UNIVERSITY OF KWAZULU-NATAL

The effects of change management on skills retention in a division of a multinational company

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CONFIDENTIALITY CLAUSE

Due to the strategic nature of this research the management of the company under review has requested that its name remains undisclosed.

<u>DECLARATION</u>

With the signature below, I Sagashen Pillay, hereby declare that the work that I present in this thesis is based on my own research, and that I have not submitted this thesis to any other institution of higher learning to obtain an academic qualification.

Signature

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ABSTRACT

Automotive heat exchanger manufacturing in South Africa has been challenged since the 2009 worldwide economic recession. With increased globalisation the commodity has been exposed to extensive pricing wars, so manufacturers like Company X have to reassess and review current strategy with change becoming inevitable in support thereof. In the process, the issue of key skills retention became fairly pertinent to the success of such change. The need to understand the business change process and the human factor are key drivers. In terms of skills, there is a review of skills planning, assessment of skill makeup and consideration to talent management.

The research methodology applied here was a quantitative approach while utilizing descriptive research methods. The research instrument used was a questionnaire and due to the dynamics of the manufacturing plant the application of face-to-face questionnaire issuing, assured a 95% completion rate.

The main finding reflected the need to improve communication to all staff as well ensure that HR manages the link between performance reviews to training needs, and skill enhancement. Other findings indicate that the turnover of essential skills has a direct linkage to service delivery and skills ranking is therefore a pre-requisite in achieving stability post transformation, there is a trend evident whereby older employees display greater organisational commitment, insecurity issues is a concern which management must address and finally benchmarked compensation needs to be established which will improve the level of confidence

In conclusion the research problem has been rectified through this study and has presented an interesting platform of information that management of the company can proactively use for future transformation initiatives

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

The fundamental process of change, dynamic leadership together with structured development form the basis of robust organisations in the competitive world of globalised manufacturing (Terblance 2014). The resultant challenge facing companies is the ability to formulate an effective program to retain skills that may be considered critical in achieving or maintaining the organisational goals.

This chapter pays emphasis on the problem of change processes in these companies, being initiated by globalisation and challenged by the resultant competitive nature of business. The problem statement will be discussed together with the objectives of this study. Thereafter will be a review of the questions set forth followed by an analysis of the results conjointly with discussion. The chapter will close through a review on the scope of limitations of the study.

1.2 Problem Statement

With the increase in globalisation, especially in the automotive components industry from leading countries like China and India, the need to foster trade ties has been the focus for companies in countries that want to remain in business into the next decade (Bloom, Draca and Van Reenen 2011). Globalisation has increased the level of competiveness in industries and together with improved information technology the ability, to tap into new markets through the web. The need for international trade relations has created a global trading sphere in which the benchmark is shifted and improved on a regular basis (Begbie, Bussin and Schurink 2011).

Dhliwayo (2014) adds that competitiveness is the single major obstacle facing business today. Through securing a competitive advantage in the market place, stimulation to the customer to buy from a specific business rather than the competitor, is fostered. Organisations are often forced to implement new strategies in the shortest

possible timeframe due to the industry challenges, however there is little or no consideration as to how skills are to be effectively retained (Bloom et al 2011). This places greater focus on workforce capabilities and has fundamentally transformed the psychological nature of employment contracts. The idea of 'a job for life' - one career path in one organisation – has changed and has resulted in career expectations that include periods in more than one organisation and more than one career in a working life.

Van Dyke and Coetzee (2012) is of the view that businesses like Company X now have to face transformation to new business strategy models, which involves new products, services, new customers, new competencies and capabilities. Van Dyke and Coetzee (2012) further adds that when people have been rewarded for doing something over and over, they take great pride and comfort in doing it. Ochurub, Bussin and Goosen (2012) maintains that the dynamics of the change process requires shifting from a position of comfort to one that is disruptive and challenging. To remain competitive, shifting of business platforms has become the norm in order to be sustainable into the future (Ochurub et al. 2012).

1.3 Motivation for the Study

Ochurub et al (2012) maintains that with the introduction of global market mechanisms, public sector organisations have been privatised, large companies have broken up, businesses structurally 'flattened' and decentralisation has occurred with networking and large corporates have refocused on strategic business units.

To remain competitive Company X, a multinational within the automotive components sector, manufactures heat exchangers for approx. 60% of the local market as well as aftermarket and has undertaken the process of change in its product cataloguing and a shift to niche manufacture demanding its own skill sets. The concern is the loss of skill in the transition phase and the impact to the entity in the short and medium term. In the process of shifting to a new platform the skills set requirements means that it is essential to review critical skills in the business so as to guarantee success in the process of

transformation. The encapsulating aim through this review is to establish the effects of change management on skills retention in a division of a multinational company

Locally having reassessed the business footprint the Board of Company X approved a review of its strategy and decided to re-channel toward niche production rather than mass cheaper products. This would take this Operational site into the process of specialisation in the manufacture of full aluminium charge air coolers with the intention to provide the local market with a higher grade, higher quality product with increased life span at competitive prices. The biggest challenge facing the manufacturing facility was the high overhead cost base which directly impacted the piece prices of the units sold both locally and internationally. This meant that beyond the cost drivers like energy consumption costs and manpower costs needed an overhaul. This would entail a business restructure and impact on manpower and skills

1.4 Research Objectives

The objectives of this study were as follows:

1) To understand the relevance of business change processes, interpreting the change and reviewing the human impact,

2) Understanding the concept of skills retention, skills demographics, atmosphere of skilling and talent management,

3) To review human resource departments involvement with transformation

1.5 Research Questions

The objectives have derived a series of research questions that needed to be answered:-

Objective 1

- Is the change process understood and how effectively is it managed?
- To investigate how Company X managed the resistance to change?
- Establish impact of change management interventions on management, employees and the company?

Objective 2

- What comprises specific skills at Company X?
- Is there skills acquisition in place and how is it managed?
- Is there demographics in the skills available and how is this articulated?

Objective 3

- To understand the integrated function of human resource?
- Review the role of human resource in the change and skilling process?

1.6 Chapter Outline

The following is a brief explanation of how each chapter has been structured.

Chapter One: introduces an overview of the study. It will focus from a macro perspective on the research problem, the motivation for the study and structurally contextualises the main research question by reviewing the objectives. The chapter will also focus on who would the benefit from this study.

Chapter Two: is the literature review and essentially explains the concepts that influence skills retention, the understanding of skills and talent management, the impact of organisational transformational processes, the exploration of change management models and the Human Resources role in this challenge.

Chapter Three: is the research methodology used to conduct this study. It will provide an explanation on the differences between qualitative and quantitative research with reference to this study. It also provides geographical perspective and selection on the location of study as well as how the sampling frame was deduced. The data collection strategy will be explained as well as the choice of data instrument used to answer the research problem.

Chapter Four: is the presentation of the results as obtained via a questionnaire that was physically handed to respondents. It includes a discussion of the results in relation to the objectives that were developed to answer the main research question.

Chapter Five: is an amalgamation of the literature survey, initial objectives and problem statement and aims to solidify the discussion on the outcome and analysis of the survey.

Chapter Six: is the concluding remarks in relation to the problem statement and includes limitations to the study as well as recommendations for future studies. It also provides a recommendation for Company X.

1.7 Summary

The automotive components sector of the South African economy is a highly competitive focal area and this requires companies with the ability to be flexible as this becomes key to ensuring long term sustenance. Businesses have to manage their resources effectively in order to extract and nurture the skills levels required during change processes. The issue of due diligence and review in terms of skills is pivotal in ensuring that key business performance measures are successfully realised and maintained during and after strategic change.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Worldwide companies are seeking better and improved methods in respect to their approach in business. Driven by the impact of globalisation and growing competition, the need for increasing predictability by getting processes under control is fundamental (Du Toit and Sewdass 2014).

Wilson (2013) maintains that even though most people accept that change is inevitable, they are generally ill prepared for the process and fire-fighting becomes a norm. The view that employment has a deep seated and established linkage with the process of change becomes admissible only when the loss of skill becomes apparent during or post a change process (Nujjoo and Meyer 2012).

In this chapter the following retention factors have been explored:-

a) Compensation
b) Job Characteristics
c) Training And Development
d) Management Support
e) Career Development
f) Work-Life Balance
g) Gender Parity

2.2 Retention Factors

The concept of retention may be explained in reference to a self-manifested catalyst that influences the decision of employees in remaining or leaving an organisation (Barkhuizen and Du Plessis 2014). Furthermore Schlechter, Faught, and Bussin (2014) defines retention as an assimilation of activities that cohesively result in employees staying at organisations for lengthy periods. An expansive literature base

is available on the issue of labour turnover however the concern is that when the employees exit an organisation the skills and knowledge that they have accrued over this period becomes a risk leverage and opportunity to competitors (Weisul 2011).

Barkhuizen and Du Plessis (2014) added that the following retention factors are essential to ensure business stability:

a) Compensation

Van Dyke and Coetzee (2012) support the point and add that the financial reward is a pre-emptive deciding factor in wanting to leave an organisation or not. Coetzee, Mitonga and Swart (2014) challenges that the employment relationship is predominantly driven by management and is seen as a one way process. Coetzee et al (2014) adds that once a prospective employee has accepted the letter of intent on a job offer, only then is the consideration to whether there was fairness in the financial package offered. Van Dyke and Coetzee (2012) supports the view and maintains that financial reward should be used as a motivator in terms of job retention rather than encouraging employees to leave. Understanding market trends through benchmarking exercises as well as ensuring that correct pay levels are executed in line with company grading is key.

b) Job Characteristic

Job Characteristic is another factor that is often neglected and here the emphasis is on assurance that the job characteristics should not exceed the needs of the business and avoid forcing the employee to leave and secure broader horizons. Employees in general want to deliver better results through tougher job functions however managerial involvement is essential on expanding on these opportunities (Mosavi and Gaedhi 2012).

c) Training and Development

The implementation of job rotation enables employers the opportunity to tap into another aspect of training and development by exposing the employee into strengthening their area of weakness (João 2010). Training and regular feedback allows employees to envisage achievement through success in work situations where there is personal involvement (Matsidiso 2012).

d) Management Support

The need to understand whether the theoretical or practical training that the employee was given has made a difference in the workplace requires some degree of feedback. Using training as a yardstick this allows management the opportunity to measure its effectiveness. With the dynamics and pressures of any working environment the need to establish this linkage enables management to support the duality of training and recognition that follows. Mentoring is another gauge mechanism that provides management with access to a pool for effective succession planning implementation (Van Dyke and Coetzee 2012).

e) Career Development

Career development is considered as a growth process that enables employees to be exposed to information sharing, specific knowledge inputs and provides the base for skill acquisition, which encourages management to fully utilize their capabilities. The approach in business may vary however the intention is to serve the same final outcome (Van Rooyen, Du Toit, Botha and Rothman 2010). Cross training is another business tool that bridges the skills gap, generally this is applied with the 'stand-in' concept in day to day business operations and the duality in skills gain plus minimal disruption to the business operations, goes unseen (João 2010).

f) Work-life Balance

Work-life balance plays an influential role in an employee's attachment to their employer and with the advances today in technology, the need to be physically office

bound, job profile dependent , is no longer required (Coetzee et al 2014). A watchful tendency from management is required on occasion though, as personal discipline ranks high in jobs like this and a measure of deliverables is key to successful implementation.

g) Gender Parity

The concept of the 'glass ceiling' which profiles women and minorities for restricted growth into management positions becomes questionable today. According to Von der Ohe and Martins (2010) who adds that with rising cost of living both parents having to work in a family is the norm and therefore acceptance to the role of women in the workplace has changed in the positive over the last two decades in South Africa. With reinforced legislative directives in the form of the Equity Act No 55 of 1998 compliance through equity plans, etc. is no longer discretionary rather it has become arbitrary in the acceptance of women and previously disadvantaged into skilled roles in the workplace.

The assimilation of these aspects form the basis of discussion on the concept of retention and is expanded further in this review.

Veldmans Commitment Model

Geldenhuys and Veldman (2011) proposed a model to clarify the constituents that makeup an individual's commitment profile and which influence their decision in needing to stay or leave an organisation.
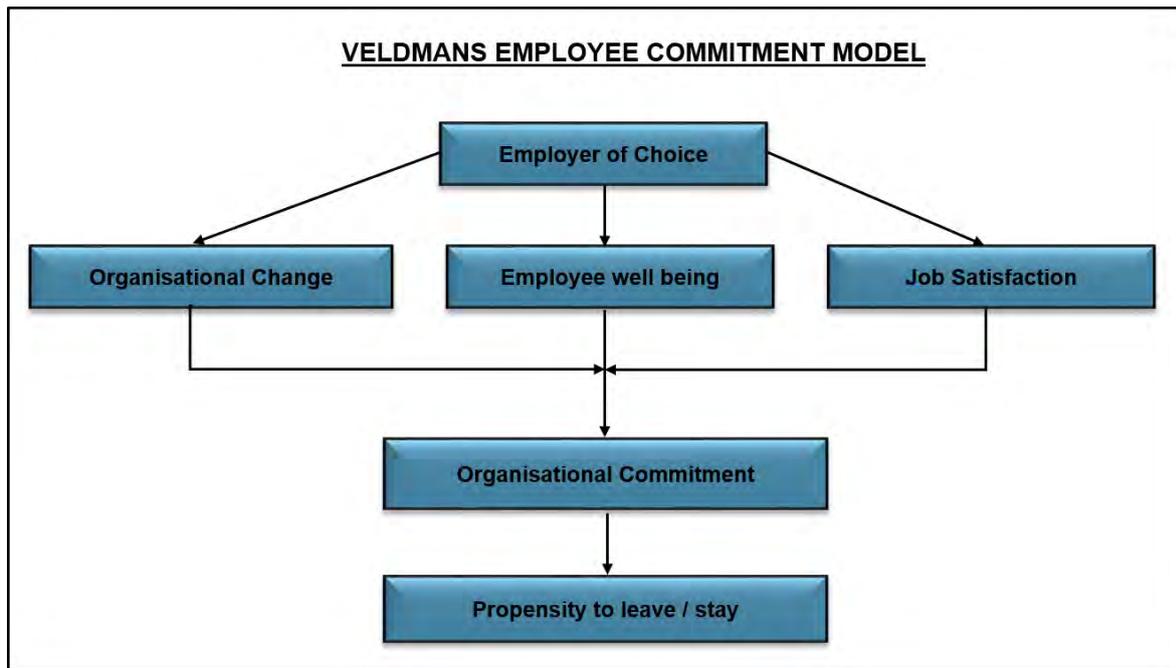
Figure: 2-1 : Veldman's Employee Commitment Model

Source: adapted from Geldenhuys, C.A., & Veldsman, T.H. (2011). A change navigation-based, scenario planning process within a developing world context from an Afro-centric leadership perspective

From Figure 2.1 above an individual has certain views in respect to their current employer of choice (EoH) which manifests in the need to remain in an organisation or choose to part with it. The organisational climate, employee well-being, and job satisfaction are seen as inherent factors in the Veldmans model that stimulates the key decisions.

Employee well-being reflects on the employee's situational responses to his work engagement. The aspects of organisational change and job satisfaction are driven on the premise of the individual's mobility and existing market conditions.

2.2.1 The Retention Initiative

The literature reviewed on the employee skills retention subject is focused predominantly on employees with core competencies and in core industries. Theron, Barkhuizen and Du Plessis (2014) together with Van Dyke and Coetzee (2012) maintain that unfavourable working conditions and poor compensation has resulted in migration of skills between countries.

Theron et al (2014) further adds that critical elements are key in managing an effective retention program namely:-

- Establishing a climate of trust
- Ensuring that management are skilled in supervising technical staff
- Communicating each employee's role in the corporate vision
- Providing management with adequate tools in terms of leadership with focus on development
- Clarifying roles and responsibilities
- Being watchful on market trends in terms of benchmarking of rates so as to ensure that talent is secured by worth

2.3 Understanding Change

Van Zyl and Du Plessis (2012) views change as a necessity to organizational stimulation and adaption to shifting impacts around it however it can be intrusive, frustrating in implementation and at times costly to realise. The process of change can be summarised into four categories according to Von der Ohe and Martins (2010) which is:-

1. **Structural Change** – the process of structural change is considered as managerial reconfiguration of functional departments with the intention of achieving a higher level of consolidated effort toward improved performance

2. **Cost Cutting** – is an attempt at streamlining and optimising the cost base through reduction in non-essential activity.

3. **Process Change** – is where the focus is on amending and refining the way things are performed with the intention to speed up and improve process reliability.

4. **Cultural Change** – reflects the transformation in human behaviour aimed at improving business processes or changing the way people interact.

2.3.1 Change – The Process
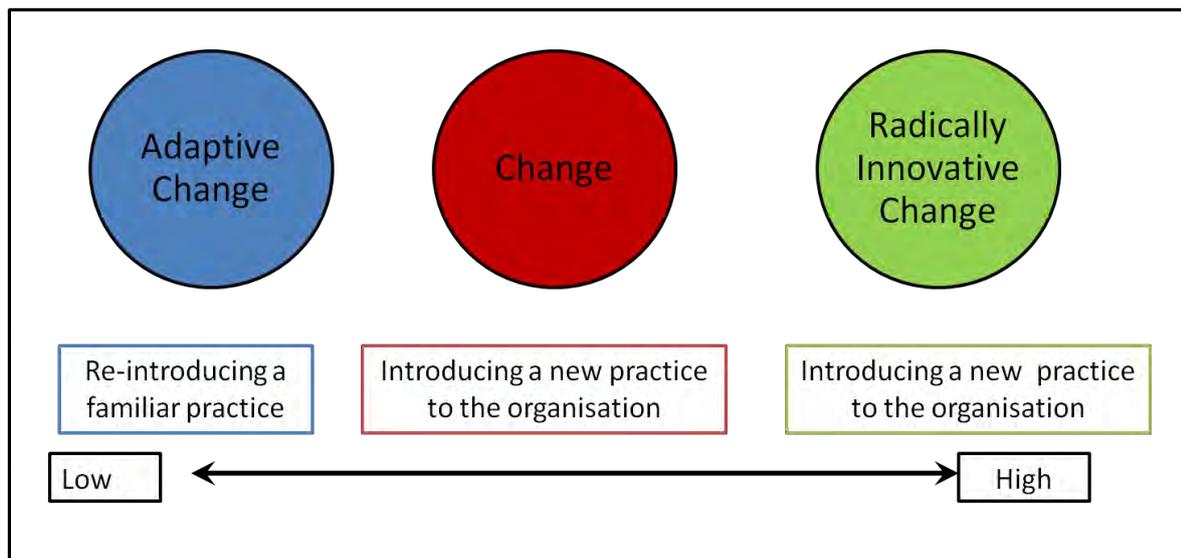
Figure: 2-2 : A Generalised View of Organisational Change

Source: Adapted from: Kreitner and Kinicki, 2008, p.536

The literature covering the change process focuses more on how it can or may be managed in the medium to long term according to Krietner and Kinicki (2008) which can result in a success or failure and displays characteristics that are static in nature. An example would be where a company has a customer failure and in the corrective action response they advise how serious management treat the issue however fail in providing proof or evidence in supporting such claims. Further there is very little discussion on the dynamics that created the quality issue in the first place.

Ochurub; Bussin, and Goosen, (2012) supported by Burger, Crous and Roodt (2013) discussed at length the issue of Kotter's eight step model of change (Figure 2.3) which reflects the managerial response to change and the ability to successfully operate under these challenging conditions. 'Managements fear of failure' has not been

extensively covered in the literature available and is reflected in the way organisational change processes in general, are so poorly managed (Ochurub et al 2012). This construct questions how successful organisations drew on the positive elements within the process of transformation and managed to sustain in the long term. The pattern of the process of change generally adheres to a predictable path which starts off with a satisfactory degree of success followed by a period of reduction in performance and thereafter an inward focused managerial dictate. The net result is fear and distrust in management support coupled with non-achievement in key performance areas (Ochurub et al 2012).
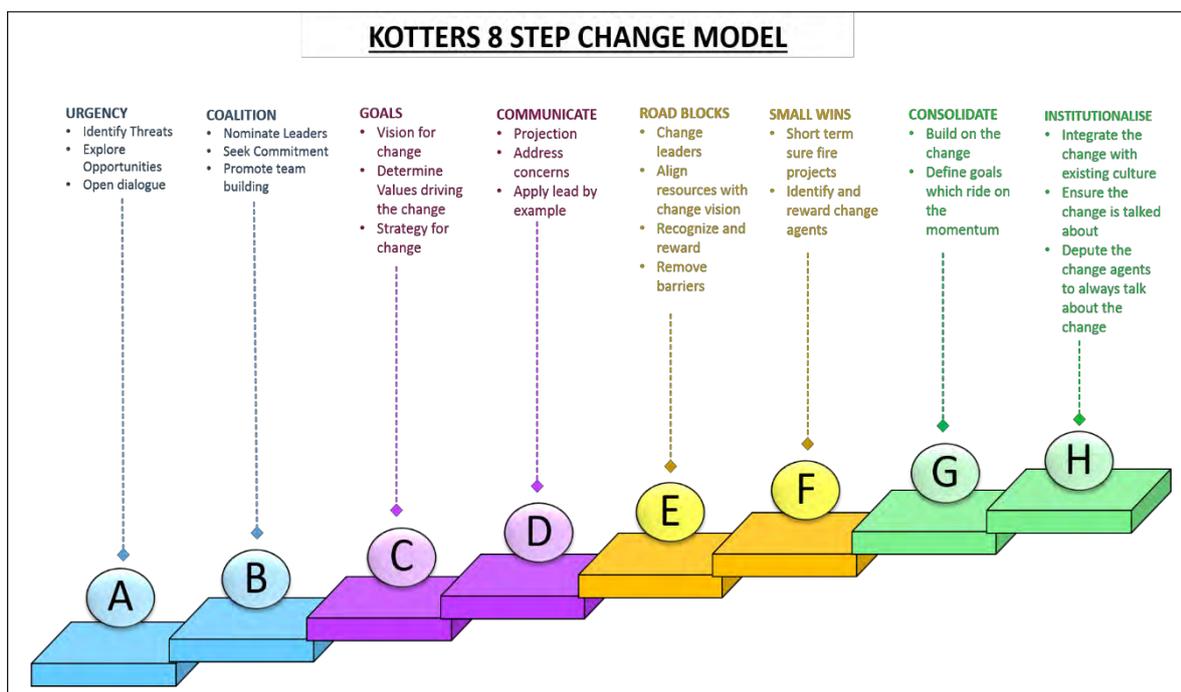
Figure: 2-3 : Kotter's 8 Step Model of Change

Source: Adapted from Burger, Crous, Roodt, (2013). Exploring a model for finding meaning in the changing world of work

Burger et al (2013) maintained that the Kotter's 8 step model has clarified the change process optimally and reflected an effective working model for modern change processes.

Von der Ohe and Martins (2010) maintain that in order for the transformation process to be successful it has to be consistent with any of the three levels of organisational culture. In further discussion Von der Ohe and Martins (2010) supports the view management should ideally approach transformation with a database of strategies for effective management.

The transformation implementation process is simple from a blueprinted development perspective however there must be understanding that the starting point of execution is the biggest challenge (Von der Ohe and Martins 2010). It is through this 'process' that management intend to influence and amend the behaviour of employees to perform or respond in a different way. The influential factors drawn on, include compliance, commitment and resistance. For successful long termed sustenance the resistance factor needs to be viewed as a failure influence attempt and understanding how to overcome has be fully defined.

From a psychological platform, the nature of human beings is that they do not have enthusiasm, nor willingness to embrace change at the workplace (Von der Ohe and Martins 2010). Decrease in employee loyalty, length of time spent on training and education of the process has a financial implication as well, which management must be readily aware off to ensure that the transformation is managed within the realism of time constraint.

Von der Ohe and Martins (2010) add that the transformation team must consider the following factors in ensuring that the process is successfully implemented, which include:

- Appropriateness in terms of timing of the change
- Fear at the outset of job loss
- Pressure from colleagues to agree or disagree to conditions of change
- An atmosphere of absolute distrust between management and employee
- A poor track record of change implementation strategies in the business
- The human factor of 'predisposition to change' has to be considered

Khoele and Daya (2014) on the other hand believes that there is an extensive platform of planned change literature together with change management models available. The key characteristics of these models often reflect (N number of steps) and functionally adhere to sequential straight line patterns. Schreuder and Coetzee (2010) supports the perspective that even though generic model of change has its roots in empirical studies, in practice it essentially follows the organisational behaviour routine of planned change.'

2.3.2 Planned Approach to Change

In review of change management literature available, one key model stands out and seems to form the basic framework to organisational change processes, namely the Kurt Lewis 3 stage model.
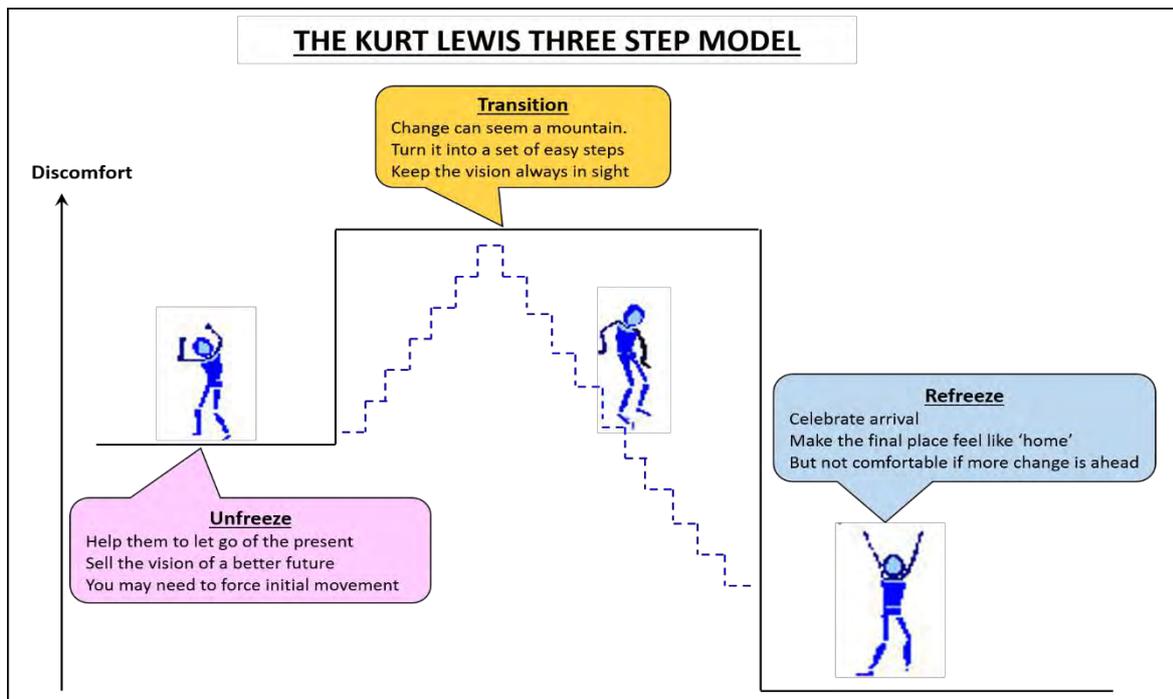
Figure: 2-4 : The Kurt Lewis Three Step Change Model

Source: Adapted from Glensor (2010:P66)

Glensor (2010) refers to the 3 step model in terms of a planned approach to change which was developed in 1946 by Mr Kurt L ewin, a researcher in the dynamics of group inter-relationship. This model of change adopts the approach that considers relinquishing old behaviour prior to the adoption of new (Glensor 2010).

The model involves in Stage 1 (Unfreezing) where human behaviour studied and reflects an equilibrium of varying forces , and these forces have to be restricted or unfrozen before any new behavioural patterns may be adopted (Bashir, Jilani and Azam 2015).

Glensor (2010) adds that unfreezing is not an end process as the momentum creates motivation to learn and leads to Step 2 (Moving) however the direction is not influenced.

Step 3 (Refreeze) is essentially a new equilibrium which detached from any form of stagnation (Glensor 2010).

The approach in this model is one that includes planned action and this has been criticised in literature by Bashir et al (2015) that organisational change does not operate within a stable environment. Pre -planning from one stable state to another is an impractical process, contrast to the fast changing environment which leads itself to the understanding, that change management is an open ended process (Glensor 2010)

2.3.3 Triggers to the Change Process

Nzukuma and Bussin (2011) maintains that organisations go through an evolutionary lifecycle in specifically the South African context, there is a highly culturally diverse spectrum of employees in terms skill and talent which in part, is due to a politically driven and unionised workforce, making the triggers to change thus visibly transparent.

Focus on the human potential is key in improving skills sets and globalisation has forced South African managers to continually be innovative and reassess business strategies (Nzukuma and Bussin 2011). It therefore become arguable that the need for the establishment of a constructive framework of change together with a degree of intervention, has to be realised.

2.3.4 The Role and Definition of Change Agents

Van der Linde-de Klerk (2010) defines change agents as those persons, who across the spectrum of an organisation, have been personally part of a change process, have been impacted by a change process or have supported the reasons for a change and finally can be influential role in amending current practice to new levels of expectation.

Bashir et al (2015) adds that change agents are "people who are responsible for organising, managing and facilitating change in organisations". In large corporations this can be a difficult process to initiate and manage therefore to ensure effective support these change agents should ideally be managers within the organisation, a consultant or an employee of the business (Bashir et al 2015).

The preceding discussions have centred on the similar views and all cited researchers have concurred that the role of a change agent is to drive transformation in a business however Dalton, McKenzie and Kahonde (2012) suggests that it would be foolish to attempt a major change without designated change agents especially where there are large numbers of employees involved. Burger et al. (2013) further supports this ideology that through the appointment of the change agents the organisation garners the readiness levels of the impacted employees. This in turn ensures that it is measured, reviewed and assessed to support their wellbeing in order to address any of their concerns, as well as to ensure a smooth and effective process. In the course of this review it has been identified that specific traits, knowledge and skill sets were essential in the selection of change agents.

2.3.5 Impact to Individuals

Paul and Berry (2013) comments that for the majority of people, the process of change is hurtful as it brings along a sense of loss in identity, comfort and basic routine. The default response is to protect oneself and these views are supported by Molaro (2014) in listing the negative impacts of change on human behaviour:-

- Poor productivity
- Communication failure
- Non-existent team interaction

Cilliers (2012) indicated that factors under resistance to change, can be listed as follows:

- Necessity of the change
- Uncertainty of ones future
- Testing one's self -competence and abilities
- Fear of increased responsibilities

2.3.6 Reluctance to let go of old

Human beings will resist change as long as they do not understand the reason for it Paul and Barry (2013). When a strategic change occurs within an organisation the resultant negative impact on employee's behaviour, lack of control of the situation and inability to steer the result, elicits the issue of fear (Paul and Berry 2013). It can therefore be argued that personal stress can be far higher for minor cases of change in a business than complete change processes that may result in retrenchment, etc.
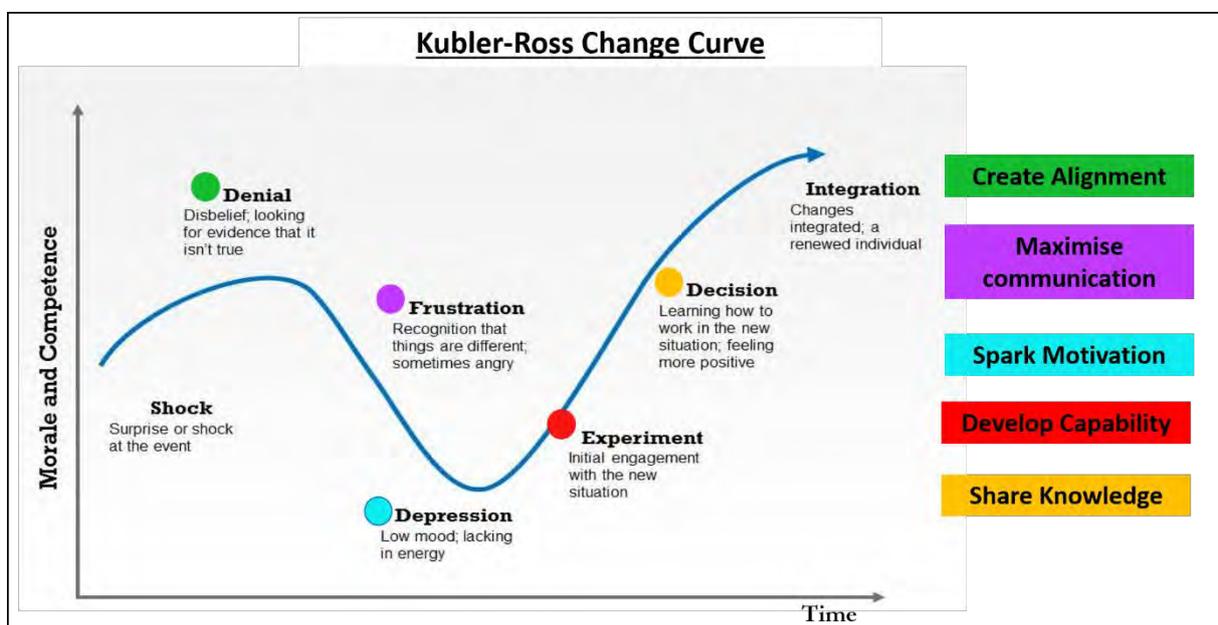
Figure: 2-5 : The Kubler Ross change curve with remedies

Source : adapted from Glensor (2010;P67)

The Kubler Ross change curve indicates that change occurs in four different stages:-

1. Shock
2. Defensive behaviour
3. Acknowledgement
4. Adaptation

The above diagram indicates proactive initiatives needed to be taken in order to address and minimize the impact at each stage.

The need for management empathy and consideration to these factors is pivotal in a change process and together with a due diligence assessment in terms of environmental, financial, human resource and technical impacts (Glensor 2010). As part of this due diligence assesment the following factors which are re-iterated by Schreduer and Coetzee (2010), must be taken into consideration in order that the transformation is effective, namely :-

- Decision making approaches within the business
- Managerial styles and attitudes
- Investment in training
- Willingness from all levels within the organisation to embrace change
- The issue of accountability
- Swot analysis on skills levels specifically focusing on strengths and weakness
- Motivational triggers in the workforce

2.3.7 The Uncertainty Factor

Paul and Barry (2013) pointed out that the issue of uncertainty during a change process can be detrimental to progress in concluding the initiatives undertaken. This means that transparency from the change agents need to be pivotal. Molaro (2014) found that during a process of change in an organisation employees experience fears of potential job loss either through restructure or retrenchment and how re-appointments to

positions would occur – this has a negative impact to both the departmental and individuals productivity levels

2.3.8 Resistance to Change

In a study by Glensor (2010) there is profound discussion on organisational change challenges, wherein he supports the review of Burger and Roodt (2013):-

- Where there is a perceived lack of employee understanding the change agent should educate, in rationalising the reasons and anticipated results of the change process in order to gain support and acknowledgement. This is generally used in larger groups however can be time consuming (Burger and Roodt 2013)

- In situations where commitment is lacking from the team, active participation is suggested however caution must be tendered as these employees may lack the expertise to develop proper plans (Burger and Roodt 2013)

- Exploring the opportunity for incentives to those who comply to the process of change is an alternative according to and this may be treated as an expensive option to address a major resistance to change (Burger and Roodt 2013)

- There is a common view that managers are themselves insensitive to the change process in comparison to operational staff. These managers also fear personal job loss and additional responsibilities or re-allocation of accountabilities that may follow a restructure processes (Bell and Barkhuizen 2011)

A thorough knowledge of the change processes, drivers of the change, and understanding why there is resistance to this process requires a structured framework to be established by the change agents for successful transition. A further tool that can be used to understand change is Prosci's Flight and Risk model.
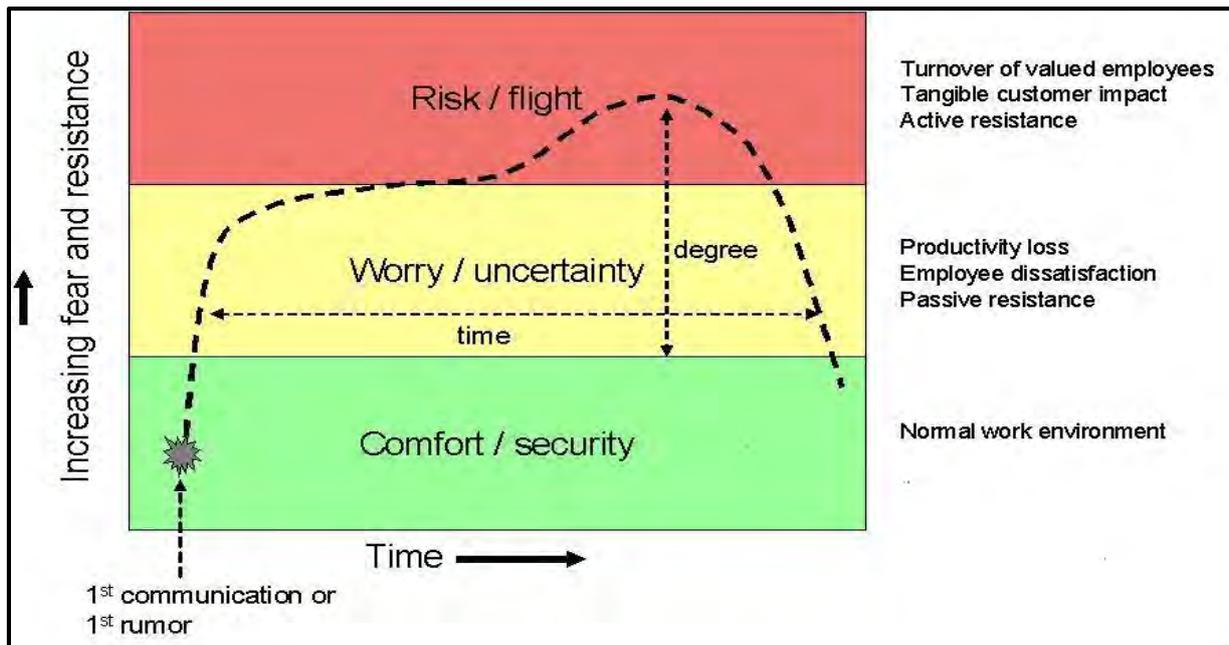
Figure: 2-6 : Prosci Flight and Risk Model

Source: adapted from Change Management Learning Centre: www.change-management.com

The model in Figure 2.6 displays three regions where the green section denotes a normal working environment with comfort and security. The yellow region displays an area that is fraught with uncertainty and worry for employees and the red area indicates where employees feel at risk from the change process.

Botma (2014) supported by the Glensor (2010) re-iterate the view that the Prosci tool is useful in understanding the key characteristics of the resistance of change and to manage the change effectively as it displays the following: -

- Resistance to change in respect to levels of severity of impact to organisations
- Ongoing resistance from managers and employees is a severe threat to organisational change'
- The longer an organisation is undergoing a state of resistance, the higher the risk of losing valued employees
- Each department will experience resistance to change to varying degrees and therefore management must be aware of this uniqueness

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2.3.9 The Engagement of Staff

Managing staff turnover during turbulent time's poses a challenge to most organisations and the key is to capitalise on skills developed within the organisation thereby ensuring staff is understood and managed (Terera and Ngirande 2014).

GALLUP ENGAGEMENT HIERARCHY

How can we grow?
Growth
Q12 : Opportunities to learn and grow
Q11 : Progress in the last six months

Do I belong?
Teamwork
Q10 : I have a best friend at work
Q 9 : Co-Workers are committed to quality
Q 8 : Mission /Purpose of company
Q 7 : At work, my opinions seem to count

What do I give?
Management Support
Q 6 : Someone at work encourages my development
Q 5 : Supervisor / Someone at work cares
Q 4 : Recognition, last seven days
Q 3 : Do what I do best every day

What do I get?
Basic Needs
Q 2 : I have the materials and the equipment
Q 1 : I know what is expected of me at work

Figure: 2-7 : Gallup Engagement Hierarchy

Source: adapted from Meyer, Roodt and Robbins (2011:p112)

Kaliannan and Adjovu (2015) defines an engaged employee as someone who is psychologically fully committed to their work role. The varying levels of engagement has been further described by Meyer, Roodt and Robbins (2011) through three distinct platforms namely:-

1) Engaged – this is an employee with a profound connection to their company and is passionate in driving the business forward.

2) Not engaged – this refers to an employee who attends work however is only there to earn a salary with no passion in their work.

3) Disengaged – these are employees for whom work makes them unhappy and this is shown through their non –delivery of performance.

While the link to employee morale and job performance has been obscure in the past, the Garups Q12 study demonstrates that, the stronger the work relationship the better the occupational outcomes. The four distinct stages begin with the need to understand expectations, next being provided with the right tools thus enabling performance and finally career growth (Schlechter et al 2014).

Barkhuizen and Du Plessis (2014) reviewed the Hays model (2002) that focuses on a total rewards model which not only focused on the elements of reward but what employees viewed as high performance workplaces. This model as discussed is a closed loop to the concept of retention in this study, and is made up of 6 key elements as well which include:

- quality of work;

- work life balance;

- enabling environment;

- inspiration and values;

- future growth opportunity

- tangible rewards
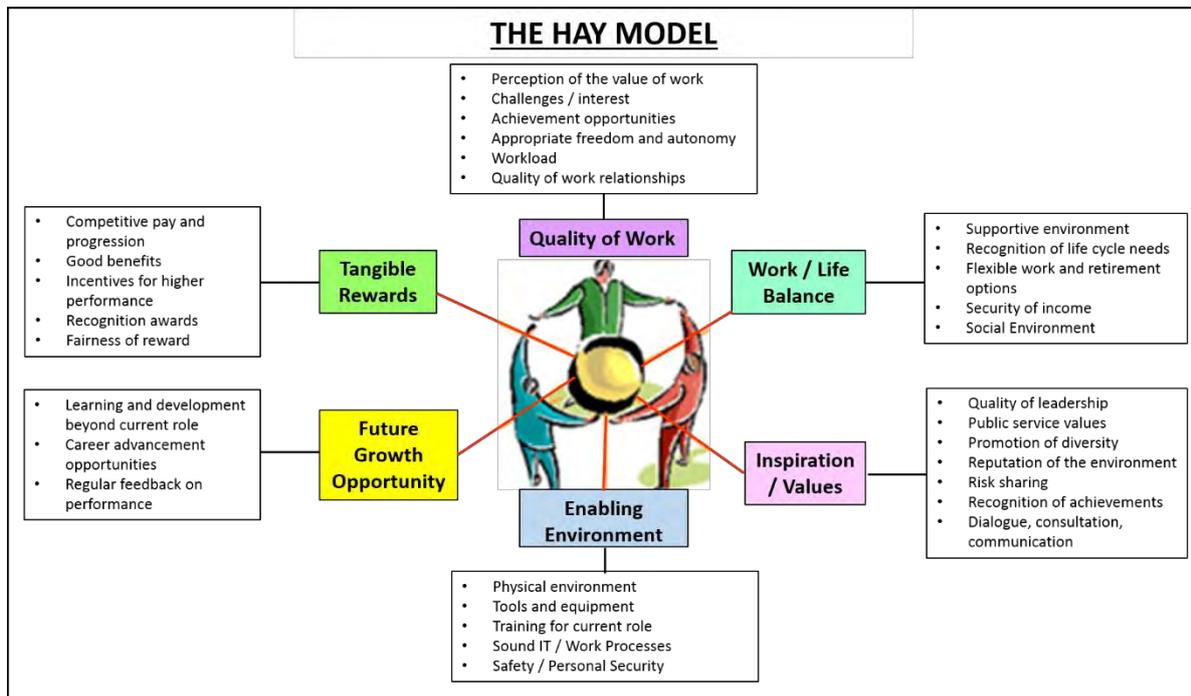
Figure: 2-8 : The Hay Model

Source: adapted from Barkhuizen and Du Plessis (2014:p132)

The levels of skills retention are directly associated with management interest or lack thereof in respect to employee skills development, talent review and opportunity to acquire new skills. In respect to the Hay (2002) model survey this reflected that only 38% of those planning to leave a company were satisfied with the current opportunities to learn new skills (Barkhuizen and Du Plessis 2014). Schlechter et al (2014) further supports the Hay study and maintains that employees view inspiration and values at the top of their focus, followed by growth and opportunity and finally tangible rewards at the tail end of the priority listing.

2.4   What are Key Skills?

Using the Markinor (2003) South African employee relations survey Khoele and Daya, (2014) indicated that employee loyalty is influenced by the focus on long term career development by employers. The perception is that employees feel restricted by narrow job functions where there little scope for growing ones potential and there is profound effect on their emotional stability (Khoele and Daya 2014). This indicates an issue of alignment of priorities between employer and employee.

Ochurub et al (2012) expanded on the literature in respect to strategy adopted either in focusing, re-inventing, decoupling in terms of skills. The concept of strategic diagnosis where there is formulation of ideas on business vision, the key fundamental aspects that require constructive review include industry benchmarking, employee surveys and customer input. This enables management to postulate the fluctuation in sales demand or increase in operational cost base prior to formulating a new business strategy.

An extension of this business strategy involves the application of different approaches on securing competent corporate staff and as well as providing assurance that the labour resource needs are more than adequately fulfilled and this is done through :

- the balance sheet approach – the consideration here is to ensure that financial compensation acts as a tool in retention and market elevation for possible poaching from competitors

- redeployment of staff into sectors that reduce their need to explore market options

In essence the process aims to ensure that skilled employees are more than adequately compensated for services provided and their packages place them in the upper percentiles of the pay margins extending them beyond the reach of other offers in the market place and/or redeploy this staff to other business units to reduce exposure and support their career growth (Ochurub et al 2012).

Change process in business should consider the B2Change model which has displayed robustness and delivered in its application to date and where the issue focuses on talent acquisition through securing the services of skilled employees who are willing to embrace the change concept and drive it (Brijball 2012). The limitations associated in securing potential employees that are willing to change and adapt can be expensive together with the training that normally follows and strong focus on-job there is progressive loss of interest and attention to the career growth path (Brijball 2012).

Unless companies hire individuals that already possess the required skill it will miss any opportunities within its occupational environment. There is another perspective on the skills ownership aspect and that is "the need to travel light" – which is simply the approach to acquire and discard talent as needed – an example here being contract work (Brijball 2012) .

Where there is turnover of skilled employees within an organisation the loss is greater than its sum, the domino impact to the operating unit is high level of inefficiency linked to poor service delivery (Omotoye 2011). Therefore the classification and identification of key skills according to Omtotoye (2011) becomes a necessity in retention strategy, namely:-

- **Scarce skills** – this is a default required skill without which the department will have difficulty in operating and can be tough to source. The essential fulfilment here is to establish the value of this skill in the market place through benchmarking and justify the retention by elevating the benefit beyond marketability.

- **Valued skills** – this is inherent skills that will also have a negative impact through its loss and is normally deduced through performance review and through general day-to-day actions.

- **High risk skills** – the turnover of these skills is generally high over short spaces of time and these skills are imperative to the survivability of any organisation especially post a change process.

2.5 Talent Management

Uys, Schutte and Esterhuizen (2011) maintains that establishing an effective business strategy, it is vital to consider the existing talent within the organisation
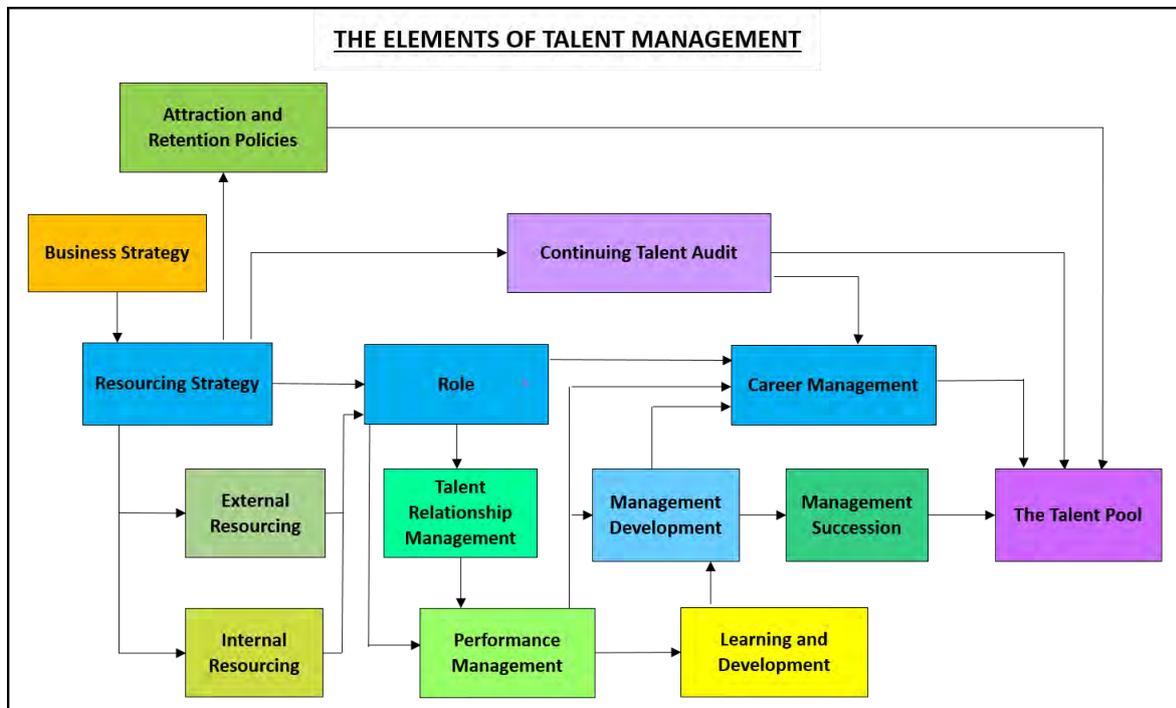
Figure: 2-9 : The Elements of Talent Management

Source: adapted from Uys, Schutte and Esterhuizen (2011: p66)

With the defining process of the five year business plan being completed the input by the board of directors together with the respective heads of department per discipline, will reflect the key competencies and talent required to achieve the established goal (Uys et al 2011). In respect to the issue of soft skills the application of testing mechanisms like performance appraisals, one and ones and 360° reviews can assist in providing a substantial basis for the training needs which promotes transparency for career path clarification (Ochurub et al 2012).

2.6   The Integrated use of the Human Resource Department

The basic function of a company's human resource department is to provide manpower, skills and through staff support, serve the organisation as effectively as possible (Von der Ohe and Martins 2010). Since the turn of the century, the human resource function has developed three distinctive facets namely, scientific management, human relations and the HR approach (Von der Ohe and Martins 2010). The need to improve the quality of working life with technological advancement requires the balancing of both these factors to be effectively consolidated. The hiring and managing of workforce diversity by ensuring that the company competes successfully, is the basic contribution of this department (Von der Ohe and Martins 2010).

2.7   The HR Challenge into the 21st Century

The toughest challenge facing HR practitioners today is the shift from traditional personnel approaches that were conceived in cultures driven by control and command to approaches characterised by greater employee commitment, co-operation and involvement (Swanepoel, Botha and Mangonyane 2014). Additionally developing the capacity for human factor flexibility in the highly competitive and contested business environment is considered a vital component for the achievement of company's change in business strategy.

Figure 2.10 depicts the process of skills retention according to Grobler and Warnich (2006) and the factors that have a direct influence on this subject which include:

- Anticipated talent requirements are reviewed and monitored
- Key competencies that warrant upgrade and placement are concluded
- Talent within the organisation is identified, recruited and fast tracked
- Headcount in line with business plan is approved and realized
- Demographics in line with Employment Equity and delivery on the diversity plans issued.
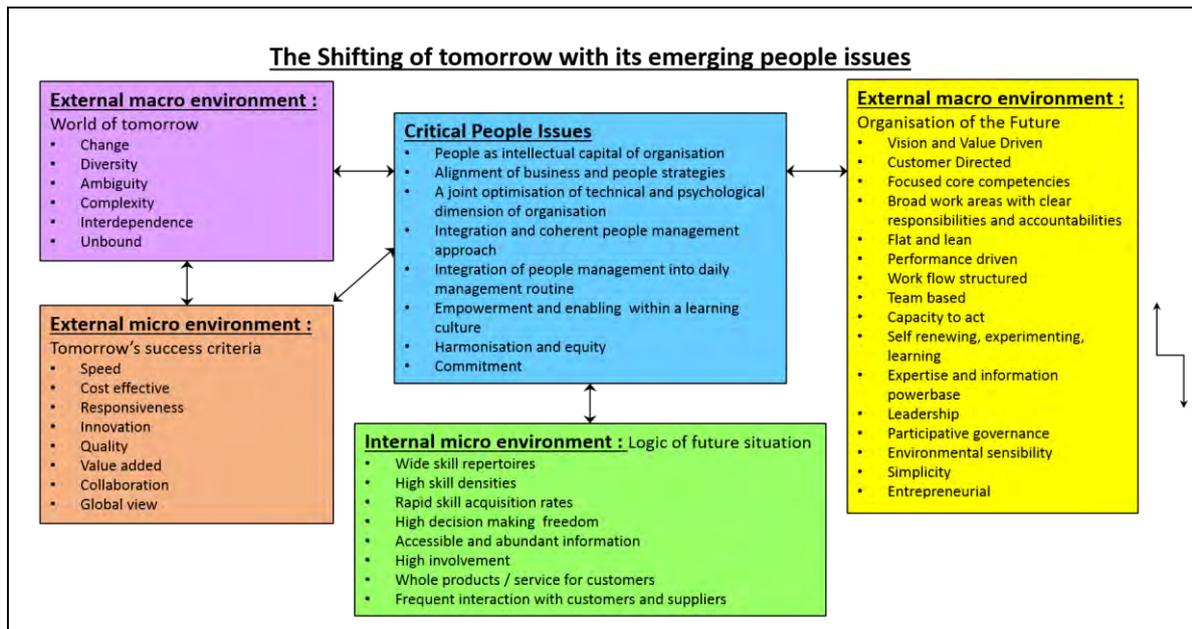
Figure: 2-10 : The Shifting of Tomorrow with its Emerging People Issues

Source: adapted from Grobler and Warnich [2006] – Human Resource Management in South Africa: Retention of Personnel, P28, 3rd Ed. Cengage Learning UK.

The performance and achievement of key deliverables by Human Resource has a pivotal influence on the transformation in business strategy and should not be underestimated (Swanepoel et al 2014).

2.8 Summary

The expanse of literature available in understanding the change process leads one to realise that this is inevitable, as globalisation factors influence the dynamics of business practice and drives companies to remain competitive. The issue of skills and how it supports the transformation process has been shown in the literature as a neglected process which requires attention to detail within the ambit of change. The reliance on all role players, facilitated by Human Resource during the change process must be viewed in a serious light, especially at the point of recruitment in an organisation together with the consolidation of skills and skills mapping and talent management required to ensure business continuity.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter is structured by providing a macro level perspective on the research design and data collection, followed by information on the study setting which includes the participants and location of review. Thereafter there is discussion on sample size and analysis of the research instrument. Once the reliability of the research instrument is presented, the chapter will conclude with elaboration on data administration and analysis.

3.2 Research Design

According to Sekaran and Bougie (2009) research can conventionally follow three routes, namely:

a) Exploratory,

b) Descriptive,

c) Explanatory,

These categories do not operate in isolation of each other and rather operate in reliance to one another.

a) Exploratory Research

This involves the process of performing group driven activities like interviews or literature surveys. It does have drawbacks though which includes a broad spectrum analysis that very often fails to answer the research question. The objective of this type of research is to identify key issues and key variables according to Sekaran and Bougie (2009). An example of an outcome might be the exploration for an improved mechanism of measure for a specific variable.

b) Descriptive Research

Sekaran and Bougie (2009) defines descriptive research method as a process that provides its user with an accurate profile of observations. The objective of process is to accurately reflect the behavioural aspect of population at a point in time. Essentially the aim of this type of research is to define and map the foundation of a specific problem.

c) Explanatory Research

Explanatory studies aims to profile and explore the nature of specific relationships. Govender and Mbhele (2014) supports the view that hypothesis testing in an example provides a review of variable relationships and extends the patterns existent.

This study has reflected the *descriptive research* method. There are fundamentally two basic approaches that may be used in conducting research either qualitative or quantitative (Govender and Mbhele 2014). The deciding factor though in applying either approach is to first understand the inherent differences in these applications. A simulated example that easily defines the differences between these approaches is reflected in Table 3.1 by Johnson and Christensen (2012) and is explained in further detail throughout the sub sections listed in this chapter.

Table 3-1 : Understanding the comparison between Qualitative and Quantitative Research

Differences between Qualitative and Quantitative Research Methods		
	QUANTITATIVE RESEARCH	QUALITATIVE RESEARCH
Scientific Method	Either a 'top – down' or a deductive process	Either a 'bottom – up' or an inductive process
Research Objectives	Explanation, prediction and descriptive	Discovery, exploration and descriptive
Focus	Specific hypothesis can be tested	Wide focus required in order to understand the detail
Observation	Behaviour is studied under controlled conditions	Behaviour is studied in the context in which it occurs
Forms of Data Collection	Precise measurement required to answer research problem e.g. structured questionnaire, closed – ended questions, etc	Researcher is primary data collection instrument through open – ended questions, in – depth interviews, etc
Data	Based on variables	Based on images, specific categories or words
Analysis of Data	Seeks to identify statistical relationships	Seeks to identify specific themes or patterns, etc
Results	Can be generalised onto the population	Represents multiple viewpoints
Reporting	Based on statistics e.g. correlations, etc	Based on narration of participant responses

Source: Adapted from Johnson, B. & Christensen, and L.B. 2012. Educational Research: Quantitative, Qualitative, and Mixed Research Methods. 4th Ed. California: Sage Publications.

With the research problem being understood as well as the definition of the research approaches being rationalised and accepted, this study has undertaken to employ the *quantitative approach*.

The intention in applying the quantitative approach for this research is that it provides an answer to the main research problem, as well as it provides for deductive reasoning to be employed. Govender and Mbhele (2014) maintains that this process best aligns the relationship between theory and practice. There is distinct series of steps that begins with the application theory for a defined scope of research which then proceeds with empirical evidence gained which either supports or challenges this theory.

3.3   Study Settings

The study had be channelled specifically at Company X's Pinetown site as this is the only local facility in the group that is focused on the manufacture of mass production low grade aluminium heat exchangers. The other business sites locally are specialised

in copper/brass technology and besides this the strategic change affects the Pinetown site only. The study reviewed and targeted all internal staff of the site, see basic organogram below:
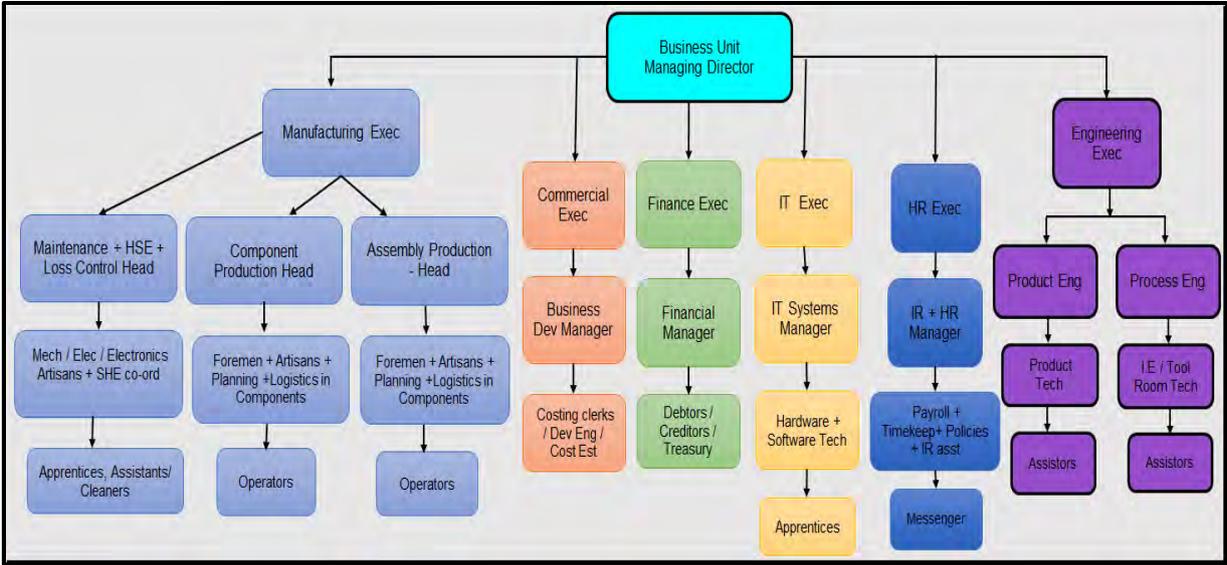
Figure: 3-1 : Basic Organogram of Company X's - Pinetown Unit (May 2015)

3.4   Population and Sample Size

Sekaran & Bougie (2009) suggest that process of sampling is selecting the right individuals, events or representatives for the entire population. The reason in this research for sampling that it was aimed to streamline costs, time and human resources availability and reduced the degree of fatigue that data collection brought along.

Govender and Mbhele (2014) suggests that the appropriate sampling methods that could employed in research is either non probability sampling or probability sampling. Non – probability on the other hand indicates that the sample selection process enjoys a total lack of controls (Sekaran and Bougie 2009).

The *simple random sampling* method chosen for this study makes use of a sample that when drawn from a population has an equal opportunity of being selected which in turn reflects holistically in respect of the population in its entirety (Sekaran and Bougie 2009).

a) Appropriate sampling for this study

Good research protocols maintain that in order to attain an exemplary level of confidence in the results, the sample size taken has to be correct (Govender and Mbhele 2014). Sekaran and Bougie (2009) adds to this view that the sampling size is affected by a number of factors, namely:

- Result objective
- Risk tolerance through predicting the level of precision
- The extent of required precision
- Cost and time constraints
- In some cases the size of the population itself

From the sample size tables provided directly from Sekaran and Bougie (2009) and post the last manpower review, Company X employee records indicated that the latest restructure had impacted 130 employees.

The recommended population size *N* is therefore 130

The aim would be to achieve results within a 95% confidence limit where the *k* value is 1.96 on the *t* tables:

$$U = \overline{X} + KSx$$

n = 97

The sample size to be applied is therefore 97 persons

3.5 Data Collection Strategy

A structured questionnaire had been chosen as the research instrument for the purposes this study which had been based on the quantitative research approach. Permission had to be initially obtained from Management, prior to conducting the research at Company X, thereafter there was a request to the employees of the company to support the research initiative; otherwise known as the target population , *N.* Sekaran and Bougie

(2009) defined *N* as this group of people, events or things of interest for which a researcher makes inference) to participate voluntarily in the research by completing the questionnaires.

The questionnaires were filled out in person with each participants, as initial attempts in email proved fruitless with poor responses, beyond the reality that most employees worked on the shop floor. A covering letter had been attached outlining the purpose of the study with emphasis that confidentiality of the research project was assured. This letter also explained that the information would be used for research purposes only. At the outset the respondents were advised that their participation was voluntary and would remain anonymous if requested so.

The only challenge faced in the handling of the responses was the availability of the participants as a result of to shift work. Cost was not an issue as the researcher was available and lived within close proximity of the research location.

3.6   Description of Research Instrument

The questionnaires structure had been developed primarily with the research problem and research objectives in mind. The questionnaire was been designed with the intent of user friendliness and for simplicity to ensure that the respondents understood. As part of the questionnaire development and in line with ethical protocols, due to the sensitivity of the research, respondents were assured of complete confidentiality in their feedback.

In the design of this questionnaire, consideration had to be taken in understanding the quality of the data being sort and what contribution it would make to the study. In setting the questionnaire consideration in line with the objectives to the research were to the following key factors:-

- The characteristics of the audience / respondents from which data was sought,

- The assurance that data would not be distorted,

- The simplicity and ease for the respondents taking their time into consideration,

- Availability of the respondents

- Ease of automating the data entry

The questionnaire was constructed into different sections in line with the objectives:

Table 3-2 : Structure of the Questionnaire

Section of Questionnaire	Contents	Scaling Used
A	Demographics	Nominal
A	Skilling	Dichotomous scale
A	Change Process	Dichotomous scale
B	Other	Open Ended

For ease of use the researcher had made use of a of list questions that enabled the respondents to offer a wide spectrum of options however always alert to non-response which indicated uncertainty or some reason that none of the options had applied. The closed spectrum of questions enabled the easier use of tick boxes.

3.7 Administration of the Questionnaire

The process of administration is essentially the collection phase of data with the attempts to maximise the response rate (Govender and Mbhele 2014). In this survey the researcher, carried out pretesting on the questionnaire to ensure that it used the 'personal contact' process so that clarity was provided to the respondents as required, success rate was assured. Advance appointment booking for respondents was key, meeting at the Plant before or after their working shift and through their managers improved the response rate. All respondents – from Management to shop floor personnel, greatly appreciated the face to face contact rather than through email or through third party person's requests as it was a practical option in light of the layout expanse of the manufacturing plant.

3.8   Validity and Reliability

One of the key challenges faced by researchers is that the design of the questionnaire required appropriateness and robustness or would otherwise have led to a lack of confidence in the findings (Govender and Mbhele 2014). Quite often the observations have not been tabled accurately resulting in data corruption.

Preciseness and accuracy of data therefore becomes a pivotal driver for research which is tangible and beyond reproach .One of the methods of testing process is the Cronbach alpha coefficient and according to Sekaran & Bougie (2009) this reflects the correlative nature of the data set. When the result is closer to the factor of 1 the higher is the level of reliability

3.9   Ethical Issues and Considerations

Sekaran and Bougie (2009) maintain that it is essential that ethical considerations be respected and practiced during the collection phase of data so as to provide a transparent and realistic clean form of data and is applicable to those who collect data, research sponsor and those who are part of the study.

An example from this researcher's perspective was to ensure that there was:

- No misrepresenting the nature of the study to subject that could skew the final result
- Not forcing a respondent to ensure completeness of data
- Not creating a situation that leads to physical harm to the respondents
- Respecting the confidentiality of both respondents and sponsors alike
- Personal or any obtrusive information should not be solicited

The pre-requisite for this submission was that the questionnaire fulfilled the code of ethics and did not infringe or violate ethical guidelines.
For this research the Ethical clearance certificate was issued by the Ethics Committee on 4th September 2013 under reference: HSS/078/013M

3.10 Data Analysis

Once captured the raw data had been converted using a statistical package that allowed for accuracy in the dataset as well as the ability to analyse statistical data through descriptive statistics such as plots, frequencies, charts, including analysis of variance (ANOVA), cluster analysis (Sekaran and Bougie 2009).

For the purposes of this study the preferred mode of analysis has been SPSS due to its simplicity, accuracy and is apt to the nature of the research problem. The statistical analysis of the data has allowed the researcher to determine the significance of the relationship between the effects of business change on skills retention and possibly organisational commitment. Furthermore the scale of measures like median, standard deviation and variance provide the researcher with a proper platform in understanding how the respondents have reacted to the study. It relayed biasness in the questioning technique, if any.

3.11 Summary

This chapter had provided an overview in respect to the research methodology employed for this study. It presented the aim of the study, the location and number of participants. The instrument utilised was a questionnaire that was specifically structured to satisfy the objectives of the research. Face to face contact to all respondents, to complete the questionnaires from Management to shop floor personnel was facilitated, and proved highly successful in light of the Plant layout dynamics. The questionnaire results were processed using SPSS to derive accuracy in data generated. The chapter to follow will focus on presentation of the results.

CHAPTER FOUR

RESULTS

4.1 Introduction

The core discussion in this chapter is focused on presentation and review of the results derived from the questionnaires received in the survey of staff at Company X. It is imperative that the participation survey be initially presented before the detailed results in order to enable some degree of perspective. For the sake of simplicity the researcher had chosen to round off decimals in the statistical result.

4.2 Survey Participation

The survey was driven via a questionnaire that was physically handed over to respondents and feedback was at maximum twenty minutes from issue. The period of the survey was over 3 weeks between the months of April and May 2015.

Table 4-1 : Survey Participation

	Count
Number of invited respondents in the Survey	108
Number of respondents that initiated the questionnaire	105
Number of respondents that completed that questionnaire	100
Participation Rate	93%
Completion Rate	95%
Non completion (after starting)	4
Validation Errors	1
Average time to complete questionnaire	15 minutes

4.3 Results of socio-demographic variables

A total of 100 participants completed the questionnaire. Participants' socio-demographic information's are summarized in table 4.2. It was found that majority of the participants (72%) were male. With regards to marital status, more than half of them (56%) were married followed by single (28%). Results showed that more than a third (36%) were working in the in the production department and 23% were from engineering department. Less than a third of the participants had undergraduate degree or higher (31%) and about a third had non-technical qualification (32%). Majority of the participants (83%) had more than 10 years of working experience.

Table 4-2 : Socio-demographic information of the participants

Variables	Frequency	Percent
Sex		
Male	72	72.0
Female	28	28.0
Marital status		
Widow/Widow	3	3.0
Divorced/Separate	13	13.0
Single	28	28.0
Married	56	56.0
Department		
Others	11	11.0
Logistics	8	8.0
Maintenance	16	16.0
Customer Care	6	6.0
Production	36	36.0
Engineering	23	23.0
Education qualification		
Others	6	6.0

Variables	Frequency	Percent
Did not complete matric	15	15.0
Completed Matric	30	30.0
Diploma	18	18.0
Undergraduate	15	15.0
Post Graduate	16	16.0
Technical Qualification		
Incomplete Training toward Trade qualification	20	20.0
Trade Tested Artisan Fitting& turning	7	7.0
Trade Tested Artisan Tool making	9	9.0
Trade Tested Artisan Millwright	11	11.0
Trade Tested Artisan Electrician	6	6.0
Plastics Federation (Level 1-6)	9	9.0
Artisan Electronics	6	6.0
Others	32	32.0
Work Experience		
1-5 years	4	4.0
6-10 years	17	17.0
11-15 years	35	35.0
16-20 years	23	23.0
20+ years	21	21.0

Results had shown that more participants indicated that there career path was not mapped out and monitored (74%), 70% did not know that there was a mentorship program in place, and 71% mentioned that for their career path, they did not understand the company grading system. It was also found that almost all the participants (91%) agreed that the company undergo annual performance review and the process is the process transparent.

Table 4-3 : Frequency distribution of statements regarding skilling

Statement	Unsure	No	Yes
Do you believe that the company's training is relevant?	18.0	60.0	22.0
Is there a process of cross training on site supported by you and your Manager?	2.0	35.0	63.0
For your career path do you understand the company grading system?	3.0	71.0	26.0
Is there a defined process for career planning and skills development to encourage you to remain on site?	11.0	58.0	31.0
Do you undergo performance review annually and is the process transparent?		9.0	91.0
Is your career path mapped out and monitored?	7.0	74.0	19.0
Do you know if there is a mentorship program in place and if it is supported?	10.0	70.0	20.0

Majority of the participants mentioned that the recent restructure affected their conditions of employment in a positive manner (Figure 4.1)
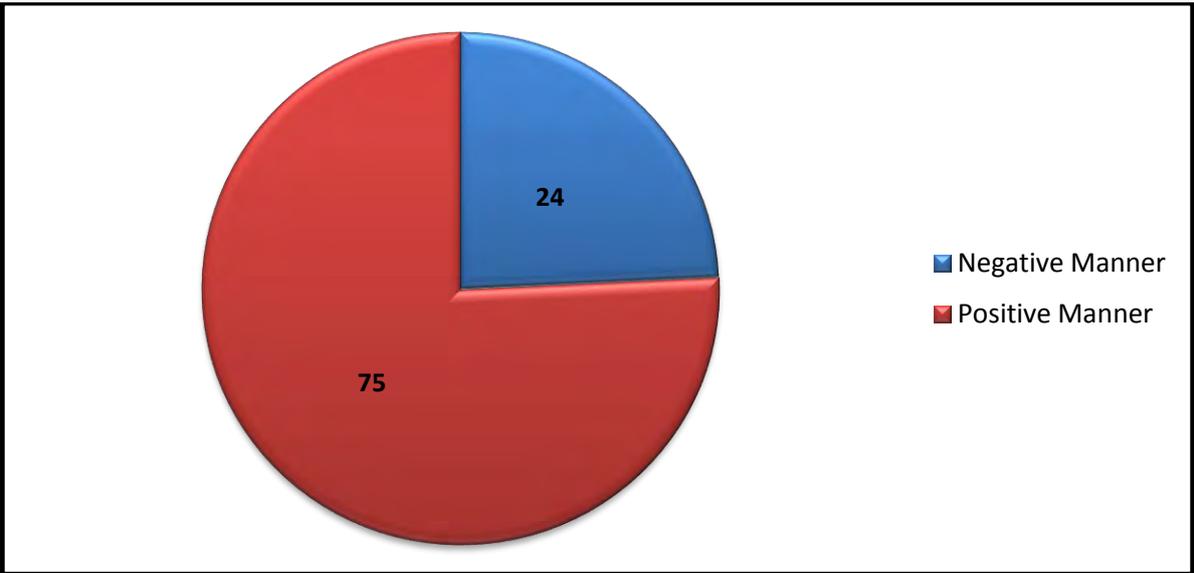
Figure : 4-1 : The Effects of Restructure

More than two-thirds of the participants (70%) indicated that there was no adequate consultation prior to the transition process (Figure 4.2).
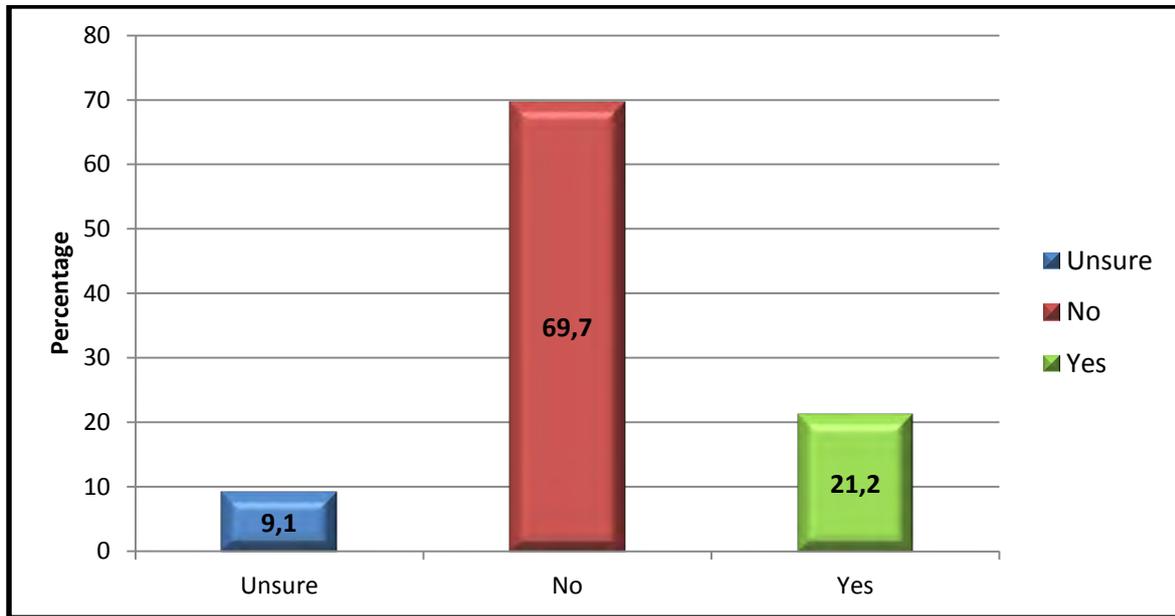
Figure : 4-2 : Do you believe that there was adequate consultation prior to the transition process

It was found that 70% of the participants disagreed that Employees were provided with adequate information on the change process (Figure 4.3).
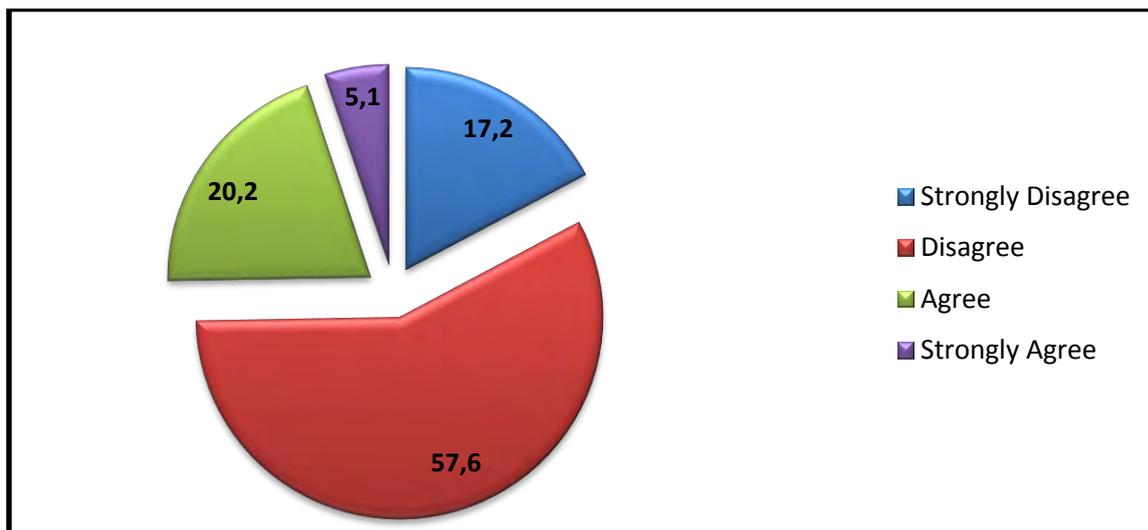
Figure : 4-3 : Employees were provided with adequate information in respect to the Change Process

Results showed that 72% participants reported that the management had not been supportive during the transition period (Figure 4.4).
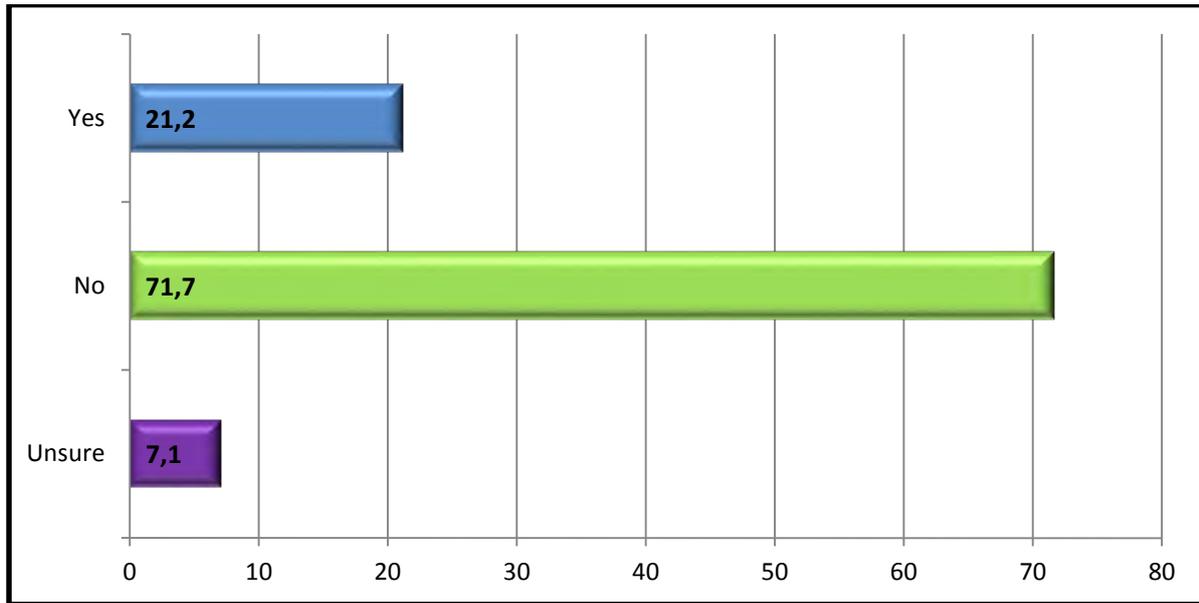
Figure : 4-4 : Management support during the transition period

When participants were asked about the critical or high valued skills required on this business site, the first choice was Millwright (60%) followed by Toolmaker and Fitting and Turning (34%, 30%) respectively (Table 4.4).

Table 4-4 : The critical or high valued skills required on this business site

Rank of Choice	Section	Frequency	Percent
First choice	Millwright	60	60.0
Second choice	Toolmaker	34	34.0
Third Choice	Fitting &Turning	30	30.0
Fourth Choice	Electrician	61	61.0
Fifth Choice	Tech Furnace	54	54.0
Sixth Choice	Machine setter	93	93.0
Seventh Choice	Machine operator	94	94.0

University degree was the first choice by 78% of the participants as high valued qualification in the specific field followed by Diploma (67%) (Table 4.5).

Table 4-5 : Qualification per the specific field is deemed to be high value

Rank	Degree	Frequency	Percent
First	University Degree	78	78.0
Second	Diploma	67	67.0
Third	Artisan-Red seal	55	55.0
Fourth	Trade Test Artisan	55	55.0
Fifth	In-plant training certification	84	84.0

About two-thirds of the participants (63%) mentioned that they are currently seeking new employment opportunities because they that their jobs are not secure (Table 4.6).

Table 4-6 : Statements that best describes your job intentions

Statement	Frequency	Percent
I am currently seeking new employment opportunities because I fear that my job is not secure.	63	63.0
Even though I would like to quit working for this business, I believe that the options externally are limited and res	7	7.0
I am committed to working for this company as I believe that its provides me with the best opportunity to meet my	30	30.0

When asked how they did response to the change process, 63% indicated that they were anxious and worried about the impact to them (Table 4.7)

Table 4-7 : How did you respond to the change process?

Respond	Frequency	Percent
The process did not affect me, I continued with my routine behaviour	7	7.0
I was optimistic that the process was essential to the stability and future of the business	15	15.0
I was anxious and worried about the impact to me	63	63.0
I was annoyed and angry about the process and am intolerant to change	15	15.0

Participants were asked to rank how the change process affected them. Results showed that about half of the participants (47%) were unsure whether they would lose their job as rank number one followed by the would be expected to carry a higher work load even though their function was not affected (23%). The ranking of all other statements are summarized in (table 4.8.)

Table 4-8 : Participants were affected by the change process

Statement	Ranking				
	1	2	3	4	5
I was unsure whether I would lose my job	47.0	9.0	1.0	17.0	26.0
I would be expected to carry a higher work load even though my function was not affected	23.0	26.0	11.0	37.0	1.0
Guilty because I knew that my job was secure but my fellow work colleagues were losing theirs	7.0	37.0	45.0	7.0	2.0
Angry because I felt that the company should have reviewed other options to remain competitive before deciding to reduce the workforce	10.0	24.0	36.0	25.0	3.0
I accept the process as change is needed for our business to remain viable	9.0	3.0	2.0	16.0	67.0

46

It was found that about two-thirds of the participants (63%) highlighted that they did not receive any support followed by 28% indicated that assistance was given to them to handle issues within the new terms that were created (Table 4.9).

Table 4-9 : Post the Restructure exercise has the management offered that participants agreed with

Statement	Frequency	Percentage
Individual sessions were offered by my manager/supervisor to assist me in coping with the changed environment	5	5
Assistance to deal with my emotions was offered through Human resource department	12	12
Additionally training was provided to successfully handle my new job profile	13	13
My support was sought to determine how to make a positive contribution to the new business goals	8	8
Assistance was given to me to handle issues within the new terms that were created	28	28
No support was offered	63	63

About half of the participants (48%) reported that they rarely or never had adequate work-life balance in this company (Figure 4.5).
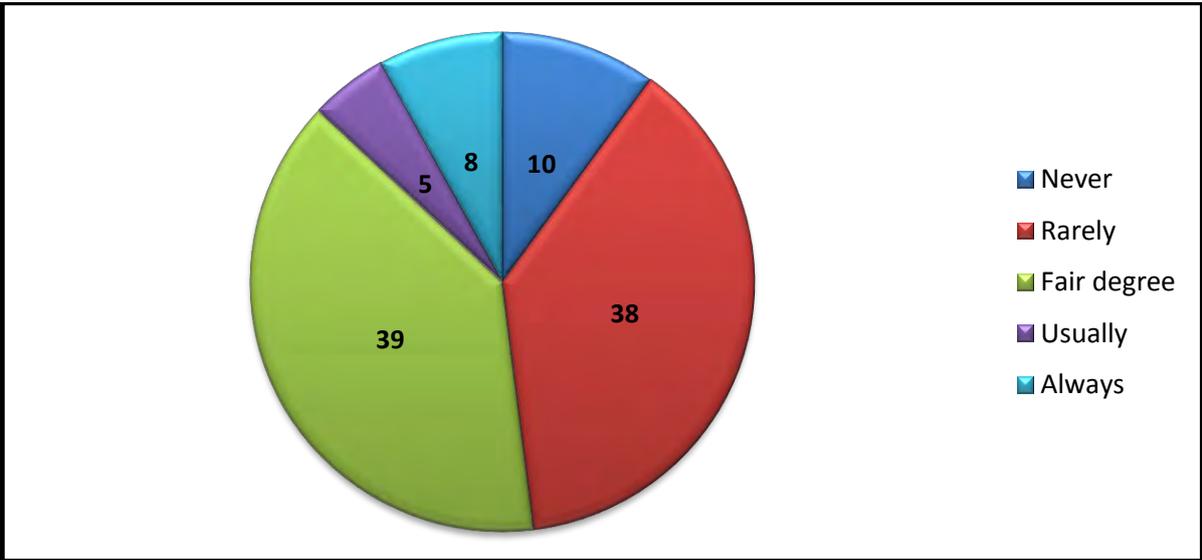
Figure : 4-5 : Is there adequate work-life balance in the company?

It was found that only one in six participants (17%) reported that they had a clear indication of their role and future prospect (Figure 4.6) and similar numbers also highlighted that they believed their skills were definitely needed and will be harnessed at in the future (Figure 4.7).
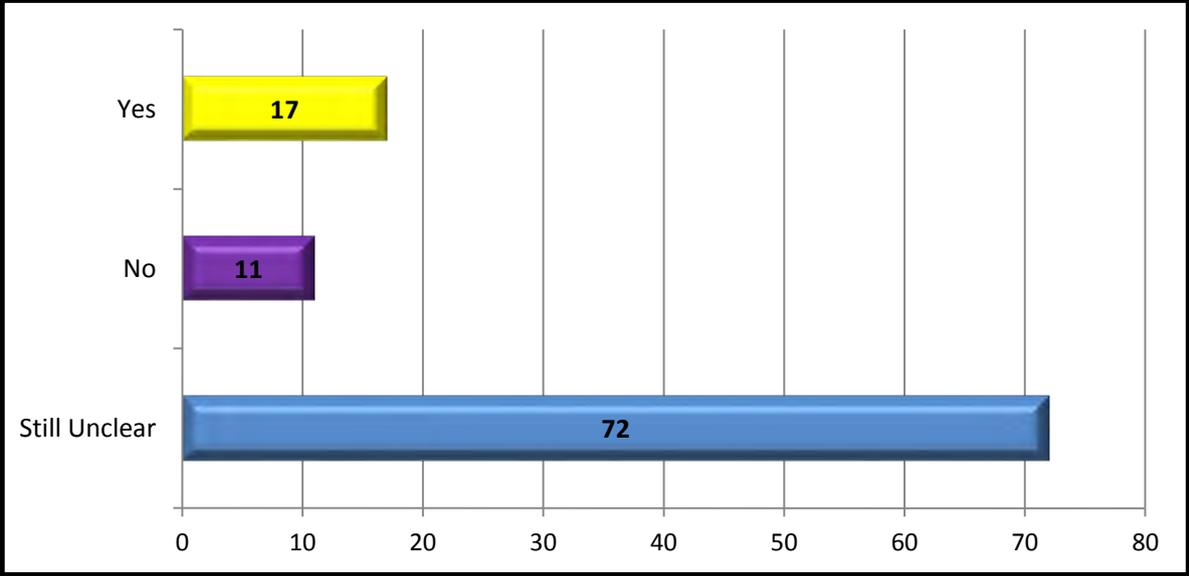
Figure : 4-6 : Participants have a clear Indication of their role and future prospect(%)
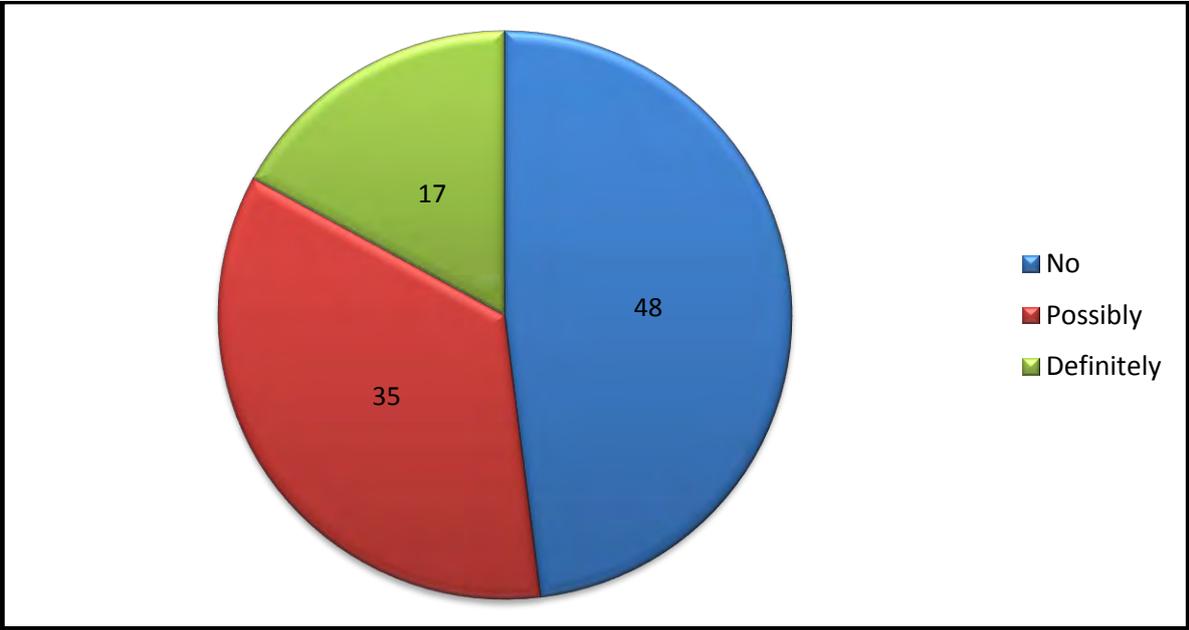
Figure : 4-7 : Skills Need

Participants believe their skills re needed and will be harnessed at in the future (%)

When asked the participants about their opinion regarding the short term prospect in the organization, more than two thirds mentioned that there was short term promotional prospects in this organization (Figure 4.8).
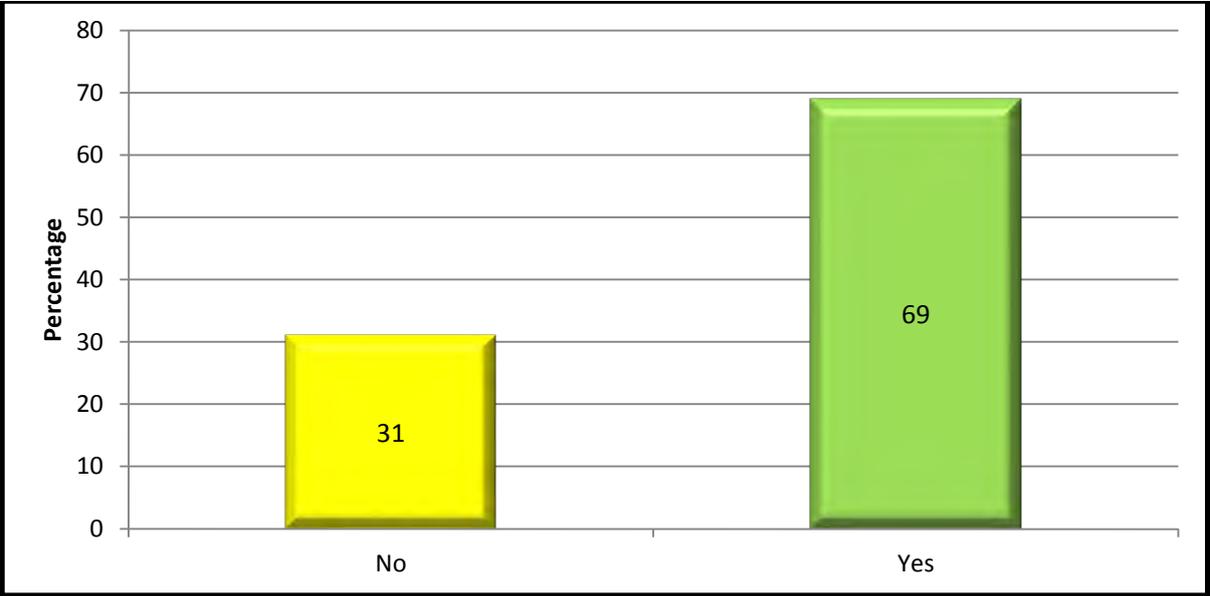
Figure : 4-8 : There were short term promotional prospects in this organisation

Majority of the participants disagreed that the management initiative in bringing about the change process to sustain the business in the long time (74%), 81% did not believe that business has retained the right skill levels after the restructure process, and 69% agreed that there was equal opportunity for both sexes in the technically skilled jobs in the company (Table 4.10).

Table 4-10 : Participants opinion regarding the change process and retaining right skills

Statement	Opinion	Frequency	Percent
The management initiative in bringing about the change process to sustain the business in the long time	No	74	74.0
	Yes	26	26.0
The business has retained the right skill levels after the restructure process	No	81	81.0
	Yes	19	19.0
There was equal opportunity for both sexes in the technically skilled jobs	No	31	31.0
	Yes	69	69.0

4.4 Summary

Overall findings indicate that staff skills review had not been properly converted into a training needs analysis and effectively managed during the change process which staff have indicated that they had not been consulted on. In terms of understanding key skills that are required for niche manufacture, the results show that the right calibre of skill had not been retained to support such a strategic re-direction.

The results also indicate that Management had not supported the employees through the change process and this had created an atmosphere of disillusionment in the employment experience at Company X. Communication was poor and a fair amount of work was required to boost staff morale. In the next chapter there will be discussion on the amalgamation of literature reviewed and objectives.

CHAPTER FIVE

DISCUSSION OF THE RESULTS

5.1   Introduction

The assimilation of the set of data in the previous chapter provided no practical functionality without viewing it in perspective of the objectives of this research together with the literature base that supported the initiative. Therefore the function of this chapter is to provide the reader with a cross linking of the literature, together with the initial objectives and problem statement.

Considering that the primary objective of this research was to study the effects of change management on the retention of skills in a multi- national, the predominant discussion in this chapter would be on the outcome and analysis of the survey.

5.2   Research Objectives

A dissection of the objectives that had to be studied in order to provide support to the research problem were:-

- The relevance of business change processes, application models and resistance,

- Reviewing the issue of skills relative to atmosphere for retention together with demographics,

- The integrated function of the Human Resource department and talent management,

5.3 Uncertainty and Resistance to Change

When the participants were asked of the relevance of change about half of them (47%) were unsure whether they would lose their job or not, and this was followed by "they would be expected to carry a higher work load" even though their function was not affected (23%). Lack of clarity on the aspect of increased workload suggests that poor communication is the contributor.

This supports the theory by Cilliers (2012) who added that factors such as uncertainty and fear of increased responsibilities are part of change process had created this expectation.

Management support is another review that indicated a measurable imbalance with 72% reporting that there had been no management support during this change phase. Ochurub et al (2012) adds credence to the issue of management support. Was the lack of management support really an issue of lack of interest or due to managerial self-preservation?

The recommendation for management intervention can be seen as ownership and accountability for worker interest in times of change. The key need by Company X is the focus on skilled artisan due to the change from mass production to niche manufacture – this must be driven and owned by management and therefore is a recommendation accordingly.

Molaro (2014) indicated that during the process of change in the organisation, employees experienced fears of potential job loss either through restructure. This is supported by the present study where the assessment result indicates that 63% of the respondents advise that they were actively wanting to leave the organisation.

This research indicates that 63% of the respondents indicated that they were anxious and worried about the impact to themselves. This response fits perfectly in line with the Prosci model on resistance to change and unfortunately the result places the scoring in the red zone of the model.

This requires that management has to take the initiative in reducing the anxiety levels by:-

- Educating and informing on progress in terms of the change process.

- What the future state entails for each employee?

- Communication must be concise and answer to when, how and why in order to mitigate the risk of rumours.

Paul and Barry (2013) indicates that when an organisation undergoes the process of change this has a negative impact to the employees as they are not in control of the situation. This theory is however questioned in this study as 70% of the participants indicated that the change process affected their jobs in a positive manner. The possibility exists that by virtue of having been through a reduction in headcount the remaining employees were saved from any further anxiety and this created a 'positive' atmosphere. The opportunity though, for further exploration or research in this regard, exists.

5.4   Impact due to Change

The result further indicate that coping post the transformation process reflected emotion based rather than problem solving based approach, where 63% of the respondents indicated that they were seeking new employment opportunities due to the insecurity. This must be seen by management as opportunity for addressing the behavioural side where feelings of guilt, distrust and fear exist. Team building and channelling of the corporate mission and vision would alleviate much of these concerns. Van Dyke and Coetzee (2012) stress that when employees are faced with job insecurity they tended to display detachment. The suggestion is for improved communication as this can assist in the healing process of post traumatic experiences as well as restore some degree of trust.

5.5   Communication

Theron, Barkhuizen and Du Plessis (2014) raised the concern of information sharing and properly communicating the corporate vision as a part of an effective retention program. In terms of the assessment results at Company X, 70% of the respondents indicated that there was no consultation prior to the change process, thereby leaving the employees in a precarious position of uncertainty. Management had to take the initiative in effectively communicating to all participants of the change process to encourage awareness, garner support and instil ownership over the activities.

Another concern though is that off the 35% of employees were positioned in the 11-15 years length of service, the lack of understanding in terms of the company's policies is a concern. The grading scheme, mentorship programs and training plans derived from performance appraisals, reflected an organisation that failed to communicate effectively with its employees. Theron et al (2014) stresses that communication is one of the key elements of effective retention strategies.

5.6   The Issue of Skills Retention

When asked, the participants shared their opinion regarding the short term prospect in the organization with more than two thirds mentioning that there was short term promotional prospects in this organization. This is a positive reflection on future prospects which has to be driven by management.

One of the drivers of retention is the issue of compensation which must be supplemented by transparency and consistency (Van Dyke and Coetzee 2012). The result of 63% choosing the option to seek new opportunities due to insecurity issues is a concern which management must address – benchmarked compensation needs to be established which will improve the level of confidence in the company as a valued employer (Theron et al 2014).

5.7 Does the Environment Stimulate Skilling?

From a respondent perspective 81% maintain that the right skills have not been retained post the restructure process. Why has this perception been created? Has the impact downstream in the Production departments been realised with poor productivity, high tooling and machine downtime? Is there an inability to deliver on key performance areas in manufacturing?

For the change in business strategy to be coherently successful it is essential that the answers to these questions are understood and responded to positively. The turnover of essential skills has a direct linkage to service delivery, as such the dissection of all skills within a business together with a skills ranking are a pre-requisite for achieving stability in transformation (Omotoye 2011).

5.8 Is there a demographic makeup in the skills loss?

In terms of the gender parity, it was found that majority of the participants (72%) were male. This is a concern especially in context of the affirmative action and employment legislation in the South African context. Beyond legislation, employment equity ratings as a unit of measure determine a company's marketability in the industry and for niche manufacturing this will provide Company X with a platform for future business stability. Von der Ohe and Martins (2010) discuss at length the concept of "the glass ceiling" which refers to the perceived barrier restricting females and disenfranchised from senior hierarchical positions in businesses.

In the survey it was found that the company is perceived as an employer that provides equal opportunity in technical jobs however with the gender imbalance, management has not capitalised on this opportunity. Management should be advised to ensure compliance to the Employment Equity Act No 55 of 1998 which plays emphasis in South African law in terms of equitable gender review at the workplace (Schlechter et al 2014).

5.9 Skills Planning

The majority of the participants had no clear indication of their role and future prospects. Theron et al (2014) together with Schlechter et al (2014) emphasize the importance of growth opportunity using the Hay model (2002) – this aspect is a key contributor to employees deciding to 'stay or leave' and organisation. It is evident that even though performance appraisals were done with a 91% acknowledgement, the bridge to the skills shortfall is apparent. The management focus on the gap in the performance review to the remedy or redress the shortcoming is unacceptable as this should have formed the basis of the training budget into the financial year.

5.10 Career Mapping

A finding in this survey was the issue that 'career path was not being mapped out and monitored' is at 74%. Van Rooyen, Du Toit, Botha and Rothman (2010) support the view that organisations need to take advantage of the different approaches to learning and development.

It is either companies develop their employees or procure the required skills at a premium from the market. The domino impact is that salary / wage gaps become stretched within the percentiles which can be demotivating to the long serving employees as the gap widens. Internal career growth and promotion fosters its own challenges and as businesses have more information on internal candidates they fail to stimulate this growth (Grobler and Warnich 2006), Prevalent at Company X is that with 83% of the staff have over 10 years' experience together with 20% of staff having incomplete qualifications it's an indicator that management must be apportioned blame for their restricted growth and development.

5.11 Key Skills' Requirements

The survey indicated the need for specific job functions at Company X and in a list of priorities starting with artisan functions dominating the top three disciplines. Schlechter et al (2014) explained at length that artisans did not prepare themselves for career

progression by obtaining some degree of formal qualifications and found that employers did not make attempts either to encourage skill development and are quite satisfied if they meet the minimum requirements. This is reflected in the survey where the most critical skilled needed is millwrights at 60% followed by toolmaker and then fitter/turner respectively. The further benefit that the survey has raised is that 20% of the surveyed employees have incomplete tertiary qualifications and this is the base to start from - considering the MERSETA which refers to the Manufacturing, Engineering and Related Services Education and Training Authority, is a funding beneficiation to the company. The opportunity to explore skills harnessing exist externally as well through Further Education and Training (FET) colleges and artisan training facilities which can provide a substantial base to draw from.

5.12 Work Atmosphere

a) Commitment:

Coetzee and Gunz (2012) maintain that there is a trend evident whereby older employees display greater organisational commitment and that there is a defined relationship between age and business commitment supported by the fact that there is fewer job opportunities with increased age and specialisation. From the results perspective 83% of the participants had more than 10 years of working experience. Established product and process knowledge are accepted within the employer / employee relationship after 10 years and with evidence of increased commitment, this supports a successful transformation in business strategy.

b) Working from and Established Platform

With 83% of the respondents having more than 10 years working experience and more than a third of the employees employed in Production, as pointed out by Geldenhuys and Veldman (2011) this indicates that the foundation for specialisation with a mature workforce is established. This in turn enables management to focus on skilling optimisation activities rather than seeking commitment to the training plans.

5.13 Work Life Balance

Van Dyke (2012) added that the concept of work/life balance together with opportunities for career growth, using one's skills and knowledge in the company, compensation and challenging work are some of the most important retention factors for employees. The results reflect that 48% of the respondents don't have a work life balance at Company X. In order to understand the relevance of the literature which supports the sample testing it is vital that Management take into consideration and reduce the negative and promote positive factors that impact work life balance. Monitoring of working hours should be standard practise in a manufacturing facility specifically as result of overhead cost containment as well as legislative controls on maximum overtime allowed by the Basic Conditions of Employment Act 75 of 1997.

5.14 Summary

The findings on this study reflect that the change in business strategy did not take all role players into consideration and the resultant lack of communication created an environment of distrust conversely proportional to the intent of the initiative undertaken to strengthen the business growth and stability. The change relied specifically on the need for skilled staff for its success and has resulted in environment that encourages staff turnover. It also highlighted the need for effective audits within the realm of human resource which drives the linkage between effective training needs review and fulfilment. The findings indicate that there are opportunities existent in securing the skills required for future business changes as well as encouraging responses that current staff are willing to improve the shortfalls for business stability in the long term.

CHAPTER SIX

CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

The competitive nature of the automotive sector in South Africa coupled with the tough economic challenges facing these companies requires innovation in business strategy. This case study has highlighted inherent failure in poor strategy implementation and clearly highlights the factors that must be considered in the implementation process.

It has shown that change is counter indicative to human behaviour and as such must be appropriately handled. The need to ensure that all role players are considered especially when the reliance on the human factor is key to the strategic amendment. This chapter will conclude whether the research problem has been rectified.

6.2 Resolution of Research Problem

The research problem reflected the concern at Company X in respect to the change in their business strategy which impacted retention skill levels converse to their strategic intent.

The challenge was to ensure that the factors that impacted this change as well as the skill retention process, had been identified and rectified.
The research problem has been resolved through the findings in the previous chapter guided by the expansive literature base, it has identified the retention factors that would encourage key skilled employees to remain in the business post a robust change process.

6.3 Key Outcome of the Research

Communication and Human Resources responsibility are the two key outcomes of concern in the research and is explained further below:-

6.3.1 Communication

The impact to human beings on the uncertainty catalysed by the change process is pivotal and leadership of the business has to understand the need for effective communication through all stages of the process. Exposure and information sharing at the preliminary stages would offer ownership in the final outcome of this business transformation and factors like why the need for change, what is the impact to business survivability in not redressing the change, what options can be explored to mitigate skills loss, how are key skills identified indicated the need for communication to be transparently handled, stood out as the major aspect in this research.

6.3.2 Human Resources Responsibility

The linkage between employee performance, training needs analysis and improved financial incentivised recovery from the MERSETA – (Manufacturing and Engineering skills and training) removes the excuse from the Human Resource department of this company for *not* ensuring that skills planning, harnessing and realisation is done. Management is accountable once again for this process however with the support from a worker skills forum this would have further enhanced or reminded management of the need. The research indicates the need for positive engagement between management and the workforce which is fundamental to key skills retention as well as effective change management.

6.4 Limitations of the Study

The research intent was to focus on the change process and the result accepted, is that strategy which is this another area of study plays a role in the change process – the researcher however acknowledges that "strategic change" can influence downstream issues however for the purposes of this research and with time limitation chose to contain the scope of study.

The availability of time, for the population *(N)* tested in terms answering the questionnaire was also restrictive.

6.5 Conclusion

The need for a competitive local edge / advantage in the automotive sector, aggravated by intensive globalisation and together with benchmarking in terms of parts pricing forces companied to accept change as a pivotal aspect to their survivability.

The aim of this study was to understand how to manage this aspect and in the process ensuring that risk to the business is mitigated through effective skills retention. The leverage that remains is a controllable factor in pricing, which is the labour input. This however it's a double edge sword with labour seeking better prospects from a remuneration and perks perspective and management aiming to keep input costs down. The key in this equation is not to lose focus on the value that this skill brings to the business. Any change in business strategy requires the '*right people on the bus*' without which the strategy is setup for failure.

The research assisted in understanding the challenges facing the respondents undergoing the transformation. The research problem has been rectified through this study and has presented an interesting platform of data that management of the company can proactively use for future changes within Company X's South African manufacturing divisions.

6.6 Recommendations for Company X

- The need for regular HR audits with acute focus on training needs analysis within the organisation is key by assimilating initiatives in line with personnel needs.

- Effective communication – the use of daily green area meetings with all staff, in-house monthly corporate magazines, monthly management briefings and finally where possible one on one progress meetings with key staff is essential.

- Incorporate staff turnover measures into annual management bonus target incentives thus ensuring ownership over this aspect.

- The need for management to build the relationship of trust is imperative and driving interaction with staff through a consultative approach

- Policy review to skills acquisition and key skills retention is needed by establishing market benchmarks for grade/remuneration.

6.7 Recommendations for Future Studies

- The study focused within a division of a single automotive component supplier- it would serve future study well to review across the spectrum of automotive heat exchanger companies, through organisations like the Durban Automotive cluster in steering and serving the industry by stimulating organisations that become robust to change and to deliver in terms of skills growth, enhancement and retention .

- The opportunity to review alternative motivational theories in the application of change management strategies for the automotive component industry

- The influence of career mapping and monitoring influence on employee commitment and retention within an enterprise

- Further literature exploration is required in the aspect of demographics and its impact to skilling in South Africa.

- The effects that the change process has on the managers that are part of implementing the transformation within an organisation.

6.8 Summary

The research question posed at the outset of this study focused on the effects of change management on skills retention. This research highlighted the various change management approaches and plethora of skill sets available to support. The research question led to a number of research sub – questions all of which were fully answered either through the literature review or through the analysis of the results of the empirical study. The objectives were adequately answered together with main research question. The research has provided recommendations in regard to interventions that company leadership needed to achieve in order to ensure that future strategic changes would support skills retention and business growth.

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APPENDIX A : – RESEARCH QUESTIONNAIRE

UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Dear Respondent,

MBA Research Project

Researcher: Sagashen Pillay (0836424935)

Supervisor: Dr Ziska Fields (0312608103)

Research Office: Ms P Ximba 031-2603587

I, Sagashen Pillay am an MBA student, at the Graduate School of Business and Leadership, of the University of KwaZulu Natal.

You are invited to participate in a research project entitled: - The effects of change management on skills retention in a division of a multinational company

The objectives of this study are as follows:

- To understand the relevance of business change processes, interpreting this change and reviewing the human impact,
- Understanding the concept of skills retention, skills demographics, atmosphere of skilling and talent management,
- To review human resource departments involvement with transformation

Through your participation I hope to understand

- If nature of the business requires specific skill levels
- How are current employees skills to be harnessed going forward
- If is the change process encapsulates employee support
- How do current employees perceive their future within the company
- What process are present to support skills acquisition

- How is the change process managed to minimize resistance and reduce business risk
- What flexibility exists with employee current skills and what needs to be done to grow them

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this survey/focus group. Confidentiality and anonymity of records identifying you as a participant will be maintained by the Graduate School of Business and Leadership, UKZN.

If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The survey should take you about 20 minutes to complete. I hope you will take the time to complete this survey.

Sincerely

_____

Investigator's signature

_____

Date

UNIVERSITY OF KWAZULU-NATAL

GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

MBA Research Project

Researcher: Sagashen Pillay (0836424935)
Supervisor: Dr Ziska Fields (0312608103)
Research Office: Ms P Ximba 031-2603587

CONSENT

I……………………………………………………………………(full   names   of
participant) hereby confirm that I understand the contents of this document and the
nature of the research project, and I consent to participating in the research project.
I understand that I am at liberty to withdraw from the project at any time, should I so
desire.

_____

SIGNATURE OF PARTICIPANT

_____

DATE

QUESTIONNAIRE

University of KwaZulu-Natal
School of Business Management, and Leadership

Dear Participant

My name is, **Sagashen Pillay**, and am currently completing the Masters in Business Administration degree. One of the requirements to be met for the awarding of this degree is to conduct a research study. The approved topic for my study is

'**The effects of change management on skills retention in a division of a multinational company**

The aim of my study is the focus on retention criteria that encourage the mobility of employees and their decisions to leave or remain in a company thus being able to create a competitive advantage to your company over its rivals**. Your responses and opinions will thus add great value to the study.**

This questionnaire consists of *9 pages*, and should take approximately *twenty (20) minutes* to complete. The questionnaire consists of two sections. Please ensure that you familiarize yourself with the rating system in Section A and please feel free to share your views as honestly as possible in Section B. Section A and B are explained below.

Section A	Section B
The section requires of you to merely tick the option that best suits your opinion with a '√', in accordance to the scale provided	This section contains open-ended questions, and should be completed as honest and complete as possible.

Please note that this questionnaire was approved by UKZN's Humanities and Social Sciences Research Ethics Committee. This guarantees that:

- Your **privacy** is protected and that no other person except me and my supervisor, Dr. Fields will see your responses.

- Your participation is completely **voluntary** and thus you are under no obligation to complete the questionnaire. *Your responses however, will be greatly appreciated as this will enable me to form more accurate and complete findings*.

If you decide to participate, please read and sign the attached letter of consent and hand it to the researcher or designated person with your completed questionnaire.

QUESTIONNAIRE

SECTION A:

DEMOGRAPHICS:

Please tick (√) the applicable box:-

1. Sex

Male	
Female	

2. Marital status

Single	
Married	
Divorced/ separated	
Widow	

3. Department

Production	Engineering	Customer Centre	Maintenance	Logistics	Others specify

4. Educational qualification

Did **not** complete matric (indicate highest std completed)	Other	Completed matric	National diploma	Undergraduate Degree	Post Graduate Degree

5. Technical qualification

Incomplete Training toward Trade qualification	Trade Tested Artisan Fitting & Turning	Trade Tested Artisan Tool making	Trade Tested Artisan Millwright	Trade Tested Artisan Electrician (LC/HC)	Plastics Federa-tion (Level 1-6)	Trade Tested Artisan Electronics	Other

6. Work experience

1-5 years	6-10 years	11-15year	15-20 years	+20 years

7. Do you believe that the company's current training and assessment and testing tools are market relevant and adequate?

Yes	No	Unsure

TRAINING AND DEVELOPMENT:

Please tick (√) the applicable box:-

Comment	Yes	No	Unsure
8. Is there a process of cross training on site supported by you and your manager?			
9. For your career path do you understand the company grading system?			
10. Is there a defined process for career planning and skills development to encourage you to remain on site?			
11. Do you undergo performance review annually and is the process transparent?			
12. Is your career path mapped out and monitored?			
13. Do you know if there is a mentorship program in place and if it's supported?			

RESTRUCTURE PROCESS:

Please tick (√) the applicable box:-

14. **Has the recent restructure affected your conditions of employment?**

Positive Manner	Negative Manner

15. **Do you believe that there was adequate consultation prior to the transition process?**

Yes	No	Unsure

16. **Employees were provided with adequate feedback for made decisions made in respect to the change process:**

Strongly Disagree	Disagree	Agree	Strongly Agree

17. **Do you believe that management has been supportive during the transition period?**

Yes	No	Unsure

18. **In your opinion what are the critical or high valued skills required on this business site? Rate on a scale of 1-10 with 1 being most important and 10 the least important (ALL the blocks must be rated)**

Machine Operator (B3)	Machine Setter (B5)	Fitting & Turning	Millwright	Toolmaker	Electrician	Tech Furnace / Injection Moulding

19. **What qualification per the specific field is deemed to be high valued? Rate on a scale of 1-10 with 1 being most important and 10 the least important (ALL the blocks must be rated)**

Trade Test Artisan	National Diploma	University Degree	In-plant training certification for operators	Artisan – Red Seal Qualification

RETENTION: -

Please tick (√) the applicable block only:-

20. **Which of the following statements best describes your job intentions?**

☐ **a)** I am currently seeking new employment opportunities because I fear that my job is not secure.

☐ **b)** Even though I would like to quit working for this business, I believe that the options externally are limited and restrictive.

☐ **c)** I am committed to working for this company as I believe that it provides me with the best opportunity to meet my personal and career goals.

21. **How did you respond to the change process?**

☐ **a)** The process did not affect me, I continued with my routine behaviour.

☐ **b)** I was optimistic that the process was essential to the stability and future of the business- it didn't affect me

☐ **c)** I was anxious and worried about the impact to me

☐ **d)** I was annoyed and angry about the process and am not tolerant of change

22. **Rank** the following (from **1 to 5**) in terms of how you felt you were affected by the change process (1 being the statement that you most closely relate to and 5 being the statement that you least relate to – **do not repeat any numbers and do not leave blanks**):

- ☐ **a)** I was unsure whether I would lose my job

- ☐ **b)** I would be expected to carry a higher work load even though my function was not affected.

- ☐ **c)** Guilty because I knew that my job was secure but my fellow work colleagues were losing   theirs.

- ☐ **d)** Angry because I felt that the company should have reviewed other options to remain competitive before deciding to reduce the workforce

- ☐ **e)** I accept the process as change is needed for our business to remain viable.

23. **Post the restructure exercise has the management offered any of the following options to you (tick <u>only</u> <u>those</u> that you agree with**):

- ☐ **a)** Individual sessions were offered by my manager / supervisor to assist me in coping with the changed environment

- ☐ **b)** Assistance to deal with my emotions was offered through Human Resource department.

- ☐ **c)** Additionally training was provided to successfully handle my new job profile.

- ☐ **d)** My support was sought to determine how to make a positive contribution to the new business goals.

- ☐ **e)** Assistance was given to me to handle issues within the new teams that were created.

- ☐ No support was offered.

ENVIRONMENT:

Please tick (√) the applicable box:-

24. **Is there adequate work-life balance in this company?**

Never	Rarely	Fair degree	Usually	Always

25. **Post the restructure process do you have a clear indication of your role and future prospects?**

Yes	No	Still Unclear

26. **Is this Company a place that you believe your skills are needed and will be harnessed at in the future?**

No	Possibly	Definitely

SECTION B:

General :

This section contains **open ended questions** – please answer them. Your responses are completely **anonymous and confidential**. You need to be completely honest in your answer. You may choose to just **tick (√)** the option alongside and respond on the line below:

1. In your opinion, are there short term promotional prospects in this organisation? **Yes** ☐ **No** ☐

2. Do you agree with the management initiative in bringing about the change process to sustain the business in the long term? **Yes** ☐ **No** ☐

3. Do you believe that the business has retained the right skill levels after the restructure process? **Yes** ☐ **No** ☐

4. What would you recommend to management for future business changes? **Yes** ☐ **No** ☐

5. At this company is there equal opportunity for both sexes in the technically skilled jobs? **Yes** ☐ **No** ☐

E N D

Thank you for your participation!

APPENDIX B: – TURNITIN REPORT

Turnitin Originality Report

Dissertation Final by Sagashen Pillay

From Dissertation Final - Part 1 (Moodle 33112645) (2015 GSOB8DSW1 Dissertation Subseq Yr (Moodle 9700180))

- Processed on 12-Jun-2015 6:15 PM CAT
- ID: 550022162
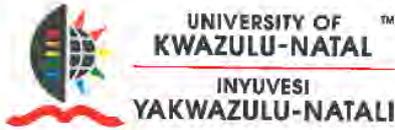- Word Count: 13522

Similarity Index   4%

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APPENDIX C : – ETHICAL CLEARANCE

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YAKWAZULU-NATALI

4 September 2013

Mr Sagashen Pillay 210512180
Graduate School of Business and Leadership
Westville Campus

Protocol reference number: HSS/0788/013M
Project title: The effects of change management on skills retention in a division of a multinational company

Dear Mr Pillay

Full Approval – Expedited
This letter serves to notify you that your application in connection with the above has now been granted full approval.

Any alterations to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach/Methods must be reviewed and approved through an amendment /modification prior to its implementation. Please quote the above reference number for all queries relating to this study. Please note: Research data should be securely stored in the discipline/department for a period of 5 years.

Best wishes for the successful completion of your research protocol.

Yours faithfully

Dr Shenuka Singh (Acting Chair)

/px

cc Supervisor: Dr Z Fields
cc Academic Leader Research: Dr E Munapo
cc School Administrator: Ms Wendy Clarke