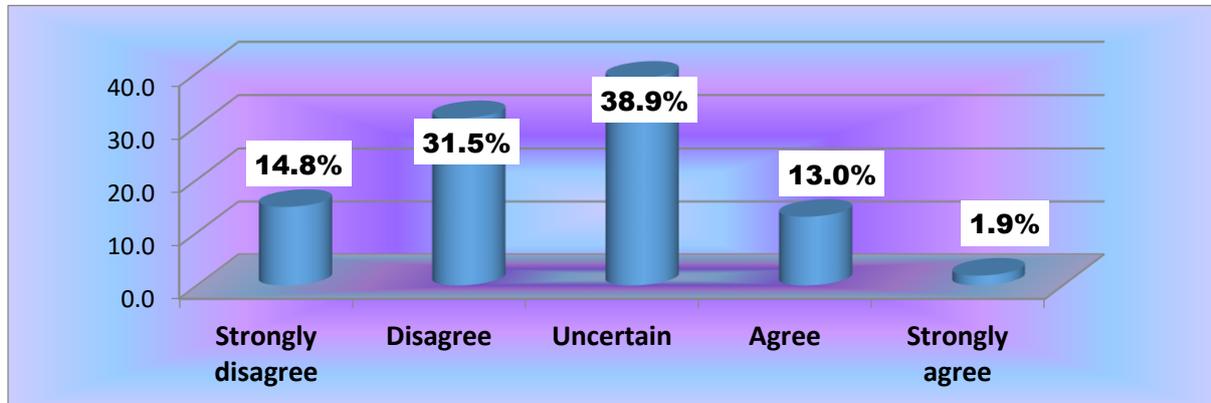


Figure 4.39: Promising career in the future

According to Figure 4.39, the majority of the respondents (46.3%) strongly disagree/disagree with the statement that restructuring has assisted the respondent in foreseeing a promising career with UKZN in the future. This was followed by 38.9% of the respondents that indicated they were uncertain and 14.9% indicated their agreement. According to Vakola and Petrou (2018:216), a study of restructuring was undertaken and staff in the study felt that their career opportunity had worsened resulting in staff exhaustion and a decrease in productivity which was result of mental and physical exhaustion.

4.3. Reliability Tests

Table 4.2 indicates the results of the reliability test for this study.

Table 4.2: Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.960	.962	32

Reliability: Cronbach's Alpha is > 0.7 , therefore the findings reveal that the scale is very reliable ($\alpha = 0.960$. $n = 32$).

Table 4.3: Item-Total Statistics

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
QB1	76.3889	402.469	.329	.961
QB2	76.5741	395.494	.495	.960
QB3	76.1296	404.417	.296	.961
QB4	77.0926	386.237	.787	.958
QB5	77.3333	386.528	.809	.957
QB6	76.7222	387.601	.668	.958
QB7	76.9444	390.808	.612	.959
QB8	77.1852	391.965	.629	.959
QB9	76.9815	392.245	.537	.959
QB10	76.6852	401.503	.356	.961
QB11	76.9815	392.509	.603	.959
QB12	77.3148	398.295	.547	.959
QB13	77.5000	399.236	.535	.959
QCA1	77.2963	392.816	.728	.958
QCA2	77.3333	394.113	.680	.958
QCA3	77.0185	395.075	.537	.959
QCA4	77.3704	390.313	.732	.958
QCA5	77.0926	392.274	.653	.958
QCA6	77.2407	391.847	.721	.958
QCA7	77.0185	391.679	.666	.958
QCA8	77.3704	390.275	.815	.958
QCB1	77.3333	394.226	.697	.958
QCB2	77.1852	388.720	.823	.957
QCB3	77.2222	389.912	.737	.958
QCB4	77.1667	391.840	.767	.958
QCB5	77.0556	389.676	.740	.958
QCB6	77.0000	387.358	.786	.958
QCB7	76.7778	393.119	.646	.959
QCB8	76.8333	389.689	.687	.958
QCB9	76.6852	384.937	.740	.958
QCB10	76.7222	388.053	.721	.958
QCB11	76.9444	390.204	.693	.958

Reliability would increase if the following items were dropped (see Table 4.3):

- QB1. Prior to the launch of the restructuring process, management created an urgency by explaining the necessity and importance of the restructuring process.
- QB3. Management created a coalition or a team of staff to drive the restructuring process.
- QB10. During the restructuring process management cut down the long term goals to create short term wins to ensure sustained motivation of the staff.

The reason for inconsistency in answers is as follows:

- Sensitive questions.

4.4 Inferential Statistics

A normality test was conducted on the data to determine if the data follows a normal distribution. The results of the testing was negative therefore non-parametric tests was conducted by using the following tests:

- Mann-Whitney Test - this tests the relationship between two variables.
- Kruskal-Wallis test - this test uses correlation and also tests the relationship between 2 variables.
- Spearman rank order correlation – this uses Pearson’s correlation coefficient to quantify if two variables should go together.

4.4.1 The Relationship between the Key Variables of the Study (Correlation)

a) Hypothesis 1

There exists significant inter-correlation between the key variables in the study (the restructuring process, staff’s perceptions of restructuring and staff’s morale and motivation after restructuring).

Table 4.4: Correlation among variables

Correlations- Spearman's rho				
		The restructuring process at UKZN	Staff's perceptions of restructuring	Staff's morale and motivation after restructuring
The restructuring process at UKZN	Correlation Coefficient			
	Sig. (2-tailed)			
	N			
Staff's perceptions of restructuring	Correlation Coefficient	.727**		
	Sig. (2-tailed)	.000		
	N	54		
Staff's morale and motivation after restructuring	Correlation Coefficient	.719**	.810**	
	Sig. (2-tailed)	.000	.000	
	N	54	54	
**. Correlation is significant at the 0.01 level (2-tailed).				

The results in Table 4.4 indicates that there exists a significant relationship between:

- the restructuring process at UKZN and staff's perceptions of restructuring and staff's morale and motivation after restructuring($r=-0.723$, $p=0.000$);
- the restructuring process at UKZN and staff's morale and motivation after restructuring($r=-0.719$, $p=0.000$); and
- the staff's perceptions of restructuring and staff's morale and motivation after restructuring($r=-0.810$, $p=0.000$).

As per Table 4.4 the following pairs of relationship exists:

- 3: Significant - therefore hypothesis 1 is accepted.

b) Hypothesis 2

There is a statistically significant difference in the mean ranks of the dimensions between males and females.

Table 4.5 Mann Whitney Test-Study dimensions by gender

Test Statistics^a	
	QB
Mann-Whitney U	223.500
Wilcoxon W	476.500
Z	-2.267
Asymp. Sig. (2-tailed)	.023
a. Grouping Variable: Q1	

Table 4.6: Gender/ The restructuring process at UKZN

Test Statistics^a	
	QCA
Mann-Whitney U	244.000
Wilcoxon W	497.000
Z	-1.910
Asymp. Sig. (2-tailed)	.056
a. Grouping Variable: Q1	

Table 4.7: Gender/ Staff's perceptions of restructuring

Test Statistics ^a	
	QCB
Mann-Whitney U	202.500
Wilcoxon W	455.500
Z	-2.636
Asymp. Sig. (2-tailed)	.008

a. Grouping Variable: Q1

- **Gender/ Staff's morale and motivation after restructuring**

The Mann-Whitney test (Table 4.5) was conducted to determine if there is a relationship between gender and the restructuring process, staff's perceptions of restructuring and staff's morale and motivation after restructuring. The results from the Mann-Whitney test conducted between gender and the restructuring process shown in Table 4.5 shows that $p = 0.023$, since $p < 0.05$ the test show that there is a significant difference in the dimensions between gender of the respondents and the restructuring process.

The results from the test between staff's perceptions of restructuring and gender shown on Table 4.6 shows that $p = 0.056$, since $p > 0.05$ then there is no significant difference in the dimensions between gender of the respondents and the staff's perceptions of restructuring.

Table 4.7 shows the results of the Mann-Whitney test conducted between staff's moral and motivation after restructuring and gender. The tests show that $p = 0.008$, since $p < 0.05$ there is a significant difference in the dimensions between gender of the respondents and the staff's morale and motivation after restructuring.

There are 2 significant and 1 no significance. The hypothesis is therefore accepted.

c) Hypothesis 3

There is a statistically significant difference in the mean ranks of the dimensions between race and the restructuring process.

Table 4.8: Race and the Restructuring process

Test Statistics ^{a,b}	
	QB
Chi-Square	8.631
Df	3
Asymp. Sig.	.035

a. Kruskal Wallis Test

b. Grouping Variable: Q2

The Kruskal Wallis test (Table 4.8) conducted between race and the restructuring process shows that the chi-Square is 8.631, the $df = 3$ and the $p = .035$, since $p < 0.05$ the tests show that there is a significant difference in the dimensions between race and the restructuring process. The hypothesis is accepted.

d) Hypothesis 4

There is a statistically significant difference in the mean ranks of the dimensions between race and Staff's perceptions of restructuring.

Table 4.9: Race and staff's perceptions of restructuring

Test Statistics ^{a,b}	
	QCA
Chi-Square	8.596
Df	3
Asymp. Sig.	.035

a. Kruskal Wallis Test

b. Grouping Variable: Q2

The test between staff's perceptions of restructuring and race (Table 4.9) shows the chi-Square is 8.596, the $df = 3$ and the $p = .035$, since $p < 0.05$ the tests show that there is a significant difference in the dimensions between race and staff's perceptions of restructuring. The hypothesis is accepted.

e) Hypothesis 5

There is a statistically significant difference in the mean ranks of the dimensions between race and staff's morale and motivation after restructuring.

Table 4.10: Race and staff's morale and motivation after restructuring

Test Statistics ^{a,b}	
	QCB
Chi-Square	10.995
Df	3
Asymp. Sig.	.012

a. Kruskal Wallis Test

The Kruskal Wallis Test between staff's morale and motivation after restructuring and race (Table 4.10) show that chi-Square is 10.995, the $df = 3$ and the $p = .012$, since $p < 0.05$ the tests show that there is a significant difference in the dimensions between race and staff's morale and motivation after restructuring. The hypothesis is accepted.

f) Hypothesis 6

There is a statistically significant difference in the mean ranks of the dimensions between Peromnes grade and the restructuring process at UKZN.

Table 4.11: Peromnes grade and the restructuring process at UKZN

Test Statistics^{a,b}	
	QB
Chi-Square	10.053
Df	3
Asymp. Sig.	.018

a. Kruskal Wallis Test

b. Grouping Variable: Q5

The test between peromnes grade and the restructuring process (Table 4.11) show that the chi-Square is 10.995, the $df = 3$ and the $p = 0.018$, since $p < 0.05$ the tests show that there is a significant difference in the dimensions between the peromnes grade and the restructuring process at UKZN. The hypothesis is accepted.

g) Hypothesis 7

There is a statistically significant difference in the mean ranks of the dimensions between Peromnes grade and staff's perceptions of restructuring.

Table 4.12: Peromnes grade and staff's perceptions of restructuring

Test Statistics ^{a,b}	
	QCA
Chi-Square	9.360
Df	3
Asymp. Sig.	.025

a. Kruskal Wallis Test

b. Grouping Variable: Q5

The Kruskal Wallis Test between Peromnes grade and staff's perceptions of restructuring (Table 4.12) show that the chi-Square is 9.360, the $df = 3$ and the $p = .025$, since $p < 0.05$ the tests show that there is a significant difference in the dimensions between Peromnes grade and staff's perceptions of restructuring. The hypothesis is accepted.

h) Hypothesis 8

There is a statistically significant difference in the mean ranks of the dimensions between Peromnes grade and staff's morale and motivation after restructuring

Table 4.13: Peromnes grade and staff's morale and motivation after restructuring

Test Statistics ^{a,b}	
	QCB
Chi-Square	8.510
df	3
Asymp. Sig.	.037

a. Kruskal Wallis Test

b. Grouping Variable: Q5

The Kruskal Wallis Test between Peromnes grade and staff's morale and motivation after restructuring (Table 4.13) show that the chi-Square is 8.510, the $df = 3$ and the $p = .037$, since $p < 0.05$ the tests show that there is a significant difference in the Peromnes grade and staff's morale and motivation after restructuring. The hypothesis is accepted.

i) Hypothesis 9

There is a statistically significant difference in the mean ranks of the dimensions between qualification and the restructuring process at UKZN.

Table 4.14: Qualification and the restructuring process at UKZN

Test Statistics^{a,b}	
	QB
Chi-Square	14.751
Df	4
Asymp. Sig.	.005

a. Kruskal Wallis Test

b. Grouping Variable: Q6

The Kruskal Wallis Test between qualification and the restructuring process at UKZN (Table 4.14) show that the chi-Square is 14.751, the $df = 3$ and the $p = .005$, since $p = 0.05$ the tests show that there is a significant difference in the qualification and the restructuring process at UKZN. The hypothesis is accepted.

j) Hypothesis 10

There is a statistically significant difference in the mean ranks of the dimensions between qualification and staff's perceptions of restructuring.

Table 4.15: Qualification and staff's perceptions of restructuring

Test Statistics ^{a,b}	
	QCA
Chi-Square	16.620
df	4
Asymp. Sig.	.002

a. Kruskal Wallis Test

b. Grouping Variable: Q6

The Kruskal Wallis Test between qualification and staff's perceptions of restructuring (Table 4.15) show that the chi-Square is 16.620, the $df = 4$ and the $p = .002$, since $p < 0.05$ the tests show that there is a significant difference in the qualification and staff's perceptions of restructuring. The hypothesis is accepted.

k) Hypothesis 11

There is a statistically significant difference in the mean ranks of the dimensions between qualification and staff's morale and motivation after restructuring.

Table 4.16: Qualification and staff's morale and motivation after restructuring

Test Statistics ^{a,b}	
	QCB
Chi-Square	11.796
Df	4
Asymp. Sig.	.019

a. Kruskal Wallis Test

b. Grouping Variable: Q6

The Kruskal Wallis Test between qualification and staff's morale and motivation after restructuring (Table 4.16) show that the chi-Square is 11.796, the $df = 4$ and the $p = .019$, since

$p < 0.05$ the tests show that there is a significant difference in the qualification and staff's morale and motivation after restructuring. The hypothesis is accepted.

1) Hypothesis 12

There is a statistically significant difference in the mean ranks of the dimensions between the campus the respondent is in and the restructuring process at UKZN.

Table 4.17: Campus and the restructuring process at UKZN

Test Statistics^{a,b}	
	QB
Chi-Square	10.351
Df	4
Asymp. Sig.	.035

a. Kruskal Wallis Test

b. Grouping Variable: Q7

The Kruskal Wallis Test between the Campus and the restructuring process at UKZN (Table 4.17) show that the chi-Square is 10.351, the $df = 4$ and the $p = 0.035$, since $p < 0.05$ the tests show that there is a significant difference in the Campus and the restructuring process at UKZN. The hypothesis is accepted.

4.6 Conclusion

This chapter presented the analyses of the data from the empirical research. Data gathered from the research instrument which was the questionnaire was statistically analysed and a breakdown of responses towards each variable was displayed. The inferential results and the

factor analysis was also discussed. The next chapter concludes the study and provides recommendations based on the data gathered.

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The detailed findings from the previous chapter is used to draw an overall conclusion in this chapter. The aim of this study was to understand the restructuring process, the staff's perception of restructuring and the impact it had on the staff's morale and motivation. This chapter discusses the findings of the study and an in-depth recommendations is offered to UKZN in order guide them through future restructuring initiatives. Areas for further research is also presented in this chapter.

5.2 Findings from the Study

This section presents the finding from both the literature review and the primary data are used to answer the research objectives and research questions that was formulated for this study.

5.2.1 Findings from the Literature Review

Literature reviewed for this study is summarised to answer the research objectives and research questions and is presented below:

The change models that have been extensively discussed in the literature review has been shown to be a key role player in driving a successful change initiative. According to Cummings and Worley (2014:20), a model makes an occurrence easier. Kotter (2012:28) also highlighted that change efforts will fail without a mapped change effort and that 70% of all change efforts fail due to the change process not being followed through. The change models provide mapped out initiatives to drive any change initiative to successful implementation.

According to Smith (2010:241) restructuring should be considered a long-term process that builds on itself and skipping stages in a process will not accelerate the process but slow it down or even derail it. According to Lunenburg (2010:2), in this step the organisation requires unfreezing/thawing out. Unfreeze the organisation by inventing an evoking reason for staff to

buy into change. This step is essential in a restructuring process as a sense of urgency must be created in the environment in order for discussion and excitement to be sparked in the organisation. Strong arguments must be invented to convince people to participate in change or the restructuring process has a high likelihood of failing.

Smith (2010:241) states that it is essential to create a group of influential powerful individuals that will drive the change process to successful implementation. Appelbaum *et al.* (2012:766) explain that successful restructuring cannot be carried out by a single individual but by a coalition of individuals with essential skills and position of power, expertise, credibility and leadership. In addition communication is an essential component to any change initiative. Communication dispels confusion and misgivings and results in motivated staff. A lack in communication results in rumors and misconceptions circulating among staff which ultimately leads to demotivated staff. According to Hayes (2014:450), effective communication with staff during the change management process reduces the uncertainties that staff members have.

Azhar *et al.* (2012:33) state that leadership plays an essential role in the corporate vision by creating an inspiration for employees to grasp the vision of the organisation. This is one of the critical steps of restructuring. Staff that are demotivated and are not inspired will lead to low levels of productivity, profitability and most importantly it will result in an unsuccessful change initiative. According to Cameron and Green (2012:189), leaders that address the obstacles namely structure, skill, system and supervisors will result in employees being empowered. Kottler (2012:12) explains that rewarding staff on their wins motivates staff and reassures them that their change initiative is on the right path.

5.2.2 Findings from the Primary Data

The findings from the primary data that answers the research objectives and research questions are summarised and presented below:

Research showed that the majority of respondents (55, 5%) strongly disagreed/disagreed that leadership through the guiding coalition's actions inspired and motivated respondents to follow the vision. The majority of the respondents (44.5%) strongly agreed/agreed that prior to the restructuring management created an urgency by explaining the necessity and importance of the restructuring process. This reveals that staff were advised by management of the importance

and necessity behind the restructuring. However, the majority of the respondents strongly disagreed/disagreed (40.7%) that they were not explained the risks and opportunities that the restructuring process would yield and 61,1% strongly disagreed/disagreed that during restructuring management rewarded short-term wins that would have kept them motivated.

Statistics revealed that the majority of respondents agreed/strongly agreed (53.7%) that management created a team or coalition to drive the restructuring process. However, the majority of the respondents strongly disagreed/disagreed (50%) that the restructuring team that was appointed had the credibility, expertise, excellent leadership skills and shared objective to lead the restructuring process. This revealed that the restructuring team was not equipped with the required expertise to guide the restructuring process to a successful implementation.

The results show that the majority of the respondents (57%) strongly disagreed/disagreed that the restructuring team created a clear vision that was imaginable, desirable, feasible, focused and flexible. This reveals that staff were not equipped with a clear powerful vision which would have made them aware of why change was needed. The majority of the respondents strongly disagrees/disagrees (57.4%) they were consulted throughout the restructuring process and they were aware of what was happening every step of the way.

The majority of the respondents strongly disagreed/disagreed (40.7%) that the new vision for the restructuring was clearly communicated verbally and through other means of advertising on all five campuses. The majority of the respondents (61.1%) strongly disagreed/disagreed that during restructuring management rewarded short-term wins while 51.9% strongly disagreed/strongly disagreed that management communicated with staff frequently about how the new process was improving productivity.

The results show that majority of the staff (74%) strongly disagreed/disagreed that after the restructuring management went back and reassessed the outcome of the restructuring process. The majority of the respondents strongly disagreed/disagreed (64, 8%) that restructuring increased customer satisfaction in finance. The majority of the respondents strongly disagree/disagreed (62.9%) that the Finance Department has changed for the better after restructuring took place. The majority of the respondents strongly disagree/disagree (59,3%) that staff are more motivated after the restructuring process and look forward to coming to work each day.

5.3 Overall Conclusions

Analysis of the questionnaire has shown that all the steps to a successful implementation was not followed. According to Smith (2010) restructuring should be considered a long-term process that builds on itself and skipping stages in a process will not accelerate the process but slow it down or even derail it. Skipping stages in the restructuring process could have adverse effects for UKZN in the future. Management needs to acknowledge and make the required adjustments relating to staff's perceptions of the restructuring process as this is an essential component in ensuring a successful restructuring process. According to Kieselbach and Triomphe (2010:86), managers should pay attention and be supportive of the feedback whether it is positive or negative from employees especially during stressful times when restructuring is being implemented as this reduces resistance and drums support for restructuring.

Wetzel (2016:5) acknowledges that during restructuring more time is spent on the complex process than on customers. Customers form an integral part of the restructuring process and assessing the satisfaction of customers is essential to any change process as it impacts on revenue growth and profitability in the organisation. Managers need to engage with the staff before, during and post restructuring in order to keep staff motivated. Adverse company climate could also affect an individual's productivity. Low levels of individual's productivity has a detrimental effect on the organisation's profitability and market share. Research has shown that the majority (29.6%) of the respondents felt that productivity has not improved after the restructuring initiative and would therefore affect the profitability and growth of UKZN.

Conclusions that can be derived from the statistical data analysis is that staff are demotivated and their morale is very low. Staff's perceptions of restructuring are being ignored by management. This is adversely affecting the productivity of the staff in the Finance Division. Staff are overall unhappy about the manner in which restructuring was implemented. There was no communication to staff during restructuring which contributed to the low levels of morale and the demotivation of staff. Communication is an essential driver to a successful restructuring as it reduces uncertainties that staff have and 57,4% of staff disagree that there was communication from management during restructuring which resulted in staff uncertainties and highly demotivated staff.

The results revealed that it is clear that staff are suffering from survivor syndrome. Ndlovu and Parumasur (2005) explain that the survivors of the restructuring process which are termed survivor syndrome are impacted more by restructuring than the staff that are retrenched and often portray feelings of low motivation, decreased morale and guilt and fear about security which results in a decrease in productivity, morale decreases and distrust in management. Managers have to use all resources available to motivate staff and increase staff morale so that they are eventually cured from survivor syndrome. Managers have to also ensure that survivors are lead into the right direction so that they prevent running into barriers that will allow for employees to resist the change process which results in lowered morale and motivation.

5.4 Recommendations

Change is an acceptable part of work but the outcomes could be positive in the long run and it can also create tension and insecurity in staff which leads to staff being distressed. The distress that staff experiences can lead to them having physical and mental health issues. An increase in the amount of work, ambiguities, new tasks, new technology and the decrease in staff are some of the contributing factors that lowers a staff's morale and motivation. Management should revisit the restructuring process and reassess restructuring in order to see how it is affecting staff in the present day. They should look at strategies that will improve the staff's morale and motivation. Once these issues are addressed the organization's productivity and customer service will begin to improve. The following are some strategies that managers can take into consideration in order to increase a staff's moral and motivation during restructuring:

5.4.1 Communication

Weinberg and Cooper (2012:68) conducted a study on restructuring and trustworthiness and according to their research found that staff did not trust top management in comparison to their direct line managers. Trust forms an essential link between employees and managers. Uncertainties derived from the work environment and business strategies results in trust gaps between managers and employees which inevitably effects the restructuring process. Staff will be concerned and fearful of losing their jobs which inevitably impacts on the health (mentally and physically) of the staff as well as the morale and motivation. To prevent this from occurring managers should communicate with staff openly and honestly throughout the restructuring

process. Being honest and open with staff will prevent rumours from spreading in the organisation which causes productivity and morale to decrease. Managers should create a safe space for employees to ask any question and receive feedback timeously. A notice board should be placed in the staff room to ensure that information is being communicated.

5.4.2 Staff Rewards

Recognition in the form of rewards motivate staff and give them the sense of value and self-worth. Rewards also form a token of appreciation for work well done which increases the morale and motivation of staff and motivates staff to want to do more. Staff should be given open recognition or shout outs for tasks completed prior to the due dates. Performance bonus should be given to those staff who go over the call of duty.

5.4.3 Social Support to Staff

Landy and Conte (2010:479) explain that social support from managers and work colleagues reduces occupational stress. Managers need to support staff during restructuring so that the amount of stress that comes with restructuring is immensely reduced resulting in happier and more motivated staff.

5.4.4 Create Small Short-term Wins

According to Smith (2010:241) creating short-term wins in a long restructuring process is essential to ensure that staff are motivated throughout the process. Small wins give staff a sense of achievement and ensures that staff are highly motivated to complete the long-term goal. Staff should be given time off if they complete tasks that are given to them especially since they have taken on more duties than they were employed for.

5.4.5 Psychosocial Wellbeing of Staff

Jong *et al.* (2016:93) explain that restructuring has a negative impact on the survivor's well-being which is associated to job insecurity. Managers should ensure that a culture of positive

well-being and good health is fostered within the organisation. Employees should be allowed to express their feeling without fear of intimidation and there should be active support systems available such as well-being programmes and employee assistance support.

5.5 Areas for Future Research

This research focused on the UKZN Finance division and therefore the research is very restricted. The following are recommended for future research: The same questionnaire should be used to carry out a similar study on the entire institution as this will allow for a more wider view point on restructuring. Other South African Universities and Technicons were also affected by the restructuring. A comparative study should be done with other Universities in order to gain a wider understanding of restructuring.

5.6 Conclusion

This chapter looked at the major finds and recommendations which was explained through the objectives and research questions that was formulated for this study. This study proved that using a change model increases the chances of a successful restructuring process. The findings have indicated that most of the steps in restructuring was skipped.

Management did not take into consideration the essential steps required to ensure a successful change initiative. Literature that has been discussed proves that if all the critical steps in restructuring is not followed then failure of the change initiative is inevitable. Staff were unhappy with a number of issues pertaining to restructuring and a number of years have gone by without management reviewing this. This is a very lethal situation because according to literature that has been reviewed could lead to staff resisting change and unhappy, unproductive staff. This chapter brings the study to a conclusion and offers practical recommendations that can be easily implemented.

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APPENDIX A: Research Questionnaire

SECTION A: Demographic Information

This questionnaire requires you to mark the box applicable to you with an

X

1. What is your gender?

Male	<input type="checkbox"/>
Female	<input type="checkbox"/>

2. What is your race?

African	<input type="checkbox"/>
Indian	<input type="checkbox"/>
Coloured	<input type="checkbox"/>
White	<input type="checkbox"/>

3. What is your age range?

18 – 29 years	<input type="checkbox"/>
30 – 39 years	<input type="checkbox"/>
40-49 years	<input type="checkbox"/>

50-59 years	
60-69 years	

4. How many years of service do you have with the University of Kwazulu-Natal (include your period of employment with University of Durban Westville and University of Natal)?

Less than 1 year	
1-5 years	
6 – 10 years	
11 – 15 years	
16 – 20 years	
21 – 25 years	
26 – 30 years	
31 years and above	

5. What Peromnes grade are you?

Grade 15 – 17	
Grade 14 – 13	
Grade 12 – 09	
Grade 08 – 07	
Grade 06 and above	

6. What is your highest qualification?

Matric	
Diploma	
Degree	
Post grad Diploma/Honours Degree	
Masters	
PHD	

7. Which campus are you located on?

Westville	
Howard	
Edgewood	
Medical School	
Pietermaritzburg	

8. Which Department in finance are you in?

Fees, Debt and Cashiers	
Taxation and Systems	
Finance and Accounting Services	
Procurement and Insurance	
Creditors	
Professional Services	

Cashbook	
Helpdesk	

9. Were you part of the restructuring process that the Finance Department had undergone?

Yes	
No	

SECTION B

Statements and questions pertaining to the restructuring process at UKZN

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Prior to the launch of the restructuring process, management created an urgency by explaining the necessity and importance of the restructuring process.					
Management prior to the launch of the restructuring process explained the risks and opportunities that this phase would yield.					
Management created a coalition or a team of staff to drive the restructuring process.					
The restructuring team appointed had the power, credibility, expertise, excellent leadership skills, and a					

shared objective to lead the restructuring process.					
The restructuring team created a clear vision that was imaginable, desirable, feasible, focused and flexible.					
The new vision for the restructuring of UKZN Finance was clearly communicated verbally and through other means of advertising by management to staff on all five campuses.					
Through their actions the leadership had inspired and motivated me to follow the vision.					
The restructuring team assisted staff to remove barriers or obstacles that they encountered during restructuring.					
The managers for the different support staff Departments ensured that staff had the right skills, tools and information systems (computer system) needed to bring about the change and perform their tasks successfully post restructuring phase.					
During the restructuring process management cut down the long term goals to create short term wins to ensure sustained motivation of the staff.					

During the restructuring management communicated with staff frequently about how the new process was improving productivity.					
During the restructuring process management rewarded short-term wins.					
After the completion of the restructuring process management went back and reassessed the outcome of the restructuring process.					

SECTION C

The following statements relate to staff's perceptions of restructuring, motivation and moral after restructuring at UKZN

Part A: Staff Perceptions

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
The restructuring phase has increased customer satisfaction in Finance.					
The restructuring process has improved productivity in my Department.					
The restructuring process has improved my productivity as a staff member.					
I believe that management implemented the restructuring process effectively and efficiently.					

I was consulted throughout the Restructuring process and was aware of what was happening every step of the way.					
Management was honest, caring, supportive and transparent throughout the restructuring process.					
I was treated fairly throughout the restructuring process.					
The Finance division has changed for the better after the restructuring process took place at UKZN.					

Part B: Staff's Morale and Motivation

	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
The restructuring process has benefited all employees within the Finance Department.					
I am able to perform my tasks more efficiently after the restructuring process.					
The restructuring process has created more career growth within the finance department.					
I trust the Executives/Management responsible for the restructuring process at UKZN.					
I am more motivated after the restructuring process and look forward to coming to work each day.					

The restructuring process has resulted in an increase in my job satisfaction.					
I am more committed to the organisation's goals and objectives after the restructuring process at UKZN occurred.					
I am more happier with my job after the restructuring process.					
The restructuring process has given me the enthusiasm and confidence to learn new things.					
The restructuring process has made me happy to put in extra effort to ensure that the Universities goals and objectives are achieved.					
The restructuring process has assisted me in foreseeing a promising career with UKZN in the future.					



UNIVERSITY OF
KWAZULU-NATAL

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06 December 2017

Mrs Nancy Thangavelu (9602620)
School of Management, IT & Governance
Westville Campus

Dear Mrs Thangavelu,

Protocol reference number: HSS/2198/017M

Project title: An assessment of the business process review: A case study of the Finance Division at the University of KwaZulu-Natal

Approval Notification – Expedited Approval

In response to your application received on 16 November 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

.....
Dr Shenuka Singh (Chair)

/ms

Cc Supervisor: Dr Vannie Naidoo
Cc Acting Academic Leader Research: Professor Isabel Martins
Cc School Administrator: Ms Angela Pearce

Humanities & Social Sciences Research Ethics Committee

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Founding Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville