

Bachelor's thesis
International Business
Bachelor of Business Administration
2011

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THE IMPACT OF CHANGE ON EMPLOYEES' MOTIVATION.

– Case Study: CSSC (Cargotec Shared Service
Center)



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THE IMPACT OF CHANGE ON EMPLOYEES' MOTIVATION. A CASE OF CSSC.

One of the concepts most frequently researched, discussed and written about in recent years has been change in organizations and ways of its management. It is no surprise, because change is inevitable for companies that wish to stay competitive and be profitable.

In dynamic world today change in the workplace is a crucial topic, because change is seen primarily as an adaptive response by the system, acting as a whole or through subsystems with specific functions, to maintain itself in balance with a shifting environment (Ian Beeson and Chris Davis, 2000, 178). In all cases change impacts employee motivation and studying to which extent it does so, is important.

Case company for this thesis is Cargotec's Shared Service Center (CSSC) and its purpose is to measure the impact of working environment change on employee motivation. Theories of this thesis are based on literature about the topic and created from findings during the survey. The empirical part is based on survey and interviews done in the case company as well as on the observations made by the author working there.

This research gives suggestions on how to manage change from employee's point of view, find possible problems and develop skills needed for a successful change implementation in the future. The theoretical part can be applied to any company that faces the issues described in the research and the empirical part is done for the case company. Nevertheless the empirical part can provide ideas for development also in other companies.

KEYWORDS:

Management, change management, employee motivation, change implementation.

Mashhura Sidikova

MUUTOSTEN VAIKUTUS TYÖNTEKIJÖIDEN MOTIVAATIOON. KOHDEYRITYS - CSSC.

Muutokset organisaatioissa ja niiden hallintamenetelmät ovat olleet yksi eniten tutkituista, keskustelluista ja kirjoitetuista aiheista viime vuosina. Tämä ei ole yllätys, sillä muutokset ovat väistämättömiä yrityksille, joiden tavoite on säilyttää kilpailukykyä ja toiminnan kannattavuus.

Dynaamisesti muuttuvassa maailmassa myös muutokset työpaikalla ovat tärkeä aihe, koska muutos nähdään ennen kaikkea järjestelmän sopeutumisreaktiona, joka toimii omana kokonaisuutenaan tai osana järjestelmää, jonka erityisfunktiona on tasapainon säilyttäminen jatkuvasti muuttuvassa ympäristössä (Ian Beeson and Chris Davis, 2000, 178). Kaikissa tapauksissa muutos vaikuttaa työntekijöiden motivaatioon, ja tämän vaikutuksen taso on tärkeä tutkia.

Tämä opinnäytetyö on tehty toimeksiantona Cargotec Shared Service Centerille (CSSC), ja sen tarkoituksena on mitata työympäristön muutoksen vaikutusta työntekijöiden motivaatioon. Tämän opinnäytetyön teoriat perustuvat aiheeseen liittyvään kirjallisuuteen ja tiedustelun aikana tehtyihin havaintoihin. Empiirinen osa perustuu tutkimuskohteessa suoritettuihin haastatteluihin ja tiedusteluun sekä tekijän havaintoihin tämän oltua tutkimuskohteessa töissä.

Tämä tutkimus antaa ehdotuksia muutosten hallintamenetelmiin työntekijöiden näkökulmasta, ongelmakohtien havaitsemiseen ja osaamisen kehittämiseen, joiden avulla varmistetaan onnistunut muutosten toteuttaminen tulevaisuudessa. Teoreettinen osa soveltuu mille tahansa yritykselle, joka kohtaa kuvattuja vaikeuksia ja empiirinen osa on tehty kohdeyritykselle. Tästä huolimatta, empiirinen osa voi tarjota kehitysideoita myös muille yrityksille.

ASIASANAT:

Hallinta, muutosten hallinta, henkilöstön motivointi, muutosten toteuttaminen.

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List of Abbreviations

CSSC	Cargotec Shared Service Center
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1 INTRODUCTION

Studying change from employees' perspective is important. Creating positive motivation philosophy and practice can improve productivity, quality, and service in an organization. Motivation helps people to achieve goals, gain positive attitude, build self-esteem and create the power to change effectively.

1.1 Research Background

Change in the workplace is an issue that every leader, manager, and employee has to deal with at some point in their career. That is why it is important to understand the impacts of change. Workers are expected to be committed to continuous change, (Sturdy & Grey, 2003 in Amy Taylor-Bianco & John Schermerhorn Jr, 2006) and accomplish it without any lessening of *day to day performance*, meaning employee must perform well and change at the same time. Continuously working hard and trying to change in order to meet high expectations will bring workers stress and exhaustion. Even those who think that they are motivated enough to carry the job, can be overwhelmed and lose interest in need of pause and refreshment. They may need to take a break before being able to face uncertain future again. (Amy Taylor-Bianco & John Schermerhorn Jr, 2006, 459).

It is a well known fact that taking break and pausing are not the affective ways of changing, and therefore employees need constant motivation from their leader. Managers as leaders on the other hand must understand the change and how it is affecting workers in organization. Examining situation thoroughly and realizing its impact can be beneficial. So this research is not only made to study the impact of change on workers' motivation, but also provide managers a clear picture of how well employees are motivated in their team.

Organizations are challenged by ever-present demand of change (Burke & Trahan, 2000; Pettigrew et al., 2001 in Amy Taylor-Bianco & John

Schermerhorn Jr, 2006). Different types of changes; radical, incremental, episodic, revolutionary and situated (Orlikowski, 1996; Weick & Quinn, 1999) appear, flow, move, and vanish over time. Each of them brings special attention and challenges. They demand uncertain, most of the time unplanned, performance. (Orlikowski, 1996, 65) The language of change in many cases is understood as *fear* and *failure*. Employee motivation to face change can be affected by fear of failing in new tasks or not being able to adapt change (Amy Thurlow & Jean Mills, 2009, 472). Many researches have already proven that employee motivation and their performance are linked closely together. (Amy Taylor-Bianco & John Schermerhorn Jr, 2006, Orlikowski, 1996) When motivation is low one can not perform well.

Nowadays, in the world of business, human beings are considered as a very important factor. To be able to have a successful business, with competitive advantage there should be an employment of motivated people. To get suitable employees for the job and to keep them constantly faithful working in the same company, the best appropriate way to do so is to create the backbone of the organization that will support and guide needed factors for these visions to materialize. Managers should know changes and learn to adapt them. But managers are not the only ones affected by it, employees are too. Business trend is rapidly changing now and each organization should utilize new ideas and approach on how they can stay competitive.

1.2 Research Motivation

Change is what presses us out of our comfort zone. It is inevitable. For most of the people it is uncomfortable to change from one state to the other. Different types of motivation: intrinsic and extrinsic, shift as change emerge. Studying how and in which direction it moves, gives learning organizations an ability to embrace change and get better results from it. Employee's enthusiasm demands to give people what they really want from work, which, on the other hand gives company what it truly wants: productivity, quality, and service. (Twyla Dell, 1988, 35)

Just trying to change how other people function without recognizing, accepting and trying to adjust the fundamental reason why they function that way in the first place will only create patchy and half hearted results. It will fade creative energy within workers and their ability to move into a different future. Trying to change behavior requires changing attachment to that particular behavior. (Baca, 2005, 18) Managers as leaders in an organization need to help workers let go of past attachments and behavior and move forward to new and different ways of operating. In order to do so they first need to understand how change is impacting workers.

During change management employees need to be put first, because the most challenging part of change management is steering employees to the same direction for successful outcome. Team members are the ones who *spin straw into gold* and create service/product. When they are provided with clear context and what their contribution to change needs to be, they deliver high quality results. (Baca, 2005, 19)

This research program aims to contribute to study of how planned change in Cargotec makes difference on employee motivation in its financial shared service center in Finland, and get workers' opinion on the way they want to deal with change. Another purpose of this study is seeking how well workers are being managed during change in organization, in order to develop more informed strategies on leadership of change.

Irrespective of whether company provides products or services, it appears that strategies for organizational change have nowadays become a key function for maintaining success and creating competitive advantage. Organizational success has become directly linked to its ability to face, handle and sustain change (Wilson, 1992, 82).

There are many authors of different books and articles, who have stressed their opinions on change and its management. According to Mike Young (2009), they have compared change upon: size and speed (Dunphy and Stace, 1988; Nadler and Tushman, 1990); nature of event sequence (van de Ven and Poole, 1995);

continuity and level (Romanelli and Tushman, 1994; Weick and Quinn, 1999); and degree of complexity and uniformity (Higgs and Rowland, 2008). However none of them works as a guide for successful implementation of change. In order to manage change efficiently it is important to understand how employees respond to change and learn what can be done to improve. In other words, it is crucial to focus on what practices work best for particular company. Regardless of change being planned or not, it affects motivation, which on its own leads to unwanted consequences if it is not taken care of.

1.3 Research Questions

Depressing reality proves that 70% of change initiatives still fail to achieve their goals (Kotter, 1995). This raises a question about change and its leadership, how change impacts workers' day to day performance and can leaders develop needed skills to successfully implement change. (Rowland and Higgs, 2008)

Managers as leaders, play a crucial role in 'energizing' change, innovation and success of their organization. Effective leadership is in high demand for change management to be a success. (Rowland and Higgs, 2008) This thesis focuses on change leadership approach based on collaboration and the building of capability.

Workers in organization may not welcome change, but choices and decisions that managers make can have fateful consequences in longer term for company. Studying how change can impact worker's motivation and developing skills that benefit team as a whole is very important to implement change in a way that produce a sustainable improvement in performance. Thus this research is readily accessible for studying motivation of workers and leadership development purposes. It aims on helping make change more tangible for managers by examining the relationship between change and its impact on employee motivation/performance as well as different approaches to change and alternative styles of leadership behavior and how the combination of all that can help a successful change implementation.

Leadership of change is a vast subject and it cannot be sewn up and solved by one case, but research can help improve organizational leadership for better implementation of change.

The first question of this research is; **does planned change impact employee motivation?** Following the second question; **how does it affect employee motivation?** In case study this research also aims in finding **at what stage of change cycle workers are in CSSC?** And, **what needs to be done to motivate workers and successfully implement change?**

1.4 The Structure of the Research

The introductory chapter includes the background of this research and highlights its motivation. Next it covers research questions. In answering these questions specific focus in the empirical analysis will be on change impacts on employees' motivation in CSSC. Basically the introductory chapter shows where research is coming from and what it focuses on.

The second chapter addresses the first, second and third research questions in literature review. In addition this chapter includes management practices that impact change management and answers partially research question four. In this chapter firstly management and change management theories are defined followed by different aspects that impact change management in an organization. It also includes motivation theories and how they apply to research questions here.

Chapter three covers the research methodology, which includes description of the research data and data collection. In addition interview and survey which were the main data collection techniques are discussed. Survey and interview questions in English are enclosed in appendix.

Chapter four covers empirical data of case company Cargotec Corporation, CSSC. In this chapter organizational structure and culture, change type and employee motivation included.

The last two chapters cover research findings, analysis and conclusion. They include suggestions for further development and future research.

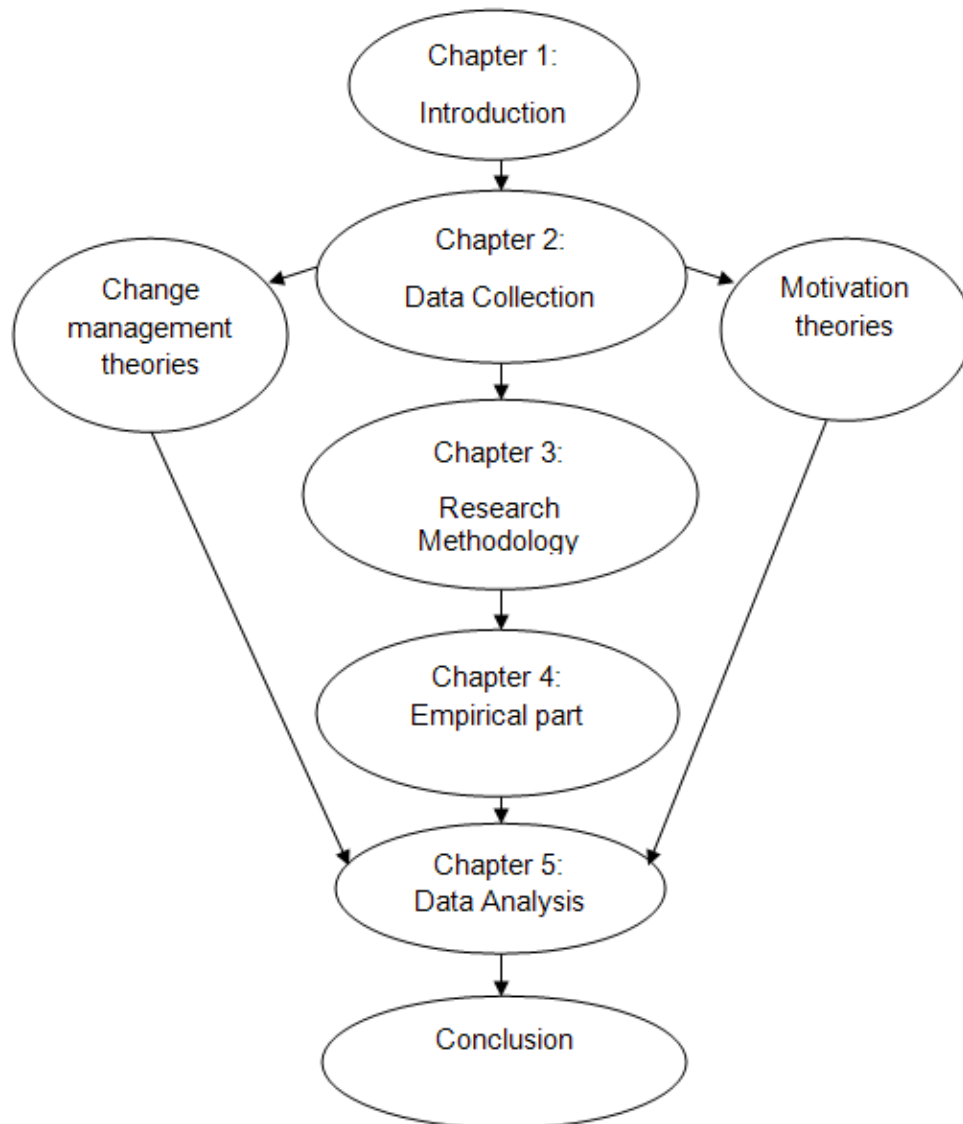


Figure 1. Thesis outline

2 LITERATURE REVIEW

For change management to be successful and its impact positive, managers need to be true leaders who can understand what motivates their team and enroll employee participation in a way that combines their personal need with group goal.

2.1 What is Management?

For in depth understanding of change management and its impact on others, we first need to find out what is management. Generally speaking, management is a process of getting activities done effectively and efficiently with and through other people. Peter Drucker (1993) defines management as a creative and systematic flow of knowledge that can be applied to achieve quality results by using human as well as other resources in an effective way. The importance of management in businesses today has increased multifold. Strategic outcomes depend on ways of management in organization, therefore key management functions that include learning to delegate, planning, organizing, communicating clearly, motivating employees, adapting to change and constantly generating innovative ideas are crucial.

In general there are two approaches to management; *industrial organization approach*, which mainly based on economic theories and focuses on competitive rivalry, resource allocation and profit maximization, and *sociological approach*, which focuses mainly on human interactions, rationality and satisfying behavior (<http://www.indianchild.com/management/what-is-management.htm>). This research focuses mainly on second type of management approach, sociological approach.

There are many discussions about difference of management and leadership as they serve two different purposes, where leaders are pictured emotionally engaging, visionary and inspiring, while managers are seen as task-oriented and controlling. In fact separating manager from leader in terms of style is a dead-end because every manager needs to have leadership skills to get

activities done and every leader should have managerial skills to induce workers to change directions. This is especially important while company is going through change, while constant motivation and guidelines are needed.

2.2 Change Management

The original meaning of the word *change* comes from old French word '*changer*' which means to 'bend' or 'turn', like a plant searching for a sun. Today organizations change the same, in search of better future and long term competitive advantage in business.

The following are glossary definitions of change management:

Change Management: activities involved in (1) defining and instilling new values, attitudes, norms, and behaviors within an organization that support new ways of doing work and overcome resistance to change; (2) building consensus among customers and stakeholders on specific changes designed to better meet their needs; and (3) planning, testing, and implementing all aspects of the transition from one organizational structure or business process to another. (<http://www.change-management-coach.com/definition-of-change-management.html>)

English Collins' dictionary defines change management as a style of management that aims to encourage organizations and individuals to deal effectively with the changes taking place in their work.

Prime movers of change can be the CEO, project manager, change team or team leader in a small part of the organization. The way they enact change, impacts the probability of successful outcomes. How much they attend to task and people, how much they plan and let emerge; whether they are autocratic or democratic, authoritative or affiliative - all these affect success or failure, level of communication with stakeholders and emotional well-being of those affected in an organization. (Green, 2007, 9)

In order to manage change successfully one needs specific tools and techniques to manage the people side of change processes for achievement of required outcomes and to realize change effectively within individuals and teams. Not all change scenarios are the same therefore same tools and techniques can not be used in all changes occurring in companies, even in the same company with different changes. Success or failure of change outcome depends on type of change, company type, company culture and individuals within organization.

2.2.1 Types of Change

According to McLagan (2002), there are three types of changes. They are transactional, transitional and transformational. Transactional changes only need minor interventions, e.g. training or changing the incentive system, switching software. Transitional change is more complex and require change in roles/responsibilities, power bases and systems. Example of this kind of change could be opening a new plant in another location, where more detailed planning and expertise is needed. Transformational change requires redesigning the entire organization, especially the fundamental beliefs and norms, in order to adapt to global business demand.

In this research case company is going through transitional change. Cargotec is in early process of setting up common business platform in ONE programme and creating global ERP system. In order to succeed in transitional change high investment in change management is needed; setting up detailed project plan, phase in innovation, addressing emotional side of change etc (McLagan, 2002, 47).

No matter how big or small change is in organization it impacts workers either positively or negatively. Impacts of change on employees depend on whether they were well informed about change or not. As Edwards and Walton (2000) wrote *“greater understanding helps reduce uncertainty which inevitably accompanies change”*.

But since change initiative doesn't concern everyone in the same level it is important to choose target groups and try to identify means of communication, whether it is trying to get workers to know change, understand it, agree upon it or get involved. Also identifying where employees stand in relation to change helps managers to come up with specified message by knowing if they are for, indifferent, or against change.

Communication should not stop once everyone is involved in change, but rather adapted in each step. For example during early stages of change it is crucial to explain why change is important and how it is going to be enacted, during the 'implementation' phase making sure that people know their efforts have not been in vain, after implementation phase praising and rewarding employees' contribution to change.

2.2.2 Company Metaphors

In his book '*Images of Organization*' 1986; Morgan described different company metaphors, which can help us in understanding of organizational dynamics and what might or might not work when it come to change in organization (Cameron & Green, 2004). According to them there are four metaphors of organizational dynamics: Organization as Machine, Organization and Political System, Organization as Organism and Organization as Flux and transformation.

As an observer in case company I have noticed that in Cargotec organization is treated mostly as an "*organism*", which is the best metaphor during change management. Organization should be treated as an "*organism*", where there is no 'one best way' to design or manage a company, because only this way there will be no burden that will not allow ideas flow. The flow of information between different parts of the system and its environment is the key to organization's success. In this kind of organizations changes are usually made in response to external environment. Individuals and groups in such organization need to be psychologically aware of the need for change in order to adapt it well. Participation and psychological support are necessary strategies for success. (Green, 2004, 15)

Monitoring the environment and taking pulse of organization is required during change to create an environment where people will become active. Great ideas can come from employees if they get involved and if managers engage energy of workers by discussing the possibilities for improvement. (Green, 2004)

Table 1. Company metaphors (Cameron & Green, 2004).

Metaphor	Key beliefs
Organization as Machine	Each employee has only one line manager and labor is divided into specific roles. Each individual is managed by objectives. Teams represent no more than the summation of individual efforts and management controls employee discipline.
Organization and Political System	Workers need to build approach if they want to make anything happen. One needs to know who's powerful and who they are close to. There is an important political map which overrides the published organizational structure.
Organization as Organism	There is no 'one best way' to design or manage organization. The flow of information between different parts of the system and its environment is the key to organization's success. Maximizing fit between individual, team and organization is important.
Organization as Flux and transformation	Order naturally emerges out of chaos. Organizational life is not governed by the rules of cause and effect. The formal organizational structure (teams, hierarchies) only represents one of many dimensions of organizational life.

2.2.3 Company Culture

We all see change through difference lenses, due to the fact that we all have different personalities and individual histories. Same as our personalities affect how we respond to change so do organizational cultures. Workers of different companies see change in different ways.

According to Charles Handy there are four types of company cultures; cultures based on concept of power, role, task and person (Green, 2007, 26).

In a culture based on concept of power decisions are centrally controlled and based around sources of power. On the other hand, culture based on role organization tries to fit into defined structures and roles, where every worker knows where they fit in system. In culture based on task is where work gets done, where systems and structure are designed to enable that to happen. Usually project management organizations would have this type of culture. Last, culture based on person puts people in central need of organization, because of overarching aims within company. Usually academic or professional associations have this kind of culture.

Understanding culture of company is important during change because: a) knowing whether culture you work in will be best for the end state of change, and b) knowing how culture will aid or detract from change, c) being aware of culture helps shape thoughts, ideas, and decision making processes during change communication to employees (Green, 2007, 27).

Company culture determines how employees in a company are likely to act before, during and after change. Companies that have clearly identifiable corporate culture are in better position to succeed, because they have certain key features that support positive outcome; values, heroes, clear approach and networks (Carnall, 2003). Culture of organization is one of the most important forces acting upon motivation during change too.

2.2.4 Organizational Structure

Organizational structure enables a company to have common views and missions. Top management decides those missions, vision and goals for the whole organization, however it is lower management who brings them close to employees and guides them towards a common goal. Organizations can be structured in many ways; in general it means relations between employees and the operation modes based on these relations and determines duties, responsibilities, and communication networks of the organization. (Lämsä & Hautala, 2004, 152) Well functioning organizational structure is important for a company that is going through change, because if there are flaws in the

structure it will affect communication flow. With unclear roles conflicts and misunderstandings occur that lowers motivation and work morale. It can also drift different departments apart from common organizational goal, where decision making processes becomes slow and employee effectiveness disappears. To keep all departments within company focused on common goal structure of organization should be clear. Sometimes even redesigning the whole company structure is necessary to achieve successful change implementation.

2.2.5 Personality Types

Mike Green (2007) in his book *Change Management Masterclass* has described the Myers-Briggs Type Indicator which identifies four different personality dimensions. These different personality types are seen in all organizations. By studying what categories workers belong in certain organization will enable managers to manage change more effectively. These are important to find out because they indicate behavior of each individual. The following are types of personalities:

1. *Thoughtful realist*: wants to know why there is a need for change and require evidence based arguments. Their motto is: *'If its not broken, don't fix it'*
2. *Thoughtful innovator*: wants to know why there is a need for change and where it is heading. Their motto is: *'lets think ahead'*
3. *Action oriented realist*: is happy to start change and improve but need detailed information and action plan. Their motto is: *'lets do it'*
4. *Action oriented innovator*: is enthusiastic about embracing change only by being part of it and inspired to follow it. Their motto is: *'lets change it'*

Depending on their personality people go through stages of reacting to change differently as well. Stages of reacting to change are described in next sub-chapter, section 2.4 (Change Cycle).

Some scholars believe that age and gender influence attitude of workers towards change and perception of new technology as well. (David Bill, 2003)

2.3 Motivation Theories

In spite of many research conducted over the years the subject of motivation is not clearly understood and more often not properly practiced. In order to understand motivation we need to understand human nature itself. It can be very simple, yet very complex too. Understanding and appreciation is a prerequisite to effective employee motivation and therefore effective management and leadership. (Accel-Team, 2001) The following are theories of motivation suggested by scholars:

Douglas McGregor's *Theory X* and *Theory Y* from his book '*The Human Side of Enterprise*' discovers two different assumptions managers have towards human nature and motivation. (Adair John, 2006, 61) *Theory X* suggests that workers do not have any ambition, they avoid responsibility and all they want is security from work, and to make them get the job done they need to be rewarded or punished. This theory is not valid, because no successful outcome or creative work will be achieved in such a frustrated working atmosphere. *Theory Y* suggests people want to learn and that work is their natural activity, where reward is not so much in cash payments but in freedom to do challenging work themselves. (Adair John, 2006, 61) In this theory manager's job is only to *dovetail* workers' wish for self development into company's need for efficiency. This is a complete opposite of theory x, but unfortunately it is also not valid in all cases, as personality types in organization may vary.

McGregor's theories were based on Abraham Maslow's theory of motivation which includes basic human needs to stay motivated; physiological needs, safety need, love need, esteem need, and self actualization need. (Adair John, 2006, 63)

Frederick Herzberg and his colleagues believed that people work mostly for their own self enlightened interest and divided the factors effecting motivation to two categories: *motivators and hygiene factors*. Motivators are the factors that can increase motivation. They are responsibility, recognition, work itself and advancement. Hygiene factors can be demotivators if they are unsatisfactory.

But if satisfactory their motivational effect is limited. The basic hygiene factors are for example salary, working conditions, job security and interpersonal relations. (Adair John, 2006, 70) This theory tries to prove that money, nice office and job security help workers from getting less motivated, but they do not necessarily help workers to become more motivated. If this theory is proved to be right, then in companies where workers are both internal and external have same level of motivation and that internal workers are not more motivated because their job security and salary are only hygiene factors.

It is obvious that some theories of motivation are more appropriate to change management than others. For example Theory Y of McGregor is more suitable than his Theory X, because during change sociological management approach is crucial. Another problem is that most managers pay little to no attention to motivation of workers during change, mostly focusing to general communication, consultation and info sharing. (Lyndon Pugh, 2007, 186)

2.3.1 Change and Employee Motivation

Organizational growth, while considered a very positive change, can have a negative effect on the environment and employee attitude. Company's culture, current leadership styles, and business systems may no longer suit the organization in its new form. It is important for a manager to understand the nature of change and proactively get involved. The more human side of change is understood, the more affective change will be and positive work environment created. (Stevens, 1992, 5)

Recent survey by McKinsey 2006 shows that only 6 per cent of change management projects were successful (with 32% mostly successful). During that change mood of the organization was characterized by the following:

Table 2. Mood of organization during change (McKinsey, 2006).

	Successful projects (%)	Unsuccessful projects (%)
Anxiety	44	51
Confusion	22	43
Frustration	23	44
Fatigue/ Resistance	24	34

It is obvious now that in order for change to be successful sense of focus, enthusiasm, feeling of momentum, hope and confidence in organization are needed. When mood of organization is not taken care of during change it has negative effect on motivation, morale, sense of job security etc. Worrall and Cooper, (2006) in their research have found out to what extend change negatively affects workers:

Table 3. Negative effects of change on employees (Worrall and Cooper, 2006).

Motivation	51%
Sense of employee well-being	48%
Loyalty	47%
Morale	61%
Sense of job security	56%

While managing change focus needs to be pointed on how to keep motivation and loyalty of workers up. Several researches and observations have shown that well motivated employees are more productive and creative. On the other hand less motivated employees do not want to contribute into work. But unfortunately motivation in work place has never been defined in a scientifically acceptable, reasonable and legitimate manner. It has not even been defined in a practical, commonsense or useful manner. One of the reasons it has not been defined is because it is too close to emotion, which is intangible. We tend to avoid emotions, especially in the workplace. When emotions are not communicated it becomes a struggle to hold the feelings in all day long, without expressing them and pretending they do not exist. When emotions become intolerable in result productivity and output suffer. (Maddock et al. 1998) As attitudes of workers deteriorate, so do their commitment, loyalty and most importantly their performance. As Obeng (1996, 45) states, *confronted with change, peoples' first reaction is emotional and if you are lucky they move into logical phase*. He also mentions that fear is most like emotion that comes with change, because it is unknown.

Almost 43 percent of all employees feel insecure about their job while going through change. Those anxious employees typically feel insecure and lose self-confidence and are not best performers and team players. They become

reluctant to express their useful opinions and ideas or to develop innovative approaches to their everyday work. (Katcher et al 2007, 7)

Worker's willingness for change is highly dependent on knowing and acknowledging the reasons and benefits of the change. Only after understanding these factors an employee will accept to consider the new responsibilities that change brings (Markkanen, 1999, 104). "Well informed employees give credibility even to the reactions of a company faced with serious adverse publicity. Indeed, a well managed crisis can have a lasting beneficial outcome and effect on a company through uniting the workers" (Hill & O'Sullivan, 2004, 52).

When employees are only told what to do and not listened they become unhappy and anxious, it is due to what psychologists call a loss of "perception of control." As Herzberg, Mausner and Snydermann (1959) suggest 'individual should have some measure of control over the way in which the job is done in order to realize a sense of achievement and of personal growth'. (Miner, 2006, 52)

Job satisfaction and motivation are overviewed as an outgrowth of achievement, recognition, the challenging work itself, responsibility and advancement. When these all are present in a job, positive feeling and improved performance will be noticed. Workers need basic needs as personal growth and self-actualization to remain satisfied and motivated. On the other hand job dissatisfaction is a result of different factors such as company policy, supervision, interpersonal relations, working conditions, job security and salary. These dissatisfactions can be removed by changing those factors which can lead to performance improvement. But positive job feeling is not always guaranteed, because they are hygiene factors, therefore management must shift to motivation. (Miner, 2006, 57)

2.3.2 Motivation and Mobilization

Mobilization is a process of involving and engaging those affected by change. Understanding what motivates and mobilizes workers towards change is of great value for successful result. Lyndon Pugh (2007) suggests the following on how to manage change from psychology of change:

Encouraging differences. Encouragement of freedom of expression is a vital psychological support and an important source of energy in managing change. According to Discovery Surveys Normative Database only 48% of working employees feel free to voice their opinions, others feel safer to keep their mouth shut. It is sad that more than half of all employees are too scared to openly express their opinion. A lack of openness negatively affects not only employees but employers too. When workers do not express themselves good ideas do not surface while important problems go undetected, groups make wrong decisions, because workers are afraid to disagree while valuable time is wasted for unproductive meetings (Lyndon Pugh, 2007). This leads to decline in motivation, because workers no longer believe that their effort is worth full commitment. Management responsiveness and caring organizational culture foster spirit of openness, which engages workers in information sharing in culture of broad ownership.

Creating trust. Involvement, openness, and comprehensive communications are important in creating trust. Trust also depends on track record of organization, whether changes in the past have been successful or not. But managers also need to take task in changing perceptions to create a positive attitude towards change in workplace by acknowledging weaknesses and past errors and helping workers to articulate their thoughts and doubts and then bring on benefits of embracing change. Being honest and communicating clearly what is like to happen in the future sets employees' uncertainty and worry at ease. (Lyndon Pugh, 2007)

Self efficacy. As Bandura (1995) in Lyndon Pugh (2007) explains self efficacy is "the belief in one's capabilities to organize and execute the courses of action

required to manage prospective situations”. Bandura proves that motivation and ability to achieve depends on people’s willingness to believe in themselves. It is the opposite of self doubt which creates underperformance in workers. Managers need to spend time in finding tools and techniques that best boost self confidence in their organizations.

In organizations if managers create pressure it can run into consequences where undesirable psychological effects appear on workers (Perlow, 2003 in Lyndon Pugh 2007, 178) which leads to weakening of creative impulse and drop in productivity. For some it can also create resentment, anger, and reduced self worth.

Understanding psychology of resistance. People do not resist change automatically. They resist the way change is handled, because in most cases it sounds as destabilizing at an organizational level and threatening at a personal level. But most reasons for resisting changing are not tangible, because they can be based on fear, uncertainty, suspicion etc. It is not efficient to avoid resistance during change process, but rather identify it and deal with its causes. (Lyndon Pugh, 2007). Most common causes of resistance are fear of failure in new tasks, leaving old habits and predictable manners, loss of control, fear of the unknown and personal impact. Using resistance positively can improve processes. When resistance is eliminated by helping workers get motivated they start to embrace change. Causes of embracing change are in finding; new opportunities, learning new tasks and overcoming new challenges.

There is a group of emotions that one goes through while facing change: happiness, fear, excitement, anger, sadness, disgust, interest, surprise, embarrassment, embracement, regret and jealousy. Izard and Ackerman (2000) suggest that a motivational function: *interest* motivates exploring and learning, and guarantees the person’s engagement in the environment. It is important to draw workers interest to change in order for them to be involved and committed. The experience of interest during an activity predicts the duration of engagement, volunteering to repeat the activity and the development of skill

(Deci & Ryan, 1985; Fisher & Noble, 2004) Therefore in order to boost ones motivation to complete tasks that are repetitive and in a way boring, managers need to implement interest enhancing strategies. In order to do so one needs to understand the dynamics of emotional experience in that particular work place. (Sylvia P, 2006)

2.4 Change Cycle

Supervisors and managers are the most important link to the potential success of any change, because it is up to them to carry the ball for ongoing communication and after the initial announcement. Successful strategic initiatives and organizational change require above average attention and commitment to communication, above average leadership and management skills. (Salerno & Brock, 2008, 55) It is essential to analyze the process of change and its impact to workers to master it and find positive opportunities that lead to positive outcomes.

Just like anything else has its own life cycle so does reaction to change. There are many authors of change management books who have put employees' reaction to change in stages. For example, Stages of change according to Michael et al 1989 are denial, resistance, conflict, and adaptation. Work of Elisabeth Kubler Ross (1969) provides us with a curve showing different stages in coping with change, such as shock, denial, resistance, renunciation, acceptance, and pardon.

According to Salerno & Brock (2008), there are four stages in change cycle from employees' perspective; fear, doubt, discomfort, and discovery. Examining and revealing at what stage of cycle workers are helps management determine clear communication plan and strategic outreach to employees.

2.4.1 Fear

During the introduction of change employees will find themselves in an emotional place which may or may be not be outwardly apparent. *Stage 1* is accompanied with *Fear*, because employees feel outside their comfort zone.

According to Abraham Maslow, besides basic survival (water, food and shelter) people's greatest need is safety, not only physical but also emotional.

When people experience change they become cautious, which is good, but if it lasts long it turns into suspicion, it has negative impact. That's when information and answers are needed in organization. When needed information is not given, our behavior becomes more or less frozen. It is a kind of stillness called 'pause'. And that's when workers feel like they lost total control over their actions. When that happens, productivity becomes less and stress increases.

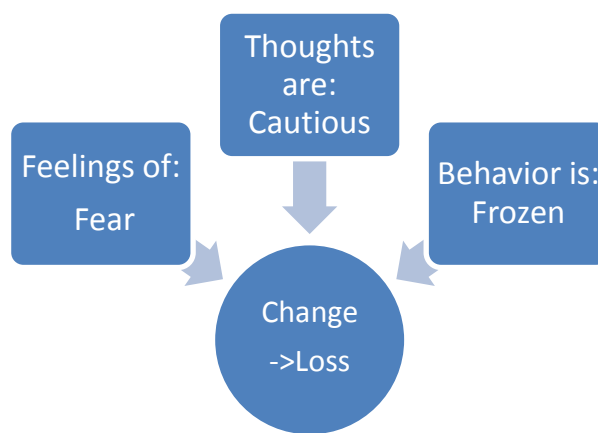


Figure 2. Fear (Salerno & Brock, 2008).

To move out of stage 1, employees need to feel some degree of control over the situation and have sense that their safety is not threatened. Only way to do it is though informing workers. But it is crucial to keep in mind that information and communications are not synonyms; Information is giving out, while communication is getting though (S.J. Harris).

2.4.2 Doubt

Stage two is a stage where people are on their platforms, filling on their own complaints and views. They do not fear change anymore, because they know organization is going though change, but they still have to deal with doubt. During change workplace become rumor mill, where workers may feel resentment and become skeptical about whether change will be in their favor or not and resist changing. Doubt puts human brain in hard-wired way and slows it

down with unfamiliar situation. In such cases we take time to gather information before taking any action. Doubt pushes workers to dig for the facts behind the evolving scenario.

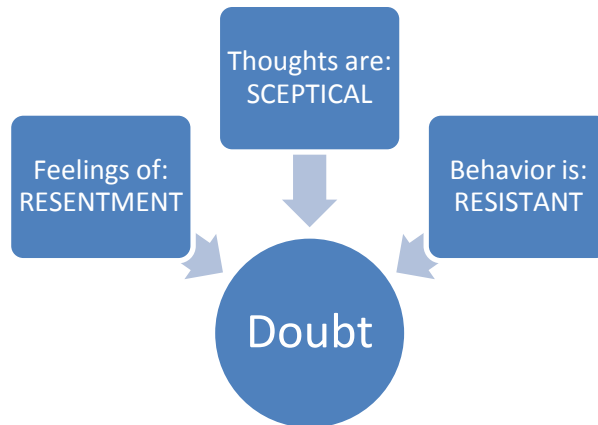


Figure 3. Doubt (Salerno & Brock, 2008).

Best way to deal with doubt it to recognize that it is natural human state and providing enough information can help employees overcome it. Doubt is very close with emotions of the people. Communicating roles and responsibilities of employees in change will minimize workers' doubt and resistance. Overcoming phase 'doubt' is challenging especially for lower management, because they have to deal with emotions and significant transition. In addition managers can handle this stage by *minimizing the immediate impact of change* and giving workers time to adjust to new reality (Carnall, 2003).

2.4.3 Discomfort

During third stage after fear and doubt comes discomfort. At this stage challenge of managers and leader are less about communicating change, but helping employees understand and avoid feelings hidden under new tasks and roles. At this stage absenteeism will increase along with confusion. As workers get confused they loose confidence and energy that will create anxiety and frustration, which in its term increases unproductive work. Common comments during this stage are: 'I don't care', 'I think I am working hard for nothing', and 'I don't know where to start' etc. (Salerno & Brock, 2008)

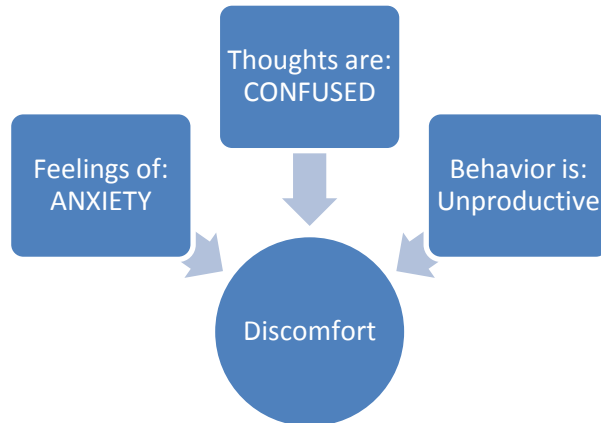


Figure 4. Discomfort (Salerno & Brock, 2008).

At this stage of change it is important to find out what motivates workers. There are factors that employees need to avoid and what that they need to embrace. Most importantly they should not ask too much of themselves and realize that being confused and anxious are normal. Being realistic to task achievements, setting realistic goals and having five Ps will help; patience, perspective, persistence, play, and purpose. (Salerno & Brock, 2008)

2.4.4 Discovery

When stage four is reached, employee enters energetic and hopeful stage of change. That is when workers start offering ideas, feel energized, motivated and they explore options and choices.

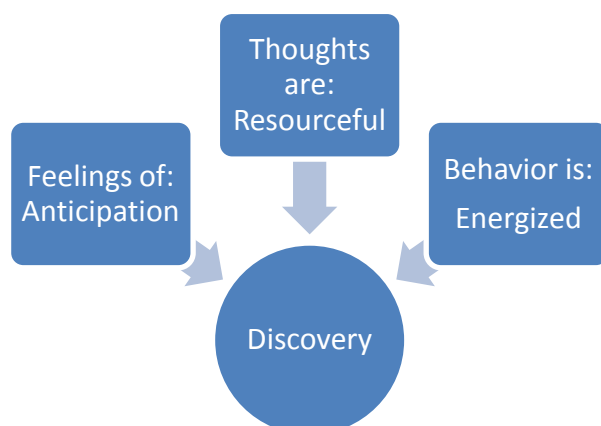


Figure 5. Discovery (Salerno & Brock, 2008).

During discovery stage employees have made sense of what has happened and what is going to happen. Their new behavior becomes part of their normal behavior (Carnall, 2003).

However employees do not necessarily go through stages in the same order neither do they go through them in same level of intensity. Time spent on each stage also varies from one individual to another. Personality types determine how long one can stay in *fear* and *discomfort* and how fast one can go to *discovery* stage. *Thoughtful realists* might stay longer in *doubt* stage than *thoughtful innovators*. Studying what type of personality workers have and at what stage they are in, can help determine how management should approach employees during change. When workers are lead to reach acceptance of the change situation will transform into a successful outcome.

Acceptance of change does not necessarily mean agreeing with it, but understanding it and being ready to follow it. Usually workers do not understand the need for change as from their perspective everything is just fine the way it is. They do not agree with the forces and actions taken behind the change. When employees understand reasons behind change and benefits that it brings they become confident in their actions and believe in bright future with change.

As McLagan (2002) points out: *“People can accept changes that affect them adversely if they believe the change is right and procedural justice was followed. People will support changes that make sense, that make work easier and more effective, that make customers happier, that improve product quality”*.

In conclusion it is important to point out that there are many factors affecting change management and employee motivation; such as type of change, organizational culture and structure, personality of employees etc. But with the right management approach and listening to workers' demands it is possible to create an atmosphere in workplace that fosters openness, trust and loyalty. These factors will steer group into one direction to achieve common goal. They create a backbone to team that is built by individuals who strive to change with interest and high motivation.

3 RESEARCH METHODOLOGY

Selection of the most appropriate research methods is important for it affects what one can conclude from data gathered.

The objectives of this research are twofold, first to find out how change in organization impacts its workers' motivation on their daily basis at work, and second help managers benefit from findings in steering motivated employees towards a common company goal. This thesis strives to find how change impacts different personalities in order for management to come up with clear solutions to improve working conditions of organization. It also gives possibility for the case company to listen to workers and overcome possible problems and develop skills to impact employees' motivation better.

This study uses realism as the main research philosophy, but some interpretive approach is not out of question. It has inductive approach which is descriptive in nature. First this study aims to link theory to practice and then if possible to build new theories from data gathered.

The goal of the theoretical part is to study what change management is and different management approaches towards change. Also it studies the impact of change on employee's motivation; how employees' motivation changes affect their daily work and some suggestions for managers to help workers stay motivated. Theoretical part relies on many secondary sources gathered from literature review; from books, articles and reliable online sources.

The empirical part concentrates on finding out the current situation in the case company and gives suggestions on how to develop them. The research is mainly done for the benefit of the Shared Service Center of Cargotec, but the findings can be applied in other companies facing the same issues as well.

3.1 Research Data and Data Collection

As Ghauri and Gronhaug (2002) mention research is a process of planning and investigating of answers to specific questions. Research methods are used in systematic and focused ways of collecting data aiming to obtain information and finding specific answers to research questions based on that information.

Quantitative and qualitative data were gathered and utilized in this research, which are survey and interviews. Quantitative data can be expressed numerically or classified by some numerical value, whereas qualitative data is in form of descriptive accounts of observations or data which is classified by type. (Ghosh and Chopra, 2003)

Survey was chosen as one of the main methods, because the biggest advantage of quantitative data is being in form of numbers, which can be easily analysed using standard statistical techniques. It also allows collection and analysis of large amounts of data more efficiently than qualitative method. But survey was not created purely as quantitative method. It includes some open-ended questions where respondents can freely express their opinion in words. Quantitative method is not enough for this research, because quantitative method looks for facts; it does not cover understanding behaviour of people in certain situations. Feelings and behaviour do not come in numbers; and quantitative method is limited to obstructive and controlled measurements. It can not include uncontrolled observations, which are very helpful in study of behaviour, especially in this thesis. Adding open questions to survey data collection allows gathering not only quantitative data, but also valuable qualitative information for deeper analysis. In addition to survey, observation, as worker in case company, was also used as method in studying motivation.

Interview of managers was selected as another method of data collection, because it gives an opportunity to precisely study subject in its natural environment (Karlsson, 2002, 195-199). Interview has theme method which proceeds within chosen topic, but during the interview there is a high chance of further discussion of the topic to gain better understanding. According to

Lähtinen et al (1995) one of the strengths of the theme interview is possibility to carefully prepare questions beforehand but there still is a strong element of discovery.

Main reason for choosing both survey and interview as research methods is being able to compare results of survey from employees and interview with managers to find out if they are all steering to the same direction, what management practices work best for employee motivation and finding out possible gaps if they exist.

3.2 Research Procedures

Survey is based on interest of case company, but it was designed keeping in mind quantitative research theories. The main aim of survey is to find out whether workers' motivation has changed during change, what caused certain reactions, what keeps them motivated as well as how to develop further strategies in helping employees stay interested during change and get engaged. Theoretical background rests on the viewpoints of change management and employee motivation/reaction during change.

Survey was carried out by using questionnaires. Questions in survey were created in logical order to keep respondents interested. In survey categorical response format and metric response format were used to make it simple and easy to understand. Multiple choice questions were created to give respondents options to choose from. Each question's structure and wording was carefully examined to avoid positive or negative emotions as well as strong expectations.

Target group for survey was CSSC site in Finland, around 80 employees. Questionnaires were delivered by using internal mailing. Participation was voluntary and questions were designed in English.

Interview with site manager of CSSC was also based on case company, but questions were designed keeping in mind quantitative research theories. The main aim was to find out what approaches have been used to communicate change and motivate employees. Most importantly interview was conducted to

find out what approaches were taken in motivating employees going through change and whether they were approved by employees.

Generally speaking survey and interviews were linked together to find out how employees are responding to change and if managers/leaders were effectively managing them. Interviews also aim at finding out what management styles have helped workers stay motivated during change.

3.3 Limitations

Quantitative data should always be questioned before acceptance. Surveys should be viewed with a sceptical eye. (Johns & Lee Ross, 1998, 72) As survey questionnaires are anonymous and voluntary, it is impossible to compare results on a personal level. It is also not possible to determine exactly what factors have affected workers' positive or negative answers to survey questions. Studying motivation is not easy, as motivation is very close to emotions and emotions tends to change every day.

Survey was sent out to 4 teams including 2 sub teams, around 80 employees, in CSSC site in Finland, but response rate from different teams were lower than expected. Team with highest percentage was Accounts Payable team (77%), followed by General Ledger (50%), Cash Management (35%), Intercompany Accounting and Travel Ledger (33%) and Master Data (40%).

Case company is at the very early stages of big changes to come with ONE programme (described in next chapter). Employees have not experienced significant changes yet; therefore their responses could be mostly focused on how change was managed previously in company. However it is beneficial for further improvements. On the other hand it also depends how long one has been working in CSSC and whether they are internal or external worker.

Referring to all changes in CSSC and their impact on motivation in survey was too wide, but in future follow-up researches it will be narrowed down to ONE programme when employees start to experience changes in their daily work.

4 THE CASE OF CSSC

Cargotec keeps cargo moving by improving its customer's cargo handling performance with the help of global network and wide market knowledge. Cargotec provides cargo handling solutions not only on-road, industrial and harbor areas, but as well as marine cargo and offshore road handlings. Cargotec is an international company that is growing every day. Cargotec's services provided by daughter brands are: **Hiab** – load handling solutions, **Kalmar** – container and heavy material handling solutions, and **MacGregor** – marine cargo flow solutions.

Cargotec Shared Service Center (CSSC) is responsible for financial accounting, payroll services, and travel claim handling in Cargotec Corporation, Cargotec Finland, and Cargotec Sweden. Additionally, it serves the other Swedish legal companies and Marine/MacGREGOR companies around the world. (Cargotec Intranet, Flow) There are over 130 employees working in CSSC in Kaarina and Turku in Finland and Ljungby in Sweden. In Finland, there are approximately 80 specialists working towards a common goal. Employees in CSSC represent several nationalities and have background from all Cargotec Business Areas.

4.1 Change in CSSC

Currently Cargotec is establishing programme ONE to implement one common business platform in order to achieve global and transparent enterprise resource planning (ERP) system to support common processes, manage resources efficiently and facilitate the flow of information between all business functions across the organization. This project has already started in early 2011 and planned to be implemented by year 2013. Role of CSSC during this change is significant. As part of finance function CSSC aims to develop common way to manage and perform globally financial accounting and reporting processes. (Cargotec Intranet, Internal Releases, Flow) Successful outcome from ONE programme is needed for Cargotec to fulfill its aim to improve the efficiency of cargo flows and to be world's leading provider of cargo handling solutions, by building the full potential of services, drive technology development for the

benefit of customers, combine strength and resources into one company and invest in people. (Cargotec Intranet, Flow)

As ONE programme is in early stages of development and no significant change has yet happened in CSSC, mostly data analysis focuses on how past and current planned changes in CSSC have affected workers' motivation and how employees see future changes in company. Recent changes in CSSC concerned two teams moving to another location, new management, hiring new workers, new tasks and additional responsibilities for some teams which were part of roll outs in Autumn 2010 and in previous years.

4.2 CSSC's Culture & Structure

From observations in organization, Cargotec Shared Service Center has clearly identifiable corporate culture and is in good position to succeed, because CSSC has certain key features that support positive outcome; values, clear approach and networks. It has both role and task oriented culture where system is structured and designed to high productivity. Culture of organization is one of the most important forces acting upon motivation during change and it seems in CSSC culture will aid from upcoming changes.

In CSSC's company structure duties and responsibilities are clear as well, communication networks of the organization are set to enable connection between different departments. In overall observation company is identified as clearly structured with the right culture and mind-set to achieve successful outcome from change. It is described as both *machine* and *organism* metaphors at this point. Further research is conducted to find out how change is handled in company from employees' perspective, whether culture and structure of company plays any role in motivation of employees during change and what factors will help them stay motivated and productive to ensure higher outcomes in implementation of future changes.

5 DATA ANALYSIS

5.1 Introduction

In this research set of questions based on theories of motivation and change management were asked from employees of Cargotec's Shared Service Center in Finland to find out if they are true and to identify future goals on managing upcoming changes in company; aiming on how to approach employees to make them motivated more during change.

Survey was sent out to four teams (Accounts Payable, General Ledger, Cash Management, and Intercompany Accounting), including two sub-teams (Master Data and Travel Ledger), in CSSC and 43 employees responded. Total percentage of responses was 54 (%). The highest team response was Accounts Payable team, with total of 23 workers (77%).

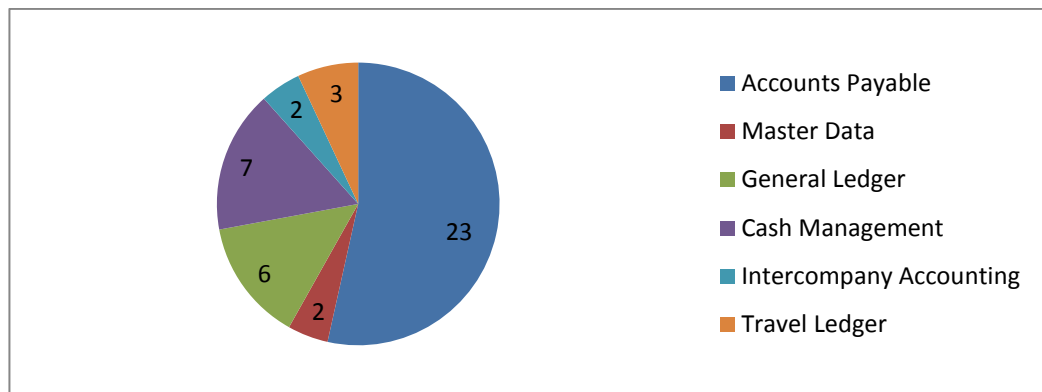


Figure 6. Number of Respondents

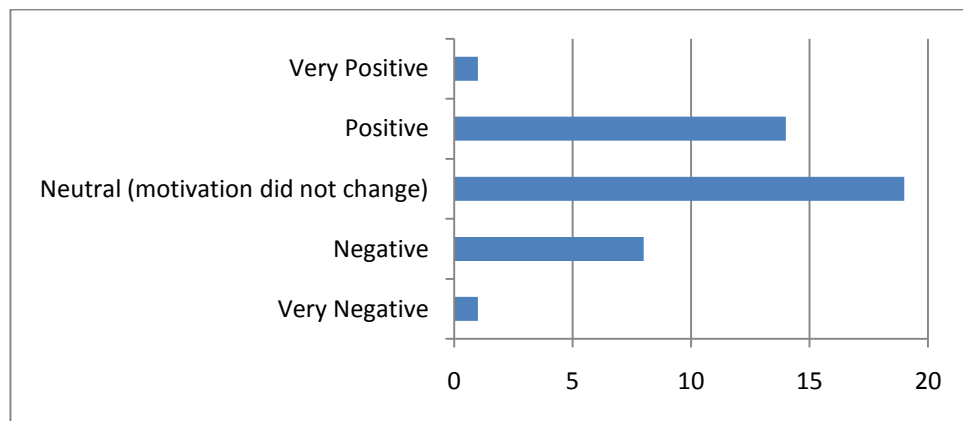
Survey's highest numbers of respondents were internal workers of Cargotec (70%). This could relate to assumption that internal workers are more active, because they have a feeling of being part of changes that happen in the company or another reason could be the fact that external workers come and go and they have not been through changes in company as much.

Cross tabulated analysis have not shown any impact of age or gender of employees on their motivation during changes in CSSC, which denies David

Bill's theory (2003). In his work Bill tried to prove that age and gender influence attitude of workers towards change and perception of new technology.

To answer first question of this survey 'does planned change impact employee motivation?' the following question was asked from participants: 'Towards what direction has your motivation shifted because of changes in CSSC?' Responses are illustrated in the following table.

Table 4. Motivation due to changes in CSSC



By just looking at this table where there is no 'one specific' answer given it is hard to assume which direction employee motivation has shifted, but it gives answer to research question, and it is '*yes change does affect employee motivation*'. It can be both negative and positive, for some even neutral. In this case 35% of employees' motivation has changed to positive, 21% to negative and 44% have not changed yet.

In order to understand better what motivates employees and what does not, several questions were asked, by studying which managers can focus on needed factors and improve motivation during change. Answers were combined into the following figure which illustrates the importance of factors for employees to become and stay motivated. It proves that learning and development, good relationship with manager, salary, responsibility, good working conditions, achievement, recognition, and job security are very important for workers' motivation to increase, followed by training, sense of control at work place, self motivation and last deadline.

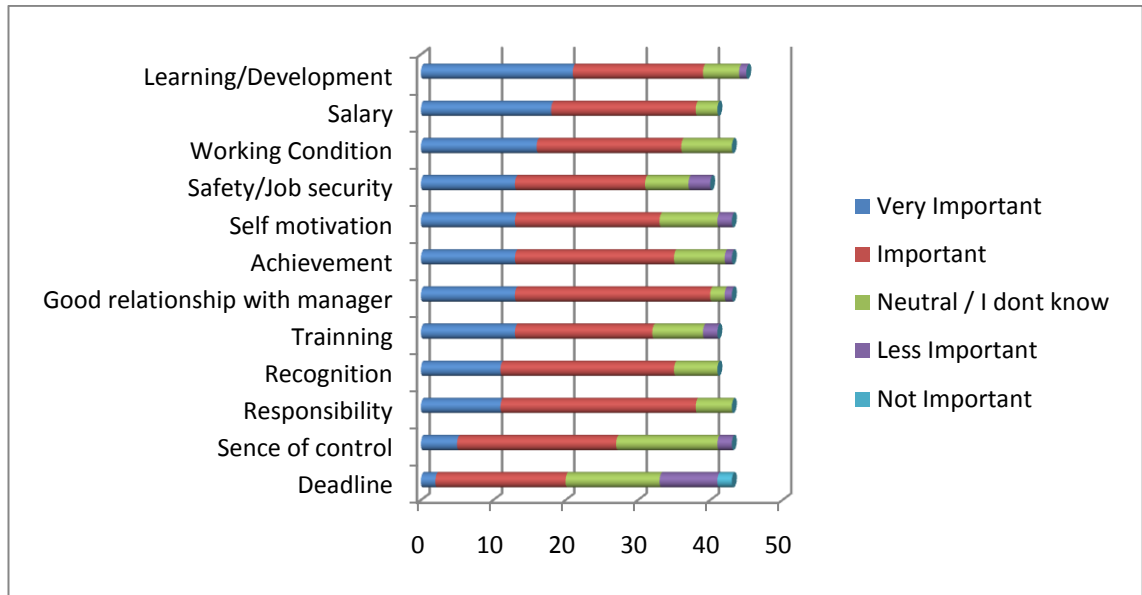


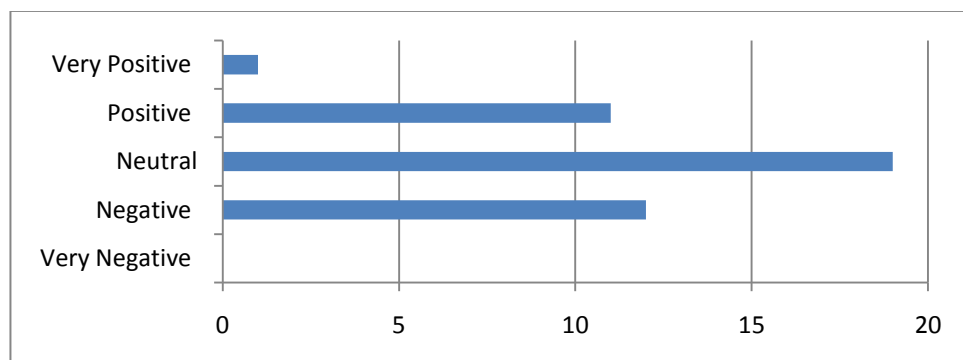
Figure 7. Importance of factors to keep employee motivated during change.

5.2 Change Management in CSSC

Looking at overall data gathered from survey one can see that both management approaches; industrial organization approach and sociological approach are in good balance in CSSC. Although when analyzed deeper there is room for improving second type of management approach; sociological, in order to keep more employees motivated and loyal in organization.

To find out how changes in past within CSSC have been handled from workers' point of view, employees were asked to rank their feelings towards previous changes.

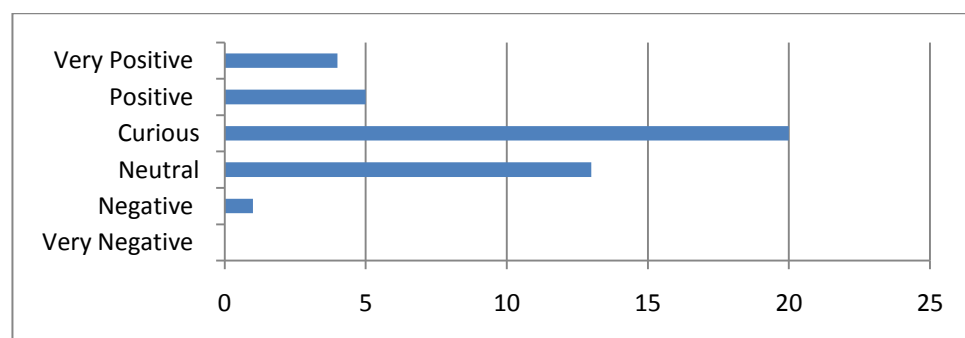
Table 5. Employees' feeling towards previous changes in CSSC



It is vital to study how previous changes have impacted employees in order to determine what practices work best and what mistakes should be avoided. Employees' feeling towards previous changes had an open-ended question as well where workers could express their feelings in words and stipulate future change management. Workers considering previous changes in CSSC as positive concluded their opinion based on the fact that because of those changes in the past company grew, it developed and new job opportunities arose. Those who inferred previous changes as negative focused their opinion on tight time schedules and pressure on staff. In their opinion, management's behavior towards employees changed. More work was demanded without sufficient resources. Working overtime caused exhaustion and pausing was not the best way to move forward. They also pointed out that in their opinion *'processes for change should have been in place to avoid technical problems that has prevented smooth transition'*. *'Also during change company lacked system and application expertise who would understand impacts of change on CSSC processes and system usage'*.

In addition as new change has started employees were asked about their first impression of ONE programme, in order to find out how they feel towards new change in organization.

Table 6. Employees' first impression of new change



Although workers have stressed that in previous changes emotion of employees and their well being were not considered as they wished for, they still believe that upcoming change will be handled better and they are positive to be part of process that is moving forward. They believe that a lot has been learnt from

previous changes in organization. Only 2% of those who answered this question had negative impression about new change, majority became curious. Curiosity in this case is positive because according to next finding workers in CSSC are interested in personal development. High personal interest during change insures that workers are capable of self motivation when the right atmosphere is provided in organization; company that encourages differences, listens to employees who in their turn trust their management etc.

As mentioned in theoretical part of this research, workers do not automatically resist new change; they resist the way change is handled. As Cargotec is in early stages of change with ONE programme which has significant effect on Shared Service Center in the future, workers were asked whether they are embracing change or resisting it. Survey has showed that 72% of workers are embracing change, none resisting and 28% still do not know. According to the graph below, management effort was the main reason workers are embracing change followed by personal interest.

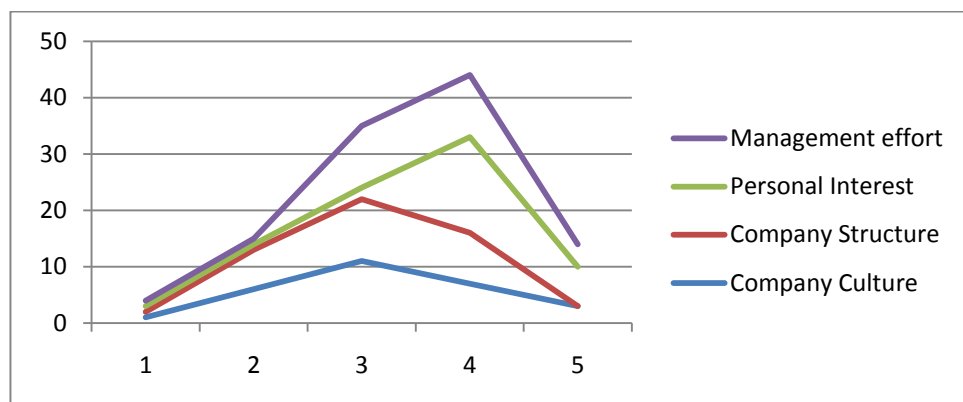


Figure 8. Reason workers are embracing change.

Main reason employees are embracing change comes from their feeling that to some extent workers' requests have been heard by management. As one of the workers mention: *I am happy to notice that our opinion is heard (motivational and communicational problem solving effort with perantai-pulla and cruise organized)*. This statement affirms and supports the importance of listening to workers, caring about their emotional well being and showing that their effort is valued. When workers know their opinion is heard they become

motivated, energized, develop sense of belonging to the team and even welcome uncertain future.

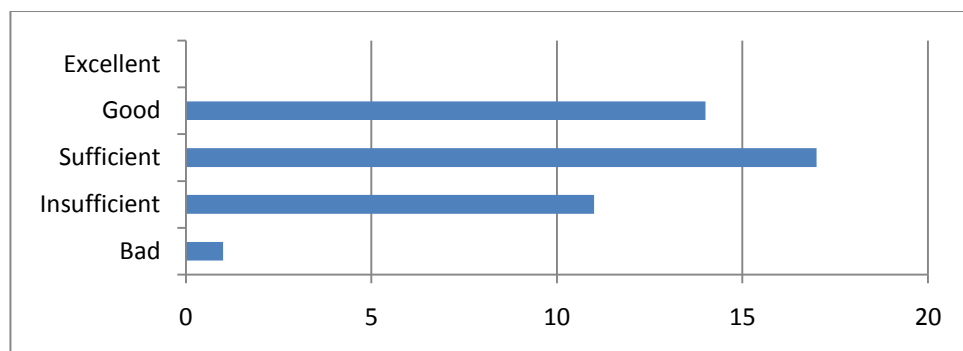
5.2.1 Communication before, during and after change

When it comes to change there are three groups of employees; 1) those *for* change, 2) those *against* it and 3) those for whom change is *indifferent*.

Case company in this research has over 70% of workers who are *for* change and none against. But it is important to keep in mind that almost 30 % of workers have not decided yet, whether they want to resist or embrace change. Good communication channel is crucial to help workers understand benefits of change at this point. 80% of employees to question 'what can be done to improve employee motivation' stressed their answers in information sharing and importance of communication during change. Knowing what personality type workers in organization have and at what stage of change cycle they are will help management to come up with tailor made messages to workers. (Findings of personality types and change cycle are in next sub chapters). Even after getting everyone involved it is needed to keep information flowing with updates at each milestone and rewards for every achievement.

From employees' perspective information flow in CSSC during changes are illustrated on the table below.

Table 7. Communication flow in CSSC during change; employees' point of view



Those who answered that communication in CSSC during change is not sufficient claimed that they are not well informed about practical implications,

honest (positive and negative) personal impacts of coming changes and clarified roles of workers and teams during change. One of the respondents implied to communication of change and why it is indifferent for that worker *'It is hard to say if I am for or against change. I feel I haven't been told what change will be in practice. I can't decide yet if it is good for me'*.

In workers' opinion information sharing and communication should be two way to ensure utilizing expertise in change and offering employees a chance to get involved. When workers get involved and see results they get feeling of momentum that will help them stay motivated.

5.2.2 Type of Change

CSSC is going through transitional change, therefore high level of investment and commitment are crucial. *'In previous years when change happened in company proper change management team was not set up, but now with ONE programme there are a group of people working solely to address better change management; to plan, innovate and address emotional side of change'* (Kauppila Sari, 26.04.11, ONE Business HR Manager). Improvements in managing change in organization were not left unnoticed by employees. One of the respondents commented to why they feel certain way towards change: *'I feel positive. Although previous changes have been very stressful and not so successful from our point of view, management style and working environment has improved in this company'*.

5.2.3 Culture and Structure during change

Culture and structure of organization without doubt plays a vital role in change management and motivation of workers. Although from observations it seems as CSSC has clear structure and culture that by all means supports positive outcomes from projects, employees think there is still room for improvement.

Attention should be paid to employees' opinion that front line managers and employees are not well informed about change and effective sponsorship from senior management throughout the life of change project would be appreciated.

They suggest because of big structure in organization with many levels of management, end level employees are left untold about simple implications of change, leaving them unsure about the future of organization and its impact on workers.

Although knowing personality types can be beneficial to know that individuals within organization like different style of communication and encouragement, in employees' opinion sometimes it is enough to build series of team and group events organized to boost everyone's energy and enthusiasm, by showing them direction and getting their commitment, which in return they will provide with productivity and quality service.

5.2.4 Personality types in CSSC

Finding out what personality type workers belong in organization helps managers understand why employees react to change certain way and how much effort they need in communication and encouragement of change.

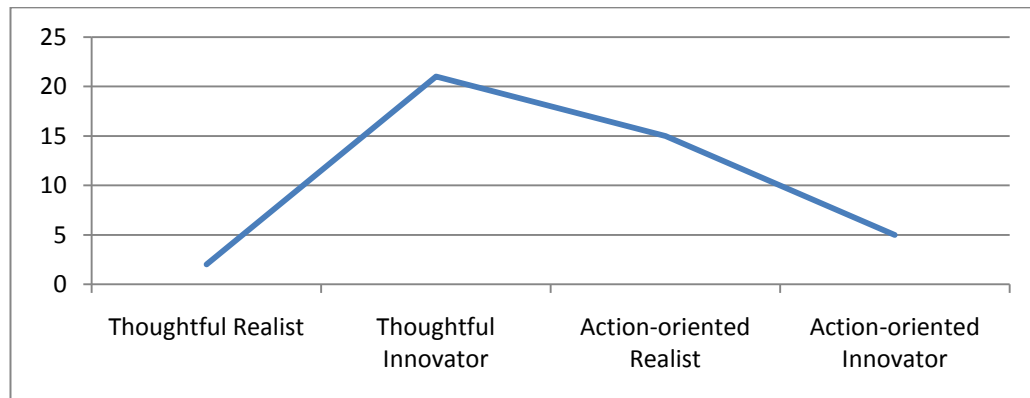


Figure 9. Personality types in CSSC

As shown on figure above, majority of employees in CSSC see themselves as thoughtful innovators. These types of workers tend to support change when they know where it is heading, whether they are part of it or not. They are concerned with thoughts, ideas and concepts. They learn by reading, listening and making connections. It is best to focus their change efforts on generating new ideas and theories. They become motivated when there is demonstration

that leadership cares, appreciates and supports. It is important for them that management recognizes impacts of change on people. (Green, 2007, 207)

Findings from survey have proved theory about thoughtful innovators. In open-questions of survey workers affirmed importance of information sharing and its positive impact on motivation. In their opinion employees need to know more clearly where change is heading to and get honest opinion about future plans. They also believe that engaging workers in change by gathering ideas from them can help both management and employees. According to one responder's comment *'If managers take time to discuss possibilities for improvement with employees and involve them in improvements of tasks, potential improvements and solutions may already exist within workers'*. Workers demonstrated high interest in future training. They claim that training will help them get more motivated, because it will help them do their job better and input in success of change. One of the main factors to keep thoughtful innovators motivated during change is through recognition as employees presume. As one of the respondents imply: *'I don't want to hear only when I am not good enough in my team leader or manager's opinion. Would be nice to feel appreciated when I do well enough or sometimes better than expected. We do get sometimes recognition, but most of the time feels like I am under a magnifying glass, which can be very demotivating at times'*. They want management to be caring leaders who understand impact of change on them as well.

5.3 Motivation Theories

Survey findings affirm Douglas McGregor's Theory Y that workers want to learn and they are interested in development. Most of those who are embracing change do so because they are personally interested to be part of it. During interview site manager of CSSC pointed out that *soft management approach is taken aiming in openness and equalized opportunities*. Meaning management in CSSC supports Douglas McGregor's Theory Y as well.

On the other hand findings challenged Frederick Herzberg's motivation theory about hygiene factors. Survey answers determined that internal workers are

more motivated compared to external workers of case company, because their hygiene factors are more satisfying, meaning they have a secure job and better salary. And the fact that they see difference working in the same company helps them with staying more motivated than external workers. This means, hygiene factors are in fact motivators when their satisfaction is visible and brought up frequently. Recent evidence has tended to contradict established theories of Frederick Herzberg on subject of motivation, but new built theory is only true when employees feel that their hygiene factors are more satisfying on their daily basis at work.

Managing change itself is already challenging, and it gets even worse if company has both internal and external workers. According to findings external workers do not see themselves recognized. They feel as if they are not part of change as their contracts are only temporary and they may not be with company longer than six months. Some even feel they are not trusted to perform better in management's opinion therefore they can not become internal workers. Majority of external workers are less committed and loyal than internal workers; their sense of belonging to a team is very limited at this point. It is beneficial to organize events that can develop sense of belonging to the team which has one goal to reach, no matter what type of contract workers in company have. Training workers equally will give them feeling that they are valued and their place in company is not as easily replaceable as they think.

This issue has been recognized by management already. *Although company tries its best to make sure that both internal and external workers are treated equally, external workers react to change in company stronger due to their contracts being temporary.* (Rannikko Toni, 23.05.2011, CSSC Finland Site Manager)

5.4 Change and Employee Motivation in CSSC

Mood of organization already at this early stage of change can predict whether outcomes will be successful or not. It measures level of certain emotions in the workplace that determine how much employees are embracing change.

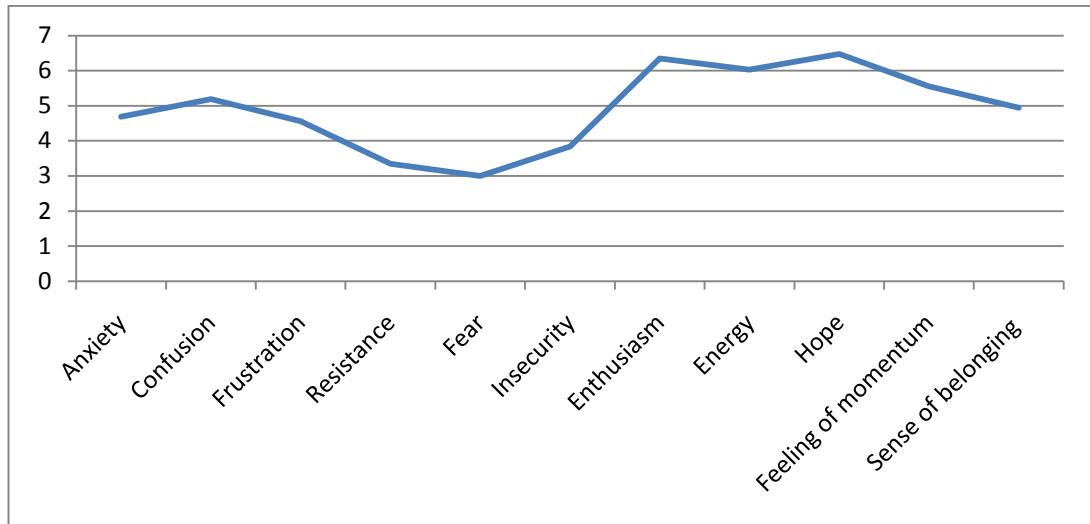
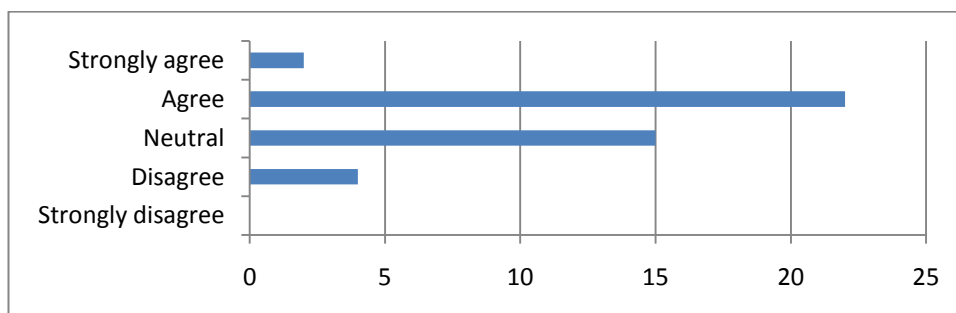


Figure 10. Mood of CSSC

If the theories built by McKinsey survey in 2006 are true, it is very likely that change with ONE programme in CSSC will be successful; as fear, resistance and frustration are lower than enthusiasm, energy and hope. Main points to focus on at this stage are eliminating confusion, dissolve anxiety which is sourced from confusion and encourage sense of belonging to ONE team. Bandura (1995) emphasizes that motivation and ability to achieve depends on people's willingness to believe in oneself. To find out how much employees believe in themselves to succeed following question was asked: Do you believe that new change will be successful?

Table 8. Belief in success of future change



This question was asked from to measure and predict how much workers will be involved. Majority of workers, 57% believe that upcoming change will be successful, 8 % do not believe so and almost 35% can not decide yet.

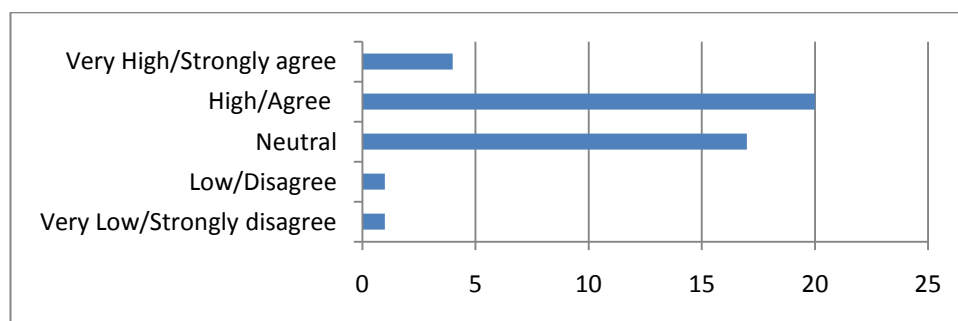
Those who do not believe upcoming change is going to be successful based their decision not only on self disbelief, but also previous change implementations. In their opinion they have not seen successful change management in organization yet and they want more than facts and figures to prove them that this change is handled better. Also they consider that sense of team belonging is very low to achieve better outcomes than previous projects. Employees, who have not decided yet, are those who are trying to stay realistic. They want to believe that it will be successful, but time schedule and deadlines are very tight in their opinion.

Workers who believe in successful outcomes from this project supported their opinion with arguments that change is inevitable, and CSSC is a learning organization too. It has developed significantly over years and it is very possible this time more suitable expertise are hired to better implement change.

5.5 Motivation and Mobilization

Level of trust with supervisor determines whether employees will have confidence in honesty, goodness, and skill of their leader, therefore it will show how much they are eager to follow and input new ideas in further development and performance improvement. To find it out, the following question was asked; 'Do you trust your supervisor during change?'

Table 9. Level of trust with supervisors



As stated by employees in open-ended question *'they do trust their immediate supervisors, but have some level of doubt about new hired managers, because they haven't earned their trust yet'*. Although overall data shows that level of

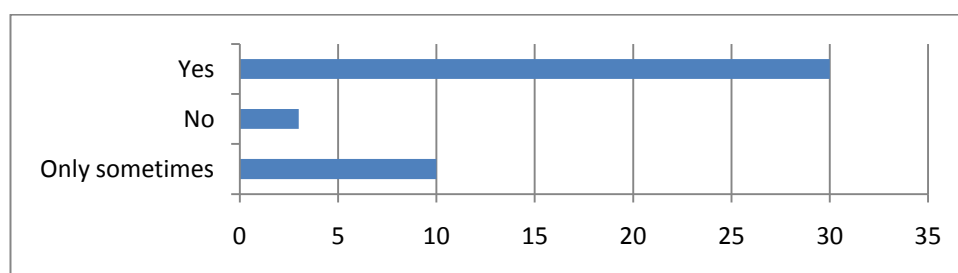
trust is high, it is important to keep in mind that it should be constantly improved to achieve desired result of change management, because leadership affects outcomes of change. As Pascale implies;

‘Managing is helping to make happen what is supposed to happen anyway; leadership is making happen what isn’t going to happen anyway’.

Employees who highly trust their supervisors based their answer on their supervisors’ effort to offer help long before the start of change. When workers were asked about level of support they receive during confusing times, number of positive answers was 68%. Following by 28% of workers who grade level of support as neutral and 4 % who think they do not get enough support. Comparing these data with above table that measures level of trust shows that level of trust with supervisors is directly linked with level of support employees get from them.

In addition to find out how active workers are in organization and whether they are encouraged to develop new and better ways of work, employees of CSSC have been asked the following question; ‘Are you encouraged to develop new and better ways of performing your tasks?’ This question also aims at finding out if organization has open culture to suggestions and whether structure allows so.

Table 10. Workers engagement in developing better practices

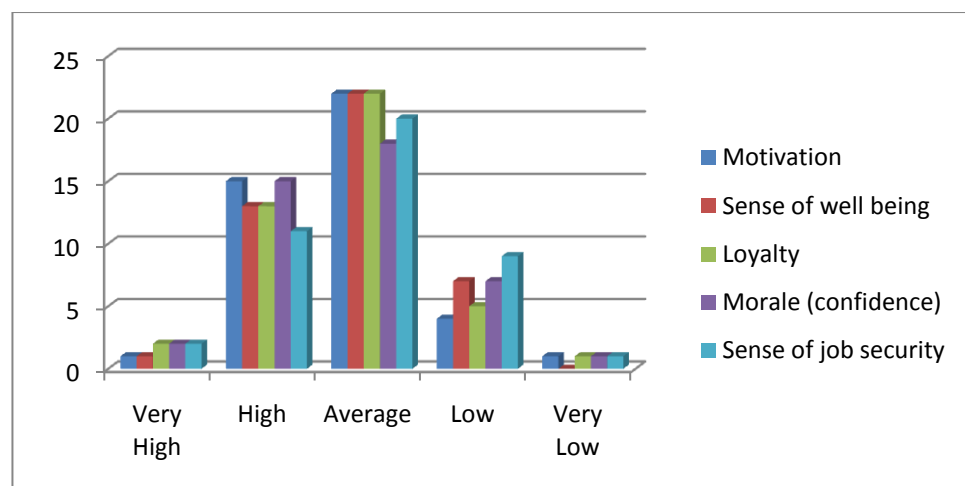


Almost 70% of employees (with 23% only sometimes) are eager to express their opinion and try to develop better ways of performing their tasks. It means they find themselves in caring organizational culture which fosters spirit of openness and treats organization itself as ‘living organism’. Workers are willing

to become engaged in daily activities outside their normal task which increases motivation. However those who answered negatively to this question infer that structure of organization has too many levels. They claim that in such big company workers are nothing but *'bolt in the big machine'*. They also refer to themselves as *'robots'* who are supposed to do their job and nothing more. These comments came only from 5% of total respondents, but it still should be considered, because only 54% of employees replied to survey. It could be so that only active members have answered the survey and the remaining 46% of employees are of the same opinion. Negative answers could also come from personality of those workers as well, but it is hard to find out just by looking at overall data. Small happening during the day or even week could affect very positive or very negative answers.

Motivation is not the only factor affected by change. Other factors influenced by change are sense of well being of employees, their loyalty, morale and threatened job security. Lack of even one of these factors can lead to negative energy in employees. To find out to what extent it has changed in CSSC, set of questions were asked using Worrall and Cooper's (2006) framework, analyzing which the table below is illustrated.

Table 11. Factors changed because of change



While managing change and mobilizing workers to become productive, it is vital to pay attention to these factors as well. When morale and loyalty are low it is

nearly impossible to have high motivated workers in organization. They all are linked with each other. Despite the fact these factors are higher in case company it does not mean they will remain the same until change is implemented. They could change to any direction at any time, depending on future management approach.

5.5.1 Change Cycle

In theory there are at least four stages of reacting to early stages of change from employees' perspective. Those four stages determine how much workers are willing to deal with change and uncertain future. It can also show how much management has succeeded in engaging workers to embrace change. To find out at what stage of this curve CSSC employees are question was asked with stages of their reaction and common phases used by workers during each phase. Findings are presented on the figure below.

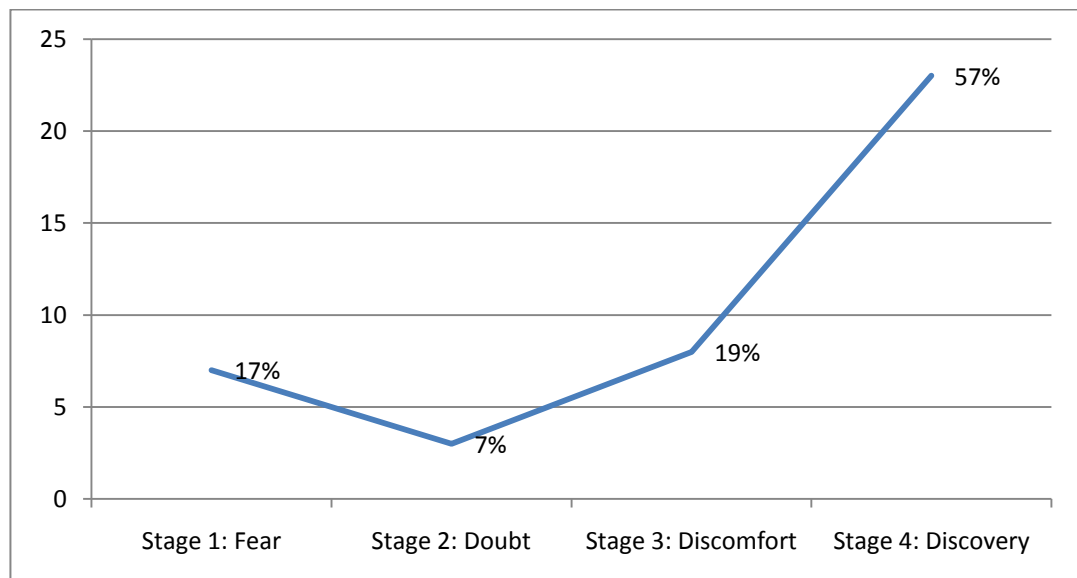


Figure 11. CSSC employees' stage on change curve

Although many are already in discovery stage where they have accepted the fact that change will happen, there are still 43% of employees who feel either fearful, doubtful or discomfort about coming new change. They need early communication of intentions, overall direction and possibilities, listening,

empathizing and support. Others need coaching, creating goals, encouragement to take risks and exchange of feedback.

Cross tabulated analysis have shown that both internal and external workers are in all four stages. Just because external workers have less job security does not mean they are all in stage fear. The same applies for internal workers; because they have more secure jobs and have better sense of belonging to the team did not guarantee them all to be in discovery stage.

There are number of methods and techniques according to Salerno & Brock (2008) that can help managers overcome stages of fear, doubt and discomfort.

To overcome fear employees need awareness to address what they are feeling. From that point they can distinguish between fear that is towards certain things that require attention or fear that is unfounded and unrealistic. Often when change is announced there is a difference of what is ``said`` by managers and what is ``heard`` by employees. Executives consider stakeholders, customers, management, vendors; market and stockholders leaving employees at the end of information change, but still requiring high performance form them. Implementation plans of change move forward regardless of fearful employees and deadlines expected to be met. If fear of employees based on certain factors that require attention it is important to include *why, what, how* and *when* of change in communication. Employees themselves should take one step more in realizing that workplace is continually going to update systems and policies to stay competitive. (Salerno & Brock, 2008)

First priority of management is creating a sense of safety in order to move from stage: the fear. Some respondents who are in this stage expressed their fear of losing their job and CSSC being outsourced. Others have not decided why and what they fear. At this stage only way out is through interaction with supervisors and understanding that change will have a positive outcome on everyone, both company and employees.

In addition to answering *why, what, when* and *how* of change it is important that management acknowledges difficulties that were faced with previous changes

in organization; giving as much as possible overall picture of change, along with short term and both long term milestones. While it is suggested not to oversell the benefits it is important to show interest in employee questions and concerns. Employees do not stay in this stage for long, especially in case company where most employees are thoughtful innovators.

To help employees in stage doubt overcome line management needs to understand that informal “my door is always open if you have any questions” may not always work. When employees are doubtful they do not tend to take initiative to find answers to their questions, because in most cases they do not know what they do not know. Being proactive manager at this stage is important. Asking what employees need or want to know goes a long way of helping them. They may not always ask, but they appreciate the effort. Although at this stage employees are sceptical it is beneficial to accept it and create both formal and informal communication channels and follow up procedures. Workers closely observe how their concerns are handled. This “exercise” also builds trust between worker and supervisor. (Salerno & Brock, 2008)

Almost 19% of employees who answered survey are in discomfort stage. This is a stage where workers are confused. Even though there is only one step left from being confused to discovery, for some it may seem a long way. As Salerno & Brock (2008) mention there are some tips to remember during this stage. They are to avoid the following: asking workers to do extra hours, assuming that productivity will remain the same, giving extra tasks or projects and staying away from work unit. Avoiding extra hours is important because human behaviour at stage of discomfort is unproductive. Making them work extra will create sense of overwhelming and progress will not be seen. Employees’ focus should be directed to specific direction to allow them spend time on necessary tasks. Discomfort is only one step away from motivation. It is important to be present at work unit and support workers, in order to avoid frustration.

As mentioned earlier priority at this stage is finding motivation. Goals set at this stage should be realistic, preferably under promised and over delivered. It can help workers gain morale and strive more. Making sure that workers do not ask

too much of themselves and managers of their employees is also important. This stage will not last forever, some little effort can help employees become and stay motivated for longer period of time. (Salerno & Brock, 2008)

Final stage where most workers of CSSC find themselves: discovery. Discovery is a stage that should be used for benefit of organization in uniting workers towards a common goal. This is a stage where workers feel energized and they can move beyond it. The road they are on is full of new tasks and challenges, but they are still ready for new projects. Utilizing that energy is important. Salerno & Brock (2008) suggest *micro-management* technique, when employees are allowed to work independently creating their own ideas and strength. There are certain factors that should be avoided during this stage. They are a) perfectionism; making sure that energy is used wisely but not believing that work should be always flawless, b) becoming an island; although at this stage workers believe in themselves, collaboration ensures better results, c) losing focus, employees may start feeling a spike in energy, but it should not be sent to too many directions.

On the other hand, there are certain factors that should be welcomed by both managers and employees. They are innovation, transparent decision making, and unit cohesiveness. (Salerno & Brock, 2008, 123) Meaning creative workers should be able to make decisions together.

Once all these stages are through, employees move to understanding the benefits, where they feel confident, think pragmatically and become productive. But this stage comes as workers start experiencing change in their daily work. In case company it can happen only in a few months.

6 CONCLUSION

Change Challenges Leadership

Change is inevitable and necessary. With each new day, business, financial market, suppliers and customers, the environment are no longer the same. Managing change initiatives are sometimes very overwhelming, not only for managers but also for employees too. Creating and sustaining competitive company, be cost effective with globally aligned processes requires organizational change in many of its parts, including individuals.

The main focus of this thesis was to study impacts of change on employee motivation both in theory and in practice. The case organization for this research was Cargotec's Shared Service Center in Finland, which has gone through many changes in the past and is part of ONE programme now, aiming to implement one common business platform in order to achieve global and transparent enterprise resource planning (ERP) system to support common processes.

Empirical data was collected by conducting survey during spring 2011 after initial announcement of new change in company. The goal of this survey was to find out whether previous planned changes in company have impacted workers' motivation and how they feel about new changes that are coming. Also this survey aimed at giving the organization an opportunity to listen to employees and their opinion of the way change is handled and what will possibly keep them motivated during constant change.

The main research issues were change management and employee motivation. Change management theories and motivation theories by Frederick Herzberg and Douglas McGregor, together with personality type and change cycle theories have been used as a framework for this thesis. The original assumption was that employees' motivation is affected by change in company and that workers in same organization will react to change differently depending on their personality. Other factors such as type of change, organization structure and culture, and management effort influence resistance or embracement of change

by workers. Theory also stressed that employees go through change in cycle and reaching each step will help workers overcome fear and welcome change.

All of the above mentioned assumptions proved to be right, except motivation theory by Frederick Herzberg. As he states motivation is divided into two groups: *motivators (achievement, responsibility, recognition)* and *hygiene factors (salary, job security and working condition)*. It was proved to be true that *hygiene* factors can be demotivators if they are unsatisfactory. But when satisfactory their motivational effect was not limited. In fact it was significant in situation where workers with satisfactory *hygiene* factors were motivated more if they came across with workers with unsatisfactory *hygiene* factors in same organization.

This thesis also showed that motivation Theory Y of Douglas McGregor is most appropriate during change management, because it focuses mainly on sociological management approach and workers in case company being *thoughtful innovators* require leadership that cares and fosters openness.

Although change was being handled well it was important for employees of CSSC to get more information about where it was heading; to help them realize that new changes in company will be handled better. In addition other factors that needed improvement during change from employees' perspective were not only info sharing, but two way communication with management, training, and team building.

6.1 Conclusions about the research questions

The four research questions for this thesis were the following:

1. Does planned change impact employee motivation?
2. How does it affect employee motivation?
3. At what stage of change cycle workers in CSSC are?
4. What needs to be done to motivate workers and successfully implement change?

Change can not be successfully managed without taking care of workers emotions. Motivation is a major force that enables workers to be fully involved in projects and be committed to even unexpected future. Because of change in organization employees become more or less motivated. To which direction motivation shifts depends on their personality, but there are other factors that effect too; such as type of change, company culture and structure, management methods of mobilizing workers etc. Research findings proved assumption that change impacts employee motivation. Although it did not specify one answer, whether positive or negative, it proved that with right communication techniques and sociological management approach mood of organization can be changed. When faced with change workers go through a cycle of emotions before welcoming change. Even after welcoming they can go back to stage one, because as motivation is very close to emotion is tends to shift. In the case company employees were in all four stages of reacting to change. Some were still fearful, some doubtful, some feeling discomfort, while others found discovery stage. This proves that even though it is same organization, where culture and structure is the same, individuals move from one stage to another at different rate: same as in theory. In CSSC most of employees are found to be in last stage; discovery, which explains that management effort and personal interest of workers are high in this organization.

Although results of this survey were positive, there is room for improvement from employees' perspective. Workers of CSSC gave feedback that information sharing is very important at this stage. They want to get more information about the upcoming changes with ONE and get the right training. They are also concerned about personal impacts of change and demanding motivating and rewarding atmosphere at workplace, where skilled employees will be rewarded by offering them chance to be more involved.

6.1.1 Suggestions

'Given the right circumstances, from no more than dreams, determination, and the liberty to try, quite ordinary people consistently do extraordinary things'

Margaret Mead

Transition curve of change can come in many forms; it can also affect workers differently. Employees do not necessarily go through all stages of reacting to change; neither do they follow same sequence. But understanding that going through it is a normal and natural process is important, therefore it is beneficial for team leaders to take e-learning course from CrossKnowledge about 'Taking up the challenge of change'. They can later modify that training course into status quo and go through 'change processes' with employees. This will help workers channel their energy to the right direction and reach a successful change outcome, which is the main objective during change management. It can also help fearful workers and those in doubt to communicate their emotions and with the help of those who are in discovery stage reach acceptance of change and find positive sides of it. This course of training will help workers get through change issues and overcome anxiety not only for change related to work but for personal life as well. The way we react and respond to change determines our emotional health and maturity, communicating about it put worries at ease.

As for team managers, they can consider taking e-learning course from CrossKnowledge about 'The crucial role of communication', as workers in CSSC think they need more information and communication channels to get motivated and perform better. According to Higgs (2003), by communicating behavioral change, behavior itself can be shaped.

More importantly organization should be shaped to encourage everyone to speak their mind, organize upward and downward communication channels, reward when goals reached, call for attention to what others can get for what they accomplish and admit mistakes when they are made. During change providing with reasonable explanations for changing from one state to another, outgoing and honest communication, organizing quality trainings and development programs, clear communication of organizational mission and how employees' contribution is valued to achieving that mission are key factors to earn employee trust and their commitment.

6.2 Limitations

Despite the fact that almost all theories were approved by findings from survey, limitations may still exist. It is possible that answers by employees for survey were not honest or not carefully read through before choosing.

It is also worth mentioning that as an author of this thesis and a worker in case company to some extent conclusion may have been based on personal reaction to change as well. Although I have not answered the survey myself, researcher from outside of organization who has not had previous contacts with company and its culture might have had slightly different results.

6.3 Future Research

This research was conducted at the very early stage of new change in organization. Most of the answers from personnel were based on how change has been handled previously in company.

It would be interesting to further study how motivation of employees changes as they start to see change in daily work because of ONE programme. Will they be more motivated because they know at that point how change has affected their daily routine? Or less motivated because they did not get what they wanted from management; recognition, detailed training, leadership that cares or needed communication?

It is important to study how workers' motivation changes as change in organization develops. It is also beneficial to do a follow up survey to find out if theories and assumptions were true. At this point from employees' reaction according to several theories new change in organization is going to succeed. But will it be successful? Or will employees' motivation change as change itself will progress?

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1 Survey Questions

Dear all,

I am conducting a survey about “Impact of Change on Employee Motivation” as part of my Bachelor Thesis. The purpose of this survey is to study change from employees’ perspective and find out if ongoing changes in CSSC have affected workers’ motivation in any way. It also aims in studying what management practices from past changes in company have helped workers to stay motivated and engaged in change in order to develop better practices in the future.

Your responses are voluntary, anonymous and confidential. Responses will not be analyzed individually. They will all be compiled together and analyzed as a group. I would greatly appreciate you taking your time and completing this survey. It should take only about few minutes to complete this questionnaire.

Please click here to start: <http://www.webropolsurveys.com//S/B02F5F14E585DFE8>

If you have any questions or concerns about this survey, please contact me.

Thank You,

Mashhura Sidikova

Impact of changes in CSSC on employees' motivation

1. What is your age?
 - 20-35
 - 35-50
 - 50+

2. What is your gender?
 - Female
 - Male

3. Which team do you belong to?
 - AP
 - MD
 - GL
 - CM
 - IC
 - TL

4. Are you an internal or external worker?
 - Internal worker
 - External worker

5. This question is for internal workers only: As an internal worker are you motivated more during changes in CSSC?
 - Yes
 - No
 - Sometimes

6. This question is for external workers only: As an external worker are you motivated less during changes in CSSC?
 - Yes
 - No
 - Sometimes

7. Has being an internal or external worker affected your motivation and day to day performance at work during changes in CSSC? Please bring examples if possible. (Open-ended question)

8. What was your first impression when you heard about programme ONE?
- Very positive
 - Positive
 - Curious
 - Neutral
 - Negative
 - Very negative
9. How do you feel about previous changes in CSSC?
- Very Positive
 - Positive
 - Neutral
 - Negative
 - Very negative
10. Why do you feel that way towards previous changes in organization? (open-ended question)
11. What work personality do you think you belong to? Please choose one that describes you best.
- Thoughtful realist. You want to know why there is a need for change and require evidence based arguments. Your motto: If its not broken don't fix it
 - Thoughtful innovator. You want to know why there is a need for change and where it is heading. Your motto: Lets think ahead
 - Action oriented realist. You are happy to start change and improve but need detailed information and action plan. Your motto: Lets just do it
 - Action oriented innovator. You are enthusiastic about embracing change only by being part of it and inspired to follow it. Your motto: Lets change it
12. Do you experience any of the following towards changes in CSSC? Please rank on a scale of 1 to 10. 1 being least, 10 being most.
- Anxiety
 - Enthusiasm
 - Confusion
 - Energy
 - Frustration
 - Hope
 - Resistance
 - Feeling of momentum
 - Fear
 - Sense of belonging
 - Insecurity

13. How would you rate the following factors due to changes in CSSC?

(Scale: Very high, high, average, low, very low)

- Motivation
- Sense of well being
- Loyalty
- Morale
- Sense of job security

14. In your opinion are you more embracing or resisting change at the moment?

- Embracing change (You are happy to learn new things and interested in new opportunities. You feel enthusiastic and positive about new challenges)
- Resisting (You fear not to be able to deliver high quality results in new tasks and not willing to give up your old habits. With change you see loss of control)
- Haven't decided yet. I don't know.

15. What has affected your embracement towards changes in CSSC? Please rank on a scale of 1 to 5. 1 being least, 5 being most.

- Company culture
- Company structure
- Personal interest
- Management communication / effort

16. What has affected your resistance towards changes in CSSC? Please rank on a scale of 1 to 5. 1 being least, 5 being most.

- Personal interest
- Company culture
- Company structure
- Management communication / effort

17. There are four known stages of reacting to change from employees' perspective. Please look through the stages and choose one that best describes your situation.

- Stage 1: Fear.** Feeling: Fear, Thoughts: Cautious Behavior: Frozen
- Stage 2: Doubt.** Feeling: Resentment, Thoughts: Skeptical Behavior: Resistant
- Stage 3: Discomfort.** Feeling: Anxiety, Thoughts: Confused Behavior: Unproductive
- Stage 4: Discovery.** Feeling: Anticipation, Thoughts: Resourceful Behavior: Energized

18. Do you trust your supervisor in good decision making during change?
- Strongly agree
 - Agree
 - Neutral
 - Disagree
 - Strongly disagree
19. If possible, please bring example/s of what has affected your answer from previous experience. (Open-ended question)
20. Are you encouraged to develop new and better ways of performing your tasks?
- Yes
 - No
 - Only sometimes
21. If your answer was no, please specify why? (Open-ended question)
22. How would you rate communication flow during changes in CSSC?
- Excellent
 - Good
 - Sufficient
 - Insufficient
 - Bad
23. How would you rate the support you get from your supervisor/team leader/manager when you have questions or concerns?
- Very good
 - Good
 - Neutral
 - Bad
 - Very bad
24. Towards what direction has your motivation shifted because of changes in CSSC?
- Very positive
 - Positive
 - Neutral (motivation didn't change)
 - Negative
 - Very negative
25. What motivates you in your everyday job? Please rank on a scale of 1 to 5. 1 being least, 5 being most.
- Deadline
 - Achievement
 - Duty

- Safety
- Responsibility
- Good working environment

26. What factors demotivate you in your everyday job? Please rank on a scale of 1 to 5. 1 being least, 5 being most.

- Working conditions
- Salary
- Supervision
- Company policy
- Interpersonal relation with others

27. Please rank the importance of these factors to keep you motivated during change.

Please rank on a scale of 1 to 5. 1 being Not Important to 5 being Very Important

- Responsibility
- Recognition
- Safety/job security
- Salary
- Working condition
- Good relationship with manager
- Deadline
- Self motivation
- Achievement
- Sense of control
- Learning and development
- Training

28. In your opinion, what can be done to improve employee motivation during change? (open-ended question)

29. Do you believe upcoming change will be successful?

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

30. Why do you believe so? (Open-ended question)

31. Feedback. Here you can leave comment or feedback about this survey or any additional information you would like to share that is in your opinion, beneficial in study of change from employees' perspective. (Open-ended question)

2 Interview Questions

1. Do you think change affects internal and external workers differently?
2. How do you think ONE programme was welcomed by employees in CSSC?
3. Have you noticed any increase or decrease in motivation or production since the announcement of change?
4. What approaches have been taken so far to affect employee motivation because of changes in CSSC?
5. What do you think motivates employees of CSSC? Why?