



LUND  
UNIVERSITY

School of Economics and Management  
Department of Business Administration

## Implementing Change In Organisations

— A Study on Limiting Factors for Managers in the Service industry

**Authors:**

Chunzi Chen  
Williams Ansong Osei

**Supervisor:**

Associate Professor Bo Göransson

# Abstract

**Title:** Implementing Change In Organisations: A Study on Limiting Factors for Managers in the Service industry.

**Date:** 6<sup>th</sup> June 2018

**Course:** Master's in Management - 15 University Credit Points (15 ECTS).

**Authors:** Chunzi Chen and Williams Ansong Osei

**Supervisor:** Associate Professor Bo Göransson

**Purpose:** The overall purpose of this study is to have a deeper understanding of how *change* affects employees and an organisation and what are the factors could hinder such a *change*. This study will draw on the theory of Change Management, in particular, the model of Prosci ADKAR.

**Methodology:** This research is carried out through a deductive approach. The study will adopt a qualitative approach using 11 semi-structured interviews and observations in a case study "HRS".

**Theory:** The study is based on theories within Change Management and focusing on the Prosci ADKAR model as the main theoretical tool.

**Empirical data:** The empirical data will be collected through observation and semi-structured interviews with open-ended questions with managers and employees in the Customer Service Department of HRS.

**Conclusions:** Our findings show that it is a necessity for any organisation before undergoing the process of *change* to make use of a knowledge framework, e.g. the Prosci ADKAR model. Our research indicates that every process of *change* is successfully achieved through the involvement at an early stage of adequate knowledge tools, even in the stage of conceptualisation, is important. It helps to know what and how to align the stakeholders involved.

**Keywords:** Change, Service industry, Change Management, Limiting Factors, Prosci ADKAR Model.

## **Acknowledgements**

First of all, we would like to thank everyone who influenced and helped to make this thesis a reality. A great thank you also goes for HRS managers and staff because without their precious openness and information this thesis would simply not have been the same. Additionally, our project supervisor, Professor Bo Göransson, for the marvellous patience, competency support and numerous reminder for quality work with which he has guided us while bringing together the details of this degree project.

Last but certainly not least; we would like to thank both our families and friends for the wonderful support even though from afar that they have given us. This goal would not have been accomplished without them.

Thank you!

# Acronyms

API:	Advanced Passenger Information
ADKAR:	Awareness - Desire - Knowledge - Ability - Reinforcement
CRM:	Customer Relationship Management
CSD:	Customer Service Department
FIT:	Foreign Independent Tourist
GDS:	Global Distribution System
HRS:	Hotel Reservation Service
OTA:	Online Travel Agency
W.I.I.F.M.	What's In It For Me?

# Table of Contents

Abstract	1
Acknowledgements	2
Acronyms	3
<b>1. Introduction</b>	<b>7</b>
1.1 Background and significance	7
1.2 Aims and Purpose	8
1.3 Choice of the Case “HRS”	9
1.4 Thesis Outline	10
<b>2. Literature/Theoretical Review</b>	<b>11</b>
2.1 Organizational change	11
2.2 The Prosci ADKAR Model	13
2.3 States of Change	15
2.4 Herzberg’s Theory	16
2.5 Contingency Theory	18
<b>3. Research Methodology</b>	<b>19</b>
3.1 Research Approach	19
3.2 Research Design	20
3.3 Data Collection Method	21
3.4 Pilot Study	22
3.5 Data Analysis	22
3.6 Best Available Knowledge	23
3.7 Limitations	23
<b>4. Empirical Findings</b>	<b>25</b>
4.1 Background Information “HRS”	25
4.1.1 FIT	25
4.1.2 Quality	26
4.1.3 MISE	26
4.2 Presentation of the Empirical Data	27
4.3 Interview with Managers	27
4.3.1 Changes	28
4.3.2 ADAKAR	29
4.4 Group Interview with Staff	33
4.4.1 Changes	34
4.4.2 ADKAR	34
4.5 Implications of Empirical Data	36
<b>5. Discussion of Results</b>	<b>37</b>
5.1 Our Findings	37
5.2 Interpreting the results	37
5.3 Limiting Factors for Managers	39

<b>6. Concluding Remarks and Contributions</b>	<b>40</b>
6.1 Reflections	41
6.1.1 Reflection about the model	41
6.1.2 Reflection about our process	41
6.2 Implications and Future Research	41
<b>References</b>	<b>43</b>
<b>Appendix A</b>	<b>46</b>

## List of Figures

Figure 1. Lewin's Organisational change process	17
Figure 2. The Prosci ADKAR Change Model	18
Figure 3. Prosci ADKAR State of Change	21
Figure 4. Herzberg's Motivation Hygiene Theory	22

## List of Tables

Table 1. Presentation of Interviewed Managers	27
Table 2. Presentation of Interviewed Staff	33

# 1. Introduction

## 1.1 Background and significance

The notion of *change* is dated to the existence of the universe. For the purpose of this study, *change* is considered as: “to make radically different” or “to make a shift from one to another” (Merriam Webster, 2018 n.p.). These definitions give an idea about *change* as something that is not permanent but instead evolves with time.

With the development of the global economy, the business world is more dynamic than ever. Moreover, the tertiary sector, in particular, the service industry has become increasingly competitive with the intensification of globalisation (Baldwin, 2016; Goodstein & Warner Burke, 1999; Armenakis, Harris, Mossholder, 1993). Baldwin, (2016) argues that Globalization carries many new opportunities as well as challenges, which means that organisations have to embrace *change* to adapt to the market environment constantly. Within the service industry, Schumpeter, (1942 p.82) approaches *change* as the “gale of creative destruction” emphasizing specifically on the “process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one”. Therefore, almost all businesses, no matter how large or small, have to implement continuous *change* to make an organisation better in order to win the battle deriving from change (Smith, Bolton & Wagner, 1999). How service companies implemented changes to survive the high out rate market is an area that needs exploring.

Change within the service industry affects all employees. Hiatt & Creasey (2012) argue that “the result and outcomes of workplace *change* are intrinsically and inextricably tied to individual employees doing their jobs differently” (p.1). Further, they claim that “Change Management enables employees to adopt a *change* so that business objectives are realized” (p.1). For these stated reasons, the ability to put in place a range of managerial competencies and tools in order to implement *change* successfully becomes a key issue for managers in every organisation. However, little is known about the factors that drive *change*. Further, research on why organisations in the service industry *change* so often and an understanding of the factors that drive *change* is scant (Armenakis et al., 1993; Goodstein, Warner Burke, 1991).



Many marketing theorists believe that within the service industry, the "customer is king" namely the *raison d'être* of every organisation (Craven, 2002 p. 12). In the long run, any *change* within the service industry will affect the customer; however, in order to have a smooth transition of *change*, the employees and the organisation needs to be considered. Furthermore, as Smith et al. (1999) argue the whole pivot of any business is what customers gain from the service giver; therefore, they often react strongly to service failures. Hence, they explain that it is critical that organisations have recovery efforts in place that are equally strong and effective. In this regard, it is assumed that there are often limiting factors hindering managers from implementing the desired *change* within organisations in the service industry. For example: the lack of leadership of the managers, inadequate tools, limited control in the organisation and lack of interest of the subordinates because they are not aligned with the manager's vision (Miller & Sardais, 2011; Hiatt & Creasey, 2012). While most of these limiting factors are clearly visible within companies, not all have been explored in the service industry and how these factors of *change* affect employees and an organisation.

## **1.2 Aim and Purpose**

The aim of this study is to assess *change* and how it has been implemented within an organisation, specifically in the service industry. Essentially, the aim is to investigate the approach of managers and subordinates in the process of *change*. In order to reach this aim, the following research question will be explored:

**RQ: *What are the factors that hinder managers from implementing change within organisations in the service industry?***

The purpose of this study is to have a deeper understanding of how *change* affects employees and an organisation and what are the factors could hinder such a *change*. This study will draw on the theory of Change Management, in particular, the model of Prosci ADKAR. This will be a case study (*see Section 1.3*) adopting a qualitative approach using 11 semi-structured interviews and observations.

Results from this study will further comprehend and enrich the notion of *change* within the service industry with deeper insights into the theory of Change Management. This study also will contribute to organisations having a better understanding of how *change* can affect both management and employees and the contributing factors that can limit the success of *change*.

### 1.3 Choice of the Case “HRS”

An online travel agency or simply OTA allows the service user to book flight tickets, holiday packages, hotel rooms, train tickets etc. Consumers access the services provided by these agencies simply by sitting in their room using a smartphone or a computer. An OTA or website is fully dedicated to travel (leisure or business). A travel website consists of the following: Flight API, Hotel API, Car Rental API, GDS, Responsive Website Design and Payment Gateway (Bhadra, 2016; Kumar, 2016). Furthermore, in the last two decades, this industry is constantly changing, and companies operating within it face high competition. Under certain circumstance, continuous *change* is the key to success. HRS Group operates in the same industry. Therefore, it also comes across these challenges. It is an international company operating in different countries around the globe. They made a strategic decision aimed to get access to the Chinese market with the goal of competing with local online travel agency by opening a subsidiary in Shanghai. The conditions dictated by the Chinese market with its accelerated growth and dynamics made the organisation feel the need for constant *change* to adapt to the new environment. The company's subsidiary in Shanghai is gradually expanding but still encountering challenges such as high competition due to its nature, i.e. outsourcing, cheap labour and employee turnover. The HRS Group Changes within and without are strategic determinants of the success or failure of the company.

Additionally, inspired by the past working experience of one of us (Chunzi), we decided to make a case study at her formal workplace with the purpose to analyse the organisation that operates in the service industry. Therefore, we believe that this company is an appropriate case for our study since it has been through continuous *change* aiming to work more efficiently and effectively in a new market, especially within the customer service department, which is the core business of an OTA. For the already mentioned reason, it is suitable for us to analyse this organisation by using the ADKAR (Awareness, Desire, Knowledge, Ability, Reinforcement) model, which will be explained in more details in Chapter 2. Throughout this paper, we find this topic outstandingly relevant since at the present moment there have not been many studies of it. Moreover, despite their progress, there still exists many limiting factors hindering the implementation of *change* for the management team. For this reason, we can make use of the theoretical knowledge and practical case study. Therefore, we

believe that this case fits the purpose of assessing the achieved change's pros and cons to identify the limiting factors from the management perspective.

#### **1.4 Thesis Outline**

This thesis is divided into six main sections. The introduction was covered in the previous.

*Chapter 2* will present the literature to date on research on *change* within the service industry. It will also present theory of Change Management and in particular the Prosci ADKAR model, State of Change, Herberg's theory and Contingency theory. The goal is to familiarise the reader with the topic under research.

*Chapter 3* will discuss the Methodology. This includes the chosen research approach and design so as the methods for data collection, analysis and the best available knowledge.

*Chapter 4* covers the empirical findings with an introduction of the chose company "HRS". An extraction from the collected data (interviews) will be presented following the key concept of the ADKAR model.

*Chapter 5 & 6* are the two final Chapters are acting as the conclusion and they will help to interpret the results and to assess to what degree the research purpose was fulfilled and the research question answered.

## 2. Literature/Theoretical Review

This chapter will provide a clear outline and guidelines on how to use the best available knowledge on which we base our study. The theoretical framework is a systematic analysis of literature relevant to the project. It includes an explanation of the search strategy that gives details of the constraints set for the review of theories, terminologies, databases used, inclusion and exclusion criteria, and types of literature reviewed. There are, nevertheless, a whole host of ideas and branches within the school of Change Management. In this chapter, we aim to give an overview of the fundamental ideas founding the Change Management thinking.

### 2.1 Organisational change

The concept of Change Management is a field of study that has been exploited to a wide range of theories from different points of view. Human resource side in the process of *change* has recently been in the middle of analysis (Prosci, 2006; Swierczek & Truong, 2009). From Heraclitus's famous dictum "Nothing endures but change" (Kanter et al., 1992 p. 9) through centuries, until our days; theorist have struggled with definitions of change. The nature of *change* makes it not easy to be implemented. Kanter et al. (1992) argue that there have not been any born organisation that has fully attained to change without encountering challenges. Since the ancient Greek, the idea of deliberate and transforming *change*, i.e. tampering with the basic character of things was, blasphemy, a sure path to disaster. But today, the modern Western culture typically assume that *change* is a malleable notion, a means to bend fate to one's own ends (Kanter et al., 1992). As a consequence of the existence of *change* and the implications that it has for organisations as a whole, a need to manage it has risen.

One of the earliest pioneers in the systematic study of *change* is Lewin, and he suggests that organisational *change* involves three stages. These stages of change are outlined as unfreezing changing and refreezing (Kanter, 1992). Lewin (*see Figure 1*) suggest that in order for *change* to be implemented and becomes permanently part of the organisation, it is not enough to merely instigate *change*, but the new situation needs to become frozen (Lewin, 1947).

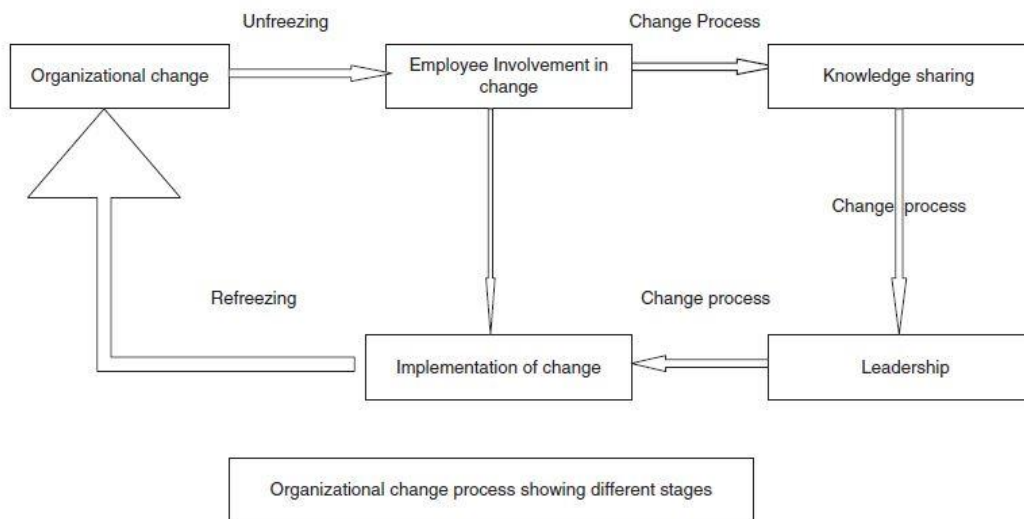


Figure 1. Lewin's Organisational change process (Hussain et al. 2016)

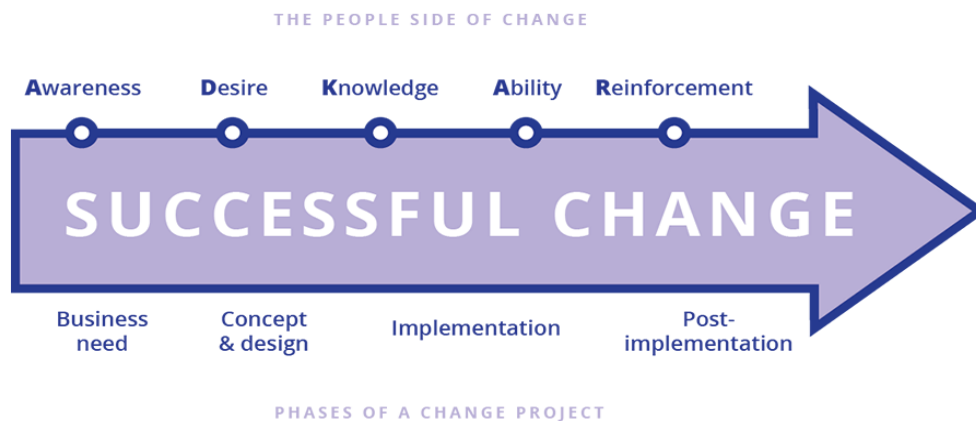
Change Management can be outlined as "the process, tools and techniques to manage the people-side of *change* to achieve the required business outcome... Change Management incorporates the organisational tools that can be utilised to help individuals make successful personal transitions resulting in the adoption and realisation of *change*" (Hiatt & Creasey, 2012 p.7).

According to Hiatt, & Creasey, (2012), Change Management is the means of empowering employees to embrace a *change* so that business objective can be achieved. They sustain that, it is the bridge between solution and results, and is primarily about people and our collective role of transforming *change* into successful outcome for our organisations. The reasons for the *change* are as varied as *change* itself: Kanter et al. (1992) argue that there are sets of forces that induce organisations to *change* and they all relate to its internal and external environment. Revenue growth, reduced costs, technological innovation, a double-edged sword, which create opportunities but increases competition, employee turnover, better product or service quality, reduce risk exposure, improve quality of life and most importantly improve customer satisfaction. As already anticipated in the introductory section, the core reason for *change* this case study is the customer service department in the service industry (Hiatt & Creasey, 2012).

## 2.2 The Prosci ADKAR Model

The study is built around the Prosci ADKAR model (see Figure 2), and in order for the tool to be used effectively, it is important that the right literature covering the subject of points out a variety of factors that have to be considered. This model helps us to answer the question, “why do some changes fail while others succeed?” Theorists believe that the secret to successful changes lies beyond the visible and busy activities that surround *change*. The model consists of two main levels: The first level includes the people side of *change*, which will be our main focus. Meanwhile, the second level takes into consideration the phases of a *change* project (Hiatt & Creasey, 2012; Kanter, Stein, Jick, 1992).

Mahmoud & Marwa (2016) argue that the Prosci’s ADKAR model is an extensively used goal-oriented approach that facilitates individual *change* by allowing Change Management teams to focus their activities on specific results. The model is based on the premise that organisations do not *change*; it is the people within organisations who *change*. Thus, ADKAR describes successful *change* at the individual level and outlines the goals or outcomes of successful *change*. It is an effective tool for planning Change Management activities, diagnosing gaps, developing corrective action, and supporting managers and team leaders.



© Prosci Inc. All Rights Reserved.

Figure 2. The Prosci ADKAR Change Model (Hiatt & Crease, 2012)

The success or failure of organisational *change* depends on the unique contributions of people involved. Kotter (2002) argues that it is the people and their inability to cope with *change* that cause *change* processes to fail, but it is also the same people and proper management that enable successful processes to take place. Human resources are not the only inputs when implementing a *change* process, but it is the major game changer, capable of affecting the other inputs such as *change* objectives, budget needed to implement the *change*, and facilities. They decide the implementation of the *change* project. "People within organisations are the key determinant, and they can be either beneficiaries or sufferers of the change outcomes no matter who have conducted that *change*" (Truong & Swierczek, 2009 p. 70). The process through which a *change* occurs addresses people side of the *change*, and it takes into consideration employees' ability, values, attitudes, and relationships with the organisation.

Through the analysis of the empirical data, which we gathered from the case study interview, we would like to test the outcome. We would, therefore, like to explore if there were certain factors that were more significant in contributing or hindering the implementation of *change* that could help companies. By doing so, companies could take appropriate measures and concentrate on the stages that are more useful in their process of change and well manage the critical stages.

The first level is split up into five stages, known as "the people side of *change*" (Hiatt, 2006 p. 16; Hiatt & Creasey, 2012; Prosci, 2017).

**Awareness** "represents a person's or organisation's understanding of the nature of the *change*, why the *change* is being made and the risk of not changing. Awareness also includes information about the internal and external drivers that are capable of creating the need for *change*" (Hiatt, 2006 p. 16).

**Desire** "represents the willingness to support and engage in a *change*. Desire is ultimately about personal choice, influenced by nature of the *change*, by an individual's personal situation, as well as intrinsic motivators that are unique to each person i.e. "what's in it for me" (Davis, 2016 n.p.; Hiatt, 2006 p. 16).

**Knowledge** "represents the information, training and education necessary to know how to *change*. Knowledge includes information about behaviours, processes, tools, systems, skills, job roles and techniques that are needed to implement a *change*" (Hiatt, 2006 p. 16).

*Ability* “represents the realisation or execution of the *change*. Ability is turning knowledge into action. Ability is achieved when a person or group has the demonstrated capability to implement the *change* at the required performance levels. Consideration of the barriers that may inhibit me from making the *change*? “(Hiatt, 2006 p. 16)

*Reinforcement* “represents those internal and external factors that sustain a *change*. External reinforcement could include recognition, rewards and celebration that are tied to the realisation of the *change*. Meanwhile, internal reinforcement could be a person’s internal satisfaction with his or her achievement or other benefits derived from the *change* on a personal level” (Hiatt, 2006 p. 16; Hiatt & Creasey, 2012 & Prosci, 2017).

The second level is split up into four stages known as “phases of a *change* project” which include: (Hiatt, 2006 p. 18; Hiatt & Creasey, 2012).

*Business need* represents the organisation’s readiness to *change*. In this stage, managers stress out the objective of the *change* project, which has to align with the company’s mission and vision (Hiatt, 2006 p. 18; Hiatt & Creasey, 2012)

*Design & Concept* represents design and concept which the project result can seemingly attain (Hiatt, 2006 p. 18; Hiatt & Creasey, 2012)

*Implementation* represents the stage of execution of the *change* project. Managers should put in place mechanisms to ensure the successfulness of the project. Simultaneously they should avoid to loss of valued employees and therefore, minimise the negative impact of the *change* on productivity and a company's customers (Hiatt, 2006 p. 18; Hiatt & Creasey, 2012).

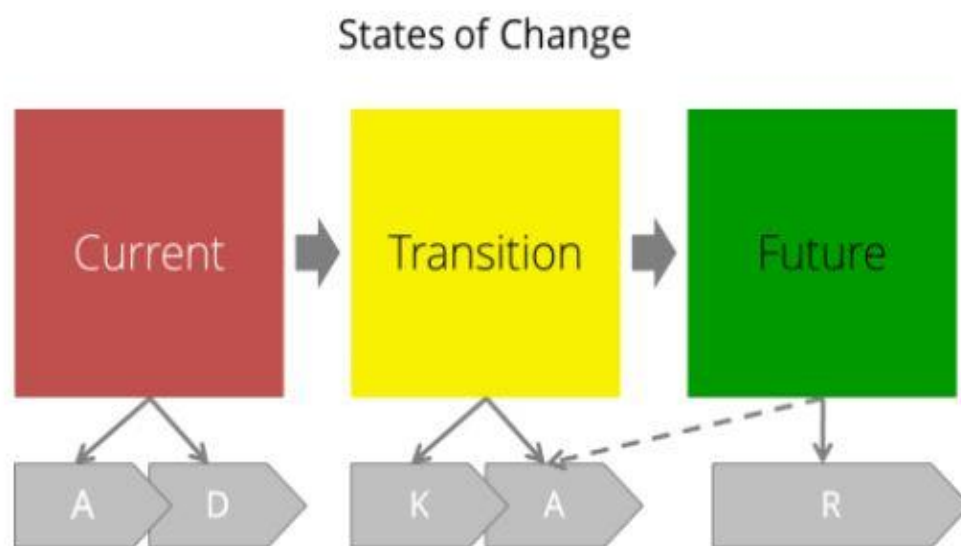
*Post-implementation* represents the final step in the *change* project process. At this stage, the company ought to look back from the entire work done, evaluate successes and failures, and identify process to improve for the next project (Hiatt, 2006 p. 18; Hiatt & Creasey, 2012).

### **2.3 States of Change**

In 1908, Van Gennep was the first to categorise the process of *change* into three distinct phases. Lewin (1948) and Bridges (1980) have speeded up the pace of this theory by placing considerable focus on the difficulty individuals face in stepping out of the current state. The current state indicates how things are done today, the transition state takes into consideration all that it is needed move from the current state to the future, and the future state indicates how things will be done in the future. The Prosci ADKAR State of Change (*see Figure 3*) suggests that the organisation in the current state



needs awareness of the need for *change* and desire to participate and support *change*. The authors argue that individual who is strongly favoured in the current state, i.e. have invested significant time, energy, and money may initially deny the reasons for the *change* in order to maintain the status quo. Phrases like “*If it’s not broke, don’t fix it*”. “*We have been doing it this way around here ever since I joined the company*”. “*What is wrong with what we are doing now?*” are often outed (Hiatt, 2006 p.10,11). On the other hand, people who strongly opposed to the current state may pass comments as; “*I told you that change was needed a long time ago*” or “*It’s about time someone listened to me*” (Hiatt, 2006 p.10,11). Successfully moving through transition state requires knowledge on how to *change* and the ability to implement the required skills and behaviours. In future state, they need ability and reinforcement to sustain the *change* (Prosci, 2017).



*Figure 3. Prosci ADKAR State of Change (Prosci, 2018)*

#### **2.4 "Herzberg's theory" (quoted from Heery & Noon, 2107 n.p.)**

By looking at the outcome of the empirical studies, we fathomed that the studied organisation's deliberate implemented *change* had as its focus the employees' motivation. Employees are the main game changer for the company because the success or failure of the company's goal strongly depends on their performance. Therefore, they become one of most the important interested parties of whether the changes can be implemented. Under certain circumstances, Herzberg's theory is suitable (see Figure 4).

Work led to a practical way to improve motivation. According to Herzberg, satisfaction at work derives from different factors to dissatisfaction. Dissatisfaction was not simply the opposite of the factors that caused satisfaction (Academic library, 2018).

Heery & Noon, (2107) explain the Herzberg's theory in the Dictionary of Human Resource Management, as there are two factors that had the ability to influence an employee's contentment at work. The first is hygiene factors, which interests the employees' necessity for fair treatment concerning compensation and working condition. The theory suggests that, if these requirements are not experienced, the employees feel dissatisfied. On the other hand, if managers contrive ways and means of encountering their necessities, it will nonetheless not lead to job satisfaction.

The second set of needs known as motivator factor has the individual growth and development in the profession, i.e. achievement, promotion as its focus. He argues that employees must come across these needs in order to be satisfied (Sachau, 2007; Heery & Noon, 2107).

Motivators - factors giving rise to satisfaction

Hygiene factors - factors giving rise to dissatisfaction

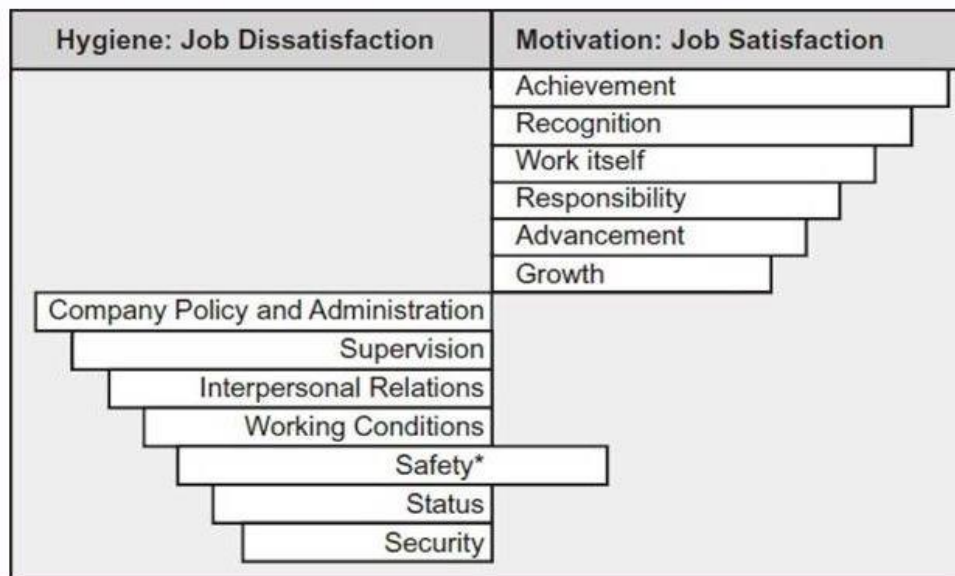


Figure 4. Herzberg's Motivation Hygiene Theory (Academic library, 2018 p.1)

## 2.5 Contingency Theories

From the late 1950s, a new approach to organisation theory was developed which became known as contingency theory. This theory argues that there is “no single style” to structure an organisation. An organisation will face a range of choices when determining how it should be structured, how it should be organised, how it should be managed. Successful organisations adopt structures that are an appropriate response to a number of variables, or contingencies, which influence both the needs of the organisation and how it works. (Mullins, 2008 p. 271; Daft, 2008)

Although multiple sets of leadership behaviours were originally identified based on these questionnaires but two outstanding behaviours proved to be especially typical of effective leaders: (1) consideration leader behaviours that include building good rapport and interpersonal relationships and showing support and concern for subordinates and (2) initiating structure leader behaviors that provided structure e.g. role assignment, planning and scheduling to ensure task completion and goal attainment. (Mullins, 2008; Daft, 2008).

Overall, in the section above the theoretical spectrum of organisational *change* has been outlined and the Prosci ADKAR model for management *change* has been discussed extensively. The common ground deriving from the theories could be found regarding the importance of having a deliberately chosen framework to be used as a guideline in the process of *change*. The following sections outline into details whether the data supports the available knowledge.

### **3. Research Methodology**

This Chapter describes the methodology that was used to carry out the study. It covers the research approach, design, data collection method, pilot study and data analysis. The study was carried out through a case study design. "It is an appropriate method when dealing with qualitative analysis for the reason that allows obtaining a clear picture of the problem by examining the real-life situation from various angles and perspectives using multiple methods of data collection" (Sekaran & Bougie, 2016 p.98). The research approach, research design, the data collection method, pilot study and data analysis methodologies together with a discussion of the limitations would be addressed in the following.

#### **3.1 Research Approach**

According to Johnson and Clark, (2006) it is fundamental as business and management researchers to be mindful of the philosophical commitments in approaching our choice of research strategy because it this has an important influence not only on what we do but as well on what is being explored. The research is interpretivism and it follows a deductive approach. This method allows the anticipation of phenomena, predicts their occurrence and therefore permits them to be controlled (Collis & Hussey, 2003; Saunders et. al., 2009).

Founded on these objectives, semi-structured interviews were conducted. The total respondents to the interview questions were 11, which included 3 department managers, and 8 staff. All the participants accepted voluntarily to take part in the interview. Sekaran and Bougie (2016 p.160) argue that the collection of primary data can often carry several ethical issues i.e. "treating the information given by the respondent as strictly confidential and guarding their privacy". Given the above reason, all interviewees received information about the project and the purpose of the interview and they accepted voluntarily to take part in the project but no formal document was signed for the acceptance of their participation except for the managers, which were contacted via email where they gave a formal acceptance to take part in the interviews. The interviews were conducted in Chinese in order to avoid misunderstandings and to encourage the interviewees to freely express their perspective on the already mentioned topic (Sekaran & Bougie 2016).

### **3.2 Research Design**

The thesis was carried out with a case study design, which is defined by Robson (2002 quoted in Saunders et. al., 2009 p.178) as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real-life context using multiple sources of evidence”. Furthermore, Sekaran & Bougie (2016) maintain that the idea behind a case study is that it enhances the ability to obtain a clear picture of the problem that the researchers must examine in the real-life situation from various angles and perspectives using multiple methods of data collection. Moreover, case studies enhance the ability of data collection techniques because it is a strong form of qualitative analysis where studies are done on either public or private bodies and where data generalisation and conclusions or implications are drawn (Kothari, 2004). In addition, Yin (2003 recognised by Saunders et. al., 2009) distinguishes between four case study strategies based upon two discrete dimensions.

- Single case vs multiple cases.
- Holistic case vs embedded case.

We chose a single case, because of the accessibility of primary data. In addition, we decided on an embedded case, and also chose to stay focused on one department as our study object, because we had the confidence that it would allow us to analyse in more details the limiting factors and had easier access to everyone inside the department to conduct our interviews and observations. Due to the nature of the study and in order to be able to accomplish our goal, we opted for a qualitative method and interview-based approach in the collection of our data. Stake (1995 cited in Saunders et. al., 2009) explains that qualitative case study research enables researchers to treat the uniqueness of individual cases and contexts. This method provides an enhanced interpretation and thorough response to the research question. The quantitative method, on the other hand, would have been useful if there were more literature provided by the authors of the used framework.

### **3.3 Data Collection Method**

Data collection phase was time-consuming because it took one of us to travel to Shanghai (China) for five days to conduct the interviews on the premise, to conduct direct observations. Given that the data we aimed to collect for the study was largely qualitative, narrative data was the most appropriate method of analysis. Narrative data are often collected via interviews. According to Denzin (2000), a narrative is a story or an account involving the narration of a series of events in a plotted sequence which unfolds in time. Sekaran & Bougie (2016) suggest that this approach aims to elicit and scrutinise the stories that are being narrated. Below are the approaches taken in collecting the data.

#### **i. Face-to-face semi-structured interviews for managers**

Through this method, the interviews were outlined to encourage the participant to describe a certain incident in the context of the case study. Based on the research question and the ADKAR model, semi-structured interviews with sixteen open-ended questions were designed for the managers, which were conducted separately with each of the three chosen managers. The individual interview that was conducted with each manager took approximately 40 minutes.

#### **ii. Group interview for employees**

For employees, a focus group the format was taken with the aim to get inputs and opinions regard *change* within the customer service department from different perspectives. Ten interview questions, which were also based on the ADKAR model were designed for the employees. The group interview with the staff, on the other hand, took 60 minutes.

#### **iii. Observations**

For direct observation part, one of us was a “participant observer” in the company so that we could secure a first-hand observational data and research data at the same time. A one-day observation was conducted with the aim to witness first-hand the *change* that has taken within the organisation.

An abstraction of the interview questions and answers will be described in *Chapter 4*. The design of the interview referred specifically back to the theoretical section in such a way to fulfil the ADKAR model, i.e. questions concerning *change*, awareness, desire, knowledge, ability, reinforcement, business need, concept design, implementation, post-implementation within the company.

### **3.4 Pilot Study**

Before conducting the semi-structured interviews, a pilot study was carried out in order to validate the interview questions and reliability of the responses. A pilot study is defined as “a small-scale preliminary study conducted in order to evaluate the feasibility, time, cost, adverse events, and improve upon the study design prior to performance of a full-scale research project” (Hulley et al., 2007 p.168). Since we had to interpret our question from English to Chinese, we decided to test the questions clarity and whether we will attain to the desired answers. Consequently, we chose one Chinese student from the Lund University, who also has a background experience as a logistic manager in a Chinese company. The objective was to mock the interview to ensure the feasibility and time needed so that we could modify a little bit before conducting the actual interviews and ensure that the language was suitable.

### **3.5 Data Analysis**

Given the nature of the study, in order to analyse the finding of this research, we decided to use a deductive approach to analyse the available data. Yin (2003 suggested in Saunders et. al., 2009) that, where you have made use of existing theory to formulate your research question and objectives, you may also use the theoretical propositions that helped you do this as a means to devise a framework to help you to organise and direct your data analysis. Since our research question, as well as our interview questions, are based on the ADKAR model, we used it likewise trying to identify the answers to the questions through the framework and theories we adopted. During the process, one of us had to transcript them and translated them from Chinese into English, thenceforward; we integrated the related data drawn from transcripts and notes. Finally, we summarised them in order to identify key and useful information.

Merriam (1988) argues that case studies can often carry an overstressing on the effect of factors in the situations. He continued that this behaviour could lead the reader to draw the wrong conclusions. In addition, the author showed further concern about the

issue linked to the researcher's integrity, who is the prior collector and analyser of the data. The author concludes that the researcher could influence i.e. altering the result of the study if he or she does not keep his or her integrity.

### **3.6 Best Available Knowledge**

The best available knowledge necessary for the conduct of our project was obtained by searching in Lund University physical and electronic library database and furthermore through manual researching using internet search engines such as university press scholarship and google scholar. We considered both primary and secondary sources such as interviews, observations, books, academic journals, critical studies, dissertations and online articles. The research for the best available knowledge was done completely in English. Many Change Management models were devised to guide, but the one we thought most suitable for our project was the Prosci ADKAR Change Management model, which can be adopted in business settings to analyse *change* from a management perspective.

We started by defining and explaining the notions within organisational changes and Change Management, in order to set the study into the right context and have a strong foundation for further analysis. We then took into consideration past and current theories about *change*. After that, we brought up the concept of ADKAR, in order to further explore the ways and how changes in companies have effects on the final service users. To conclude, we considered the importance of employees being motivated in the *change* process, so we brought up the Herzberg's theory and contingency theory. In the end, this literature does by no means cover the whole extent of the topic in question, but instead, it represents the literature that was known to us prior to the beginning of the research.

### **3.7 Limitations**

In addition to the already mentioned limitations of using a single case study design, the following also were taken into consideration. First, there were some language barriers, so during the interview, one of us had to interpret our questions into Chinese, and the outcome had to be re-translate it into English. Therefore, although it will not have a big impact on the final result of our research, we might have data accuracy issues and might need to overcome some cultural differences problem when analysing the answers in terms of expression and meaning.



Secondly, managers sometimes would have confirmation bias and be unwilling to expose their organisation to external parties. This could be for the protection of strategic information or usually do not want to expose the bad side of themselves. The above-mentioned biases might make the manager have a hard time in giving impartial answers from their perspective. According to Bryman & Bell (2015 as recognised by Anney n.d. and Saunders et. al., 2009), the main problem of qualitative studies is the researcher's bias or the tendency to interpret a certain phenomenon in a way that might be influenced by personal attitudes.

In addition, a group interview is often efficient and it is a way to get access to more answers, but we needed to ensure all participating respondents had the opportunity to express their point of view and answer our questions. In addition, someone might easily appear to be in agreement with the view of others although he or she, in fact, has different opinions. Therefore, it required patience and insight to recognise everyone and encouraged them to answer the questions and share their own experiences.

Finally, yet importantly, the literature shows that the majority of the theoretical framework used for social science research may be rooted in a specific theory, in which case, the work is expected to test the validity of that existing theory in relation to specific events, issues, or phenomena Sekaran & Bougie (2016). The ADKAR model is the main analytical tool that we have chosen for our project in order to make the overall research findings meaningful. This model is originally designed to analyse *ex-ante change*, i.e. *change* that will occur in the future, but we used it *ex-post*, to analyse *change* that has already occurred. Bhargava, Labi & Sinha (2011) argue that *ex-post* studies are helpful because they allow to set more realistic expectations in terms of performance, track investment costs and benefits. For these reasons, we believe that it is worthwhile because it allows for the full assessment of the factors, variety of policies and decisions that lead or hinder *change* in an organisation. The challenge still laid in using a model, which has been thought from the origin to be viewed from a different perspective. By keeping ever present all the risks associated with the use of a qualitative case study approach in mind, we hope to perform a study that will be as thorough and correct as possible.

## **4. Empirical Findings**

After giving some background information about the subject of the study, the Customer Service Department of HRS and the selected interview participants, we analysed the empirical findings derived from the case study. The case study was composed of direct observation and interviews in order to provide a complete picture of different situations. Our findings were then analysed and compared to previous theory in the next chapter.

### **4.1 Background Information of HRS**

HRS is a company with 40 years of history, and it is the world's leading professional online hotel reservations website, signing and agenting more than 250,000 different types of hotel. It covers over 180 countries around the world, and it offers for both business and private travellers the freedom and variety of choice (HRS, 2018). HRS has developed into an international company with more than 1300 employees worldwide. The HRS Group also owns hotel.de and Tiscover. It has offices in 16 countries including branches in London, New York, Paris, Warsaw and Shanghai. In the vision of these numbers, growth looks set to continue.

The ease of accessibility to the primary data is due to the network that one of us has on the occasion of her internship experience in one of the departments at HRS Shanghai CO. Ltd. It is also a strong motivation for her to conduct the study because she is familiar with the organisation.

In general, the Customer Service Department in HRS was divided into three branches. They are FIT (Foreign Independent Tourist), Quality and MISE (exhibition tourism). As an OTA company, these departments are the core business of the company because they are the direct sellers of the service and communicator with customers. We found that they often receive many customers' complaints resulted from their inability to serve all request coming from customers. The problems are mainly due to job mobility and short of staff.

#### **4.1.1 FIT - Foreign Independent Tourist**

The branch holds most of the staff, (approximately eight people) of the department. They deal with 95 per cent of the bookings and sometimes they are demanded to support the other two branches. Their main assignment is to answer the inquiries from customers in order to help them to make reservations and handle the emails in Omnitrack (email system software). It is the staff's duty to contact customers, hotels

and some other hotel agencies which cooperate with HRS. The emails range from hotel booking to CC invalid. Formal staff's activity is limited to booking hotels, dispatching emails to relevant departments and they leave the CC invalid to interns. CC invalid refers to customers who use an invalid credit card to book a hotel in Europe for Visa. We found that many staff at this department will be offline at the same time when they want to have a rest, which sometimes results in poor call completing rate. Besides, when many staff call out to make reservations in the email box, the external line also cannot be called in. In addition, sometimes they are too busy to check voicemail box then missed some messages from customers.

#### **4.1.2 Quality**

The Quality department has several staffs, which carry our very important tasks. This department is responsible for dealing with complaints like "no-go". This term refers to when the customers at the reserved hotel but find no room available. Additionally, it implies also price fluctuation of contracted hotels, coordinating with our sales department to ensure the quality of our products; confirming bookings in the hotel.

The manager is always in charge of the problems of no-go and coordination with other departments. Then he leads some interns to do confirmation work. They need to do the "spot check", refers to contacting all those hotels (except global chain hotels like Shangri-La, Holiday Inn, Hilton and so on) whether the booking has been made. And everyday morning one person access the office earlier to get the data from Java system to make the report according to the need-to-check list and distribute them to rest of the employees. We found that due to the limitation of the system, the keys of HRS contracted companies needed to be typed one by one, which is time-costing. Besides, the spot check work usually needs 4~5 people to do especially when there are many bookings. In the past, it was carried out by some workers and 1~2 interns.

#### **4.1.3 MISE - Exhibition Tourism Reservation**

The branch is the smallest amid the department, and its main task is to deal with exhibition tourism reservation and press. Typically, only one specialist and their main director are responsible for this department. After changes were implemented, there is little difference about the layout of the staff, e.g. due to the limit of headcount, they started to hire more interns instead of just one or two to help the quality and sometimes FIT department to relieve formal staff's work and develop potential employees, at the same time to save some labor costs. Besides, the call completing rate problem was improved compared to before as I observed on the call completing rate board in the office in April 2018.

#### **4.2 Presentation of the empirical data**

Generally, the Managers and the staff's answers concerning the changes were consistent. The changes that the company has gone through and has been able to implement are mainly based on incentive policies with the goal to motivate the staff. Their objective is to enhance their willingness to work harder, acquire knowledge and skills to improve themselves. The staff have already felt these changes in the working environment, even though some policies are still under observation and might need more time for them to be fully implemented in the working place.

#### **4.3 Interview with Managers**

In this section, a brief presentation of the interviewees and their professional backgrounds will be given. There were three managers who also occupied the position of team leaders in the department. We were aware of the ethical issues involved in having their names appeared in the interviews, and they verbally consented to our using of their English names, a practice, which is very common among international organisations operating in China (Sekaran & Bougie, 2016 p.160). The managers interviewed are Cathy Jiang, Dorathy Zhang and Jerry Pan. Cathy is the oldest among the management teams in the company, while Jerry and Dorathy are all relatively young. Due to their limited free time, working on "unrelenting pace", therefore, it became hard to have a group interview with them, so we agreed to interview them separately (Mintzberg, 1990 p.164).

The interviewed managers share different background but they all possess significant managerial experience (*see Table 1*). In addition, they all have been "invited" by headhunter companies many times to join competitors, and Dorathy has already accepted one of these proposals. She has recently decided to give her resignation in order to join the American Express. As our interviews were mainly about *change* within the organisations, therefore, there were some repetitive answers, hence, here the summarised answers are presented.

Table 1: Presentation of Interviewed Managers (Interviews).

Managers	Name	Gender	Working year in HRS	Position	Main responsibility	Interview date
Manager 1	Cathy Jiang	Female	8 years	Team learder in FIT	Omnitrack mail problems; Check on work attendance; Calculation of KPI	April 18th, 2018
Manager 2	Dorathy Zhang	Female	6 years	Team learder in FIT	Training of newly hired staff and interns	April 18th, 2018
Manager 3	Jerry Pan	Male	8 years	Team learder in Quality	Dealing with complaints from customers ; Coordinating with the sales department	April 18th, 2018

#### 4.3.1 Changes

Because the topic is implementing *change* within organisations, our questions started with the changes they have implemented since last year.

Our question was “What changes have you carried out for the department?”

*“Yes, we have carried out some changes, mainly on human’s resource level. As you well know, for service companies, especially customer service department, it is the core of the department, which easily influence the consumption experience of our customers, and in the department, employee’s attitude and behaviour has a direct impact on our performance. We have adopted some new policies to relieve the problems.”*

- (Manager 3)

Manager 3 gave a good direct answer to the question. In addition, the changes they have described can be summarised as follows.

Firstly, they hired more interns to do the spot check to prevent the “no-go” problem, at the same time; it will not add workload for our formal staff. Besides, they also train some clever interns to take part of work from some formal staff to relieve the lack of personnel, e.g. checking voicemail box and dealing with email reservations.

Moreover, they started to offer fresh fruits to our employees every morning and one cup of pear juice every week to make them in a good mood when talking with customers, also relieve throat problems for some staff (The customer service department staff’s here talk a lot with our customers every day).

In addition to the normal KPI calculation for the salary, they also adopt the policy of encouragement according to the reservation completing rank, for example, the first

one can get 800 extra RMB, and the second can get extra 500 RMB to make them feel more motivated.

Furthermore, they encourage their staff to learn more, if their employee passed some language exams, e.g. TOEFL or IELTS, or achieve some minor language certificates. They will adjust their salary accordingly and develop them as some targeted customer service staff for hotels in some cities. Since our industry has not such a high education background requirement, their education background differs, and many staff even cannot speak English. When dealing with foreigners, they have to transfer calls to those who can speak English. Because we are an international company, sometimes we need to contact overseas clients, so we want to have more highly-educated staff.

Besides, since they are a business trip company, for some middle-sized client corporations, they developed some staff major in the staff of the company.

Moreover, since they do not have so many staff, we take the rotate schedule to have the lunch break to prevent the phenomenon that no one completes the call during lunch time. Finally, yet importantly, they have communicated with sales department to specify the tasks of our partner hotel to reduce some ignorance, which leads to many complaints from their customers.

#### **4.3.2 ADKAR**

- i. **Awareness** - Did you feel the necessity for a *change* at that time?

*"Yes, during the weekly meeting, we had discussed the problems like poor call completing rate and working overload, we think we indeed need some solutions, or like you said changes to solve it." (Manager 2)*

The interviewed managers had similar answers, because they all agreed on the necessity and they all addressed similar problems at that time. Simultaneously, they were aware of the challenges facing the department and they were willing to embrace *change* in order to solve the existing issues. They understood that the completing call rate was part of the core activities of the department; therefore, a failure in not attaining to certain standard would have led to failure of the entire company. The awareness of why the *change* was needed became a critical factor for the managers.

- ii. **Desire** - What was your desired outcome of the *change*?

*"Working more efficiently and effectively so that we can reduce the phenomenon of working overload, since when I calculated everyone's working hours, I found most staff in our department, including us, sometimes have to work overload. And helping everyone in our department improve performance to cater customers' needs, so that build a better image of our company and we can develop more market." (Manager 1).*

Their answers were mainly about the efficiency of the organisation. Moreover, they expressed their willingness to finish their work on time, an issue voiced out especially by managers. The managers often have to take responsibility of the extra work, duties that have not been carried out or done with lower quality by their subordinates. Therefore, the manager had a desire to come out of the status quo and they believe the outcome would have benefitted both the individuals and the organisation as a whole.

**iii. Knowledge** - Did you know how to implement changes effectively?

Their answers can be summarised as "the set of rules and policies, allowed the staff to understand how to carry forward their works, and also motivate their staff to execute them. "However, they seemed to neither use any specific framework nor hire experts from consultancy firms to execute it. They tried to implement the changes through the acquired knowledge from their working experience.

**iv. Ability** - Did you experience any problems in putting them into practice?

*"Yes, we are a middle-size company, and for our department, it is only around 15 people in total. Besides, the changes are not so big, so I think it was possible to put them into practice. And hire 4-5 interns can relieve a lot of our workload."* (Manager 3)

*"One problem may due to more interns, as now we hired more interns to help FIT and quality department we need to take time to train them, they can quit the job and leave very easily, some are just doing summer jobs, so to some extent, adding our turnover rate of staff. Besides, their education level is not even, sometimes we can hire overseas master level student during summer holidays, but other time even senior school level student, so it is hard to train all of them so qualified that can take some work of formal staff. And we also need them to adapt our working mode and observed the rule of rotating schedule. So it took us a long time develop them but sometimes they just worked there for one or two months, it really depressed me."* (Manager 2)

It is interesting that for the problem, they had some diverse opinions. Some managers were confident about the implementation of changes, but some had some problems. On one hand, the company, especially the department is not so big, and they were not major changes so that managers thought that they had the ability to handle them. On the other hand, the turnover rate of staff inside the organization, especially the interns, was a factor that could not easily be controlled.

**v. Reinforcement** - Did you put some measures in place for preventing the staff from reverting to your old modes of work?

Their approach was to announce the new policies during the weekly meeting and supervised their staff whenever they had time, but they did not actually pushed forward because the changes are mainly "soft" policies instead i.e. updating some hardware of the company. The reinforcement stage was a core part when implementing *change*. Despite the fact that their changes were not systematic but mostly about policies, the reinforcement of the changes seems still weak.

**vi. Business need** - Why were the changes necessary from a business point of view?

*"First and foremost, we need to raise the quality of our staff, because we need to communicate with foreigners and foreign hotel staff, but some old employees even can't speak English, we want to develop more multi-language customer service personnel. But it will take time to cultivate and develop new staff, so we want to encourage our staff to learn more." (Manager 3)*

*"Since we are expanding and becoming busier, we need to make our organisation more organised and handle things more efficiently, also improve our employees' work attitudes, at the same time, to make sure that we deliver a high-quality service." (Manager 1)*

Their business need was to improve their employee's service quality and organisation's functionality. Since they are an international company, they needed their staff to have language skills to cater to different customers, therefore, they wanted to let them develop themselves. Besides, as their aim is to expand their market, the high efficiency of the organization should be promoted and the morale of their employees should be boosted.

**vii. Concept** - How did your management team define the *change* project?

*"These changes are mainly on policies, which aim to encourage our staff. As an online travel agency, we are directly dealing with our customers, so our department is "core" for the company, "people" inside are almost the most important part of our work, only they perform well enough can we achieve our goals." (Manager 1)*

**viii. Design** - How did you design the solution and develop new processes?

*"At that time, we are thinking about how we can optimise our working mode or structure. As we have already used the same software and keep the same pace as all the other subsidiaries around the world and head office, the only part we can deal with is our employees. How to motivate them, improve their skills and ability as well as their performance and attitude when they communicate with customers are main factors for us to design new policies." (Manager 2)*

They all agreed on the concept and design that the changes were to be based on, i.e. "people" inside the organisation. Therefore, the company itself approved the concept and design.

**ix. Implementation** - How did you implement the solution into the organisation?

*"For each new policy, during the time that we gathered everyone for team-building activities, we had a meeting to announce our new policies, and also post it on the notice board in the office at first, and during daily work, we as management team also observed whether these policies work for our organization, but we can't always supervise them since we also have our own duties." (Manager 2)*



Since most changes were about their policies, therefore, the implementations were mostly the reinforcement of these new policies.

**x. Post-implementation** - The first question was "In general, how is the current situation in the customer service department?"

*"Comparing to the days you worked here, the good thing is that the department has become more organised now, we have a little higher call completing rate. We have higher customer satisfaction rate, more cooperated companies and more partner hotels. We are trying to develop and occupy a position in the OTA (Online Travel Agency) market.*

*The bad thing is that we still have a high turnover rate, within the formal staff as well as interns, especially among young staff who have the higher education background, it is easy for them to job-hop. This makes us take a lot of time on training new personnel, and sometimes lack staff when needed. (Why does it happen?) One reason may be that we are a developing company in the market, we haven't so many headcounts for hiring more staff, so we have to hire more intern (relatively cheap labour) to do some repetitive work." (Manager 3)*

Their answers took into consideration both good things and also the things that are still not so good. They indeed had some improvements, but still present problems such as high turnover rate and recruitment policy, which may need more relevant policies to overcome them.

The second question was "What do you think could have been done better?"

*"Since some policies are for long-term, as the encouragement policy for staff, it will take time to understand whether it would help to raise their education level. Maybe we also need to raise the recruitment requirements.*

*For motivation policies, actually our awards are mainly for the reservation not for the amount of the received calls, so it still can't help a lot to motivate them to be willing to receive more calls. Because the calls from customers, sometimes are complaints, problems and concerns they meet during booking, they are more willing to dealing will e-mail reservation and turn off-line when doing things. We have no time to keep track of whether they are always keep online or turn to off-line or occupied the line by some customers, which leads to that other customers cannot call in.*

*Last but not least, even we tell our partner hotels to reduce ignorance, it still happen sometimes, no matter in remote places the fax machine cannot work, or some new staff in the reservation department did wrong things, so we still need to do spot check to make sure the reservations for our customers, but the good news is those five star hotels or chain hotels made promise that they don't need us to call them to make sure reservations." (Manager 3)*

*"As I mentioned before, the high turnover rate and more interns is a problem, since our team is not so stable, we need to keep training new staff, it would be better to take some measures to retain talents." (Manager 2)*

Some changes seemed to need more time to prove, and they think they may need more methods to retain their talents to reduce the turnover rate. Nevertheless, some changes have already worked, as the negotiation with hotels reducing some workload for their staff and interns.

#### 4.4 Group interview with Staff

To make sure the changes described by managers have no confirmation bias and to get more opinions about changes implemented, a similar interview was conducted with the staff, but with fewer questions (*see Table 2*). We took the format of group interview with the aim also to save their time as well as getting different point of view. Our interviewees were 8 people in total, 8 formal staff (some were on night shift and others were on holiday, so they did not participate in the group interview and 2 interns who worked there around 5 months (other 3 interns were all relatively new work here).

*Table 2: Presentation of Interviewed Staff, (Interview)*

<b>Interviewees</b>	<b>Name</b>	<b>Gender</b>	<b>Position</b>	<b>Interview date</b>
Interviewee 1	Samansa	Female	Staff in FIT	April 19th, 2018
Interviewee 2	Alice	Female	Staff in FIT	April 19th, 2018
Interviewee 3	Jason	Male	Staff in FIT	April 19th, 2018
Interviewee 4	Amanda	Female	Staff in FIT	April 19th, 2018
Interviewee 5	Amy	Female	Staff in FIT	April 19th, 2018
Interviewee 6	Robin	Male	Staff in FIT	April 19th, 2018
Interviewee 7	Yi	Female	Interns in FIT/Quality	April 19th, 2018
Interviewee 8	Joey	Female	Interns in FIT/Quality	April 19th, 2018

#### 4.4.1 Changes

The same interview questions about *change* answered by the managers were also asked by the staff. "Have some changes been carried out in the department?"

*"Yes, something like motivating us to learn more language and incentives for us to make more bookings. Besides, they start to know our work hurt throat a lot because we are always online or on the phone, so every day there will be two kinds of fresh fruits be served for us." (Interviewee 1)*

*"Besides, as someone mentioned before, now we have more interns who make our team bigger, and I had heard from others that we have reduced the work of confirming some contracted hotel since they gave us promises already, so before we worked here, the spot check report is longer." (Interviewee 7)*

Their answers were quite similar to the managers' answers and this proved that they also felt and execute changes as their management team. They are also aware of these changes as well as their deficiency.

#### 4.4.2 ADKAR

i. **Awareness** - Did you feel the necessity for a *change* at that time?

*"Sure, we need some motivation to do work, suppose you have heavy work but can't earn more and are not happy, why you work in this organisation?" (Interviewee 8)*

*"Absolutely, in the past, we did not have the extra reward for every month's most booking doer, then we are not so motivated to make more bookings actually." (Interviewee 4)*

*"What is more, our work is really exhausted, because sometimes you are on the phone for almost a whole day, so sometimes we are really tired of talking and easy to lose patience when you face other calls about our problems." (Interviewee 5)*

Their answers were diverse, but they all felt the necessity for changes. The presence of a motivator, so that they would work harder, and they wanted to improve their work efficiency.

ii. **Desire** - What was your desired outcome of the *change*?

*"'Win-win' situation, the company can earn more so that we can earn more, we could have more headcount, higher salaries and more inner improvement opportunities so that we can have a more stable team." (Interviewee 6)*

They mostly agreed with the idea that they wanted to reduce the workload, and at the same time have a stable team.

iii. **Knowledge** - The members of the staff had no ideas about how to implement changes. Everything was carried out by the management team.

**iv. Ability** - Did you experience any problems in putting them into practice?

*"Maybe the policy that they want us to learn more and pass some language tests since nowadays the language courses are expensive, we have limited time on self-study, I would appreciate if they could give us some allowance to entry some courses." (Interviewee 3)*

*"And for more interns' policy, it's good that we can have more personnel to support us, but someone just worked for one or two months until they master the techniques and adapt to the working mode, we have to teach new one, and we cannot have a stable team in this situation." (Interviewee 1)*

*"Agree, for the policy to encourage us to learn more languages and get some certificates, I want to improve myself also, but during daily time, after work we don't have extra energy, but if we want to have some courses about learning on weekends, it needs a lot of extra money, we hope that they can give us some allowance for the courses." (Interviewee 6)*

*"For me, as I am an old employee here, and I am not willing to take any more exams. It would be better for us if they provide some training courses on related knowledge for our work instead of getting some specific certificate." (Interviewee 5)*

They raised different issues about the feasibility of executing changes and response to the new policies.

**v. Post-implementation** - How is the current situation in the customer service department?

*"Our management team has announced several policies this year, we are trying to execute these policies, like when intern come we would help them to learn how to deal with the projects, we think it is good that we can have more personnel to even some of our workloads." (Interviewee 5)*

*"However, we still have some colleagues hop off to other companies, which would make us lose some confidence for our department, cause people are always going in and out, update the composition of our team all the time."(Interviewee 4)*

Their answers were corresponding to what managers explained both pros and cons, it seemed that the changes were understood, but they still needed some improvements. They were also aware of these changes as well as their deficiency.

#### **4.5 Implication of Empirical data**

As seen in the empirical data gathered, most of the questions have similar answers from the managers as well as from the staff. Although the changes they have gone through are not to be considered as major ones, the managers still faced some limitations in implementing them as they desired. Following the explanation of the changes they had gone through in the past year, we found that the changes implemented during this year mostly aim to encourage the people involved in the *change* process, i.e. relieving their workload and motivating them to improve and to acquire further skills, e.g. foreign language certificate. Their answers to our questions based on the ADKAR model can clearly state the pros and cons as well as the limitations for the managers. Moreover, the staff's answers well reflect the situation facing the organisation. Based on the model and theories, we analysed the data that has been collected and compared them to our assumption. "Herzberg's theory" quoted from Heery & Noon, 2107 n.p., was brought up for this reason to grant our readers a better understanding of the factors hindering the manager's operations.

## **5. Discussion of Results**

The following chapter discusses the main findings, derived from interviews with managers and employees in the customer service department in HRS. The presentation is combined with our literature and model, on which we structured the interview topics.

### **5.1 Our findings**

Through our studies, we found evidence that the organisation has experienced several changes during the past year. These changes were mainly focusing on the staff consistent with the chosen knowledge framework, which proves that people within organisations are the key determinant of *change* (Truong & Swierczek, 2009).

Some changes have already benefited the employees as well as improved the organisation's efficiency, such as specifying everyone's task, rotating schedule and deduct spot checklist. Alternatively, some changes required more time to prove whether they are in line with the company's mission statement, e.g. the incentive policy to improve the employees' language skills and encouragement policy to motivate them. On the other hand, the majority of these changes were already successful and fully embraced within the organisation, for instance, they hired more interns to relieve part of the workload of formal staff so that they can reduce the phenomenon of work overload and save the labour cost, however, at the same time, they had to face the problem of an unstable team. Above and beyond, during the group interview with the staff, we found that they had no divergence on their views to our questions.

### **5.2 Interpreting the results**

As mentioned in the literature session, Change Management is the means to empowering employees to embrace a *change* so that business objective can be achieved, and our interviews and observation indicates that employees' reaction and level of willingness to execute the changes are the key for manager to implement the *change* (Hiatt & Creasey, 2012). Through our case study, we observed that different stages of the ADKAR model were perceived within the organisation changing process.

From awareness stage, we found that both managers and the employees had felt the necessity for *change*, although from different perspectives. The manager's key focus was to improve the poor call completing rate and reduce employee turnover with the end goal to raise customer satisfaction. On the other hand, the employees' aim was to

alleviate their workload. As a result, the managers were required to awaken the awareness of their staff, specifying that, working efficiently will be beneficial to all the company's stakeholders. The desire stage saw both managers and staff not fully aligned, but they had a common goal, which was the ongoing of HRS. The managers aspired to develop the newly entered market and become a key player. In contrast, the staff's ambition was to have a more stable team and to achieve personal objectives "What's in it for me - W.I.I.F.M.?" (Davis, 2016 p.1). After all, these objectives are actually intertwined.

From the Knowledge stage, as perceived from their reaction during the interview. They showed that they recently had a meeting with the director and made the decisions about changing policies, which neither the managers nor the staff had specific knowledge about how to implement. At the same time, they did not hire a consultancy company to aid them in the process. The managers were capable of implementing the changes based on their years of acquired experience. The reinforcement stage, as they mentioned, there was a major effort from the leaders supervising the observance of the new rules. The management team fairly limited themselves announcing the new policies. This behaviour was also due to the reason that they did not perceive the changes as a major revolutionary issue. The business need for the company was to improve the service quality as well as the work efficiency of the organisation so that they could build a good image and develop their share in the new market.

From the implementation and post-implementation stage, we observed that there are still many limitations for managers, which were to make changes that will have a direct impact on the employees and reach their expectations. It was remarkable, the need for qualifying people to carry out the tasks. We found that almost all changes need people's cooperation, for the reason that the success or failure of changes depends on the contribution of the individuals involved in the process (Kotter, 2002). Therefore, in order to implement the changes, we believe that it was necessary to communicate with the employees, to receive their ideas and suggestions even make some modifications about the changes so that they could better achieve the goals of the changes. Everyone may need different motivators, using right hygiene factors may help them to implement changes or even make the changes better after implementation (Heery & Noon, 2107). Through the interpretation of these analyses, we argue that there were some limiting factors hindering the managers to implement the changes.

### **5.3 Limiting factors for managers**

The first limiting factor is that managers are not the owners of the company they are managing, which in turn means that their authority is limited. That is what literature defines as the principal agent theory (Eisenhardt, n.d.; Miller & Sardais, 2011).

Firstly, they cannot have more headcounts before they have earned more benefits and a larger market share according to the order from their superiors and the company's mission. Secondly, they cannot control the hiring policies of the company, no matter how the formal staff or interns are, i.e. their educational backgrounds or language skills are out of their control. It is understandable that the hiring standard may vary according to the labour market. Thirdly, facts show that "managers work on an unrelenting pace", therefore, they also have their own duties, and this impedes them to supervise everyone in the team (Mintzberg, 1990 p.164).

The second limiting factor is that managers as leaders are unable to motivate and align all the staff, i.e. they are not able to apply the right hygiene factors in order for the employees to accept the *change*. In first place, the policy of adjusting salary base on the acquired language skill certificate, while someone may think they would rather not earn a little more money with so much efforts and money on the investment. The same as the policy of extra rewards for the reservation rank, for someone who is originally rank last, it is no use for motivating them and only can be seen as rewards for those who have always made many reservations. Managers are often powerless in making the staff to embrace the *change*, as a result, the limiting factors should be taken into consideration, which can let managers find a better way to solve problems during the implementation of changes.



## 6. Concluding remarks and contributions

This final chapter covers the summary of the answers to the research question, finding of the study and the suggestions for further studies.

At the beginning of our study, our aim was to provide a thorough answer to our research question: “what are the limiting factors that hinder managers in implementing *change*?” Organisational Change Management is turning out to be more and more necessary and it increases the of strategic management skill for any manager since the middle of the 20th century. It has also gradually gained increasing attention in research. Numerous scholars have suggested multiple frameworks which organisations can use in the process of *change* (Kotter, 2002; Lewin, 1947; Hiatt & Creasey, 2012; Armenakis, Harris, Mossholder, 1993).

Our ultimate conclusion drawn from this research based on the collected data is that the decision of acting or not acting in putting in place appropriate tools of actions are indeed the limiting factors hindering managers to implement *change* successfully. The study also concluded that the key factor in the process of *change* is the people within the organisation, i.e. leadership and employees who are the main factor in shifting of an organisation from one phase to another. Therefore, all these factors are interrelated for the current *change* process (Hussain & Syed Talib, 2016). If employees embrace the *change* more willingly, that brings the results cater their expectation, like improve service quality to satisfy the customers, build company a good image to develop a larger market share.

Based on the analysis from the interview, we found that managers in the process of *change* make use of different organisational *change* model to stay competitive on the market like an action research model, Lewin’s model and the Prosci ADKAR model or any other theoretical frameworks even though unconsciously. If the already mentioned models are deliberately and fully utilised, organisational *changes* would have a higher rate of success. The findings, have then enabled us to confirm further the necessity of a repeatable process and use of a holistic set of frameworks as tools to drive the organisation whenever aiming to *change* (Hiatt & Creasey, 2012; Armenakis, Harris, Mossholder, 1993; Goodstein, Warner Burke, 1991).

## **6.1 Reflection**

### **6.1.1 Reflection about the model**

Given that the ADKAR model is originally thought for a future *change*, we decided to use it to assess changes that have already been implemented. It was piloted specifically through the interview questions. Our goal was to understand if the managers unconsciously applied a knowledge framework tool, specifically the ADKAR model in their approach to *change*. Our findings show that the managers somehow unconsciously applied the ADKAR model, which allowed them to partially implement the changes.

Maybe not all organisation follows accurately every stage of their chosen knowledge framework tool, i.e. the ADKAR model in our case. The studied company did not use specific knowledge framework during the implementation of their changes. They fairly used their experience in the process. From the above-discussed literature, it can be seen that this model is designed for the ex-ante work, but the theory could also highlight some stages as mandatory and others as elective. This will enhance an organisation's ability in finding the most useful process whenever they are implementing *change*.

### **6.1.2 Reflection about our process**

Reflecting on our working process, we had some difficulties, for example, in conducting group discussion. In some occasions, we could not permit everyone to speak out their ideas. This occurred frequently because someone has expressed others' idea, and they easily agree on others' thoughts. We believe this behaviour can be retraced back to their cultural background. Chinese are usually unwilling to express disagreement, so there were some individuals, who always kept silent and seldom answered.

## **6.3 Implications and Future Research**

The study focused on HRS, an OTA in Shanghai, which is moving its first steps gradually to becoming an important player in a new market. However, it is an evidence of the high competition in the industry. We believe that further studies should be done to attempt to bring forth a comparison between the different strategies that organisations can adopt in the implementation of *change*. Furthermore, a single case study as our approach often entails less accuracy in the data, therefore, larger scale research should be conducted.

Due to the nature of the study, having approached it as exploratory research, this study has numerous pending questions open for future research. We argue that further research also should be done with the survey as the research design method. This approach will allow the collection of comparable information, which can be included in clusters.

## References

- Academic library, (2018). Management: Organizational Behaviour. Herzberg's Motivation Hygiene Theory, Available Online: <https://ebrary.net/2839/management/herzbergs-motivation-hygiene-theory> [Accessed 04 May 2018].
- Anney, V. N. (n.d.). Ensuring the Quality of the Findings of Qualitative Research: Looking at Trustworthiness Criteria, p.10.
- Armenakis A. A., Harris S. G., Mossholder K. W., (1993). Creating Readiness for Organisational Change. The Tavistock Institute. Human Relations. Vol 46, No. 6 SAGE Social Science Collections.
- Baldwin, R. E. (2016). The Great Convergence: Information Technology and the New Globalization, Cambridge, Massachusetts: The Belknap Press of Harvard University Press.
- Bhadra R., Kumar U. (2016). What is an online travel agency OTA? Available Online: <https://www.quora.com/What-is-an-online-travel-agency-OTA>. [Accessed 09 May 2018].
- Bhargava, A., Labi, S. & Sinha, K. (2011). Development of a Framework for Ex Post Facto Evaluation of Highway Project Costs in Indiana, FHWA/IN/JTRP-2009/33, 3012, West Lafayette, Indiana: Purdue University, Available Online: <http://docs.lib.purdue.edu/jtrp/1132> [Accessed 26 April 2018].
- Bridges W. (1980). Transitions: Making Sense of Life's Changes. Addison Wesley, Second edition.
- Collins, D (1998), Organisational Change: Sociological Perspectives. Hoboken, Taylor & Francis Ltd., Library catalogue (Lovisa), EBSCOhost, viewed 11 April 2018.
- Craven R. (2002). Customer is King: *How to Exceed Their Expectations*. London, Virgin Book Ltd, p. 121.
- Creasey, T. (2012). Defining Change Management, Prosci and Change Management Learning Center. Available online: <http://www.change-management.com> [Accessed 12 April 2018].
- Daft R. L. (2008). New Era of Management – Second Edition, Vanderbilt University. Thomson South-Western.
- Davis M, (2016) W.I.I.F.M. – What's in it for me? Change Management. Available online: <https://martindavis01.wordpress.com/2016/09/10/w-i-i-f-m-whats-in-it-for-me-changemanagement/> (Accessed 04 May 2018)
- Denzin, N. K. (2000) The practices and politics of interpretation. In N. K. Denzin & Y. S. Lincoln (Eds.), Handbook of Qualitative Research, 2nd ed. Thousand Oaks, CA: Sage.
- EISENHARDT, K. M. (n.d.). Agency Theory: An Assessment and Review, p.19.

Goodstein, L. D. & Warner Burke, W. (1991). Creating Successful Organization Change, *Organizational Dynamics*, vol. 19, no. 4, pp.5–17.

Heery E, Noon M., (2107). Herzberg's two-factor theory [motivation-hygiene theory]. *A Dictionary Of Human Resource Management*. Available online: <http://www.oxfordreference.com.ludwig.lub.lu.se/view/10.1093/acref/9780191827822.001.0001/acref-9780191827822-e-543?rskey=xgchlo&result=791/> (Accessed 04 May 2018).

Herbert B. (1984) *Theory-Building and Data Analysis in the Social Sciences*. Knoxville, TN: University of Tennessee Press. Available online: <http://libguides.usc.edu/writingguide/theoreticalframework>. [Accessed 26 April 18].

Hiatt J. M. (2006). *How to implement successful change in our personal lives and professional careers*. Prosci learning center publications. Loveland, Colorado. First Ed.

Hiatt, J. M. & Creasey, T. J. (2012). *Change Management: The People Side of Change ; an Introduction to Change Management from the Editors of the Change Management Learning Center*, Second edition, Loveland, Colo: Prosci Learning Center Publications.

HRS (2018). Available online: <https://baike.baidu.com/item/hrs/4491640?fr=aladdin> (Accessed 13 March 2018).

Hulley M., Stephen B., Lippincott Williams & Wilkins, (2007). *Designing Clinical Research..* p.168-169.

Hussain, Syed Talib, et al., (2016) "Kurt Lewin's Change Model: A Critical Review of the Role of Leadership and Employee Involvement in Organizational Change." *Journal of Innovation & Knowledge*, Oct. 2016. Crossref, doi:10.1016/j.jik.2016.07.002.

Johnson P., Clark M., (2006). *Business and Management Research Methodologies*. 1st Edition, Sage Publication Ltd.

Kanter R.M., Stein B.A., Jick T. D (1992), *The challenges organizational change. How Companies Experience it and Leaders Guide it*. The free press - Division of Simon & Schuster Inc. New York.

Kiani, A. & Shah, M. H. (n.d.). *An Application of ADKAR Change Model for the Change Management Competencies of School Heads in Pakistan*, no. 1, p.20.

Kothari (2004) *Research Methodology: methods and techniques*. 2nd revised Ed. New age Techno Press.

Kotter, K. (2002). *The Heart of Change: Real life stories of how people change their organizations*, Boston, MA: Harvard Business School Press.

Lewin, K. (1947). *Frontiers in group dynamics*. In Cartwright, D. (Ed.), *Field Theory in Social Science*. London: Social Science Paperbacks.

Mahmoud A. & Marwa M. (2016). *Critical Thinking & Lifelong Learning: An ADKAR Model-Based Framework for Managing a Change in Thinking & English Language Learning Styles at the Secondary Stage*. Dissertation, Academic Conference of Assist

University College of Education. Sharm El-Sheikh.

Merriam, S. B. (1988). Fallstudien som forskningsmetod. Malmö: Studentlitteratur.

Merriam Webster (2018). Change. Available online:  
<https://www.merriam-webster.com/dictionary/change> [Accessed 05 May 2018].

Miller, D. & Sardais, C. (2011). Angel Agents: Agency Theory Reconsidered., Academy of Management Perspectives, vol. 25, no. 2, pp.6–13.

Mintzberg, H. (1990). The Manager's Job: Folklore and Fact. Harvard Business Review Classic, Vol. 68 Issue 2, p163-176.

Mullins L.J. (2008). Essentials of Organisational Behaviour, 2nd Edition, Pearson Higher Education Limited.

Sachau, D. A. (2007). Resurrecting the Motivation-Hygiene Theory: Herzberg and the Positive Psychology Movement, Human Resource Development Review, vol. 6, no. 4, pp.377–393.

Saunders, M. N. K., Lewis, P. & Thornhill, A. (2009). Research Methods for Business Students, 5th ed., p. 108 - 119 - 124 - 145- 489. New York: Prentice Hall.

Stake, R. E. (1995). The Art of Case Study Research. Thousand Oaks: Sage Publications.

Schermerhorn, R. A. (1948). Resolving Social Conflicts. Selected Papers on Group Dynamics. By Kurt Lewin. Edited by Gertrude Weiss Lewin. New York: Harper and Brothers, 1948. p.230 \$3.50, *Social Forces*, vol. 27, no. 2, pp.167–168.

Schumpeter, Joseph A. (1942). Capitalism, Socialism, and Democracy. 3d ed. New York: Harper and Brothers, pp. 82-83.

Sekaran, U. & Bougie, R. (2016). Research Methods for Business: A Skill-Building Approach, Seventh edition., Chichester, West Sussex: Wiley.

Smith, A. K., Bolton, R. N. & Wagner, J. (1999). A Model of Customer Satisfaction with Service Encounters Involving Failure and Recovery, Journal of Marketing Research, vol. 36, no. 3, p.356.

Swierczek, F.W. & Truong, T.L. (2009). "Predicting the Relationships between Human Resource Factors and the Effectiveness of a Change Project". Asia Pacific Management Review, 14 (1), 69-83.

Prosci, P. (2006). ADKAR CHANGE MANAGEMENT MODEL OVERVIEW. Available online: <https://www.prosci.com/adkar/adkar-model> [Accessed 20 March 2018].

Prosci, P. (2017). Making Sense Of Change: Available online:  
<https://www.prosci.com/adkar/applications-of-adkar> (Accessed 19 April 2018).

Van Gennep, Arnold (1908) The Rites of Passage, English trans 1960 by M. B. Vizedom and G. L. Caffee, London, Routledge & Kegan Paul: Available online:  
[https://eprints.worc.ac.uk/834/1/Turner\\_article\\_Submitted.pdf](https://eprints.worc.ac.uk/834/1/Turner_article_Submitted.pdf) (Accessed 24 April 2018)

# **Appendix A**

## **Limiting factors for managers in implementing change within organisations in the service industry**

**Managers' Interview Questionnaires Translated to English:**

**Q1 : In general, how is the current situation in the customer service department?  
(Post-implementation)**

**Q2: What changes have you carried out for the department?**

**Q3 : In your opinion, what do you think was the main problems in the customer service department?**

**Q4: Did you feel the necessity for a change at that time? (Awareness)**

**Q5: Did you have the motivation for a change?**

**Q6: What was your desired outcome of the change? (Desire)**

**Q7: Did you know how to implement changes effectively? (Knowledge)**

**Q8: Did you experience any problems in putting them into practice?(Ability)**

**Q9: Did you put some measures in place for preventing the staff from reverting to the old modes of work? (Reinforcement)**

**Q10: Why were the changes necessary from a business point of view ? (Business need)**

**Q11: How did your management team define the change project? (Concept)**

**Q12: How did you design the solution and develop new processes? (Design)**

**Q13: How did you implement the solution into the organization?  
(Implementation)**

**Q14: Have things got better after the changes after the implementation of the changes?**

**Q15: Are you satisfied with the current structure and working mode of your department?**

**Q16: What do you think could have been done better? (Post-implementation)**

**Staff's Interview Questionnaires Translated to English:**

**Q1 : In general, how is the current situation in the customer service department?  
(Post-implementation)**

**Q2: Have the company been through any changes in the department?**

**Q3 : What do you think was the main problems at that time in the customer service department?**

**Q4: Did you feel the necessity for a change at that time? (Awareness)**

**Q5: Did you have the motivation for a change?**

**Q6: What was the desire for the change? (Desire)**

**Q7: Did you know how to effectively implement the changes? (Knowledge)**

**Q8: Did you experience any problems in putting them into practice? (Ability)**

**Q9: Have things got better after the changes have been implemented?**

**Q10: Are you satisfied with the current structure and working mode of your department?**