



University  
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# **HIMB CHANGE MANAGEMENT FRAMEWORK**

ADMN 598 Management Report  
School of Public Administration

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## **EXECUTIVE SUMMARY**

### **Objective**

The objective of this project is to identify the components of successful change management, and to develop recommendations on practices and strategies during the transformations. The recommendations will help the Health Information and Modernization Branch (HIMB) to manage change and continue to build on the goal of establishing the branch as “a workplace of choice”. This paper will be used as a framework that can be followed and considered during the process of transformation. Ideally, the project will help to increase the probability of success of change efforts by providing management with a better understanding of the nature of transformation.

### **Summary of Method**

To achieve the project’s objectives, a six-step process was implemented. First, background material on the client was reviewed to gain a clear understanding of the change initiatives and the factors that influenced the decision to initiate change projects. Second, a literature review on the change was conducted to gather an understanding of change models, current practices, theories, and views. Third, the results of the 2007 Work Environment Survey conducted by the British Columbia Public Service Agency (BC PSA) was reviewed and analyzed to understand the HIMB employee engagement scores. Fourth, the raw data from the HIMB Change Management Survey conducted in October of 2007 was analyzed to understand employees’ perceptions of change initiatives in the branch. Fifth, the primary data was obtained through focus group discussions with HIMB staff and management to discuss: different types of change initiatives in the branch in the last two years, reasons for change, employees’ response to change, and the impact of change. Finally, the data, from both primary and secondary sources, has been considered and used in the development of recommendations.

### **Results and Recommendations**

The results of the focus group discussions and the BC PSA Work Environment Survey revealed that change is a frequent occurrence in the HIMB. The types of change varied from restructuring to new information system technologies to changes in business processes. This finding is not surprising, as focus group discussions identified many internal and external forces that drive the change, including the economy, political pressures, public scrutiny, a shortage of qualified employees, the need for improved efficiency and the provision of better decision-making support to management. The focus group, the HIMB Change Management survey and the BC PSA Work Environment Survey uncovered the following problems associated with change initiatives in the branch:

- Multiple changes over a short period of time;
- Allowing too much complacency;

- Lack of clear vision;
- Lack of communication;
- Failure to involve employees in the change process;
- Failure to create an effective leadership team;
- Inappropriate use of resources;
- Lack of implementation planning;
- Failure to change people's behaviour.

In total, six key recommendations were developed in response to common issues and problems revealed from the data analysis. To succeed in change efforts, management should set priorities and determine an appropriate pace for adopting change, establish high enough sense of urgency, improve the role of leadership, develop a clear vision and implementation plan, ensure effective and consistent communication, and finally, ensure timely and an adequate level of employees' involvement.

These recommendations will help the branch to manage change and continue to build on the goal of establishing the branch as "a workplace of choice". If followed, the recommendations will increase the probability of success of change efforts, and provide management with a better understanding of the nature of transformation.

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## INTRODUCTION

Organizational change has become an important part of doing business in the public sector. Stewart & Kringas refer to public sector change as an “administrative reform”, and define it as “thoroughgoing program of change intended to shake up inert bureaucracies, to battle vested interests, to tackle systemic shortcomings and failures, and to alter some aspects of the prevailing administrative culture” (2003, p.675).

Public organizations promote change initiatives for a variety of reasons. John Kotter – the author of the worldwide bestseller *Leading Change* – notes that macroeconomic forces push more organizations to reduce costs, improve the quality of products and services, find new opportunities for growth, and increase productivity (1996). Clegg & Walsh in their article, *Change management: Time for a change*, identified the following forces of change: increasing uncertainty and competitiveness, changes in technology, trends towards globalization, the reduction of barriers to entry in some markets as a result of the Internet, the perceived need to reduce costs and improve quality, and be more responsive to customer needs (2004).

For over three decades academics, managers, and consultants have analysed the field of change management (Sirkin, Keenan, & Jackson, 2005). Although the subject is fairly new, a Google search of the phrase “Change Management” returned over eight million items on the topic. Despite the vast number of publications, the evidence from case studies, expert panels, surveys, and economic analyses indicate that the effectiveness of change initiatives is often disappointing, and two out of three change initiatives fail (Clegg & Walsh, 2004; Sirkin et al.). There are many reasons for the failure of change projects. However, many project failures could be avoided with proper change management (Legris & Collette, 2006).

Like many other public, private, and non-profit organizations, the Health Information and Modernization Branch (HIMB) in the BC Ministry of Health (MoH) has experienced many changes over the past two years. The branch executives have recognized the importance of proper change management to ensure successful transformations. As a result, this project has been initiated to identify the components of successful change management, and to develop recommendations on practices and strategies during the transformations. These will help the HIMB to manage change and continue to build on the goal of establishing the branch as “a workplace of choice”. This paper will be used as a framework that can be followed and considered during the process of transformation. This project will help to increase the probability of success by providing management with a better understanding of the nature of transformation.

The focus of this paper is to discuss the findings from the HIMB change management survey and focus group, and employees’ viewpoints, attitudes,

feelings, and ideas about change initiatives in the branch and the ministry in general. The recommendations are based on the change management literature review, lessons learned from the BC Public Service Agency 2007 Work Environment Survey, the HIMB Change Management Survey, and the HIMB Focus Group Discussions. This report is divided into the following eight sections:

*Section 1 – Introduction:* describes the focus of the paper.

*Section 2 – The Health Information and Modernization Branch:* provides an overview of the branch. The section starts with a description of the branch's vision, mission and goals followed by a summary of the objectives within each goal. Then, the section describes the HIMB background and the branch's change initiatives over the past two years. Finally, the branch's clients are described based on an analysis of the Central Request Tracking System (CeRTS) project tracking system.

*Section 3 – Literature Review:* starts with a summary of reasons for the failure of change efforts, followed by a description of the DICE framework, which is based on the hard factors of change management. Then, the paper proceeds to a description of the main components of change management, and concludes with a presentation of different change models.

*Section 4 – Methodology:* presents an overview of the research methodology, research design, data collection, instrument design, methods of analysis, and research limitations.

*Section 5 – Findings:* provides findings from the BC PSA Work Environment Survey, the HIMB Change Management Survey, and the focus group discussions.

*Section 6 – Discussion:* provides a discussion of findings from the BC PSA Work Environment Survey, the HIMB Change Management Survey, and the focus group discussions.

*Section 7 – Recommendations:* provides key recommendations that flow from the discussion section and are based on the results of the HIMB Focus Group, HIMB Change Management Survey and BC PSA Work Environment Survey.

*Section 8 – Conclusion:* summarizes the goal of the project and the key recommendations.

## THE HEALTH INFORMATION AND MODERNIZATION BRANCH

This section provides an overview of the Health Information and Modernization Branch. It starts with a description of the branch's vision, mission and goals followed by the summary of objectives within each goal. Then, the section describes the HIMB background and the branch's change initiatives over the past two years. Finally, the clients of the branch are described based on the analysis of the CeRTS project tracking system.

### HIMB's Vision, Mission and Goals

The HIMB's vision is "a publicly funded health care system sustained by a culture of evidence-based decision-making and innovation" (HIMB Meeting: Being the Best, 2007). The mission of the branch is to "enable and promote health care decision-making based on sound evidence, best practice, shared knowledge, and innovation for the benefits of all BC patients, practitioners, providers and the public" (HIMB Meeting: Being the Best). The HIMB has four goals, each of which has its own objectives:

1. *Manage ministry data assets in order to improve their usability, accessibility, and quality.*
  - Objective 1: Work with stakeholders to improve the accuracy of ministry-held data.
  - Objective 2: Work with health system stakeholders to develop improved tools for the use of data.
  - Objective 3: Work with stakeholders to ensure that access to ministry-held data is appropriate and satisfies legislative requirements.
  - Objective 4: Provide that regular and ad-hoc reports run from ministry databases are accurate, timely and useful.
  
2. *Transform the health system towards evidence-based decision-making and best practice through the use of modeling and analytical capacity.*
  - Objective 1: Ensure data used within the Ministry of Health is correct, sourced from reputable sources, and interpreted accurately.
  - Objective 2: Assist program areas with benchmarking reviews of health sector practices that support the creation of performance targets within the health care sector.
  - Objective 3: Develop or oversee the development of provincial models addressing long-term or critical issues facing the Ministry of Health.

3. *Build and sustain a knowledge-sharing culture, collaborative partnerships and increased capacity for change in the Ministry of Health and the BC health system.*

- Objective 1: Develop and utilize partnerships with academic institutions in BC and elsewhere.
- Objective 2: Provide access to a wide range of Ministry of Health knowledge resources and services.
- Objective 3: Develop a responsive and adaptive workforce within the BC health care system.

4. *Establish HIMB as a workplace of choice through the creation and promotion of a challenging and rewarding work environment.*

- Objective 1: Provide mentorship opportunities.
- Objective 2: Promote education, training and opportunities for advancement.
- Objective 3: Support work-life balance.
- Objective 4: Encourage workplace community (HIMB meeting: Being the Best, 2007).

The HIMB's wide range of goals and objectives are linked to the ministry's mission "to guide and enhance the province's health services to ensure British Columbians are supported in their efforts to maintain and improve their health" (BC MoH 2007/08 – 2009/10 Service Plan, p.6).

### **HIMB Background**

The HIMB is a comparatively new branch within the Ministry of Health. Despite its young age, the branch has experienced many changes in organizational restructuring and executive leadership. The branch had been a part of Knowledge Management and Technology (KMT) division. The HIMB was created in January 2006, and consisted of approximately twenty staff members. In October 2006, two groups – Health Information Support and Medical Services Plan Information Support – joined the HIMB. In April 2007, the Aggregated Health Information Project group also joined the branch. With the addition of the new group, the number of staff in the branch grew to over a hundred. In 2007, a new Assistant Deputy Minister (ADM) joined the KMT division.

On October 16, 2007, a new Health System Planning Division was established. A key accountability of the Planning Division is to develop and articulate the direction and long term vision for the health system. The resulting planning framework will guide the planning activities across the Ministry and Health Authorities. To support the planning agenda, five teams from the HIMB – Health Econometrics and Analytics, System Evaluation and Innovation, Corporate Data Review, Medical Service Plan Information Support, and Health Information Support – joined the new

division. The remaining teams – Data Access, Research and Steward Branch, and the Aggregated Health Information Project (AHIP) team stayed with the KMT division. After the recent reorganization, the HIMB currently includes about 50 employees in the new division. Figure 1 presents the historical changes in the HIMB.

<b>Date</b>	<b>Event</b>	<b>Number of HIMB staff</b>
January 2006	HIMB created	20
October 2006	HIS and MSPIS joined HIMB	90
April 2007	AHIP joined HIMB	109
Summer 2007	Change in ADM	
October 2007	Five teams from HIMB joined newly established Health System Planning Division	50
October 2007	Change in ADM as a result of newly established division	

Figure 1

Presently, the ministry is changing its information system technologies. As part of the AHIP initiative, the Ministry of Health (MoH) is in the process of changing the provincial health information framework and ministry’s information delivery practices. The overall purpose of the AHIP project is to consolidate the ministry’s administrative data sources into one centralized data warehouse, which will promote research and evidence based policy making. It will integrate currently separated health data sources and systems into a more accessible, knowledge-based, corporate decision support framework to facilitate the shift from isolated, program-centric views of health information to views that are orientated towards health sector roles, tasks and locations (BC Ministry of Health, 2005). This project represents an operational and cultural shift for the ministry, and the branch in particular. The HIMB staff and managers will be greatly affected by the AHIP because the branch is responsible for the overall data stewardship for the ministry’s administrative data. The project may affect some people’s roles and responsibilities. It will also create some opportunities for people to develop new skills and acquire new knowledge.

The HIMB has been experiencing many types of different changes that will be discussed in the *Findings* section. Recognition of multiple changes in the branch within a relatively short period of time triggered an initiation of this project.

**HIMB Clients**

The HIMB staff and managers support many clients. The overview of the branch’s clients is based on the analysis of the Central Request Tracking System (CeRTS). The CeRTS is used by the HIMB staff and managers to track the projects undertaken by the branch members. The HIMB produces regular reports documenting the work performed in the branch. The last analysis of the CeRTS was produced for the months of April and May of 2007. In the reporting period of

April and May 2007, 110 new projects were initiated (HIMB, 2007). This is not a full representation of the branch's output, as some projects were initiated outside of the scope. However, it represents the client base fairly accurately.

The analysis of CeRTS demonstrates the variety of the HIMB clients even in the two-month period. The data requests were made from internal and external clients and include the Public Affairs Bureau, the ministry's Health Authorities Branch, Financial and Corporate Services, Medical Services Division, Mental Health and Addictions, Home and Community Care, Population Health, Health Authorities, Planning and Innovation Division, Acute Care, Knowledge Management and Technology Division, Women's Health Bureau, Conversation on Health, Performance Management Division, Strategic Policy Division, Provincial Health Officer, the Health Deputy Minister, Strategic Policy, Legislation & Intergovernmental Relations, Health Modernization, the Assistant Deputy Minister's (ADM) office, BC Vital Statistics, the Health Minister, Aboriginal Health, and other internal clients.

The projects completed by the branch demonstrates the diversity of functions performed by the branch staff and managers. The projects vary from high-level data analysis and data verification to cabinet submissions and briefing notes. The branch assists the Ministry of Health in the decision-making process based on sound evidence. The branch acts as a resource to the ministry due to its expertise in data analysis, economics and forecasting (HIMB, 2007).

This section provided an overview of the Health Information and Modernization Branch. First, it described the HIMB vision, mission and goals, and presented objectives for each goal of the branch. Then, the section described the HIMB background and the branch's change initiatives in the past two years. Finally, the branch's clients were described based on the analysis of the project tracking system. The following section will provide a literature review on the subject of change management.

## LITERATURE REVIEW

There is a large body of literature on the subject of change management. The literature review suggests that successful change initiatives require a clear vision that directs the change effort, effective leadership, open and honest communication, a motivation to drive change, and most importantly, it requires a change in peoples' behaviour. Some researchers emphasize the importance of "hard factors" in change management. Despite the large number of frameworks and models of change management, there is an agreement that proper change management is crucial during the times of transformation.

This section presents a summary of reasons for failure of change efforts, followed by the description of the DICE framework, which is based on the hard factors of change management. Then, the paper describes the main components of change management, and is concludes with a presentation of different change models.

### Reasons for Failure

According to Kotter, "the amount of significant, often traumatic, change" has greatly increased over the past few decades" (1999, p.3). There are many reasons why change initiatives fail. Kotter identified the eight most common errors:

1. *Allowing too much complacency.* The biggest mistake is initiating change without establishing a sense of urgency.
2. *Failing to create a sufficiently powerful guiding coalition.* Change is impossible without the support of the head of the organization. Undervaluing the need for a guiding team can lead to a failure of change projects.
3. *Underestimating the power of vision.* Without a clear vision, a change initiative can go in the wrong direction or nowhere at all.
4. *Under-communicating the vision.* Leaders must employ a variety of communication techniques to communicate vision to employees. Leaders' actions must be consistent with what they say; otherwise, change initiative will most likely fail.
5. *Permitting obstacles to block the new vision.* Change initiatives often fail because employees feel disempowered by obstacles. Avoiding confronting obstacles will undermine change.
6. *Failing to create short-term wins.* Short-term wins are important and must be planned. Without short-term wins, many employees will give up or be resistant to change.
7. *Declaring victory too soon.* Declaring victory too soon stops all momentum. All the changes introduced start disappearing, and people go back to their old behaviour.
8. *Neglecting to anchor changes firmly in the corporate culture.* The change introduced must be anchored firmly in the new culture; otherwise, new

behaviours will be always subject to degradation as soon as pressures are removed (Kotter, 1996).

Organizations today operate in a very unstable environment. Therefore, making errors can have serious consequences. With awareness and skills, most of these errors can be avoided (Kotter, 1996). Making these errors can have serious consequences that could result in a failure of transformation efforts.

### Hard Factors

Sirkin, Keenan and Jackson believe that managing transformation efforts is difficult because there is no agreement on what factors influence change initiative the most (2005). While soft factors, such as leadership, motivation, and organizational culture, are important in managing change, the hard factors are crucial during times of change (2005). Sirkin et al. argue that “transformation efforts will break down before the soft elements come into play” if companies don’t consider the hard factors first (2005). According to Sirkin et al., the hard factors have three distinct characteristics: (1) companies can measure these factors in direct or indirect ways; (2) companies can easily communicate importance of these factors; and (3) companies are capable of influencing those elements quickly (2005). The research study of change initiatives at 225 companies in different industries and countries identified that there is consistent correlation between the success or failure of change initiatives and the following four hard factors:

- **Duration.** According to Sirkin et al’s study, a project that is reviewed frequently is more like to succeed; thus, the time between reviews is important for a success of a change initiative.
- **Integrity.** Quality of teams is important; thus, companies must free up the best staff for change projects while ensuring day to day operations.
- **Commitment.** Companies must have the commitment from the most influential executives and from the people who must deal with changes.
- **Effort.** Companies must calculate the increase of work responsibilities as a result of change. Sirkin et al suggest that workload should not increase by more than 10% (2005).

Based on these four hard factors, Sirkin et al developed a DICE framework which is a simple formula for calculating implementation efforts in change initiatives:

$$\text{DICE score} = D + (2 \times I) + (2 \times C1) + C2 + E$$

Where

- D is Duration,
- I is Integrity,
- C1 is Management commitment,
- C2 is local-level commitment, and
- E is Effort

Companies can determine the outcome of their change initiatives by grading each of the four factors – duration, integrity, commitment, and effort – on the scale from 1 to 4. For example, if the time between project reviews is less than two months, then the project gets 1 point; 2 points for reviews between two to four months; 3 points for reviews between four and eight months; and 4 points for reviews that are eight months apart. In similar fashion, each of the hard factors should be scored. The lower the total score, the better is the chance for a successful outcome (Sirkin et al., 2005).

The hard factors are important in successful change initiatives. However, the literature review revealed that there are many other factors apart from the hard factors that also should be considered during the times of change.

### **Components of Change Management**

There are many factors in change management. For simplicity, these factors were grouped into four different components – envisioning, empowering, resourcing and guiding. These are discussed below.

#### *Envisioning*

Envisioning focuses on vision, leadership, and planning. Numerous researchers and studies emphasize the importance of leadership in successful change initiatives. In the era of fast-moving and extremely competitive environments, leaders are crucial to the success of the change process. Leadership has a key role to play in setting direction, inspiring change throughout the organization, and ensuring that change is implemented (Oakland & Tanner, 2007). Successful leaders plan and implement change by developing a vision and communicating it to their employees. It is the responsibility of leaders to ensure that middle managers and employees are empowered and engaged in the change process. An engaged work force contributes to problem-solving, knowledge-sharing, creativity, innovation and many other factors that are critical for the successful outcome of change initiatives.

Kotter argues that there is a difference between leadership and management: “The issue of leadership is centrally important because leadership is different from management, and the primary force behind successful change is the former, not the latter. Without sufficient leadership, the probability of mistakes increases greatly and the probability of success decreases accordingly.” (1999, p.10). The difference is that the leadership works through people and culture, while management works through hierarchy and system (1999). Kotter stresses that the fundamental purpose of management is to keep the current system functioning, while the fundamental purpose of leadership is to generate useful change (1999). In summary, being a manager does not necessarily imply being a leader. To succeed in change initiatives, it is important to ensure there are enough leaders in the organization to lead the process of change.

A successful change initiative should start by ensuring employees' buy-in to a change process. Therefore, there is a need for a vision that guides a shift from the current state of an organization to the desired future state. According to Kotter, "vision refers to a picture of the future with some implicit or explicit commentary of why people should strive to create that future" (1996, p. 68). A good vision simplifies a large number of detailed decisions; motivates people to take action in the right direction; and helps coordinate the actions of people in a fast and efficient way (Kotter, 1996, p.68). Leaders should ensure that their visions are clear. A clear and effective vision helps resolve issues of resistance, confusion and disagreement.

Another important part of envisioning is project planning and management. According to Oakland and Tanner, "robust planning allows the priorities to emerge and focuses people's minds on the strategic objectives" (2007). During the time of change, leaders need to develop plans that are aligned with the vision. Project plans should include the project's scope, organizational structure, roles and responsibilities, selection, recruitment and/or separation issues, implementation plans, progress review methodology, major tasks, deliverables, timelines, risk assessments and logistical issues (Browne, 2006). Plans should clearly specify the project objectives and include reporting accountability mechanisms. Key initiatives should be identified in the plans with the support details. Planning also involves identifying expected outcomes. Therefore, performance measures should be developed to measure the results.

In summary, once an organization identifies the need for a change initiative, it is important to form a group with enough power and leadership skills to lead the change. The leadership team should then create a vision to help direct the change effort, and develop a project plan to achieve the vision.

### *Empowering*

Empowering focuses on communication, involvement and innovation. All of these strategies – communication, involvement and innovation – are used to empower employees. Communication is vital in the change process, and also heavily prevails in the change literature. If the rationale for change is clearly communicated to employees, they are more likely to accept the change. Kotter and Cohen argue that the goal of communication is to induce understanding, develop commitment, and liberate more energy from employees (2002). Simplicity, use of metaphors, analogies and examples, use of many different forums, repetition, leadership by example, explanation of inconsistencies, and two-way communication are the key elements in the effective communication (Kotter, 1996).

The leadership team should involve employees in the change efforts. Many authors in the change field indicate that the issue of resistance can be prevented if employees are involved in the process of change. In general, employee participation and involvement leads to commitment, which is an important factor for

successful outcome of change efforts (Kotter, 1999). Browne emphasizes that involvement brings greater buy-in, and creates opportunities for innovative ideas (2006). When employees are actively involved in the planning and implementing the change, and have a direct impact on the outcome, they are more keen and innovative. Browne stresses that the bottom-up approach not only brings wider involvement and consequently a greater buy-in, but also creates opportunities for innovative ideas within the top-down strategic vision (2006).

Openness to different ideas and opinions, an effectively communicated rationale for change, and other strategies to keep employees motivated and involved can greatly contribute to the successful outcome of change efforts. In summary, empowerment is about dealing effectively with obstacles, such as disempowering bosses, lack of information, wrong performance measurements and reward systems, and lack of self-confidence (Kotter & Cohen, 2002).

### *Resourcing*

Resourcing focuses on resources, such as people, time and money. To succeed, change efforts should be supported by sufficient resources. It is important to ensure that adequate resources are allocated for a change process. Many change management authors suggest that change initiatives are usually associated with an overload in work responsibilities, which can cause work stress. Therefore, it is essential during the planning stage to assess whether there are enough trained professionals, a sufficient budget and an adequate time to achieve the desired outcome.

### *Guiding*

Guiding focuses on direction and evaluation. It is critical to evaluate change initiatives against performance measures. After a transition, the leadership team should evaluate the impact of changes that were made. Problems arising from change should be identified systematically and resolved. The leadership should consistently follow through the project plans and decisions, and celebrate the successes in achieving positive change. Measuring and reporting on progress is important because it is a way to learn from experience and foster an environment that excels at continuous improvement (Treasury Board of Canada Secretariat, 2003).

Envisioning, empowerment, resourcing and guiding are important, and present in every change model described in the following subsection.

## **Models of Change**

The change literature offers a variety of change models. Generally, change models can be divided into three different groups: top-down, transformational

leadership, and strategic approaches (Treasury Board of Canada Secretariat, 2003).

### *Top-down Model*

The top-down models emphasize the importance of leadership. Perhaps the best-known top-down model is Lewin's three-step model. The model was criticized for its top-down, management-driven approach to change (Burnes, 2004). However, Burnes argues that Lewin recognized change could be initiated from the top, middle, or bottom, but change could not be successful "without the active, willing and equal participation of all" (2004).

In *Lewin's model*, there are three steps in the process of changing behaviour: unfreezing, moving, and re-freezing. Lewin emphasized before change is implemented, there is a need to unfreeze old attitudes. During the unfreezing step, the leadership must ensure that people feel safe before they accept new information and reject old behaviours. The first step creates motivation to learn about the change. Throughout the second step – moving – people move from a less acceptable set of behaviours to more acceptable set of behaviours. At this point, the change should be reinforced, otherwise it could be short-lived. The key point of the ending step of the Lewin's model – refreezing – is to ensure that new behaviour is harmonious with the rest of the behaviours, personality and environment of the learner. The final step usually involves changes in organizational culture, norms, policies and practices (Burnes, 2004).

### *Transformation Leadership Model*

Transformational leadership occurs when people engage with each other in such a way "that leaders and followers raise one another to higher levels of motivation and morality" (Trofino, 1993). In the transformational leadership model, the change bubbles upward. The situation is facilitated in a way so that change works its way up the organization. People in organizations think for themselves, take the initiative and implement the change. Change grows from the bottom up (Treasure Board of Canada Secretariat, 2003). The transformational leadership includes the following characteristics: leadership is a mutual process that focuses on a care for followers and the pursuit of socially desirable ends; research, grounded in a power and influence approach to leadership, focuses on hierarchy and positional leaders; the ethical purposes of leadership are prioritized; and emphasis on leadership for empowerment and social change (ASHE Higher Education Report, 2006). The key findings on transformational leadership include: (1) transformational leadership behaviors are associated with high levels of leader effectiveness and follower satisfaction; (2) transformational leadership emphasizes the importance of a clear and compelling vision that matches followers' needs and values; and (3) transformational leadership transcends cultural boundaries with certain attributes and behaviors universally recognized as transformational (ASHE Higher Education Report, 2006).

### *Strategic Approaches Model*

The strategic approaches model, as the name suggests, emphasizes a strategy in the change process. The eight-step *Kotter's model*, perhaps is one of the best-known change models in the literature. Kotter emphasizes the most fundamental problem in all of the stages is changing the behaviour of people. The model includes the following steps:

1. *Increase urgency.* Any change initiative should begin by creating a sense of urgency among relevant people. A sense of urgency is crucial to gaining the needed cooperation.
2. *Build the guiding team.* To accomplish change, a guiding team, powerful enough to guide change, should be established.
3. *Give the vision right.* The guiding team develops the right vision and strategy for the change effort.
4. *Communicate for buy-in.* Once the team is established and the vision is developed, the guiding team begins communicating the vision and strategies to people. People buy into the change, which will show in their behaviour.
5. *Empower action.* The leaders remove obstacles that stop people from acting on the vision. The issue here is removing obstacles, not “giving powers”.
6. *Create short-term wins.* Momentum builds as people realize the vision, while fewer resist change. Creating short-term wins provide credibility, resources and momentum to the overall effort.
7. *Don't let up.* Momentum builds after the first wins. Leadership teams should ensure that people make changes until the vision is realized.
8. *Make change stick.* Leaders must ensure the changes stick by promoting a new culture. New behaviour continues despite the pull of tradition, change in leadership, etc. (Kotter and Cohen, 2002).

According to Kotter and Cohen, successful change is associated with the “SEE-FEEL-CHANGE” core pattern. During the change, eye-catching situations are created to help others to SEE problems, solutions, or progress in solving strategy, empowerment, or other key problems within the eight-steps. The visualization stimulates thinking and provokes feelings that facilitate useful change. During the FEEL state, emotions that block change are reduced. At this point, the new feelings and ideas CHANGE behaviour or reinforce new behaviour (Kotter, 2002).

Despite the difference in the approach, in the basis of both models – Lewin's and Kotter's – is peoples' behaviour. The central challenge in every step of the change process is not strategy, not systems, not culture, but is changing peoples' behaviour (Kotter, 2002).

This section provided a literature review on the organizational change and change management. It presented a summary of reasons for failure of organization

transformations, followed by the description of the DICE framework, which is based on the hard factors of change management. Finally, the paper described the main components of change management, and presented different change models. The following section will present the methodology used for this research project.

## METHODOLOGY

The project was approved by the UVic Human Research Ethics Board (HREB) to ensure all human research in this project is conducted in accordance with the highest ethical standards, and the participants are protected from harm.

The data for the project was collected from primary and secondary data sources. The primary data was obtained through focus group discussions with HIMB staff and managers. The secondary data was collected from the HIMB background information, the BC PSA 2007 Work Environment Survey, and the HIMB Change Management Survey.

### Research Design

To achieve the intended objectives of the project, a six-step process was implemented: a review of the client's background material, literature review, review of the BC PSA 2007 Work Environment Survey, review and analysis of the HIMB Change Management Survey, focus group discussions with HIMB staff and managers, and the development of recommendations.

The research began with a review of secondary data sources. First, background material on the client was reviewed to gain a clear understanding of the change initiatives and the factors influenced the decision to initiate change projects. The review of the client's background material is summarized in the *Background* section of this paper. Second, a literature review on the change was conducted to gather understanding of change models, current practices, theories, and views. The summary of the literature review is presented in the *Literature Review* section of the paper. Third, the results of the 2007 Work Environment Survey was reviewed and analyzed to understand the HIMB employee engagement scores. The survey was conducted by the BC PSA and analyzed by BC Stats. Fourth, the results of the HIMB Change Management Survey were analyzed to understand employees' perceptions of change initiatives in the branch. The survey was designed by the HIMB Integration Committee and conducted in October 2007. The analysis of the survey data was completed by the researcher of this project.

The primary data was obtained through focus group discussions with HIMB staff and management. The focus group was designed by the researcher and conducted in November 2007. The purpose of the focus group was to discuss: different types of change initiatives in the branch in the last two years, reasons for change, employees' response to change, and the impact of change. The data, from both primary and secondary sources, has been considered and used in the development of recommendations.

Figure 2 provides a timeline of the changes showing the order of events, approximate dates, and various surveys that took place since the creation of the HIMB.

Date	Event	Number of HIMB staff	
January 2006	HIMB created	20	
October 2006	HIS and MSPIS joined HIMB	90	BC PSA Work Environment Survey - Apr 2007 →
April 2007	AHIP joined HIMB	109	
Summer 2007	Change in ADM		
October 2007	Five teams from HIMB joined newly established Health System Planning Division	50	HIMB Change Management Survey - Oct 2007 →
October 2007	Change in ADM as a result of newly established division		
			HIMB Focus Group - November 2007 →

Figure 2

The HIMB Change Management focus group was conducted in November 2007. It is important to mention that the branch employees experienced a major organizational change just before the focus group. In October 2007, five of the seven teams in the HIMB joined a newly established Health System Planning Division. After the reorganization, the HIMB includes about 50 people in the new division. All members of the branch were contacted via email with the invitation to participate in the focus group discussion on change management. The recruitment script is included in the *Appendices* (see Appendix A). The invitation explained the purpose of the discussion and expected outcomes. Ten people, representing 20% of the HIMB staff, volunteered to participate in the change management focus group. The participants received an email with confirmation of their participation in the research and information on the focus group’s scheduled date, time, and place. The information was provided two weeks in advance to provide participants with adequate time to free up their schedules for the focus group meeting. The discussion was scheduled for two and one-half hours. The participants were competent male and female adults from different backgrounds in a variety of different positions in the branch. For confidentiality and privacy purposes, the names and titles of the participants were not recorded.

At the beginning of the focus group, the participants were provided with a written consent form included in the *Appendices* (see Appendix B). Participants were advised that the project is undertaken by a graduate student who is also an employee of the Ministry of Health. The consent indicated that participation in the focus group is voluntary. The researcher explained that names or any other personal characteristics of the participants will not be recorded, and the information provided by the participants will not be shared with anyone in a form that can be linked to any individual participant. Even though all participants were asked to refrain from disclosing the contents of the discussion outside of the focus group, they were warned that there are limits to confidentiality because it is possible that

some participants may repeat comments outside of the focus group. The researcher informed the participants that they could choose not to answer any of the questions, and may withdraw at any time without any consequences or any explanation. Then, the researcher reviewed the objectives of the focus group and expected outcomes, followed by the explanation of the data use.

The first discussion theme *Types of Change* was discussed in one room jointly by all participants together. Given the complexity of the questions two to four, the participants were split into two teams to provide an opportunity for each member of the focus group to participate in the discussion. The teams discussed the *Reasons for Change* and *Response to Change* in different rooms. Teams had 30 minutes to discuss each question. Then, each team had five minutes to present the summary of their discussions. Due to the shortage of time, the last discussion theme *Impacts of Change* was discussed by all focus group members in one room.

## **Instrument Design**

### *Focus Group*

The focus group was scheduled around four discussion themes. A copy of the questions is included in the *Appendices* (see Appendix C). Questions were structured in an open-ended format that allowed the collection of more comprehensive data. The first theme dealt with different types of change initiatives that occurred in the HIMB over the last two years. The second theme was a discussion of peoples' understanding of the reasons for change. The third discussion question related to peoples' responses to change – what worked for them and why, and what did not work for them and why, during the implementation of change. Finally, the fourth theme was concerned with the impacts of change – how changes impacted employees and what type of support they needed during transformations.

Data collection was done using handwritten notes sufficiently detailed to function as a transcript. Notes were taken by the researcher. In addition, to ensure data accuracy and comprehensiveness, two ministry employees volunteered to take notes during the focus group discussions.

### *HIMB Change Management Survey*

The HIMB Change Management Survey was distributed by the HIMB Integration Committee in October 2007 during Employee Engagement Forums. Participation in this survey was entirely voluntary and anonymous. The completed surveys were returned to a drop box. The survey consisted of 20 questions. Survey participants were asked, on a scale of one to five, to circle the number that indicated their level of agreement or disagreement with each of the statements in the survey. Question # 20 provided a rating on the branch's overall response to change. When the survey was completed, there were about 110 employees in the HIMB. Forty eight HIMB employees completed the survey. The raw data was provided to the

researcher in the Excel format. The spreadsheet consisted of 48 rows (number of respondents) and 20 columns (number of questions).

To perform a regression analysis, questions 1 to 19 were grouped into four groups – envisioning, empowering, guiding and resourcing. Cronbach's Alpha statistical test was performed to examine relationships between variables in each group of questions. The Cronbach's Alpha scores were .92 for empowering, .88 for envisioning, .77 for guiding, and .59 for resourcing. A value of .70 is considered high enough to justify combining items into a scale. The score for resourcing group was low, but certainly significant. Answers to questions in the same group were combined and averaged. Four groups were used in regression analysis to see which combination of factors best predicted answers to the question 20 of the survey which asked to provide a rating on the branch's overall response to change.

### **Research Limitations**

There are some limitations within this study. First, due to the multiple reorganizations, the HIMB structure changed many times in the past two years. In August 2007, the HIMB Innovation Committee sent a request to the BC Stats to produce a report based on the current structure of the branch. Some of the employees at the time of survey were not employees of HIMB branch and could have responded differently to the survey questions. The individual group scores suggest that the overall branch engagement score might have been lower without the addition of certain groups that had higher scores prior to joining HIMB.

Second, the last reorganization occurred between the two sessions of Employee Engagement Forums, during which the HIMB Change Management Survey was distributed. The number of HIMB staff changed from 110 to about 50 employees. The survey results most likely include responses from employees who are presently not HIMB staff.

Third, several participants of the HIMB Change Management Survey left some questions unfilled. The missing answers were omitted from the analysis.

Fourth, due to the increased hiring rate, the focus group discussion included new employees, who might have different understanding of the types of change in the HIMB, reasons for change, response to change, and impact of change.

Finally, the focus group participants might have subjective views of the reasons, responses, and impacts of change in the branch. It is possible that participants' views are influenced by their personal achievements.

This section presented an overview of the research methodology, research design, data collection, instrument design, methods of analysis, and research limitations. The following section will present results of 2007 Work Environment Survey conducted by BC PSA, analysis of the HIMB Change Management Survey, and results of the focus group discussions.

## FINDINGS

### British Columbia Public Service Agency Survey

An employee engagement component is crucial in change management. Therefore, the decision was made to use the results of the BC PSA Work Environment Survey in this research. In August 2007, the HIMB Innovation Committee sent a request to the BC Stats to produce the HIMB Employee Engagement report based on the structure of the branch as of August 2007. A comparison of 2006 and 2007 survey data has not been done in this report due to the change in the organizational structure which made the results of two years not comparable.

#### *Background*

In 2005, the BC PSA made a commitment to annually measure the public service work environment, which was reinforced in the 2006 BC Public Service Corporate Plan. In 2006, BC Stats and the BC PSA conducted the first annual government-wide Work Environment Survey (BC Stats, 2007). The second annual survey was conducted in April 2007. The focus of the report is understanding employee engagement in a work unit, whether it is a branch, a division, or an organization.

#### *Employee Engagement Model*

BC Stats developed an Employee Engagement Model based on the survey responses of BC government employees. The model uses a house-like structure to represent the components of employee engagement and the relationships between the components. The model describes engagement as the roof of a house, the building blocks or workplace functions as the walls of the house, and the management as the foundation of the house (BC Stats, 2007).

*The roof: engagement characteristics* has three parts in its core: job satisfaction, organization satisfaction, and BC Public Service commitment. Employees who like their jobs tend to be satisfied with their organization, and as a result, are more committed to the public service (BC Stats, 2007).

*The building blocks: workplace functions* have the biggest impact on the engagement characteristics. BC Stats grouped workplace functions into ten building blocks:

1. *Empowerment* – Employees have opportunities to be innovative, provide input, and make decisions.
2. *Stress and Workload* – Employees feel that stress and workload are manageable.

3. *Vision, Mission and Goals* – Employees believe that vision, mission, and goals are well communicated, and their organization is taking steps towards the long-term success.
4. *Teamwork* – Employees have positive working relationships, communicate effectively and have support from the team members.
5. *Physical Environment and Tools* – Employees are satisfied with their physical surroundings, and have the technology and/or equipment to do their job well.
6. *Recognition* – Employees have meaningful and merit-based recognition.
7. *Professional Development* – Employees are supported in their learning and development initiatives.
8. *Pay and Benefits* – Employees believe they are fairly paid, and their benefits meet their needs.
9. *Staffing Practices* – Employees perceive staffing processes as fair and based on merit.
10. *Respectful Environment* – Employees work in a healthy and diverse atmosphere, free from discrimination and harassment (BC Stats, 2007).

*The foundation: management* supports the building blocks, and consists of two levels of management:

1. *Executive-level management* - Employees feel that executive leaders make the right decisions, and provide clear direction for the future. Executive-level management has impact on every building block except *teamwork*.
2. *Supervisory-level management* – Employees feel that their supervisors keep them informed and consult them on decisions that affect their work. *Supervisory-level management* has impact on the following building blocks: *staffing practices, respectful environment, teamwork, professional development, recognition, and empowerment* (BC Stats, 2007).

Figure 3 details HIMB employee engagement scores.

Figure 3: Source: BC Stats. HIMB. Exploring Employee Engagement in Your Work Unit, 2007.

*Analysis of the Work Environment Survey*

Seventy three per cent of HIMB employees completed the Work Environment Survey. The overall engagement score for HIMB was 58 compared to 64 for the Ministry as a whole, and 63 for the BC Public Service.

The results of the *Foundation* questions suggest that the executive level management, while being critically important in engagement and development of strong working environment, have scored very poorly. The executive-level management received the lowest score of 48 out of any engagement characteristic in the survey. Although, supervisory-level management received a higher score of 63, there still room for improvement. The HIMB will need to improve its executive and supervisory management practices to increase employee engagement in the future. As described by the BC Stats Employee Engagement Model, management is the foundation upon which the rest of the organization is built upon. Without a solid foundation, it will be impossible for the HIMB to achieve a high level of employee engagement. Figure 4 presents average scores for the *foundation* variables.

<b>Foundation / questions</b>	<b>Average score<sup>1</sup></b>
<b>Supervisory-level management</b>	<b>63</b>
The person I report to consults me on decisions that affect me.	63
The person I report to keeps me informed of things I need to know.	63
<b>Executive-level management</b>	<b>48</b>
Executives in my organization make effective and timely decisions.	48
Executives in my organization provide clear direction for the future.	47

Figure 4: Source: BC Stats. HIMB. Exploring Employee Engagement in Your Work Unit, 2007.

Seven out of ten *Workplace Functions* have low or very low scores and need to be addressed immediately. Having such a *weak Foundation*, as illustrated by the results of the questions on management, has resulted in low scores for most of the blocks in the *Workplace Functions* component of the model. According to the design of the model, a *weak Foundation* negatively impacts the *Workplace Functions*.

While the HIMB received low scores in the *Workplace Functions* section of the engagement model, this section also includes some of the highest results of the survey. Branch employees have scored the highest in the *Teamwork, Respectful Environment, and Physical Environment & Tools*. Generally, employees believe they have productive working relationships with their co-workers and colleagues, and that they are respected and trusted by their colleagues and superiors.

<sup>1</sup> An average score is a single number that represents all responses to a question.

Employees also feel they have adequate tools, resources and physical environment to successfully accomplish their jobs on a daily basis.

There are numerous areas within this section where employees have indicated areas of concern. The survey results indicate that *Staffing Practices, Recognition, Stress & Workload, Vision, Mission & Goals, Pay & Benefits, Professional Development, and Empowerment* need considerable improvements. Since *Pay & Benefits* in the BC Public Service are negotiated between unions and the government, it is an area where little can be done on an organizational level. Managers and directors have limited control over the level of pay employees receive. However, many other areas within this section can be addressed. Communication is a key that needs to be addressed. Management should start by communicating with their employees more frequently about the vision, mission and goals of the organization, and what can be done to reduce employees' stress and workload. Management should also find more opportunities for employee career development, and look for ways to speed up advancement throughout the organization. Since *Staffing Practices* has been rated the second lowest in the survey, it is important to review staffing practices thoroughly and communicate the reasoning behind these practices to employees. While this section of the survey has the highest scores out of the entire survey, these scores are far from celebrating successes and should be improved upon. The HIMB still has a lot of work to do to improve the *Workplace Functions* section. Figure 5 provides a summary of the building blocks scores in the *Workplace Functions*.

<b>Workplace functions blocks/ questions</b>	<b>Average score<sup>2</sup></b>
<b>Staffing Practices</b>	<b>54</b>
In my work unit, the process of selecting a person for a position is fair.	55
In my work unit, the process of selecting a person for a position is based on merit.	52
<b>Recognition</b>	<b>56</b>
I receive meaningful recognition for work well done.	57
Recognition is based on merit in my work unit.	56
<b>Stress and Workload</b>	<b>56</b>
My workload is manageable.	57
My work-related stress is manageable.	56
<b>Vision, Mission and Goals</b>	<b>57</b>
My organization is taking steps to ensure the long-term success of its vision, mission and goals.	62
The vision, mission and goals of my organization are communicated well.	53
<b>Pay and Benefits</b>	<b>60</b>
I am fairly paid for the work I do.	56
My benefits meet my (and my family's) needs well.	63

<sup>2</sup> An average score is a single number that represents all responses to a question.

<b>Professional Development</b>	<b>61</b>
My organization supports my work related learning and development.	67
The quality of training and development I have received is satisfactory.	59
I have adequate opportunities to develop my skills.	58
	<b>62</b>
<b>Empowerment</b>	
I have opportunities to provide input into decisions that affect my work.	62
I am encouraged to be innovative in my work.	61
I have the freedom to make the decisions necessary to do my job well.	63
	<b>69</b>
<b>Physical Environment and Tools</b>	
My physical work environment is satisfactory.	64
I have the tools (i.e., technology, equipment, etc.) I need to do my job well.	73
	<b>70</b>
<b>Respectful Environment</b>	
A healthy atmosphere (e.g., trust, mutual respect) exists in my work unit.	61
My work unit values diversity.	70
My work unit is free from discrimination and harassment.	79
	<b>74</b>
<b>Teamwork</b>	
When needed, members of my team help me get the job done.	77
Members of my team communicate effectively with each other.	67
I have positive working relationships with my co-workers.	79

Figure 5: Source: BC Stats. HIMB. Exploring Employee Engagement in Your Work Unit, 2007.

Since *the Engagement Characteristics* section builds upon the *Foundation* and *Workplace Functions*, the scores greatly impact the results of the roof of the model. As a result of low scores in *Foundation* and *Workplace Functions*, the *Engagement Characteristics* are also low. The *Engagement Characteristics* is the main outcome of the model. Having a good result in this category is an indicator of an adequate employee engagement, and generally indicates how happy employees are overall. The results from this section are perhaps the most dramatic, as employees have indicated very low organization satisfaction, and low job satisfaction and BC Public Service commitment. These are obviously troubling results, however, the branch can improve engagement results by enhancing the *Foundation* and *Workplace Functions* of the engagement model. Figure 6 provides a summary of the *Engagement Characteristics* scores.

<b>Engagement Characteristics / Questions</b>	<b>Average Score<sup>3</sup></b>
<b>Engagement Score</b>	<b>58</b>
<b>Organization Satisfaction</b>	<b>54</b>
I am satisfied with my organization	54
<b>Job satisfaction</b>	<b>60</b>
I am satisfied with my job.	60

<sup>3</sup> An average score is a single number that represents all responses to a question.

<b>BC Public Service commitment</b>	<b>60</b>
I would prefer to stay with the BC Public Service, even if offered a similar job elsewhere	59
Overall, I am satisfied in my work as a BC Public Service Employee	60

Figure 6: Source: BC Stats. HIMB. Exploring Employee Engagement in Your Work Unit, 2007.

As the Figure 6 indicates, the overall HIMB engagement score of 58 is very low and far from the ideal score of 80+. The branch has a lot of work ahead to improve the engagement score. The key point is to understand the reasons behind the low scores.

*Relationship between Employee Engagement and Change*

The Work Environment Survey asked employees to indicate whether they had experienced changes in their workplace in the past year, such as job change, a change in their existing job duties or responsibilities, a change in supervisor or manager, a change in number of employees in the work unit, a change in executive, budget reduction, and/or organizational restructuring.

According to the BC Stats, analysis of data revealed that employees who experience multiple changes in their existing unit tend to have lower engagement than those who operate in a more stable environment. Analysis demonstrates that the following changes have inverse relationship with engagement: budget reduction, reduction in the number of employees in the work unit, organizational restructuring, change in supervisor or manager, and change in organization executive (Herrin, 2007). The analysis also revealed that employees who experienced two or fewer changes in the past 12 months have a much higher average engagement score of 67 compared to a much lower average score of 50 for those employees who experienced three or more changes in the past 12 months (BC Stats, 2007).

These findings support that changes should be made carefully and strategically. Moving too fast without a clear vision, strong leadership team, well-developed plan, sufficient resources, and empowered employees can result in a failure of change efforts. People need consistent support to make change happen.

**HIMB Change Management Survey**

The HIMB Change Management Survey was distributed during the two sets of Employee Engagement Forums in October 2007. There were 48 surveys completed out of a possible 109. A copy of the interview questions is included in the *Appendices* (see Appendix E).

The survey consisted of 20 questions. Survey participants were asked, on a scale of one to five, to circle the number that indicated their level of agreement or disagreement with each of the statements in the survey. Question # 20 provided a

rating on the branch’s overall response to change. The raw data was presented in the Excel spreadsheet (see Appendix D). The spreadsheet consisted of 48 rows (number of respondents) and 20 columns (number of questions).

Participants were asked to express their opinion. The variable *opinion* was expressed numerically, on a one to five Likert scale. These numbers represent codes for the categories: strongly disagree, disagree, neutral, agree, and strongly agree. Because there is a natural ordering of categories, the opinion variable is an ordinal categorical variable. Also, because the survey sample is a cross section of people at one particular point in time, the survey data presents cross-sectional data.

After careful examination of survey questions, a decision was made to group questions 1 to 19 into similar categories. Then, answers to questions in the same group were combined and averaged. The group variables were used in the regression analysis to observe which combination of factors best predicted answers to question # 20 – a rating on the branch’s overall response to change. The following four groups were created:

1. *Envisioning* group includes questions related to visioning, leading, and planning
2. *Empowering* group includes questions related to involving, communicating, and innovating.
3. *Resourcing* group includes questions related to resourcing and training.
4. *Guiding* group includes questions related to evaluating and directing the process of change.

Figure 7 summarizes the groups and questions included in each group.

Group of questions	Question
<b>Empowering</b>	The leadership team is open to different ideas and opinions.
	Employees are actively involved in planning and implementing change.
	The rationale for change is effectively communicated to employees.
	HIMB rewards innovation and creativity.
	In responding to change, the leadership team does a good job of keeping employees motivated.
	Communication within HIMB keeps employees well-informed about what is happening and what to expect.
	HIMB is perceived as innovative/progressive.
<b>Envisioning</b>	HIMB has a clear focus and sense of direction for the future.
	Changes are made in a way that is consistent with the organization’s mission.
	The leadership team is knowledgeable and up-to-date about strategic issues.
	Change at HIMB is carefully considered and well-planned.
	Change is driven by facts and information, rather than speculation or opinion.
	Given the current marketplace/environment, the pace and scope of change in HIMB are appropriate.

<b>Guiding</b>	HIMB monitors and evaluates the impact of changes that are made.
	Problems arising from change are systematically identified and resolved.
	HIMB consistently follows-through with plans and decisions.
	HIMB celebrates its success in achieving positive change.
<b>Resourcing</b>	Employees receive adequate training to keep up with changes.
	Adequate resources are provided to accommodate new processes or standards.

Figure 7

*Summary Statistics*

Figure 8 below presents the summary statistics for the four groups of questions – envisioning, empowering, resourcing, and guiding. Also, question # 20, which evaluates the branch’s overall response to change, is also presented for comparison.

<i>One Variable Summary</i>	<b>Empowering</b>	<b>Envisioning</b>	<b>Guiding</b>	<b>Resourcing</b>	<b>Question 20</b>
<b>Mean</b>	2.8929	3.0943	2.9653	3.1146	2.9130
<b>Std. Dev.</b>	0.7872	0.6506	0.5659	0.7455	0.8901
<b>Median</b>	2.8571	3.0000	3.0000	3.0000	3.0000
<b>Minimum</b>	1.2857	1.8333	1.5000	2.0000	1.0000
<b>Maximum</b>	4.5714	4.8333	4.2500	4.5000	5.0000
<b>Count</b>	48	47	48	48	46

Figure 8

The *mean* is the average of all values of a variable. Figure 8 revealed that the average value is ranging from 2.9 for empowering to 3.1 for resourcing. The average value for question # 20 is 2.9, which is also in the same range. The average value is approximately equal to 3 - “neutral”. Figure 9 presents a graphical representation of the mean value for empowering, envisioning, guiding, resourcing and question # 20.

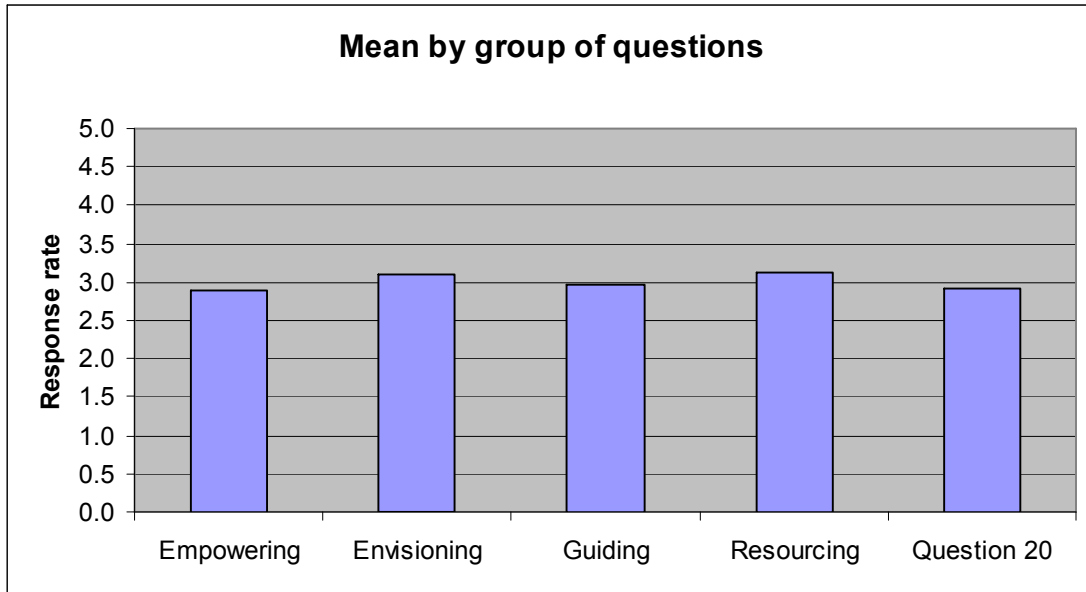


Figure 9

Figure 10 demonstrates employees' responses to each group of survey questions ranging from strongly disagree to strongly agree.

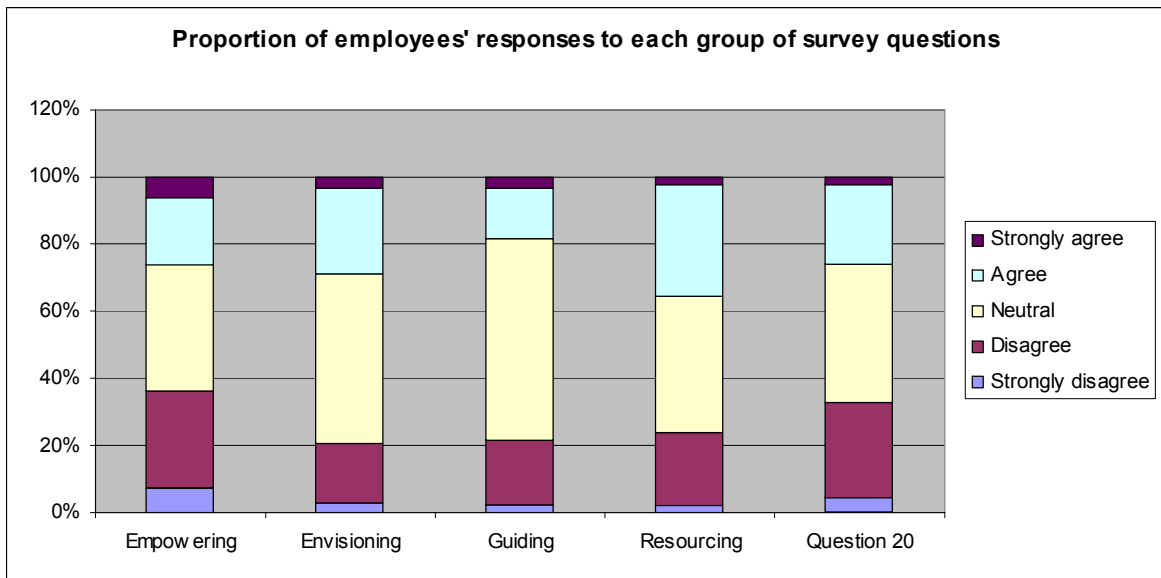


Figure 10

The graph above illustrates that the most prevalent answer in each group of questions is “neutral”. Also, in two groups of questions – empowering and guiding – the larger proportion of the respondents expressed their disagreement with the survey statements. In addition, the branch’s overall response to change (question # 20), was rated above average or outstanding by 26% of participants compared to 33% of those who rated the response as poor or below average.

The *median* is the middle observation when the data is arranged from the smallest to the largest. The median value (see Figure 8) is between 2.9 for empowering and 3 for all the other groups. The median is in the same range as the mean. The fact that both – the median and the mean – are in the same data range confirms that this is a symmetric distribution. In cases of skewed distributions the mean value would be skewed and would not be the true representation of the participants’ opinion towards the change initiatives in the branch. However, in this case the distribution is symmetric, and in general, the participants’ answers are close to “neutral”. Figure 11 presents a graphical representation of median value.

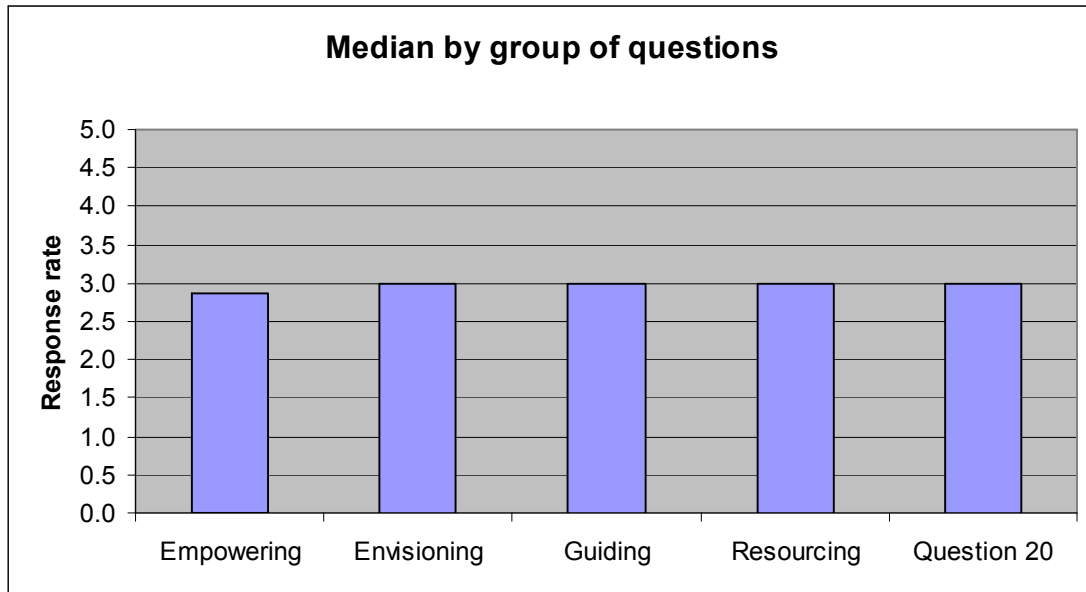


Figure 11

The *mode* is the most frequently occurring value. If the mode values are essentially continuous as with averaged group answers, then the mode is irrelevant. However, the results for the survey demonstrate the mode value of each of the 20 questions equal to “3-neutral”

The *minimum* is the smallest value, and the *maximum* is the largest value. The results show (see Figure 8) the minimum and the maximum averaged values for empowering is between 1.3 and 4.6, for envisioning is between 1.8 and 4.8, for guiding is between 1.5 and 4.3, for resourcing is between 2 and 4.5, and finally, for the question # 20 is between one to five. The minimum and maximum values are valuable to see the bounds on the data set. It is important to notice that these measures can be obviously affected by one or two extreme values.

The *standard deviation* is a measure of data variability. The results of standard deviation (see Figure 8) demonstrate the least spread data is in guiding group, and the most spread is in the question 20. For instance, for guiding, about 2/3 of all responses are within interval 2.4 and 3.5, while in question 20, about 2/3 of all responses are in much larger interval of 2.0 and 3.8.

The *count* shows the number of participants. The total number of people participated in the survey is 48. However, some questions were left unanswered. As a result, the count is not the same for each question. Those cells with missing data were ignored in the summary analysis.

The summary statistic revealed that an average measure is not skewed. Both mean and median are around “3-neutral”. The standard deviation indicates that peoples’ opinions are not spread too widely, and about 67% of the people on average rated the questions from 2 to 3.9. Neutral responses are worth exploring. A neutral response means that while people did not actively disagree with a question, there are some reasons for why these people chose not to agree with a statement. The HIMB executives and managers should discuss the results of this survey with their teams, and encourage people to explore, think and debate to understand what these results mean for each work unit in the branch.

*Regression Analysis and Scatterplots*

The scatterplots (see Appendix F) indicate that there is indeed a positive relationship between each group of questions – empowering, envisioning, guiding and resourcing – and question # 20. However, none of these relationships are perfect, which means while these variables are helpful for predicting the branch’s response to change, none of the groups will yield perfect predictions.

The correlations indicated that *Empowering* (0.831) has the strongest relationship regarding how people rate HIMB’s overall response to change. *Envisioning* (0.791) and *Guiding* (.667) also have strong relationships to the response to change. Finally, *Resourcing* (.540) has the weakest relationship to the question # 20.

Regression analysis revealed the following (see Appendix G):

**Predicted participants’ rating of the branch’s response to change =**

$$\begin{aligned}
 &-.8073 + .5352\text{Envisioning} + \\
 &+ .4840\text{Empowering} + \\
 &+ .1988\text{Resourcing} + \\
 &+ .0136\text{Guiding}
 \end{aligned}$$

The equation above can be interpreted as follows: If all the variables, except envisioning, in the equation are constant than predicted participants’ rating of the response to change is expected to increase by about .54 for each unit of increase in envisioning. If all the variables, except empowering, in the equation are constant than predicted participants’ rating of the response to change is expected to increase by about .48 for each unit of increase in empowering. If all the variables, except resourcing, in the equation are constant than predicted participants’ rating of the response to change is expected to increase by about .2 for each unit of increase in resourcing. If all the variables, except guiding, in the equation are

constant than predicted participants' rating of the response to change is expected to increase by about .01 for each unit of increase in guiding.

The low P-values for envisioning (.0013) and empowering (.0028) provide convincing evidence that there is a correlation between these two independent variables and question 20. Figure 12 shows four independent variables and their corresponding correlations and p-values.

Variable	Correlation	P-value
Empowering	0.831	0.0028
Envisioning	0.791	0.0013
Guiding	0.667	0.9430
Resourcing	0.540	0.0842

Figure 12

In summary, the analysis of the HIMB Change Management Survey demonstrates a strong relationship between two independent variables – envisioning and empowering – and question 20. The finding implies envisioning and empowering can be used as “predictors” of change outcomes.

### Focus Groups

The objective of the focus groups was to understand employees' perception of change. This information is important because the way staff view change may be different from the way executives view change. A copy of the focus group themes are included in the *Appendices* (see Appendix C). The first theme dealt with different types of change initiatives that occurred in the HIMB over the last two year period. The second theme included questions about peoples' understanding of the reasons for change. The third theme considered peoples' response to change – what worked for them and why, and what did not work for them and why, during the implementation of change. The final theme addressed the impacts of change, and what types of support they need during times of change.

#### *Types of Change*

The purpose of the question was to understand the magnitude of change in the branch. The question asked: “Please list the types of change initiatives that have occurred in your workplace over the last two years”. The focus group discussions revealed that the branch experienced a wide variety of change processes that ranged from re-structuring to new information system technologies to changes in business processes.

Re-structuring is by far the most frequent type of change in the HIMB. The branch was created in January 2006, and referred to as the Health Modernization Branch.

In October of the same year, the branch increased dramatically in size when two groups – Health Information Support and Medical Service Plan Information Support – joined the branch. In April 2007, there was another increase in the number of people in the branch when AHIP group joined the HIMB. In October 2007, part of the branch was moved to a newly created Health Information System Division. The size of the branch decreased from about 110 to 50 staff.

Perhaps re-structuring caused a change in executive management (or a change in leadership caused re-structuring). Executive change is the second most frequent type of change in the HIMB. The staff members who joined the branch throughout the last two years experienced a change in the Executive Director. A new Assistant Deputy Minister (ADM) joined the branch in 2007. In addition, after the last reorganization, when the branch joined a newly created division in October 2007, there was another change of ADM. Finally, the ministry also experienced a change in the Deputy Minister (DM). Changes in executive management impacted the type of work done by the HIMB staff.

Introduction of new information system technologies as part of AHIP is the largest change considering the amount of time and resources put into the project. The purpose of the project is to consolidate ministry administrative data sources into one centralized data warehouse. As a result of the new information technologies, the database structure and the nature of the data changed. As well, new variables were introduced, which caused a change in data types in the new database.

Finally, the branch has experienced multiple changes in business processes, including: outsourcing; off-site workstation support; changes in data access processes; change in HR responsibilities; introduction of the project tracking software; change in reporting software; increase in management/staff ratio; and, finally, change in the educational funding from the ministry funding to the funding through the Pacific Leaders Program. Outsourcing of ministry IT functions to MAXIMUS placed new demands on the ministry staff regarding procedures for access to administrative data, and cultivating a satisfactory working relationship with external agencies. Tightening up procedures regarding governing access to data triggered change in data access process which became more formal and more detailed. Focus group participants also mentioned changes in physical setting, such as a change in work location, addition of an exercise room, the addition of vending machines, and the removal of the cafeteria.

### *Reasons for Change*

The purpose of the question was to understand employees' perception regarding the reasons for change. The question asked: "What has been your understanding of the reasons for change in your workplace over the last two years?" The focus group participants identified many reasons for change. There were two types of driving forces for change – internal and external.

Among the internal forces, the participants named improved efficiency, production of cheaper and better services, provision of better decision-making support to management, need for corporate history, and changes in data access to improve the quality of data. These are valid reasons for change. However, the participants indicated that despite the good theoretical reasons for change, the resource justification should be in place, and the staff should be given proof that the new approaches are more efficient.

According to the focus group discussions, external forces include the economy, political pressures, public scrutiny, and a shortage of qualified employees. These forces put increased pressure on the ministry's executives and staff, and resulted in new strategies around retaining and attracting employees. Nevertheless, during the discussions a question was posed about the efficiency of change efforts.

There were some negative comments regarding reasons for change. The participants indicated that in some cases reasons for change were not clear, not known or not understood. The reasons, such as change just to make change, to appear innovative, or serve own purposes, were raised during the discussion.

### *Response to Change*

The purpose of the question was to investigate what strategies were the most useful and worked the best, and what strategies were not useful and did not work during the change. The question consisted of two parts. The first part of the question read: "During the implementation of change, what has worked for you and why?"

The focus group participants identified communication as the most helpful strategy during the transition. Face to face communication stood out as the best way to communicate the change. The participants emphasized and appreciated open and honest face to face meetings with a new ADM, which made them feel involved in the process of change. The staff felt the ADM was honest and took the time to understand the work of the new division, which elevated his status and motivated people to support decisions. As well, the focus group participants found executive information sessions and business communications with AHIP group also valuable. To finish, the participants felt being informed is essential to create stability and successfully implement the change.

As well, vision, involvement and engagement strategies were brought up during the discussion. For example, the participants felt that an early direction on what has changed and what will change is helpful. There was an example of involvement strategy when a staff representative was included in executive meetings. In addition, the participants emphasized that interaction between groups and levels of authority generated more positive response to change and positive results for the change.

The most surprising finding was the use of coping strategies by the staff to help stay positive during transition times. The staff employed strategies, such as focusing on the job and priorities, focusing on positive things that come with the change, trying not to be resistant to change, finding someone who can help, being open-minded and being open to the reasons for change if such exist. Some staff felt excitement about possible opportunities that come with change. Surprisingly, there was a lack of strategies that worked during the times of change, possibly due to improper use or shortage of strategies employed to support the staff during the transition.

The second part of the question asked: “During the implementation of change, what did not work for you and why?” The discussions revealed multiple problems with strategies used in the branch.

Undoubtedly, the communication strategy was the one that did not work the most. The participants identified lack of communication and consultation with staff, and emphasized that uninformed and mandated change has adverse effect on employee morale and motivation. The focus group also revealed multiple issues that arose from counterproductive messages, lack of clear messaging, use of secretive approach, change without explanation, and disconnect between management and the front line workers. The participants also expressed concern about effectiveness of communication strategies used between different groups of the branch.

Involvement was another strategy that the participants expressed concern with. The discussion revealed that changes in the branch are top-down driven and depend upon who comes on board. During the implementation of change, staff were not asked for their input, even when “million dollar decisions” were made. Moreover, the participants emphasized that involvement should be timely to be beneficial. Currently, staff are actively involved in the AHI project; however, waiting three years to be involved is a long time and may be too late.

The participants also expressed concern with the use of resources, such as employees, time and money. The discussions revealed that there is a lack of resources, which resulted in competition between different groups for resources. The participants also noted work responsibilities are only somewhat reflected in job descriptions, and some staff are underutilized while others are “firefighting at their own desk”.

In addition, comments were made regarding vision, planning, and leadership strategies. Problems associated with the vision strategies mostly arose from focusing on the day to day work instead of developing a vision of the future, unclear overall ministry direction, and unclear roles. The planning problems are mostly concerned with the unplanned change, lack of performance measures and lack of transition planning that is meaningful at the individual employees’ level. Finally, the participants noted that there was a lack of faith in leadership, which resulted in a lack of faith in what is done.

### *Impact of Change*

The purpose of the question was to understand the impact of changes on the HIMB employees, and the types of support they need during transitions. This question consisted of two parts. The first question read: “How have changes in your workplace impacted you?” The participants agreed that win / lose outcomes are personally experienced as a result of change. The comments during the discussions can be classified into positive and negative.

On a positive note, the focus group revealed that organizational change can be positive even when there is a little understanding of the purpose. The participants noted that change creates opportunities to take on new responsibilities and meet new people. In addition, change creates more variety and more prospects to do something different and learn something new. Finally, change offers new challenges and new experiences.

However, the negative comments outweighed the positive. The participants indicated that new changes need to be managed well in order to succeed. The concerns were expressed about the lost work that has been done previously. As a result of change efforts, staff felt less empowered and less engaged. An interesting finding is the difference in comments made by the “new” and “old” staff members. New employees indicated that they were unsure where they fit. In contrast, the “old” staff pointed out that they become disenchanted by the change. In addition, they felt that they became pigeon-holed as good performers in their respective positions, which limits their opportunities for advancement.

The second question asked: “What type of support do you need during times of change?” The focus group participants noted that they need support in communication, involvement, teamwork and leadership. Communication stood out as the area where people need the most support. The respondents suggested using a variety of approaches to communicate the change, such as feedback groups, a message board, websites to share information, two way communication (top to bottom and bottom up), regular meetings with executives, and timely and clear communication to explain the vision, the reasons for change and desired outcomes. The participants also emphasized the need for orientation sessions with directors to provide a clear vision where everyone fits. Moreover, the respondents indicated the need for recognition as another communication tool during the transformation.

Teamwork was another area where employees identified the need for support. The participants suggested that there is a need for strategies to improve collaboration between teams and members of teams, and put more effort on a team approach as opposed to an individual approach. The participants noted that the staff should be consulted during the planning of a change, which suggests that the staff should be involved early in the process of transformation. There was a

suggestion that choosing the right timing for a change is important. Finally, the participants emphasized that leadership should ensure that change is logical.

This section presented the findings and analyses from the secondary sources – 2007 BC Stats report on Employee Engagement in HIMB, and HIMB Change Management Survey, and from the primary source – HIMB Change Management Focus Group Discussion. The section concentrated on the main findings and analysis. The following section will provide a discussion of findings from all sources.

## **DISCUSSION**

The results of the focus group discussions and the BC PSA Work Environment Survey revealed that change is a frequent occurrence in the HIMB. The types of change varied from restructuring to new information system technologies to changes in business processes. This finding is not surprising, as focus group discussions identified many internal and external forces that drive the change, including the economy, political pressures, public scrutiny, a shortage of qualified employees, the need for improved efficiency and the provision of better decision-making support to management. The focus group, the HIMB Change Management survey and the BC PSA Work Environment Survey uncovered many issues and problems associated with change initiatives in the branch. The problems are divided into categories and discussed below.

### **Multiple Changes Over a Short Period of Time**

The first theme of the focus group discussion revealed that the branch experienced too many changes over a short period of time. This finding is also supported by results of the BC PSA Work Environment Survey. The survey asked employees if they experienced any change from a list of eight different types of change, such as promotion or transfer, a change in job responsibilities, change in supervisor or manager, introduction of new employees, reduction in the number of employees, organizational restructuring, executive change, and budget reduction. In five groups of changes (out of eight) and on average (eight changes combined), a larger proportion of HIMB employees experienced changes compared to the MoH employees and BC Public Service employees (BC Stats, 2007).

Some employees find change exciting as it brings new opportunities and a chance to meet new people. However, according to the BC Stats, employees who experience multiple changes tend to have lower engagement scores than those who operate in a more stable environment (2007). Some of the focus group participants find changes unnerving. Perhaps, the main reason for change being “unnerving and scary” is because employees in the HIMB are facing too many changes over a too short period of time. Repeated negative experience with change can result in reduced interest and motivation, and sometimes even in employee resistance to change.

### **Allowing Too Much Complacency**

The biggest mistake is starting a change effort without establishing a sense of urgency in staff and managers. The literature review and the focus group participants highlighted that allowing too much complacency can result in a failure of change projects. Comments made by the focus group participants such as “complacency – change just to make changes”, “make change to serve own purpose”, “Illusionary changes” and many other demonstrate generally change

initiatives in the branch start without creating a high enough sense of urgency. This error is fatal because transformation efforts always fail when complacency levels are high (Kotter, 1996, p.4). Overcoming complacency is crucial at the start of any change initiative.

### **Lack of Clear Vision**

Lack of clear vision worsens the problem of complacency. Focus group participants commented that there was an “unclear purpose of change”, “change without explanation”, and “different information given from different levels”. There was also a comment indicating a need for a clear vision (e.g., “the staff needs a clear vision to work towards”). The results of the HIMB Change Management Survey also demonstrated that there is no clear vision in the branch. The survey included two statements related to vision: “HIMB has a clear focus and sense of direction for the future” and “Changes are made in a way that is consistent with the organization’s mission” (see Appendix E, questions 1 and 2). On average, only 27% of the participants agreed with the statements, while 49% gave a neutral answer and 24% of the respondents disagreed with the statements.

In addition, the BC PSA survey included a question on vision, mission and goals (“My organization is taking steps to ensure the long-term success of its vision, mission and goals). Thirteen per cent of people disagreed with the statement and 33% gave a neutral answer. The findings from three data sources evidently indicate that there is a lack of clear vision in the branch. It is also possible that the vision exists, but it is not clearly communicated to the HIMB staff. This brings us to the next point – communication.

### **Lack of Communication**

Communication is by far the biggest issue in the branch. The focus group participants’ comments indicate that during the change initiatives the vision was not communicated clearly or early enough (e.g., “unclear purpose of change – the motive is not stated”, “reasons for change are not clear”, “lack of clear messaging”). Also, comments suggest that counterproductive messages were given to staff (“different information is given from different levels”) and limited information was provided to staff (e.g., “lack of communication and consultation with staff”). The focus group participants commented that leadership should develop tools for communication (“Need tools for collaboration and communication”) and avoid closed or secretive approach to change (“change without explanation”, “a lot of secrecy around decisions”). Participants believe that uninformed and mandated changes put people in a defensive mode which results in resistance to change.

The BC PSA survey included the following communication statements: “The vision, mission and goals of my organization are communicated well”, “Essential information flows efficiently from senior leadership”, and “Essential information

flows efficiently from staff to senior leadership”. On average, about 28% of the survey participants gave a neutral answer to these statements, while the proportion of those who agreed and disagreed was the same – around 36% in each group. The results of the HIMB Change Management Survey are even worse. The survey included two communication statements: “The rationale for change is effectively communicated to employees” and “Communication within HIMB keeps employees well-informed about what is happening and what to expect” (see Appendix E, questions 7 and 15). On average, 52% of the participants disagreed with the statements compared to only 22% of the participants who agreed. These results demonstrate that there is a lack of communication in the branch, and disconnect between management and the front line workers.

On a positive note, the focus group participants acknowledged that there was effective communication between the staff members and the new ADM during a series of face to face meetings after the recent reorganization. The branch staff felt the ADM was honest and took the time to understand the work of the new division. The ADM had open and honest communications with the staff that elevated his status, motivated people to support his decisions, and increased the employees’ sense of involvement in the process of change. The participants emphasized the importance of being informed, and suggested staff representatives should be included in the executive meetings. On the other hand, participants recognized that “not all the blame of the top”, and staff need to be proactive and communicate their ideas and suggestions to the management.

### **Failure to Involve Employees in the Change Process**

A significant part of the focus group discussion was devoted to the technological change associated with the AHI project. Proposed change to the database structure triggered threats among the branch members. The focus group participants stressed the importance of involving users, who are mostly the HIMB staff, in the database design. Comments, such as “staff was not involved in the change from the beginning of the project”, “staff is not asked for input”, “the AHIP database structure is still unknown”, imply an involvement issue. Participants acknowledged and appreciate the current involvement in the AHIP and interaction between the AHIP team and other teams of the branch. However, the concern was expressed whether it is too late to get involved in the process three years after the initiation of the project. There is still a little understanding of the benefits of AHIP and rationale for the project among the users. The participants believe that a pilot project should have been initiated to demonstrate the benefits of the project. Also, it seems there is a belief that the AHIP repeats the same errors as the HNDATA project, which was a predecessor of the AHIP and is viewed as resulting in “a multimillion dollar waste”. A failure to involve staff soon enough can result in resistance to the change.

The HIMB Change Management Survey included the following statement: “Employees are actively involved in planning and implementing change” (See Appendix E, q.6). The results to this statement are the most dramatic yet. Fifty

two per cent of the respondents disagreed with this statement, compared to only 17% who agreed, and 31% who gave a neutral response.

### **Failure to Create an Effective Leadership Team**

Effective leadership is an important component of any change effort. During the change, employees need executive support, such as discussions with senior executives regarding the vision, rationale, benefits, and impacts of the change. The focus group participants indicated that there is a “lack of faith in leadership”. The suggestion was made that leadership should “ensure that change is logical”.

The BC PSA Work Environment Survey included questions on executive-level management and supervisory-level management. The executive management received the lowest average score of 48. The statements in consideration are: “Executives in my organization make effective and timely decisions” and “Executives in my organization provide clear direction for the future”. On average, 38% of the respondents disagreed with the statements and 22% gave a neutral response.

The HIMB Change Management Survey included a statement: “In responding to change, the leadership team does a good job keeping employees motivated” (See Appendix E, q.10). The results are very low – only 21% of the respondents agreed with the statement compared to 35% of those who disagreed. However, there are also some encouraging results. Forty nine per cent of the survey participants agreed (compared to 17% of those who disagreed) with the statement “The leadership team is knowledgeable and up-to-date about strategic issues” (q.3), and 38% of the respondents agreed (compared to 23% of those who disagreed) with the statement “The leadership team is open to different ideas and opinions” (q.5). These results suggest that while the leadership is knowledgeable and quite open to ideas and opinions, they are not employing effective strategies to keep employees motivated during times of change.

### **Inappropriate Use of Resources**

Resourcing is an important part of any change initiative. Human resources is the most valuable asset of an organization. However, the results of the focus group imply human resources in the branch are not used efficiently. The participants’ comments suggest that managers are not fully aware of the staff’s skills, and some staff are underutilized, while others are “fighting at own desk”. There was a comment that job descriptions only somewhat reflect work responsibilities, and therefore, need to be updated. Actions should be taken to understand what staff are capable of doing and better utilize staff skills and knowledge. Moreover, according to the focus group discussions, some of the change initiatives have resulted in the loss of tangible resources, such as money and work done previously.

The HIMB Change Management survey included a resourcing statement: “Adequate resources are provided to accommodate new process or standards” (see Appendix E, q. 12). The majority of the participants (48%) gave a neutral response to the statement, while only 27% agreed with the statement.

### **Lack of Implementation Planning**

Planning is an important part of change. The participants raised their concerns regarding planning during transformation efforts. The focus group comments, such as “unplanned change”, “failure to provide meaningful planning”, and “lack of transition planning that is meaningful at individual level”, point to the planning issue in the branch. The HIMB Change Management survey included a statement: “Change at HIMB is carefully considered and well-planned” (see Appendix E, q.4). Twenty three per cent of the respondents disagreed with the statement compared to only 19% who agreed. A large proportion of the participants (57%) gave a neutral response.

### **Failure to Change People’s Behavior**

Both Lewin’s and Kotter’s change models emphasize the importance of changing people’s behaviour (Kotter and Cohen, 2002). The results of the focus group revealed that people’s behaviour and attitudes in the branch have not changed during the change initiatives – people are rearranged as structure, but their attitudes do not change. Change leaders should ensure that change sticks by nurturing a new behaviour and shared values through consistency of successful action over an adequate period of time (Kotter and Cohen, 2002). However, the focus group findings suggest that this is not the case in the HIMB (e.g., “New changes not fully implemented – old ways continue to live”). On a positive note, participants’ comments, such as “trying to be open-minded, open to reasons to change”, “trying not to be resistant”, “focusing on priorities, and do not sweat the small stuff to reduce frustration”, “finding someone to help when experiencing problems”, etc., suggest that the HIMB staff is making an effort to develop positive behaviours and attitudes towards the change. This means that while the HIMB employees need support from the leaders, they are not resistant to the change.

In conclusion, the focus group discussion, the HIMB Change Management Survey, and the BC PSA survey revealed many issues associated with change efforts in the branch. There were some optimistic comments about positive change in the communication strategies used by the executives. The focus group results also suggest that the main barrier to change is not resistance to change, but poor strategies used during change efforts, such as too much complacency, lack of clear vision, lack of direction from the leadership, inadequate employee involvement, improper use of resources, and poor planning. The following section will present recommendations based on the findings discussed in this section.

## RECOMMENDATIONS

The key recommendations flow out of the discussion section and are based on the results of the HIMB Focus Group, the HIMB Change Management Survey and the BC PSA Work Environment Survey. The regression analysis of the HIMB Change Management Survey revealed a strong relationship between two independent variables – envisioning and empowering – and the overall response to change. The discussion section demonstrated the branch has major issues with the above strategies. Therefore, the recommendations are proposed to improve strategies concerning envisioning and empowering. As a result of improvements in envisioning and empowering, it is most likely the overall HIMB engagement score will improve and show in the results of the next annual BC PSA Work Environment Survey.

In total, six key recommendations were developed in response to common issues and problems revealed from the data analysis. The recommendations are described below in order of priority.

### *1. Set priorities and determine an appropriate pace for adopting change*

It is important to prioritize change efforts, and choose an appropriate pace for adopting change. Attempting to implement too many changes concurrently or implement change too quickly can result in employee resistance and even a failure of the whole project. The literature review also stresses the importance of setting realistic time frames for implementing change. Successful change in organizations is a time-consuming and highly complex process, and “never a one-two-three, hit-and-run affair” (Kotter, 1999, p.7). The HIMB management should ensure that adequate time is given for the implementation of change efforts, and pick concurrently no more than two major areas that need change.

### *2. Establish a sense of urgency*

A high enough sense of urgency will make a change effort well positioned for initiation (Kotter and Cohen, 2002). With high complacency, which is the case in the branch, the change efforts will not go far due to the lack of support for change or little understanding of the reasons for change. Before starting a change initiative, the HIMB leadership should demonstrate a need for change, which will ensure employees' buy-in to a change process.

### *3. Improve the role of leadership*

Both the results of this research project and the literature review suggest the importance of the leadership role in organizational transformation. According to Browne, during change efforts, people will believe and buy into what credible leaders tell them (2006). Effective leaders create a clear vision and effectively

communicate it to employees, engage and recognize people, encourage new ideas and opinions, promote teamwork and encourage an individual's development. Both managers and executives play an important role as leaders. HIMB leadership should keep constant contact with their staff to increase employees' understanding of reasons for change, and to build support for change initiatives among the staff.

#### *4. Develop a clear vision and implementation plan*

The HIMB leadership should set a clear direction and embrace sensible visions. People need a clear vision of the future. According to Browne, the vision allows the organization "to integrate present, past and future practices" (2006). The vision should be clear and simple, and must be communicated to employees in simple terms. The vision should be so clear that it can be articulated in one minute or written on one page (Kotter & Cohen, 2002). The focus group participants also recommended using orientation sessions with directors to provide a clear picture of where everyone fits.

In addition, a satisfactory plan should be put in place to guide change efforts. The plan should be aligned with a change vision and business goals. It should include project objectives, performance measures, and reporting accountability mechanisms.

#### *5. Ensure effective and consistent communication*

Stewart and Kringas note that "provided the rationale for change was well explained and clearly communicated and the pace was not too fast, most employees did not have too many problems in accepting change" (2003). An effective and timely two-way communication is a key to success. The literature review demonstrates employees are more positive and more committed to change if the rationale for change and vision are clearly communicated. When considering a change, the leadership should allow time for discussion and input from staff and middle managers.

Keeping employees informed of the change progress is crucial. A variety of strategies, such as monthly newsletters, regular face-to-face meetings, newsletters, Intranet and e-mails, should be used to keep the staff informed about the change. The focus group participants recommended using an anonymous suggestion box to voice ideas and opinions. The following strategies should be used by leaders to ensure effective communication: keeping communication simple and heartfelt, understanding what people feel, speaking to anxieties and confusion, ensuring important messages get to staff, and using new technologies to communicate vision (Kotter & Cohen, 2002).

#### *6. Ensure timely and an adequate level of involvement*

Organizations have a better chance to succeed in their change initiatives when employees feel involved in the process. Both the literature review and findings

from this research confirm employees feel involved when they sense an open exchange of information. Timely involvement is also crucial. The staff should be consulted on change planning. The branch leaders should involve staff soon enough in the process of change and include all the decision-makers at the table. The staff should be encouraged to be more proactive and seek opportunities to get involved in the change efforts.

This section provided recommendations for the HIMB to consider during times of change. The recommendations are based on the findings from primary and secondary sources for this research project.

## **CONCLUSION**

The purpose of the project is to identify the components of successful change management, and to develop recommendations on practices and strategies to assist the HIMB during transformations.

Valuable feedback was gathered from the HIMB Focus Group pertaining to types of change, reasons for change, response to change and impact of change. The focus group discussions, and the analysis of the HIMB Change Management Survey and the BC PSA Work Environment Survey revealed many problems related to change initiatives in the branch. The result of analysis provides the HIMB with useful grounds upon which improvements to change processes can be made.

In total, six key recommendations were developed in response to common issues and problems revealed from the data analysis. To succeed in change efforts, the management should set priorities and determine an appropriate pace for adopting change, establish high enough sense of urgency, improve the role of leadership, develop a clear vision and implementation plan, ensure effective and consistent communication, and finally, ensure timely and an adequate level of employees' involvement.

These recommendations will help the branch to manage change and continue to build on the goal of establishing the branch as "a workplace of choice". If followed, the recommendations will increase the probability of success of change efforts by providing management with a better understanding of the nature of transformation.

## **GLOSSARY**

ADM – Assistant Deputy Minister  
AHIP – Aggregated Health Information Project  
CeRTS – Central Request Tracking System  
DM – Deputy Minister  
HREB – Human Research Ethics Board  
HSPD – Health System Planning Division  
KMT – Knowledge Management and Technology  
MoH – Ministry of Health  
MSPIS – Medical Service Plan Information Support  
PSA – Public Service Agency  
WES – Work Environment Survey

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## APPENDICIES

### Appendix A – Recruitment Script

Hello:

My name is Almira Aitzhanova. I am an employee of Ministry of Health, and a graduate student at the University of Victoria. I invite you to participate in a research project for the Ministry of Health entitled “HIMB Change Management Framework”. This project is also a part of the requirements for the completion of my Masters of Public administration degree. The objectives of this project are to identify the components of successful change management, and develop recommendations on practices and strategies that will assist HIMB in managing change and be a workplace of choice.

You are being asked to participate in this study because you are an employee of the Health Information and Modernization Branch, and have important perspectives on the nature and effects of change in your workplace. Participation in this project is entirely voluntary. If you agree to participate in this research project, you will participate in a focus group to discuss your experience with change initiatives. You are free to withdraw from this study at any time without consequences.

It is estimated that focus group participation will take approximately two hours of your time. Focus group discussions will take place in November during regular working hours. If you would like more information, I would be happy to answer your questions, or you can contact my supervisors by telephone or email.

If you are willing to participate in this research project, please contact me by email ( [Almira.Aitzhanova@gov.bc.ca](mailto:Almira.Aitzhanova@gov.bc.ca)) or telephone (952-1670) between 8:30 AM and 4:30 PM Monday through Friday.

Thank you very much for your willingness to participate.

Contact information:

Academic supervisor: Professor James MacGregor  
(tel: 721-6435; email: [jmacgreg@uvic.ca](mailto:jmacgreg@uvic.ca))

MoH supervisor: Val Bakowski, Director System Evaluation  
(tel: 952-1027; email: [Valarie.Bakowski@gov.bc.ca](mailto:Valarie.Bakowski@gov.bc.ca))

## Appendix B – Participant’s Consent Form

You are invited to participate in a study entitled “HIMB Change Management Framework” that is being conducted by Almira Aitzhanova. Almira Aitzhanova is a graduate student in the School of Public Administration at the University of Victoria and you may contact her if you have further questions by telephone at 952-1670 or email at [almira.aitzhanova@gov.bc.ca](mailto:almira.aitzhanova@gov.bc.ca) .

As a graduate student, I am required to conduct research as part of the requirements for a degree in Public Administration. It is being conducted under the supervision of Professor James MacGregor. You may contact my supervisor at 721-6435 (email: [jmacgreg@uvic.ca](mailto:jmacgreg@uvic.ca)).

The purpose of this research project is to develop HIMB Change Management recommendations to assist HIMB in managing change and be a workplace of choice. Research of this type is important because the project will identify the most significant issues during the process of change, and provide recommendations for further work to make transformation a positive experience. This paper will be used as a framework that can be followed, and considered during the process of transformation. It will help to increase the probability of success, and put management in better understanding of the nature of employee engagement in the process of transformation.

You are being asked to participate in this study because you are an employee of Health Information and Modernization Branch, and have important perspectives on the nature and effects of change in your workplace. If you agree to voluntarily participate in this research, your participation will include between two to three hours of focus group discussion. As a participant, you may choose not to answer any given questions during the focus group. Data collection will be done using handwritten notes that will be sufficiently detailed to function as a transcript.

The only anticipated inconvenience from participating in this study is the time required to participate in the focus group discussions. There are no known or anticipated risks to you by participating in this research.

This project and the recommendations that come from the report will have value to the Ministry of Health and HIMB staff by increasing employee engagement and contributing to the effectiveness of ministry’s transformation.

Your participation in this research must be completely voluntary. If you decide to participate, you may withdraw at any time without any consequences or any explanation. If you do withdraw from the study, it will be logistically impossible to remove individual participant data because the data will be collected in the form of notes about general themes that will not be attributed to any individual. Your name or any other personal information will not be recorded during the focus group

and/or discussed with any persons. All the participants will be asked to refrain from disclosing the contents of the discussion outside of the focus group; however, there are limits to confidentiality due the nature of the focus groups.

It is anticipated that the results of this study will be shared with others in the thesis presentation at the University of Victoria. In addition, a copy of the completed report will be kept by the Ministry of Health, HIMB and placed on the reserve at the School of Public Administration at the University of Victoria for reference by graduate students and professors. Data from this study will be kept in the secure network drive. After completion of this study (anticipated date of March 31 2008), electronic data will be deleted, and paper copies will be shredded.

In addition, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Human Research Ethics Office at the University of Victoria (250-472-4545 or [ethics@uvic.ca](mailto:ethics@uvic.ca)).

Your signature below indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researcher.

\_\_\_\_\_  
Name of participant

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**A copy of this consent will be left with you, and a copy will be taken by the researcher.**

## Appendix C – Focus Group Discussion Themes

In the past few years, Health Information and Modernization Branch (HIMB) has experienced organizational restructuring and changes in executive leadership. Currently, as part of Aggregated Health Information Project (AHIP) initiative, the Ministry of Health (MoH) is in the process of changing provincial health information framework and ministry's information delivery practices. This represents operational and cultural shift for the ministry, and HIMB in particular.

The objective of this focus group is to discuss your viewpoints, attitudes, feelings, and ideas about change initiatives in HIMB and MoH in general. This focus group discussion will help to develop HIMB Change Management Framework that can be followed, and considered during change initiatives.

Your participation in this research must be completely voluntary. As a participant, you may choose not to answer any given questions during the focus group discussions. Data collection will be done using handwritten notes that will be sufficiently detailed to function as a transcript. Your name or any other personal information will not be recorded during the focus group and/or discussed with any persons. You are asked to refrain from disclosing the contents of the discussion outside of the focus group.

### Discussion themes:

1. Types of change - Please list the types of change initiatives that have occurred in your workplace over the last two years.
2. Reasons for change - What has been your understanding of the reasons for change in your workplace over the last two years?
3. Response to change:
  - a) During the implementation of change, what has worked for you and why?
  - b) During the implementation of change, what did not work for you and why?
4. Impacts of change:
  - a) How have changes in your workplace impacted you?
  - b) What type of support do you need during times of change?

**Appendix D – HIMB Change Management Survey Data**

q1	q2	q3	q4	q5	q6	q7	q8	q9	q10	q11	q12	q13	q14	q15	q16	q17	q18	q19	q20
3	3	4	2	2	1	1	1	1	1	2	2	1	2	1	2	2	3	3	2
3	3	4	4	4	2	3	3	2	2	2	2	3	3	2	2	3	2	2	3
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5	3	4	3	5	4	3	4	5	3	4	4	3	5	3	3	5	5	4	4
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3	4	4	3	4	3	4	4	4	3	3	3	3	3	4	4	4	4	3	3
				3	3				4	2	2	2		2					3
5	5	4	5	5	4	4	5	3	3	5	4	4	3	5	5	5	5	5	5
3	4	4	3	5	3	2	4	3	4	2	3	3	3	4	4	4	4	4	3
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3	3	3	3	3	2	2	3	2	2	4	4	3	3	2	3	3	2	3	3
3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3

## Appendix E – Change Management Survey

On a scale of 1-5, circle the number that indicates your level of agreement or disagreement with each of the statements below. Question # 20 provides a rating on your branch’s overall response to change. Good luck!

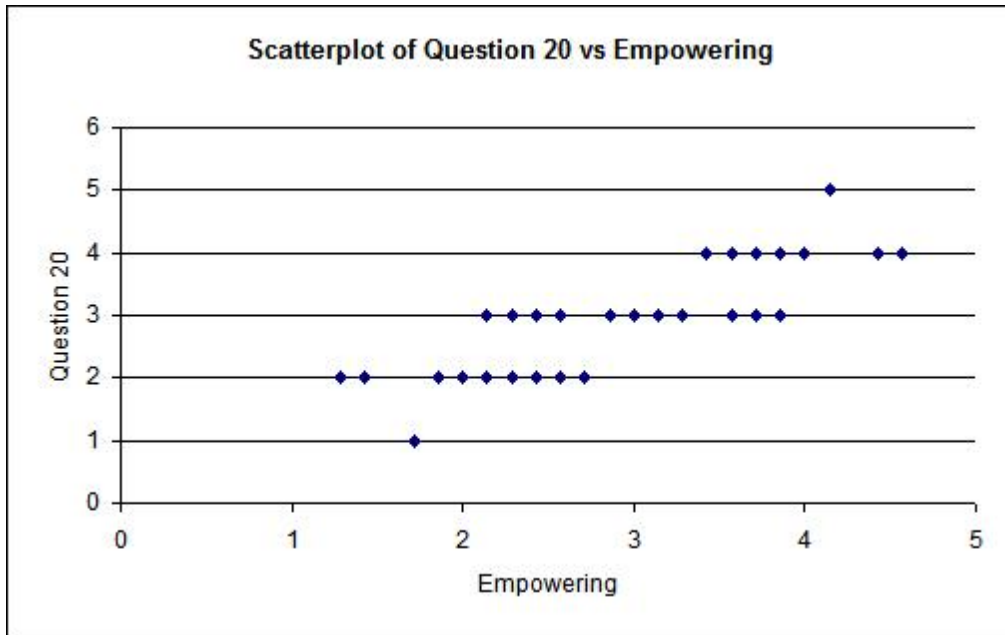
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1. HIMB has a clear focus and sense of direction for the future.	(1)	(2)	(3)	(4)	(5)
2. Changes are made in a way that is consistent with the organization’s mission.	(1)	(2)	(3)	(4)	(5)
3. The leadership team is knowledgeable and up-to-date about strategic issues.	(1)	(2)	(3)	(4)	(5)
4. Change at HIMB is carefully considered and well-planned.	(1)	(2)	(3)	(4)	(5)
5. The leadership team is open to different ideas and opinions.	(1)	(2)	(3)	(4)	(5)
6. Employees are actively involved in planning and implementing change.	(1)	(2)	(3)	(4)	(5)
7. The rationale for change is effectively communicated to employees.	(1)	(2)	(3)	(4)	(5)
8. Change is driven by facts and information, rather than speculation or opinion.	(1)	(2)	(3)	(4)	(5)
9. HIMB rewards innovation and creativity.	(1)	(2)	(3)	(4)	(5)
10. In responding to change, the leadership team does a good job of keeping employees motivated.	(1)	(2)	(3)	(4)	(5)
11. Employees receive adequate training to keep up with changes.	(1)	(2)	(3)	(4)	(5)
12. Adequate resources are provided to accommodate new processes or standards.	(1)	(2)	(3)	(4)	(5)
13. HIMB monitors and evaluates the impact of changes that are made.	(1)	(2)	(3)	(4)	(5)
14. Problems arising from change are systematically identified and resolved.	(1)	(2)	(3)	(4)	(5)

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
15. Communication within HIMB keeps employees well-informed about what is happening and what to expect.	(1)	(2)	(3)	(4)	(5)
16. HIMB consistently follows-through with plans and decisions.	(1)	(2)	(3)	(4)	(5)
17. HIMB is perceived as innovative/progressive.	(1)	(2)	(3)	(4)	(5)
18. HIMB celebrates its success in achieving positive change.	(1)	(2)	(3)	(4)	(5)
19. Given the current marketplace/environment, the pace and scope of change in HIMB are appropriate.	(1)	(2)	(3)	(4)	(5)

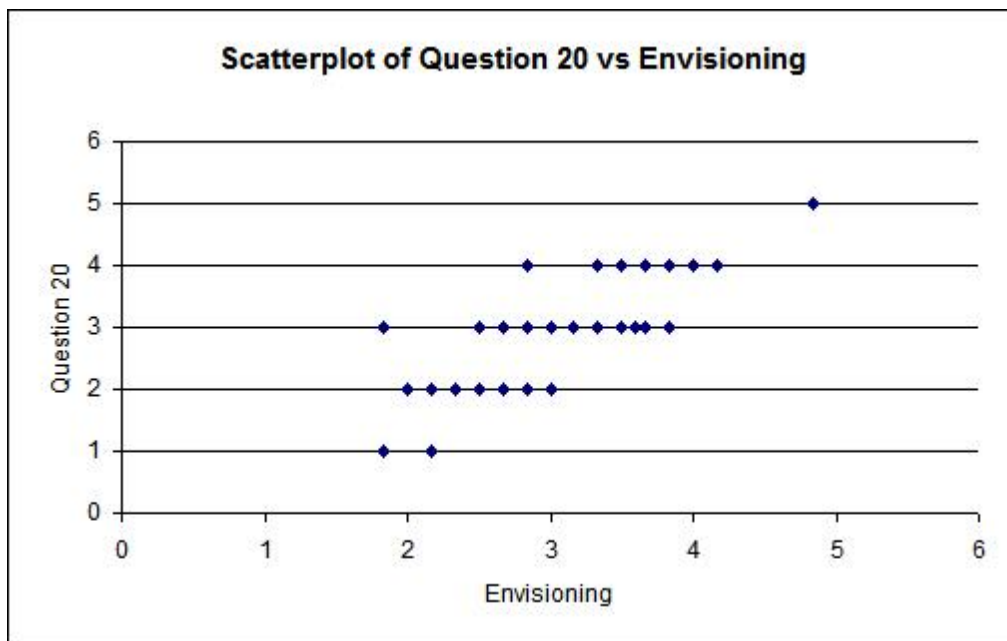
	Poor	Below average	Average	Above average	Out-standing
20. Overall, how would you rate the HIMB's response to change.	(1)	(2)	(3)	(4)	(5)

Thank you for completing our survey. Your input is very important to us!

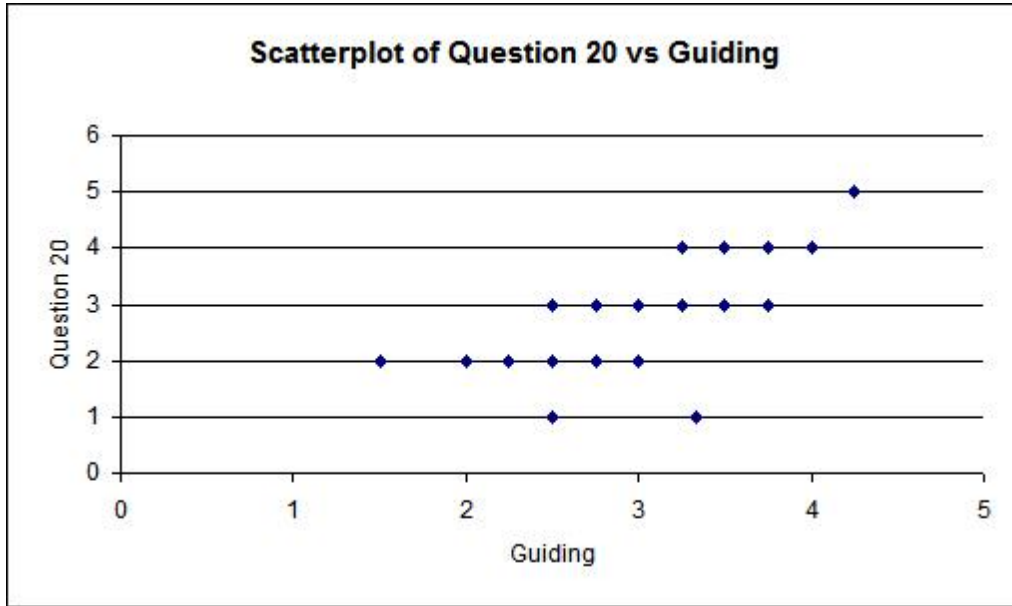
**Appendix F – Scatterplots**



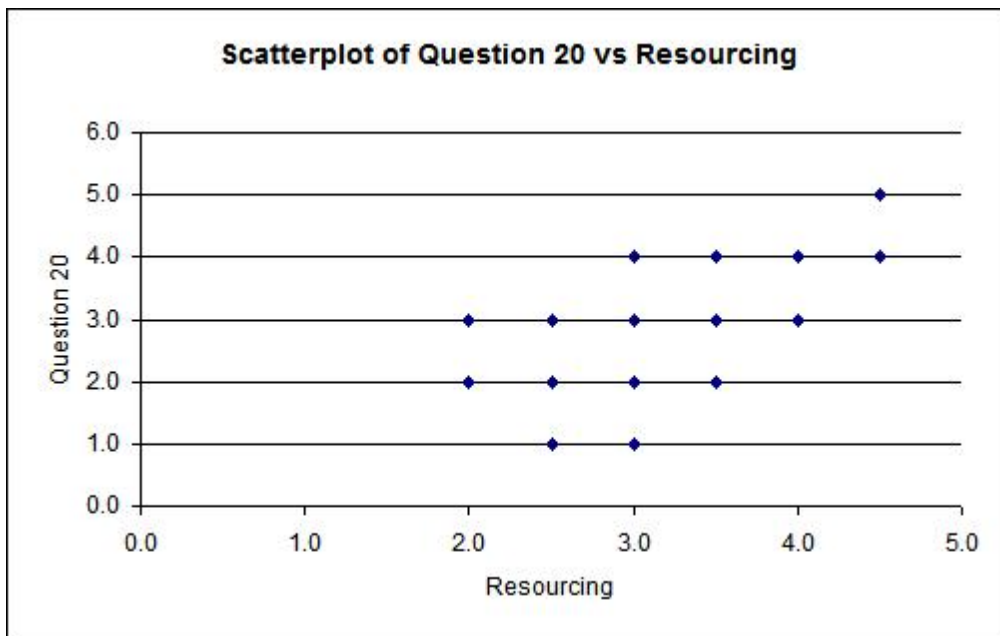
**Correlation 0.831**



**Correlation 0.791**



**Correlation**            **0.667**



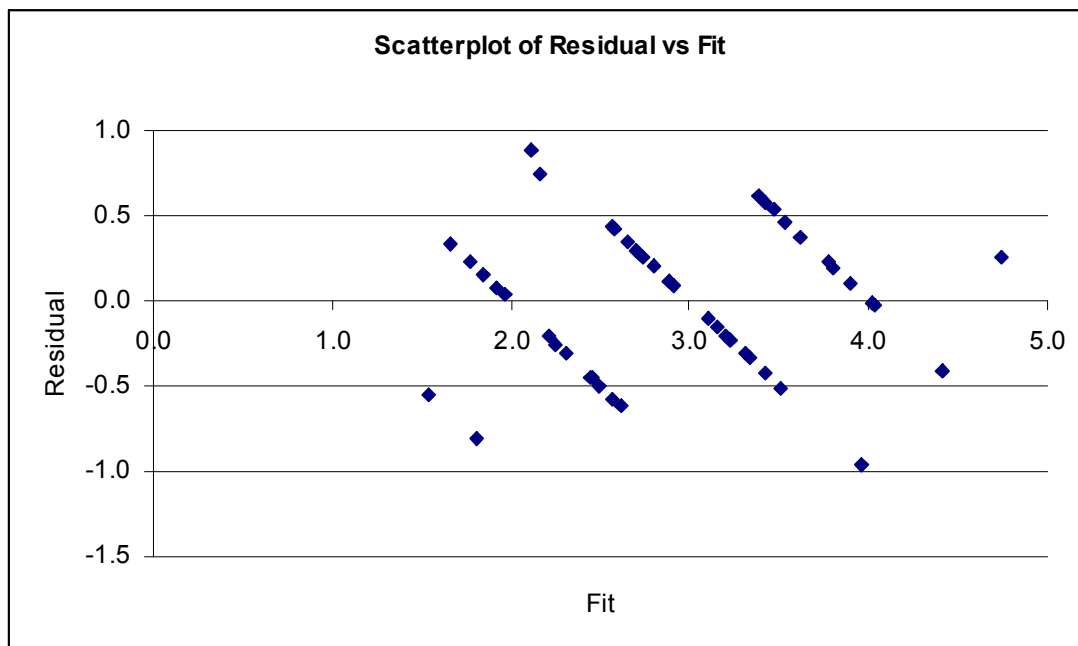
**Correlation**            **0.540**

### Appendix G – Regression Analysis

<i>Summary</i>	Multiple R	R-Square	Adjusted R-Square	StErr of Estimate	Durbin Watson
	0.8753	0.7661	0.7438	0.44562209	1.3917

<i>ANOVA Table</i>	Degrees of Freedom	Sum of Squares	Mean of Squares	F-Ratio	p-Value
Explained	4	27.31202044	6.828005109	34.3843	< 0.0001
Unexplained	42	8.34031999	0.198579047		

<i>Regression Table</i>	Coefficient	Standard Error	t-Value	p-Value	Lower Limit	Upper Limit
Constant	-0.80734443	0.419863169	-1.9229	0.0613	1.654662607	0.039973747
Empowering	0.484040556	0.152362446	3.1769	0.0028	0.176560693	0.791520419
Envisioning	0.535241012	0.155774598	3.4360	0.0013	0.220875147	0.849606877
Guiding	0.013640833	0.189647848	0.0719	0.9430	0.369084018	0.396365684
Resourcing	0.198838462	0.112411972	1.7688	0.0842	0.028018081	0.425695005



<i>Graph Data</i>	<i>q20</i>	<i>Fit</i>	<i>Residual</i>
1	2	1.667261383	0.332738617
2	3	2.564040164	0.435959836
3	3	2.579267672	0.420732328
4	3	2.907996344	0.092003656
5	4	3.465852287	0.534147713
6	4	4.030492188	-0.030492188
7	3	3.155925272	-0.155925272
8	2	2.443142281	-0.443142281
9	4	3.806013423	0.193986577
10	2	1.92505433	0.07494567
11	2	2.253746543	-0.253746543
12	2	2.611325326	-0.611325326
13	4	3.895586864	0.104413136
14	4	4.019023265	-0.019023265
15	3	3.108255274	-0.108255274
16	3	2.116585519	0.883414481
17	4	3.383447639	0.616552361
18	3	2.564040164	0.435959836
19	4	3.772332635	0.227667365
20	2	1.967690986	0.032309014
21	2	2.571227187	-0.571227187
22	4	4.409531394	-0.409531394
23	2	2.31345247	-0.31345247
24	3	3.957933328	-0.957933328
25	3	3.338772578	-0.338772578
26	2.9	2.158122356	0.741877644
27	2	1.772262733	0.227737267
28	2	2.498668328	-0.498668328
29	2	1.844803362	0.155196638
30	3	2.796559414	0.203440586
31	3	2.652375308	0.347624692
32	3	2.700916998	0.299083002
33	4	3.419282108	0.580717892
34	2	2.210989637	-0.210989637
35	4	3.534982708	0.465017292
36	1	1.546280168	-0.546280168
37	1	1.812745708	-0.812745708
38	3	3.508122337	-0.508122337
39	5	4.73771129	0.26228871
40	3	3.42876129	-0.42876129
41	3	3.224707317	-0.224707317
42	4	3.624189544	0.375810456
43	3	3.313914152	-0.313914152
44	3	3.20805934	-0.20805934
45	2	2.45298807	-0.45298807
46	3	2.737623158	0.262376842
47	3	2.88793816	0.11206184
48			