

## The Five Themes of Change Management

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### Abstract

As Kotter commented, a change is required to build an organization that wins in both the present and the future. However, for change to be successful, it should take the culture aspects into consideration. Hence, this research brought the cultural component under full investigation in terms of both the national and organizational cultures by utilizing Hofstede's 6-Dimension Model and Hofstede Multi-Focus Model. The purpose is to provide a new culture-based change management model. The new model is called ElKattan's 5-Theme Model. The model tackles a number of pitfalls in the existing models like Lewin's 3-Phase Model and Kotter's 8-Step Model. The study used a qualitative research design in a context of two medium-sized companies in Egypt. In order to assess the influence of the culture on the change, the organizational culture was measured using a survey that is based on the Hofstede Multi-Focus Model. The research showed how a lack of practicing the components of the 5-Theme Model led to failure in implementation. This paper provides a comprehensive model of how organizational change should be managed by medium-sized companies in any industry globally. The model suggests a number of components that must be practiced during the different phases of the implementation. The model provides managers with a complete practical toolkit that can be used while managing the change during the different phases of the implementation. The model provides integration between change, strategy, project management, and culture. To the researcher's knowledge, no such model is available in change management literature.

**Keywords:** Change; Change management; Change management models; Change themes, ElKattan's 5-Theme Model; Organizational culture; National culture; ACE assessment

### Introduction

Change is a lifelong practice of any successful organization. In order to have a successful change, it should take place on the people, operational, and strategic levels so that its benefits are to be realized on the different perspectives of the organization. Senior managers should learn change management because any failure of the intended change may cause employee's disengagement, frustration, and burnout [1-3]. Many change leaders may decide to use their experience and power to apply a certain change without following any change management models or practices, which could take much time and effort. Therefore, change management is increasingly becoming an important focus of study in order to avoid impediments to successful and effective change implementation programs.

Change is a problem to any organization that is looking forward to growth and/or survival in times of uncertainty. At a success rate of 30% of change programs [1,2], change leaders, for many reasons, face resistance, or even worse failure, during the implementation of changes. Moreover, as Kotter maintained, it is enormously difficult to put a big change in practice only by pushing people to react. Rather, a transformational change requires that all stakeholders have alignment, commitment, and motivation. None of these usually comes only through coercion and the power of management.

As Kotter [1] commented, for change to be fruitful and successful, it should be well-managed and take the culture aspects into consideration. In addition, a change should be aligned with both culture and strategy and should not be implemented in isolation of them. Hence, this research brought the cultural component under full investigation in terms of both the national and organizational cultures by using the Hofstede's 6-Dimension Model and the Hofstede Multi-Focus Model. This paper presents a culture-based change management model. The study used a qualitative research design in a context of two medium-sized companies in the Middle East region. In order to assess the influence of the culture on the change, the organizational cultures

were measured using a survey that is based on the Hofstede Multi-Focus model. The model aims at providing managers with a complete practical toolkit that can be used while managing the change. The model provides integration between strategy, leadership, resources, initiative management, and culture. To the researcher's knowledge, no such model is available in change management literature. This study advances change management and culture management from different and new perspectives.

### Research Questions

The research was guided by three research questions:

R<sub>1</sub>: What components of change management are shown to impact the success of the change globally?

R<sub>2</sub>: What influence does the Egyptian national culture have on medium-sized Egyptian organizations? and

R<sub>3</sub>: What influence does the organizational culture have on medium-sized Egyptian organizations?

### Literature Review

Lewin was one of the earlier scholars, along with his associates, to tackle the concept of following a certain model during the implementation of changes. Both his name and model are still dominantly present in most change management references. After four years of studies and research during the 1940s, Lewin concluded that a

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successful change needed to follow a three-phase process. The first phase is the “Unfreeze” phase. According to Lewin, this phase needs to be tailored as much as possible according to each particular situation and can be implemented using many actions such as conducting training sessions, presenting some gap analysis, highlighting weaknesses, communicating new challenges, etc. The purpose of these actions is to define the change status and to make sure that the driving force outweighs the resisting force and that the vision of the desired result is clear. The second phase is to start implementing the action plan for changing or improving. In this phase, actions are done through the involvement of others in the process. The third phase of this model is the “Unfreeze” phase. It sets up ways to ensure that the new level of behavior is relatively secure against change [4]. In other words, this phase focuses on making changes permanent. Almost all process models follow largely Lewin’s model for change. The “Unfreeze” phase, known in many other literatures as the phase for “establishing readiness for change”, is considered an essential first step in many models of organizational change [2]. In addition, the “Refreeze” phase in which the change is institutionalized became very common in many other models with different names.

One of the most famous change management models is Kotter’s Eight-Step Model. Kotter postulated that a successful change has to go through eight steps that complement each other and need to be initiated in the right order. Each step has a corresponding mistake. Furthermore, Kotter strongly recommended that all these eight steps be initiated in order to ensure the success of change programs. The four steps (establishing a sense of urgency, forming the guiding team, developing a vision and strategy, and communicating the change vision) are, as Kotter emphasized, essential to defrost the hardened status quo. Moreover, Kotter argued that without these four steps, there would be no solid base for any change initiative during the implementation and that the fourth step helps ground a change in the corporate culture and makes it stick [2]. Even though the model emphasized the importance of understanding the culture in the last step, it does not include a component for the culture assessment.

### What is change and change management

Change can be defined as any initiative, program, or project that has an objective of changing the business practices and requires the employees to do their jobs in a different way. Change management was defined by Hiatt (200\*) as a set of tools, methods, and practices designed to implement a specific corporate change and manage the people side of such a change. On the other hand, the Project Management Institute (PMI) (2013) defined the project as a temporary endeavor undertaken to create a unique product, service, or result. The project has a temporary nature and it has a definite start and end. The project ends when the project’s objectives have been achieved. Therefore, project management is considered one of the main tools that can be used to achieve the change. Therefore, the implementation of the change should follow the practices and processes of standard project management; i.e., a change should have a clear-cut plan with schedule, phases, milestones, tasks, and deliverables. Even though the change can have only a single project but it can also have a group of related programs, projects, and actions managed in a way to achieve the objectives and realize the benefits. Organizational change can take different forms of projects inside the organization.

As indicated by Parker et al. [5], project management largely avoids many of the softer issues related to projects: such as the human, political and organizational change implications, company politics and power struggles, stakeholder management, hidden agendas, cultural

barriers, motivation issues, lack of communication, conflict resolution, resistance to change, ambiguous roles and responsibilities, poor project leadership, and insufficient sponsorship. Accordingly, the change manager and the project manager are two different roles.

Change initiatives are often initiated to implement a strategy as strategy involves moving to a new state and involves many uncertainties, however, projects can be initiated for operations purposes. Change can include a portfolio of projects, actions, process modifications, restructuring, and new practices. Change management is the combination of different knowledge areas that are combined to assure both realizing the benefits and handling the people side of the change. The areas include and are not limited to: strategic management, project management, program management, benefits management, leadership, resistance management, emotional intelligence, communication, culture management, coaching, performance management, and stakeholders’ management.

### Change types

Planned change could be either transactional or transformational. Transactional change consists of modifications and/or improvements in the existing system of an organization, and therefore, it should happen regularly to keep improving processes and operations. This type of change is usually a “continuous improvement” process (called kaizen in Japanese); it does not have as much fundamental influence on the organization. Whereas the transformational requires skills that may not be available in the concerned organization. A transformational change does not occur very often because it means a more radical and fundamental change of an organization [4] such as the transfigurations of the mission, structure, major strategies, culture, etc. The transactional change has two categories: incremental and transitional.

The incremental change is the one that has small incremental and gradual improvements, while the transitional change is the change that moves the organization from one state to another like developing a new process; it is called transitional as there will be a transition period to move from the old state to the new state. Therefore, the planned change can be incremental, transitional, or transformational depending on the scope and magnitude of the change. Noteworthy is that incremental changes could cumulate and create a substantial change [4].

### Research design

The research design of this study went through 14 steps as follows:

1. Reviewing literature of change management models and theories;
2. Proposing initial components from literature review;
3. Developing the survey that will be used with the change management experts;
4. Conducting face-to-face interviews with four change management experts;
5. Developing the survey that will be used with the participants of the two case studies;
6. Conducting face-to-face interviews with 10 participants;
7. Assessing the components’ impact on change of each case study;
8. Conducting a quantitative organizational culture online survey with 250 participants;

9. Measuring the organizational culture of both companies;
10. Understanding the influence of culture on change;
11. Identifying the components that had the critical impact on change;
12. Identifying the change management themes;
13. Identifying the components for each theme; and
14. Concluding the 5-Theme Model.

### Companies involved in the research

The two medium-sized organizations were selected because of the radical change programs they experienced. Table 1 shows some details about the two companies.

### Expert’s semi-structured open-ended face-to-face interview

Face-to-face interviews were conducted with four change management experts. All experts received the same dialogue and questions in the same context, tonality, and body language. The survey questions were derived from the literature review.

### Hofstede multi-focus culture survey

Measurements of the organizational cultures of both companies under study in this research were carried out using an online survey, which had 72 questions. This online survey was based on Hofstede Multi-Focus model for organizational culture.

### Employee’s semi-structured face-to-face open-ended interviews

Face-to-face interviews were conducted with 10 employees from

	Company 1	Company 2
Annual Revenue	US\$ 6.0M	US\$ 6.0M
Headquarter	Qatar	Egypt
Number of employees	450	250
% of Egyptian employees	90%	85%
Industry	Content Development	Language Services

Table 1: Basic Information about the companies.

1. Strategy Theme	1. Developing the change vision
	2. Forming the governance model
	3. Assessing impact and readiness
2. Leadership	4. Sponsoring
	5. Communicating and understanding perceptions
	6. Involving
	7. Motivating
3. Resource and Capabilities Theme	8. Managing resistance
	9. Identifying stakeholders
	10. Assessing Awareness, Competence, and Engagement (ACE)
	11. Training
4. Initiative Management Theme	12. Coaching
	13. Developing the change charter
	14. Developing the project charter
	15. Developing the change management plan
5. Culture Theme	16. Agile planning
	17. Understanding the culture
	18. Formulating culture plan

Table 2: The 5-theme model.

both companies. All employees were asked to reflect on a specific change in which they had already participated.

### The 5-Theme Model

Upon completion of the surveys, interviews, and culture measurements, the researcher collected, coded, and categorized the data to themes and sub-themes. The results of these categorization and analysis came up with the model’s five themes. The five themes were: strategy, leadership, resources and capabilities, initiative management, and culture. The essence of the model is to provide linkage between the five themes to assure having a successful change. Each theme is an area of specialization, which contains some components that can be practiced at any time throughout the course of the change. The ultimate aim of the model is to provide managers with a complete practical toolkit that can be use while managing the change. Table 2 presents the model’s themes and components.

According to the analysis of the impact of the components on the change programs in both case studies, the following seven components had critical impact on the success of the change: (1) Developing the vision; (2) Forming the governance model; (3) Assessing impact and readiness; (4) Communicating and understanding perceptions; (5) Managing resistance; (6) Coaching; and (7) Understanding the culture.

### The model’s life cycle

The 5-Theme Model generally followed the classic Lewin’s Three-Phase Model (Unfreeze, Changing, Refreeze), however, the name of the phases are: Readiness, Changing, Reinforcement (RCR). Components are executed and repeated in different phases depending on the context of the change. Figure 1 shows the relations between themes, components, and RCR phases.

**Readiness phase:** The first phase of this model is the “Readiness” phase. This phase includes the inception, preparation and planning of the change program, and needs to be tailored according to the size of the change as well as the context. It mainly handles the linking between the change initiative and strategy and formulating the tactics that should be implemented to increase the engagement of the stakeholders and reduce the resistance to the new change. The main purpose of this phase is to develop the vision, set the governance of the change, and assure that the driving force will outweigh the resisting force.

**Changing phase:** The second phase includes the design and execution of the change. This phase includes the process of project management that is adapted by any organization.

**Reinforcement phase:** The third phase ensures that the new change is secured and embedded in operations and culture.

### Strategy theme

The main purpose of this theme is to set vision of change and make sure it is aligned with the strategy of the organization. It also assures that change management tactics are being developed based on the organizational readiness to the change. Another purpose of this theme is to identify the need for the change, which is one of the most important steps in implementing any change program. Components of the strategy theme are:

- (1) Developing the change vision,
- (2) Forming the governance model, and
- (3) Assessing change impact and organizational readiness.

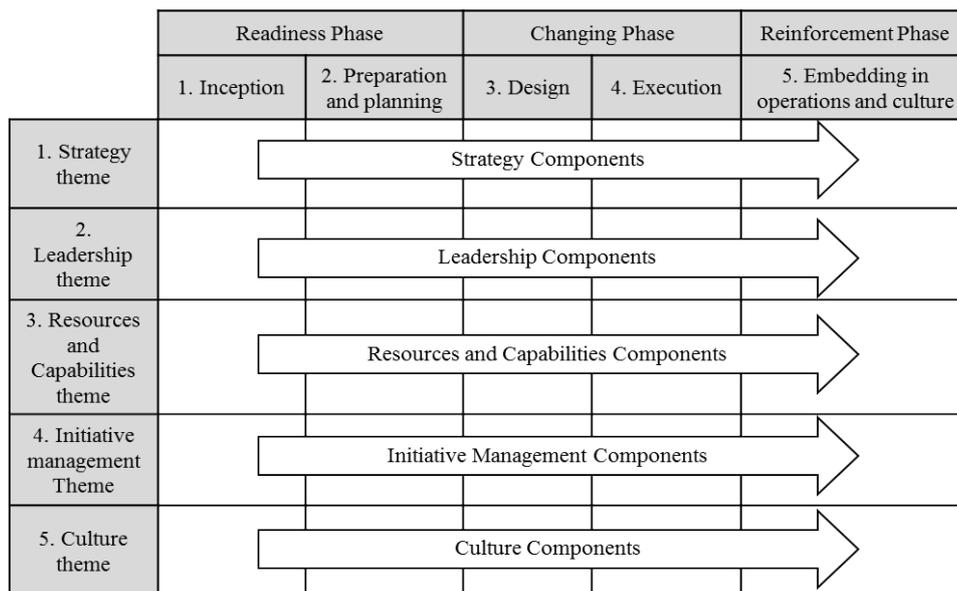


Figure 1: Relations between themes, components and RCR phases.

**Developing the change vision:** The main purpose of this component is to have the change clearly identified. The change will be defined by identifying: (1) Why we are changing; (2) What will be changing; (3) Who will be changing; and (4) How we will be changing. The link between the change and the strategy must be also identified as both the change and corporate strategy must be aligned. The why must clearly identify the problem or the issue that triggered the change along with the reasons of the problem and the risks of not changing on both the organizational and individual levels. It should also define the short and long term benefits. The analysis that is provided in the vision must provide evidence concerning the improvements between the existing and the new state. What must identify what will be changing concerning: processes, systems, IT, structure, leadership style, employees' behavior, job roles, and culture. Who must identify the stakeholders who will sponsor, implement, and be impacted by the change.

Also, measurable objectives must be defined with clear indicators and targets so that the change leader can keep measuring progress against the original targets. This component also ensures that the change has the corresponding initiatives to be implemented. The initiatives are the ways to put the intended change into action as they represent "How" the change will be implemented. Ideally speaking, this component is to be incorporated into the annual strategic planning process. However, sometimes the change may be done outside of the strategic planning process.

**Forming the governance model:** The purpose of this component is to assure that the executive managers are aligned and have a solid understanding of their responsibilities and roles, and that there is a continuous support and sponsorship from all key senior executives. Two committees can be formed for the change: the change steering committee and the change implementation team. The change steering committee contains the change sponsors and can be considered as a virtual function in the organization that is responsible for sponsoring the change. The sponsors are the people who approve the go ahead for the change and support the change and lead it from the strategic perspective. All the members of the steering committee are considered sponsors for the change and it is essential that they all actively and visibly

participate in the implementation especially while communicating the change vision. The roles of the change team members are not limited to: (a) Executive sponsor, (b) Main sponsor, (c) Sponsor, (d) Change owner, (d) Implementer, (e) Key implementer (key managers who will supervise the implementation). (f) Project manager, and (g) Impacted stakeholder.

This component should also perform a detailed assessment for the change sponsor, change leader, change team members, and suggests detailed required training and coaching. The change team's experience must include two different dimensions: industry experience and change management experience. Change team's credibility also has two different dimensions: professional credibility and personal credibility. The change team will not be fully trusted to lead the change if they are not both professionally and personally credible.

**Assessing change impact and organizational readiness:** The purpose of this component is to realize the readiness of the organization to the change before starting the implementation. Before starting the implementation of the change, the change leader should measure the readiness of the organization, formulate the change strategy, and assure awareness, competence and engagement of all stakeholders. The component has two steps: assessing impact and assessing readiness. The impact of the change should be assessed on the following dimensions:

- (1) Strategic unit,
- (2) Business,
- (3) Processes, and
- (4) Human resources.

Afterwards, the impact of the change would be a factor along with other factors like the existing culture, context, and complexity of implementation, previous history, budget, and availability of resources to assess the organizational readiness for the change. Upon finalizing the assessment of the organizational readiness, change tactics should be formulated or different decisions can be taken depending on the results of the assessment. It is important while assessing the readiness

to recognize the dissatisfaction with the current state as it is highly correlated with the organizational readiness. For example, the decisions can be one of the following: modify the scope to meet the current situation of the company, postpone until meeting some prerequisite, cancel for not meeting the required return on investment, or go ahead to start planning the implementation.

**Leadership theme**

The main purpose of this theme is to align, motivate, and make sure that individuals are inspired and engaged with the change. Leadership is critically required as it is crucial to make sure that top management are aligned with each other, top management are aligned with employees, and different stakeholders are aligned with each other. The first and most important step at the beginning of any change is to get everyone aligned with why they will change and what they will change and finally how they will be changing. One of the findings of this research is that the alignment is one of the key critical change management components; misalignment especially between managers will most probably cause the change to fail. It is enormously difficult to achieve a large transformational change by just pushing people to perform and react. Rather, a transformational change requires that its leadership has good communication, alignment, motivation, and creativity. None of these usually come only through coercion and the power of management [2], especially when the organizational culture is very open. Leadership should assess disagreement, level of trust between top managers, and political issues as the change should not start if there is an issue in any of these three elements. Leadership should also make sure that key managers are willing and committed to take responsibility to make the change real. Components of the leadership theme are: (1) Sponsoring, (2) Communicating and understanding perceptions. (3) Involving, (4) Motivating, and (5) Managing resistance.

**Sponsoring:** According to eight different researches that were conducted by Prosci from 1998 to 2016 on the greatest contributors to success of transformational projects, sponsorship was number 1 contributor to success in all researches. There is a misconception that sponsors are that executive management who only attend the kick-off meeting, give instructions, and receive progress reports. Sponsors typically do many mistakes. They may not engage with the change team actively and visibly; they may not have a 2-way effective communication throughout the whole implementation; they may just give orders and ignore the people side; they may not have a unified vision among themselves; and they may have conflict between the

communicated message of the change and their actions. Sponsors should have sponsorship roadmap activities with the activities that they are responsible of. The roadmap activities will change according to change size, context, and availability and capabilities of the sponsors.

**Communicating and understanding perceptions:** The purpose of this component is to ensure the frequent and open communication especially with regard to the need for change and the risks of not changing throughout the implementation of the change. According to eight different researches that were done between 1998 and 2016, frequent and open communication was one of the greatest contributors to the success of transformational projects. The depth and type of communication should depend on the different target stakeholders' segments. Communication should help remove the complacency and increase the urgency for the change.

The content of the message should cover the six different aspects of communication (5Ws and H): (1) Why, (2) What, (3) Who, (4) Where, (5) When, and (6) How. It should also cover what-is-it-for-me (WIIFM) and how-does-it-impact-me (HDIIM). Content of the message may include, but is not limited to, the following:

- (a) The reason of the change,
- (b) Risks of not changing,
- (c) What will be changed,
- (d) Integration with strategy,
- (e) How the change impacts the business from different perspectives,
- (f) How the change impacts the employees,
- (g) Issues that is not clear,
- (h) Financial figures,
- (i) Customer related issues,
- (j) Impact and relations of the change with other projects, and
- (k) How to send feedback.

Figure 2 shows aspects of communication.

Communication strategy should be formulated based on the organizational and individual readiness of the change. Standard communication strategies could be: encourage 2-way communication to understand the perception; repeat and repeat the key messages; use

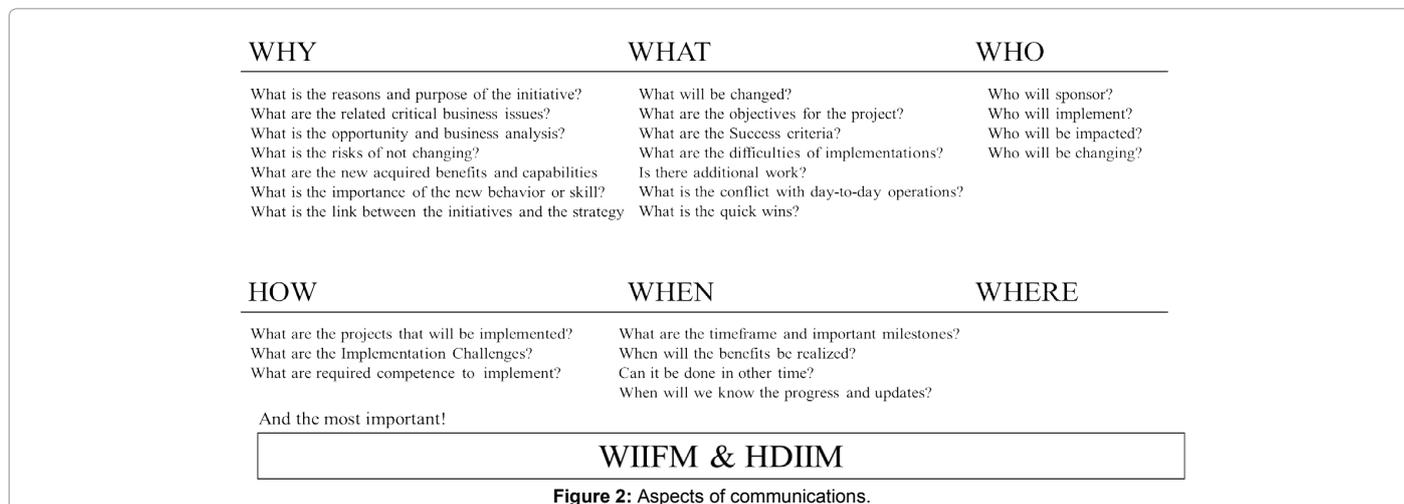


Figure 2: Aspects of communications.

different ways of communication; dedicated communication plan in each phase; and involve top management to communicate the strategic messages.

Communication plan should take the communication strategy into consideration. It should also be included in the project master plan in order to have frequent communication throughout the change with the stakeholders. The communication plan is to be prepared to include the content of the message, timeframe, sender of the message, way of delivery, and target audience. The change leader who has an emotional intelligence competence, especially the empathy skill, will be very successful in understanding his employees' perception and engaging them emotionally with the change. Having empathy will enable the change leader to influence his team's attitudes and behaviors positively.

Encouraging 2-way communication is very important to understand the perception as change may be perceived differently by individuals in an organization [6]. The employees usually perceive the change program from their own personal perspectives. As soon as the employees know the description of any transformational change, the business message will be distorted and converted to personal messages (WIIFM and HDIIM); for example they will start thinking about: will I stay in my department?, will they increase my salary?, Will I be promoted?, Will they get rid of me?, Should I postpone my resignation to see what will happen?, and so on. Understanding the perception of the employees will also give signals of how effective the communication had been and help the change leader redesign the communication plan with stakeholders. The output of this component should rate the stakeholders' perception for: need for the change, vision of the change, what will be changed, how the company will perform the change, benefits of the change, what will happen if change is not done, future roles of the employees vs. current ones, and roles of the change teams.

**Involving stakeholders:** The purpose of this component is to assure the participation of the stakeholders and to get their buy-in for the change. Involvement is a good strategy to get people engaged and committed; it is also good in the mitigation of change resistance. For most researchers, the involvement of employees is one of the most important practices for change management [7]. Involving employees creates both a sense of co-ownership and a corporate sense among all employees that we are all "in it together". Some people who are not involved would psychologically lack the value of commitment and may therefore feel as if the intended change is imposed on them [4]. However, involving may be a double-edged sword as employees could view the involvement as a way of manipulation only to get their buy-in without really taking their feedback into consideration, which is extremely harmful and negative. Therefore, stakeholders should be aware of the process of getting feedback, analyzing, revisiting, and taking corrective action. Involving is a very important to keep the change sustainable as it will keep improving the process, and will get all people aligned and engaged.

One drawback of such involvement, however, is the fact that it is enormously time-consuming [2]. For managers, to involve employees in a decision-making process means to relinquish some control over their companies while remaining responsible for the outcomes [7].

Kruyen et al. [8] selected five practices from a list of 26 practices that were examined and selected from a hundred articles related to Human Resource Management (HRM). As per Kruyen et al. [8], these five practices are enhancing the employees' proactivity and vitality, which are, in turn, facilitating the organizational change. These five practices are: training and development, job autonomy (ownership),

participation in decision making, feedback, and teamwork. Three out of these five practices were taken by the researcher to conclude his IFP Framework (Informed/Feedback/Participate), that is used to determine the involvement strategy based on the stakeholders' power, level of being impacted, and contribution to the change implementation.

**Motivating:** The purpose of this component is to increase the desire and get the stakeholders emotionally and mentally engaged with the change. Human beings are such great and complex creatures of God. They combine a complex mix of feeling, desire, ambition, and so on. They get enthusiastic and engaged in performing any type of work when they get motivated. However, people are different; therefore, each motivational factor will affect each person in a different way. In other words, each one responds differently to his triggering motivational factors. Therefore, each one has his own motivation profile. According to Herzberg's theory, there are motivational factors and hygiene factors. Hygiene factors do not motivate, however, when the hygiene factors are not right, a state of demotivation and dissatisfaction will arise. (Air conditioning is an example of the hygiene factor). There are many theories concerning motivation as the outcome-based theory, content-based theory, and the process-based theory. The 5-Theme Model is adapting the outcome-based theory as the main framework for its Motivating component. Motivational dimensions are categorized according to the outcome-based theory into four groups as the follows:

**Extrinsic dimension:** This is the willingness to act because of the external rewards as financial rewards. Samples of the motivational factors of the extrinsic dimension are: bonus, cash incentive, promotion, recognition, etc. Therefore, change leader should ensure that performance appraisal process, compensation, and incentives are redesigned to motivate stakeholders and support the change. This is very important to institutionalize and reinforce the change after being implemented.

**Intrinsic dimension:** This is the willingness to act for internal satisfaction or self-determination. Samples of the motivational factors of the intrinsic dimension are: getting experience, self-development, challenge, etc.

**Contribution dimension:** This is the willingness to act for benefits of others. Samples of the motivational factors are: helping achieve the vision, helping colleagues, etc.

**Relational dimension:** This is the willingness to act as a consequence of the relation between the employee and his company. Samples of the motivational factors of the contribution dimension are: trust, fulfilling commitments, staying late to please the boss, etc.

**Managing resistance:** When it comes to change, resistance emerges as one of the most common results. Gotsill and Natchez indicated that change management practices should mainly focus on people's resistance to changes [3]. Many researchers found out that resistance to change is the major hindrance to change implementation. Even though, research undertaken by Maurer indicated that resistance was a critical important contributor to change initiatives' failure in up to two-thirds of all major corporate change initiatives, the essence of the 5-Theme Model does not see the resistance as a bad thing. Resistance to change is like having the resistance in a simple electrical circuit with a small light bulb; the circuit must have resistance, otherwise, the light bulb will get burned out. The same thing applies on change; you need to have the right amount of resistance to help identify the weaknesses, redefine the vision, improve the results, and simply to get things done properly. Sohal and Waddell indicated that according to research conducted by Maurer, he found that the change managers usually responded to

employees’ reactions was to resist their resistance – that is, meet force with force. There is a misconception that resisting people are always bad employees and that the resistance must be eliminated in order to align all people and get the change going the right direction. As long as resistance in the safe boundaries, it should be managed and utilized and not totally eliminated. Resistance can play a crucial role in drawing everyone’s attention to aspects of change that may be inappropriate, not well thought through or perhaps plain wrong.

Many factors can be the source of the resistance. Resistance can be driven by rational factors, management factors, emotional factors, and political factors. All these factors are related to the Awareness, Competence and Engagement (ACE) elements that will be explained in details in the Resources and Capabilities theme. According to the previously mentioned four factors, the stakeholders’ readiness state to the change can be categorized into five states. The five states are: supporting state, neutral state, discrepancy state, refusal state, and confrontation state. Below is a description of the five states:

- **Supporting state:** People who are motivated to change. They usually have a high awareness about the initiative and trust the management and the initiative owner. They are willing to participate and be active supporters. It may be healthy for people to go back and forth between this state and the discrepancy state.
- **Neutral state:** People who are neutral about the change. They need further awareness and attention to be supporters. If these people are ignored, they may move to the refusal state.
- **Discrepancy state:** This state represents mainly the rational resistance as some stakeholders may not be convinced with the rationale behind the change or think that the company is addressing the wrong problem. This type of resistance is healthy and important to the change. Those who are in the discrepancy state are beneficial to redefine the vision, and mature the change idea. However, if they are not utilized and managed and moved to the supporting state, they may eventually move to the confrontation state.
- **Refusal state:** This state represents the emotional and political resistance as some stakeholders may have personal and/or political problems and concerns about the change. They may need a lot of negotiations and compromises. These stakeholders need to understand very well the risks to them personally and to the organization if a change is not made.
- **Confrontation state:** Confrontation state is the combination of both the discrepancy and refusal states. If the stakeholders in

this state are not properly managed, they will aggressively resist the change. They will always either openly or behind the scene criticize the change. They will only point to the challenges and negative issues. Their emotional problem must be addressed first in order to move them to discrepancy state.

General guidelines for managing resistance are:

- (1) Start discussion from a common ground;
- (2) Try to decide your strategy beforehand (win-win, win-lose, lose-win) especially when you manage people in the refusal and confrontation states;
- (3) Use the ACT (Acknowledge, Commit, Tackle) approach when you point to a negative behavior; and
- (4) Try to understand where the person is on the resistance curve (shock, denial, negotiation, frustration, or acceptance) if possible and manage accordingly. Tables 3 and 4 shows guidelines of how to deal with stakeholders in the discrepancy and refusal states.

### Resources and Capabilities Theme

The main purpose of this theme is to ensure competence, experience, and credibility of the change sponsors, leaders, and implementers. Components of the theme are:

- (1) Identifying stakeholders,
- (2) Assessing ACE (Awareness, Competence and Engagement),
- (3) Training, and
- (4) Coaching.

### Identifying stakeholders

The main purpose of this component is to identify the stakeholders of the change. The stakeholders register includes the employees who are subject to the change as well as the change sponsors and team who will implement the change. For a change to be successful, stakeholders must be identified and managed properly. According to PMI (2013), a stakeholder is any individual or group who may affect, be affected, or perceive itself to be affected by the change. The process of stakeholders identification should not occur just once and should be a continuous practice throughout the change life cycle.

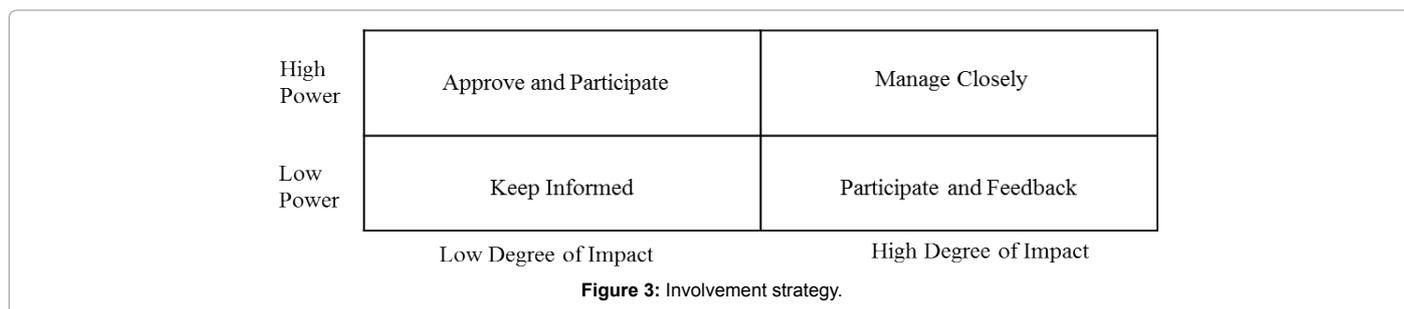
Identifying stakeholders should be an essential step for change leaders to assure having the change agents or supporters in key areas in the organization and assure that the communication is also made by them as they could be the preferred senders for some target audience.

Root cause	Best practice to handle
Not aware of the drivers of the change.	Define clearly what triggered the initiative as far as the issue and its root cause. Give all relative information (analysis, financial, statistics, etc.) for taking the decision of the initiative.
Debate that change is needed.	Discuss the risk and cost of not changing.
Initiatives started for the wrong reasons or for personal gain.	Show the analysis of other different alternatives if available. Explain the criteria of taking the decisions.
Experience and credibility of the change owner.	Involve more sponsors.
Fear of unknown.	Clarify the support that is provided including training, coaching, resources, and sponsorship.
Not having the required knowledge.	Agree on the proper training.
Lack of capability and/or experience.	Agree on coaching plan.
Conflict with day-to-day operation.	Remove obstacles and set priorities.
Insufficient resources.	Clarify the support that will be provided.

**Table 3:** Guidelines for managing discrepancy state.

Root cause	Best practice to handle
Lack of trust.	Suggest actions to gain more trust (more transparency, better approachability, keeping promise, etc.).
No visibility from the sponsor's top management.	Suggest update to the sponsorship plan.
Change will negatively affect the stakeholder (role, losing job, increased workload, loss of control, or benefits).	Try to reach a win-win situation.
Bad history; political issue; or deep structure.	Suggest update to the sponsorship plan.
Concerned stakeholders are busy.	Remove obstacles and set priorities.
No buy-in or commitment.	Suggest update to the involving and motivation plans.
Overall readiness problem (complacency, no feeling of urgency).	Suggest update to the communication and culture plan.
No visibility from the top management. Taking a long time before clarity has been created.	Suggest update to the sponsorship plan.

Table 4: Guidelines for managing refusal state.



Every stakeholder (individual or group) should be assessed according to his power and the degree of impact by the change. Taken together, both power and impact of the change creates a quadruple structure comprising four sets of stakeholders types – that is,

(a) High power and high degree of impact: this group of stakeholders should be managed closely throughout the implementation of the change;

(b) High power and low degree of impact: this group of stakeholders should be involved either by approving and/or participating concerning the deliverables of the change initiatives;

(c) Low power and high degree of impact: this group of stakeholders should be involved either by participating and/or giving feedback; and

(d) Low power and low degree of impact: this group of stakeholders should at least be informed about the progress and decisions of the change. Figure 3 shows the involvement strategy with the four groups

**Assessing ACE (Awareness, Competence and Engagement)**

A change cannot be managed at an organizational level unless the change leader knows how to manage this change at the individual level. Therefore, much of the 5-Theme practices focus on assessing the change readiness at the individual levels. The researcher has recognized that enhancing the individual's Awareness, Competence, and Engagement (ACE) will ensure smooth implementation of the change. Enhancing the individual's ACE can be achieved through many different change management practices such as: sponsorship, communication, motivation, involvement, resistance management, and development. Therefore, the ACE Assessment Tool was developed as one of the main tools of the ElKattan's 5-Theme Model to assure having the change readiness from both the individual and group perspectives. Therefore, before starting the implementation, the change leader should assure awareness, competence and engagement of all stakeholders. The ACE three elements are essential for individuals to effectively participate in implementing the change. The ACE tool is also used to identify the communication plan, training plan, coaching plan as well as the anticipated areas of resistance.

**Awareness**

This element assesses the level of awareness of understanding the reason for change and the risk of not changing. It can be assessed by considering the following for every stakeholder:

- (1) Awareness of the reason of the change;
- (2) Awareness of the risk of not changing;
- (3) Knowing how the company is doing with regard to the aspects that will be changed;
- (4) Understanding how change initiative is linked to strategy;
- (5) Awareness of the impact on day-to-day operations; and
- (6) Awareness of the tools and milestones of the implementation.

**Competence**

This element assesses the ability of the groups and individuals for the execution and for effectively turning knowledge into action. It can be assessed by considering the following for every stakeholder:

- (1) Know the required knowledge needed for the new initiative; and
- (2) Have the required capabilities to perform in an effective way.

**Engagement**

Getting stakeholders engaged to change and be willing to support it is the ultimate goal of the change leader and what all change management practices aim for. This research is not only emphasizing to get stakeholders engaged in a general practical way, but also to get them emotionally engaged. The word "emotion" is very important as emotion, as Kotter [2] has indicated, is one of the most important factors that affect the success of the change. A change leader who is able to manage the emotions of employees may better facilitate change and will be able to avoid toxic emotions such as stress and anger which provide obstacles in the path of change. In addition, Kruger maintained

that 90% of change resistance is soft factors and not tangible and are related to cultures and emotions.

ACE assessments and interviews with every team member is the best way to manage the change on the individual level. Figures 4 and 5 show two samples of ACE assessment sheets.

ACE interviews will help the change leader know his team’s concerns regarding the change. Typically, effective two-way communication and coaching will help improve the awareness element; coaching and training will help improve the competence element. Involvement, motivation, managing resistance, sponsoring, and understanding the culture will improve the engagement element. Engagement is also positively influenced by improving the awareness and competence. The ultimate goal of managing the stakeholders is to get the stakeholders emotionally engaged as well as the buy-in for the change. Figure 6 shows the relationship between the ACE elements, the components of the five themes, and the readiness states (support, neutral, discrepancy, refusal, and confrontation).

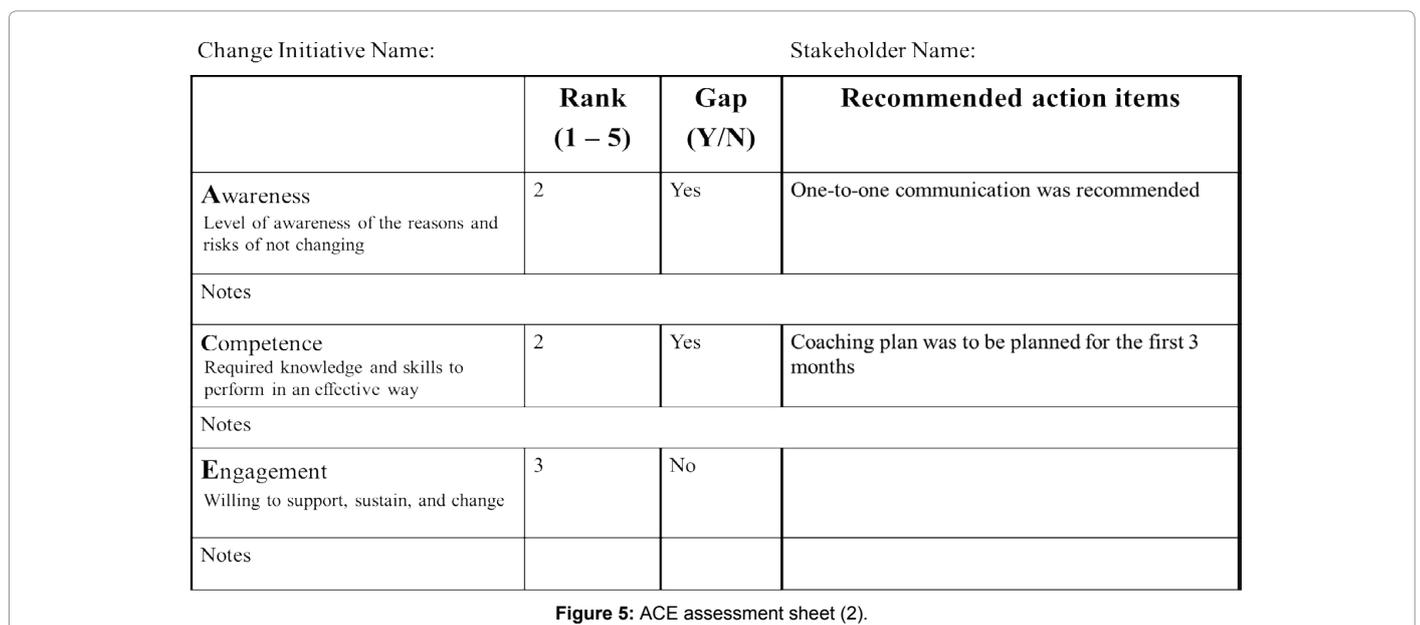
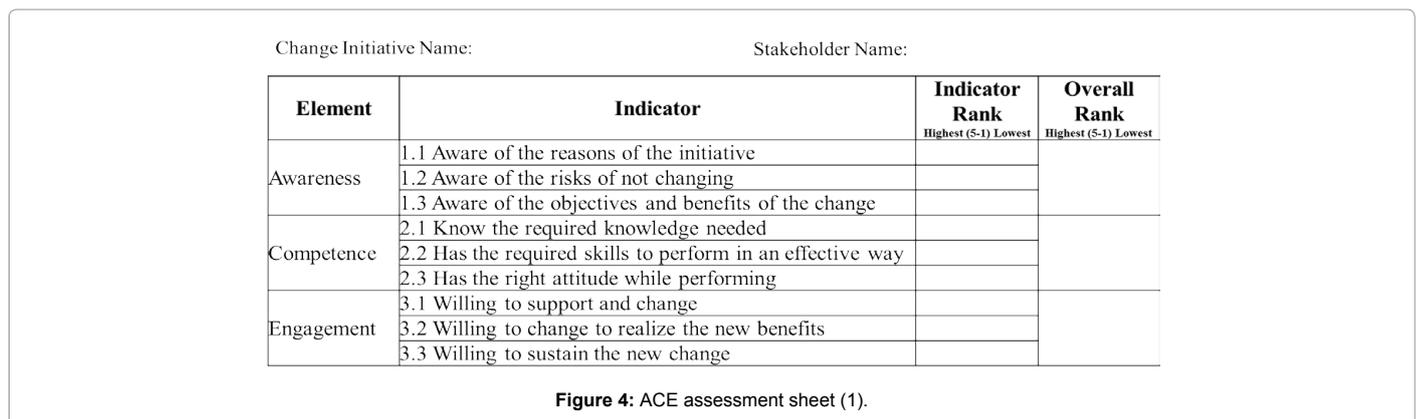
A change cannot be managed at an organizational level unless the change leader knows how to manage this change for all stakeholders at the individual level. This element assesses the willingness of the stakeholders to support and contribute for the realization of the

benefits of the change. It can be assessed by considering the following for every stakeholder:

- (1) Willing to change and improve the way he works;
- (2) Interested in what will be realized by the change, both on the short and long run;
- (3) Willing to support and/or contribute to successful change realization;
- (4) Willing to sustain and emphasize the new change; and
- (5) Dissatisfied with the status quo.

### Training

The purpose of this component is to assure that the change management human resources are adequately trained to cope with the change requirements. Training needs assessment and training plan will be required as part of the change management plan. Training is to be provided to employees as well as the different bodies of the change governance; i.e., change sponsors, change committee, change team, and change leader. Plan should include reason for the training and area to improve that is related to the change.



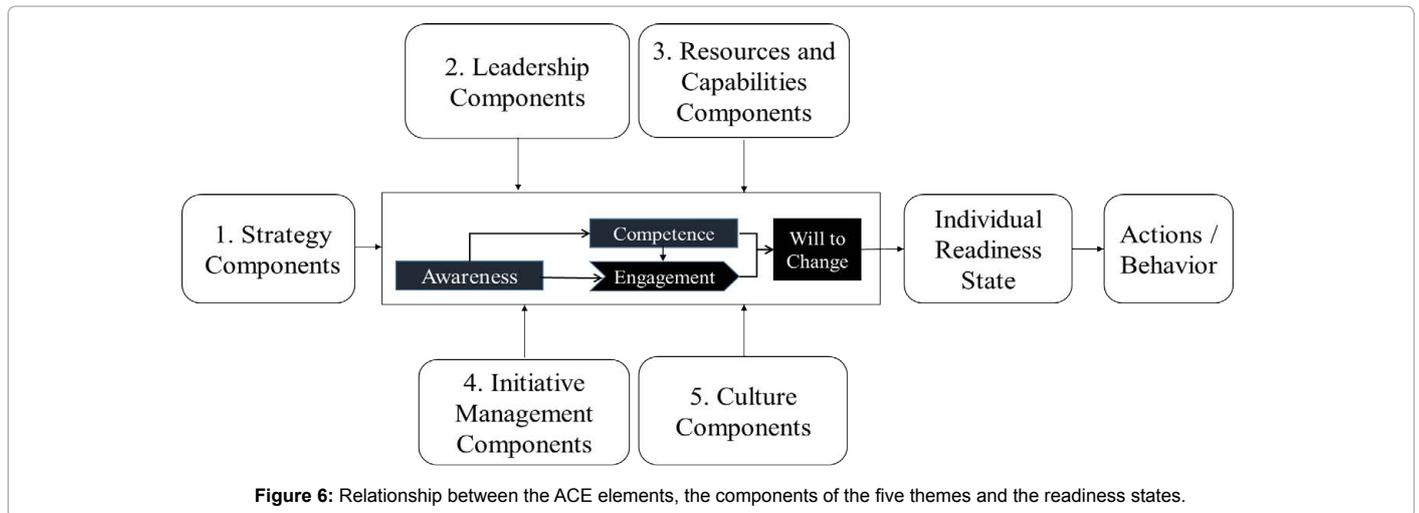


Figure 6: Relationship between the ACE elements, the components of the five themes and the readiness states.

### Coaching

The purpose of this component is to assure that people are coached in the right way to keep them engaged and competent for the change. Coaching plan will be required as part of the change management plan. The plan should contain two parts:

Part #1 will be for the preparation of the managers and supervisors who will be coaching others, and

Part #2 will be about how and when coaches will be leading and coaching other employees throughout the implementation of the change.

### Initiative Management Theme

The main purpose of this theme is to assure that the change initiative is being implemented according to the change strategy. It also assures that the change management plan and activities are being integrated into the overall project master plan. Components of the theme are:

- (1) Developing the change charter,
- (2) Developing the project charter,
- (3) Developing the change management plan, and
- (4) Agile planning.

### Developing the change charter

The purpose of this component is to develop the change charter that will help decide the change strategies. The change charter also provides the change guiding vision and outlines and what the change aims to achieve. A business case may also be required before developing the change charter. The charter should include the change vision, change initiatives, how the objectives will be measured, the project governance and structure, sponsors assessment summary, change strategy, measurement of the change impact and organizational readiness, stakeholders' engagement structure, risk analysis, recommended tactics for anticipated resistance, and recommended ACE-related tactics.

### Developing the project charter

The purpose of the project charter, which is a standard process in most project management framework, is to have an executive outline of the proposed project, to allow the next level of details after finalizing

the change charter. The project charter may have many details and decision makers will have to make a Go/No Go decision. Based on the change charter, the project charter will include specific objectives, stakeholders, high level timeline, estimated budget, deliverables, high level risks, project success criteria, constraints and limitations.

### Developing the change management plan

The purpose of this component is to have a plan for implementing the selected components of the model. This plan will change depending on the size and context of the change. There must be integration between the change management plan and the master project plan. The change management plan may include and not limited to:

- Developing the change vision,
- Forming the change governance,
- Assessing the impact and organizational readiness,
- Developing the change strategies,
- Measuring the organizational culture,
- Developing the culture plan,
- Developing the change charter,
- Developing the projects charter,
- Developing the sponsorship roadmap,
- Identifying stakeholders,
- Performing ACE assessment,
- Developing the involving strategy,
- Developing the communication strategy and plan,
- Developing the motivation plan,
- Conducting ACE interviews,
- Conducting the development workshop,
- Developing the training and coaching plan,
- Developing the motivation plan,

- Developing the resistance management plan,
- Integrating change management plan with master project plan, and
- Assessing sponsorship.

### Agile planning

The purpose of this component is to ensure that the change has the proper planning to achieve the required results. Agile planning means that the planning process is continuous and does not stop after generating the first plan document [9]. The planning should be continuous as some internal and/or external changes might happen while implementing the change. As the change is moving the organization and employees from one state to the other, it typically has a lot of uncertainties and risks in many perspectives especially when it comes to changing people’s behaviors. Many factors may contribute in changing the plan such as: adding new stakeholders, introducing managing resistance plan, changing the objectives and/or scope, receiving feedback, the ability of the employees to perform as expected, etc. Agile planning will help refine the change vision and benefits. Agile planning also means that the plan has short iterations that end with short-term wins that provide or present a real business value. Agile planning means converting the transformational or the transitional change into incremental change. In the agile plan, some iteration are to be grouped together in a phase to provide a major business value. Therefore, agile planning can also be called iterative planning. These short-term wins that will be obtained by the end of every iteration will help get stakeholders engaged, reduce the resistance, get feedback, do the corrective actions, and build the trust. As every iteration ends with small business value and every phase ends with a major business value, agile planning is considered a value-based planning and not an activity-based planning as the traditional planning.

The schedule for a transformational change cannot be fully estimated from the beginning as the change requires a lot of involving, feedback, and doing corrections. This means that the detailed plan is not to be fully decided at the beginning. The change leader can have a high-level plan while the detailed plan can be finalized incrementally at the beginning of every iteration.

Change should be implemented incrementally. Otherwise, it will take no long time to fail. As indicated in Gleicher’s Formula, one of

the most important elements of the implementation is to assure the knowledge and practicality of the first steps of a change; therefore, implementation should start as simple as possible.

### Culture Theme

This theme is about institutionalizing the approaches of the new change in the culture. The purpose of this theme is to realize what are the cultural aspects that are motivating or hindering the change. In addition, it addresses many aspects of the culture that are related to leadership such as leadership style and power distribution inside the organization. This is achieved by measuring the actual culture of the organization and identifying what the desired culture is. Finally, culture plan is to be developed in order to balance and/or change the culture to motivate the change. A change leader, as indicated by Herkenhoff, who is able to realize the culture may better facilitate the change and remove obstacles in the path of change. Resistance to change could be explained through the understanding of the organizational culture. In other words, a change should be aligned with the organizational culture; otherwise, that culture may create resistance to the change initiative. A change entails resistance if it is a threat to traditional norms and ways of doing things. Understanding the sub-cultures inside an organization provides a way to anticipate the potential sources of the resistance in different organizational units. A change is also likely to create resistance if it is a threat to the basic assumptions, personal values, and security of employees. Even though involvement is key component in change management, however, employees may, in certain cultures, view involvement invitations as a sign of management’s loss of orientation [7]. Similarly, Pihlak and Alas [7] argued that with regard to the practice of communication in change management, employees may, in some specific cultures, regard their managers as cultural heroes; they consequently expect those managers to be decisive and firm. Therefore, such employees do not expect their managers to exert much effort in communicating the vision, strategy and objectives of change programs. Components of the theme are:

- (1) Understanding the culture, and
- (2) Developing the culture plan.

### Understanding the culture

In order to understand the culture, both the national and

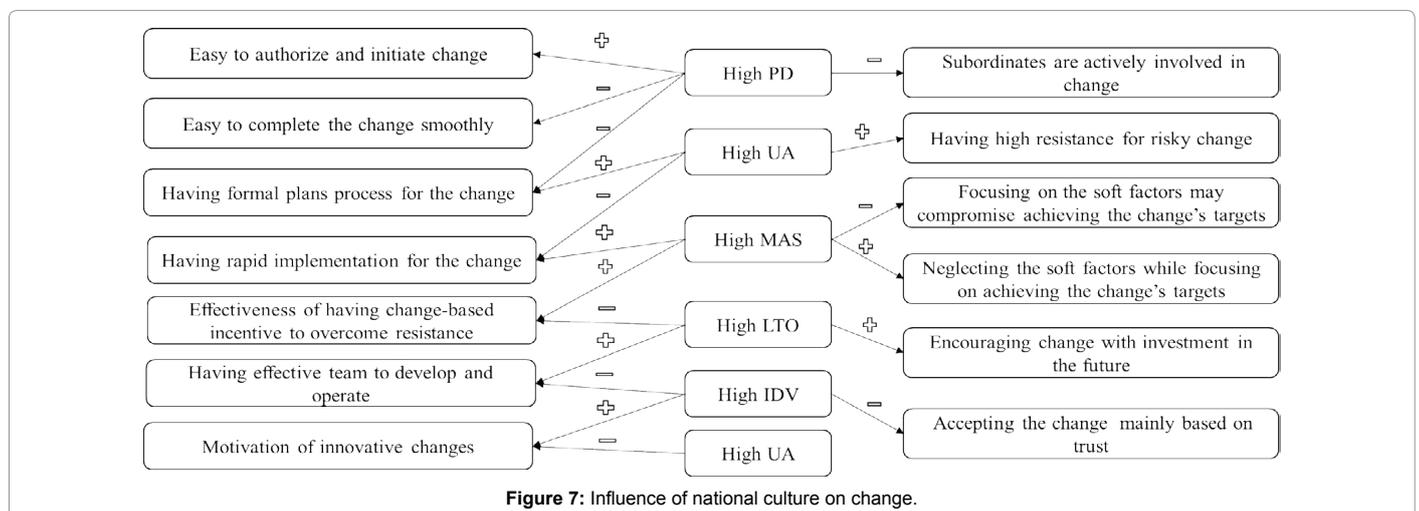


Figure 7: Influence of national culture on change.

organizational culture have to be measured and their influence on the business environment is to be understood. In order to understand cultural differences, several models have been developed. ElKattan's 5-Theme is using Hofstede's 6-Dimension Model (Hofstede's 6-D Model) for national culture and Hofstede Multi-Focus Model for organizational culture.

Hofstede's 6-D Model for national culture distinguishes between cultures based on certain cultural dimensions. The cultural dimension is an aspect of culture that is measurable relative to other cultures. Hofstede first came up with four dimensions in the 1970's after the analysis of the IBM surveys' databank. These four dimensions were: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, and Uncertainty Avoidance. A fifth dimension was added later in 1991 based on research that Michael Bond built on the Chinese Value Survey that included basic values for Chinese people; the fifth dimension was called Long-Term Orientation vs. Short-Term Orientation. In 2010, a sixth dimension was added based on the analysis of Michael Minkov, which was concluded from the World Values Survey (WVS); it is the Indulgence vs. Restraint. Martinsons, Davison and Martinsons did a research to identify the influence of the national culture on change. The findings were modified in this research as shown in Figure 7.

Within the period from 1985 to 1987, Geert Hofstede and his team developed the Hofstede Multi-Focus Model. According to Hofstede, this model was based on qualitative and quantitative study across twenty organizations operating in different sectors. The study revealed six dimensions, which were fundamentally different from those of Hofstede's 6-D Model. Several years later, Bob Waisfisz added two dimensions to this model. Referring to Hofstede, the core of an organizational culture consists of practices more than values (i.e., what people do), whereas that of the national culture consists of values (i.e., what is important to people). These six dimensions of the Hofstede Multi-Focus model are:

- D1: Process-oriented vs. results-oriented (Organizational effectiveness),
- D2: Internally driven vs. externally driven (Customer-orientation),
- D3: Loose work discipline vs. strict work discipline (Control),
- D4: Local vs. professional (Focus),
- D5: Open-system vs. closed system (Approachability), and
- D6: Employee-oriented vs. work-oriented (Management philosophy). Each company in this model is characterized by a score

from zero to 100 on each of the six dimensions.

**D1: Process-oriented vs. results-oriented:** This dimension opposes a concern with means (process-oriented) to a concern with goals (results-oriented). According to Waisfisz [10], the process-oriented vs. results-oriented dimension is most closely connected with the effectiveness of the organization. In a process-oriented culture, people identify with the "how", whereas, in a results-oriented culture, employees are primarily out to achieve specific internal goals or results, even if there would be substantial risks involved – that is, people identify with the "what". Moreover, in a process-oriented culture, Hofstede indicated that the key three items are:

- (a) People perceive themselves as avoiding risks and uncomfortable with unfamiliar situations,
- (b) Exerting limited efforts in their jobs, and
- (c) Each working day is pretty much the same as others.

However, all these perceptions and views are, in a results-oriented culture, perfectly the reverse. Typically, an organization should be more results-oriented than its competitors are. The more results-oriented an organization is, the more functional its culture could be. In such a culture, employees are informed of the good jobs that they have done; they seek to be pioneers, to put in maximal effort, to be more delegated by their bosses, with their mistakes being tolerated. They are typically optimistic, and managers help good people to advance. In Table 5, behaviors of organizations are shown based on the two extreme scores on this dimension.

According to Waisfisz, in a results-oriented culture, team members encourage each other; they do not like or pay attention to much standard processes like the ISO standards. Furthermore, the organization has an inspiring leadership that presents a good deal of initiatives. However, with the challenging work in such culture, many people do what they say they would do. An extreme process-oriented culture (i.e., with a score of less than 35) would create a dysfunctional environment. In situations involving substantial risks, a very process-oriented culture tends to be very functional. A good example of such a culture is the production unit in a pharmaceutical company.

**D2: Internally driven vs. externally driven:** According to Hofstede, this dimension deals with the popular notion of customer orientation. In an internally driven culture, according to Waisfisz, employees perceive their task toward the outside world as totally given; they think that they know best what is good for customers and believe that there is no much scope for further improvements. In an externally driven culture, there is a major emphasis on meeting the customer's needs; only the fulfillment of the customer's requirements is emphasized; the

Dysfunctional Process-oriented	Process-oriented	In-between	Results-oriented
Score from 0 to 34	Score from 35 to 44	Score from 45 to 54	Score from 55 to 100
Employees exert limited efforts in their jobs	Employees identify with the "how"	In-between	Employees identify mainly with the "what"
Employees avoid risks and uncomfortable with unfamiliar situations	Employees exert minimum efforts in their jobs	In-between	Employees put in maximal effort
Employees are told what to do	Employees are probably uncomfortable with unfamiliar situations	In-between	Employees are comfortable with unfamiliar situations
Too many rules; Harmful Internal competition	Work is usually not challenging	In-between	Challenging work; leaders show new initiatives
No inspiring leadership	Rules and regulations in most departments	In-between	Entrepreneurial environment
Continuous monitoring	No inspiring leadership	In-between	Inspirational leadership
	Continuous monitoring	In-between	Employees seek to be pioneers

Table 5: Process-Oriented vs. Results-Oriented.

Dysfunctional Internally driven	Internally driven	Moderately to Fairly Externally driven	Very Externally driven
Score from 0 to 30	Score from 30 to 50	Score from 50 to 75	Score from 75 to 100
Customers are fully out of focus	Company knows what is best for the customer	Employees do what the client wants	Employees do what the client wants, even if it is not in the interest of the client
Employees are continuously busy in covering themselves	Employees have high standards of business ethics and honesty	Employees have moderate to high standards of business ethics	Employees are not concerned by business ethics and honesty
Employees believe they are the best; there is no room for improvement	Employees think they are the best, but there is room for improvement	There is room for improvement	There is always room for improvement
Employees are extremely normative	Employees think they are consistent	Employees are fairly flexible in what they say and do	Employees are extremely pragmatic
Employees hide behind the rules; procedures must be followed even if it hurts results	Procedures must be followed correctly unless they hurt results	Customers' demands are prioritized over procedures unless it goes against business ethics	Creative
Stakeholders are happy that the company exists			The customer is "King"

Table 6: Internally driven vs. externally driven.

Dysfunctional Loose Culture	Loose Culture	In between	Strict Culture
Score from 0 to 15	Score from 15 to 45	Score from 45 to 55	Score from 55 to 100
Extremely sloppy; Few work standards	Easy going	In between	Punctual and meticulous
Extremely informal	Informal	In between	Formal
The company is a subject of a lot of jokes	The company is a subject of jokes	In between	Employees are serious in conversations about the company
Could be Innovative	Innovative	In between	Culture does not motivate innovation
	Culture has a lot of improvisation and surprises	In between	Surprises and the need to improvise are avoided
Little control and discipline	Not burdened by control and discipline	In between	A lot of control and discipline
No cost consciousness	Costs of little concern	In between	Cost consciousness
Cheerful and relaxed	Cheerful and relaxed	In between	Not a relaxing culture
Planning is not emphasized	Planning may not emphasized	In between	Planning is emphasized

Table 7: Loose work discipline vs. strict work discipline.

desired results are therefore given priority over correct procedures and business ethics.

Mostly, an organization should be more externally driven than its competitors are; the more externally driven an organization is, the more functional its culture is. An extremely internally driven culture would create an environment that is not operating properly. In Table 6, behaviors of organizations in this respect are shown based on their scores on this dimension.

**D3: Loose work discipline vs. strict work discipline:** This dimension deals with the amount of internal structuring, control, and discipline. In a loose work discipline culture, Hofstede indicated that the key three items are:

- (a) Employees are not cost-conscious,
- (b) Meeting times are not kept approximately, and
- (c) Jokes about the company and the jobs are frequent. In a strict work discipline culture, it is the opposite.

The different units of one organization may score differently on this dimension. In Table 7, behaviors of organizations are shown based on the scores on this dimension.

In a loose work discipline culture, there is loose internal structure, lack of predictability, and unsteady control and discipline. However, within such culture, there is a space for thinking out of the box, innovation, and quick adaptability to changes in the environment. However, an extremely loose work discipline culture would create a dysfunctional environment. The opposite characteristics are revealed in a very strict work discipline; also, there are more of unwritten codes

about dress and respectable behavior.

**D4: Local vs. professional:** This dimension opposes units whose employees derive their identity largely from organization (local) to units in which people identify with their jobs (professional). In Table 8, behaviors of organizations are shown based on the scores on this dimension.

In a local culture, Hofstede indicated that employees identify with their boss and/or organization, whereas those in a professional culture identify with their profession and/or the type of jobs. While hiring new employees, in a local culture, the company deals more with the social backgrounds of the employees than their job competences, while the job competencies are the only basis for such an act of hiring in professional culture. Besides, in a very local culture, there is a strong social control to be like everybody else, however, in a professional culture it is the opposite. According to Waisfisz, in a professional culture, diversity is somehow accepted; it is an acceptable characteristic of a team member to be critical; it is important to know what competition does; management and employees look outward and learn from their mistakes. In addition, the employees are more proud of the quality than of the quantity of their work.

For Waisfisz, the more professional an organization is, the more privacy its employees will enjoy because the only criterion of employment is their job competence. In such culture, the management thinks far ahead, the staff are strongly aware of competition, and the norm is cooperation and trust between departments. Besides, the more professional a culture is, the more turnover the organization would get; the employees are rather linked to their profession than to the organization and the boss. With an extremely local culture, culture creates a dysfunctional environment.

Dysfunctional Local	Local	In between	Professional	Very Professional
Score from 0 to 20	Score from 20 to 45	Score from 45 to 55	Score from 55 to 75	Score from 75 to 100
Employees identify with their direct boss and/or work group	Employees identify with their direct boss and/or work group	In-between	Employees identify with their profession	Employees identify with their profession
Newcomers who are different are rejected	Newcomers who differ from us should adjust	In-between	Diversity is okay	Diversity is welcomed
A critical attitude is not acceptable	A critical attitude is not appreciated	In-between	A critical attitude is okay	Critical attitude is essential
Inward looking	Inward looking	In-between	Outward looking	Outward looking
Managers want subordinates to be loyal	Internal loyalty is important	In-between	Internal loyalty is not important	Internal loyalty is not important
Very short-term directed	Short-term directed	In-between	Fairly long-term directed	Long-term directed
Competition and mistrust between units is strong	Competition and mistrust between units are common	In-between	The norm is cooperation and trust between departments	The norm is cooperation and trust between departments
Employees do not care about competition	It is not important to know what competitors do	In-between	It is important to know what competitors do	It is very important to know what competitors do
There is a strong social control to be like everybody else	There is a social control to be like everybody else	In-between	There is no social control to be like everybody else	There is no social control to be like everybody else
Employees do not learn from their mistakes	Employees may learn from their mistakes	In-between	Employees learn from their mistakes	Employees learn from their mistakes

Table 8: Local vs. professional.

Very Open System	Open System	Closed System	Dysfunctional Closed System
Score from 0 to 25	Score from 25 to 45	Score from 50 to 75	Score from 75 to 100
Outsiders feel immediately welcome	Outsiders feel welcome	Newcomers and outsiders alike do not feel all that welcome	Outsiders are not welcome
Those who fail are given the benefit of a doubt	People are normally given the benefit of a doubt	Those who fail are normally assumed guilty until proven innocent	Those who fail are assumed guilty
Not secretive	Employees are not good in keeping secrets	Employees are good in keeping secrets	Very Secretive
Everyone feels well-informed	Information can be easily acquired	It takes an effort from an employee to acquire information, unless he is part of the old network	It takes an effort from an employee to acquire information
Employees talk with their boss about everything without any inhibitions,	Employees tell their boss what they think	Employees will not tell the boss what they think if they find themselves in threatening situations	Employees never tell their boss what they really think

Table 9: Open-system vs. closed system.

**D5: Open system vs. closed system:** For Waisfisz, this dimension relates to the accessibility of an organization. In an open system culture, the three key items are:

- (a) Newcomers (insiders and outsiders) are immediately welcome,
- (b) Newcomers need little time to feel home, and
- (c) It is believed that almost anyone would fit in the organization.

In a closed system culture, it is the opposite. The more closed an organization is the more secretive it is, and only very special people can fit in. In an open system culture, the staff can talk about anything and tell their bosses about what they think about, even in threatening situations. In addition, employees who fail are given the benefit of a doubt. The contrary characteristics are shown in much closed organizations. This dimension is most related to labor satisfaction as employees prefer an open culture most. Under an extremely closed system culture, a dysfunctional environment would emerge. In Table 9, the behaviors of organizations are shown based on scores of this dimension.

**D6: Employee-oriented vs. work-oriented:** This dimension opposes a concern for people (employee-oriented) to a concern for completing the job (work-oriented). Employee-orientation opposes a concern of completing the job, whatever the price is. Therefore, this

cultural dimension is most related to the management philosophy.

In an employee-oriented culture, Hofstede et al. indicated that the three key items are:

- (a) Employees feel their personal problems are taken into account,
- (b) The organization takes co-responsibility for the employees' welfare, even if this is at the expense of their work, and
- (c) Important decisions are made by groups or committees.

However, all these views, in a work-oriented culture, are the opposite. According to Waisfisz, in an employee-oriented culture, the leadership style is usually consultative, new changes entail the employees' buy-in, employees care for each other and feel very secure with respect to maintaining their jobs, which means that it is difficult for such employees to get fired. On the other hand, in a work-oriented culture, heavy pressure is made to perform tasks; the management believes that without such pressure nothing would be done. The more work-oriented an organization is the more important decisions made by individuals are; i.e., the organization is interested only in the work that people do, with decisions being centralized at the top and managers keeping good people for their departments. In this sense, new changes are imposed by management decisions; little attention is paid to personal issues of the employees; there is usually silent resistance inside the organization. High work-oriented and high process-oriented cultures would cause employees' burnout. According

Employee-oriented	In between	Work Oriented-oriented	Dysfunctional Work-oriented
Score from 0 to 40	Score from 45 to 55	Score from 50 to 75	Score from 75 to 100
Personal problems are taken into consideration	In-between	Personal problems are not taken into account	Management is interested only in employees' output; personal problems are never taken into account
The organization takes co-responsibility for the employees' welfare	In-between	Everybody is responsible for their own welfare	Everybody is responsible for their own welfare
Important decisions are made by groups; Management is consultative	In-between	Most important decisions are taken by individuals	Important decisions are taken by individuals
People are not put under extreme pressure for no good reason	In-between	Management believes that if they do not put people under pressure, nothing will be done	People are put under extreme pressure for no good reason at all, at least that is how it will be perceived
No danger of burn-out and/or silent resistance	In-between	Danger of burn-out	Danger of burn-out and/or silent resistance
It is difficult for employees to get fired	In-between	It is not difficult for employees to get fired	It is easy for employees to get fired
Company has an interest in the community where its facilities are located	In-between	Company has no interest in the community where its facilities are located	Company has no interest in the community where its facilities are located

Table 10: Employee-oriented vs. work-oriented.

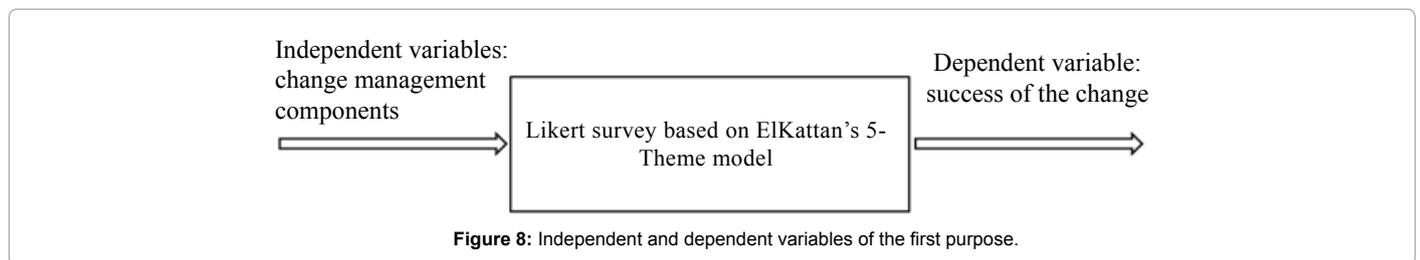


Figure 8: Independent and dependent variables of the first purpose.

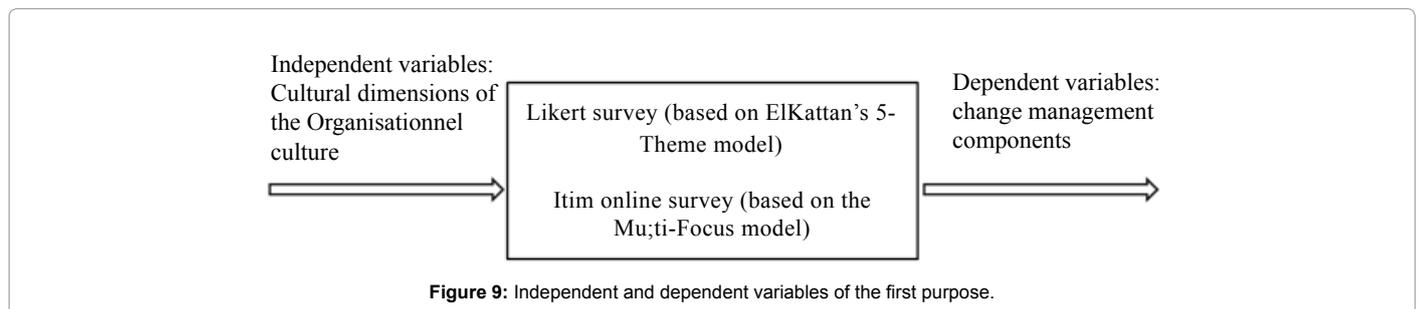


Figure 9: Independent and dependent variables of the first purpose.

to the many measurements that Waisfisz have done through Itim International since 1988, most companies with these two cultures were dysfunctional. Therefore, Waisfisz argued, under high work-oriented cultures, dysfunctional environments would emerge. In Table 10, the behaviors of organizations are shown based on their scores on this dimension.

### Formulating culture plan

The main purpose of this theme is to make sure that the change is sustainable and anchored in culture. Culture management is very crucial to have the change embedded in the culture of the organization. According to Hofstede, the organizational culture consists of values and practices. The practices are a mix of behaviors, attitude, ritual, heroes, and symbols. The behavior is influenced by the rewarding schemes, systems, and structure.

Based on the measured organizational culture, and the new desired culture that will better motivate the change, the change team should take the appropriate tactics and action for the different cultural levels (behaviors, attitude, ritual, heroes, and symbols). Also, as the desired state of the change should be reflected in the operations, the change manager must ensure that processes, systems, rewards, and organizational structure are modified or redesigned to support the

change; otherwise, some processes may act as a sort of roadblock to achieve the change.

### Conclusion

This research proposed a culture-based change management model, which is called ElKattan's 5-Theme Model. The model consists of three perspectives: (a) model themes, (b) model components, and (c) model change life cycle. The themes and components were the answers of R<sub>1</sub> of the research. Each theme contains a set of related components that can be practiced by the change team at any time throughout the course of the change, while a component is a change management process or tool that is executed to add certain values to the change program. On the other hand, the change life cycle, which consists of the phases: Readiness, Changing, Reinforcement (RCR) represents the main phases that the change will go through. Each change program can have its own phases; however, these phases should eventually belong to the main RCR life cycle. Different components can be practiced in different phases of the change life cycle depending on the context and size of the change. ElKattan's 5-Theme model provides practical steps of how to implement and manage change in real life as the model's 18 components contain further detailed templates and tools (which are out of the scope of this paper) to be used while using the model.

## Recommendations for Further Research

As study of the impact of culture on change is increasingly important due to rapid globalization, it is recommended that a quantitative and correlational research be done based on both ElKattan's 5-Theme Model and the Hofstede Multi-Focus Model. This recommended quantitative and correlational research has two purposes as will be described.

### Purpose of the research

The first purpose is to identify the change management components that significantly relate to the success of the change in medium-size companies. The research method will provide relation between the independent variables (ElKattan's model's 18 components), and the dependent variable (success of change). For this purpose, a Likert type scaled survey will be designed and used to identify the components that significantly relate to the success of the change. The sample population will be limited to medium-sized companies with at least 5 years of operation. The suggested research will include two measures:

#### 1. Level of importance.

This level indicates to what degree the participant believes in the importance of the specific change management component.

#### 2. Level of performance.

This level indicates to what extent did the change team practice the specific component. As for the success of the change, the respondents will be asked to evaluate on a scale of 0% to 100% the results of the organizational change from the point of view of the achievement of the goals set for the change program. Criteria of the success of the change projects other than achievement of the goals set for the change program should be investigated by the researcher. Figure 8 shows the independent and dependent variables that should be used for the first purpose of the research.

The second purpose is to identify the correlational relationships between the dependent variables which are the cultural dimensions of the Hofstede Multi-Focus Model and the dependent variables

which are the 18 components of ElKattan's 5-Theme Model. For this purpose, a survey, which is based on the Hofstede Multi-Focus Model will be used in addition to the previously mentioned Likert survey. Having a positive correlation between a cultural dimension and a certain component would indicate that the cultural dimension has an influence on the practice of this component. These results of the correlational relationships will further help change leaders understand the influence of the organizational culture on change implementation. Figure 9 shows the independent and dependent variables that are used for the second purpose of the research.

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