



The Effect of Change Management on Organizational Performance: The Case Of Ethio-Telecom Head Office

**By:
Lemita Dinote**

**Advisor:
Abraraw Chane (PhD)**

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**BY
LEMITA DINOTE**

Abraraw Chane (PhD) _____
Advisor

Signature

Internal Examiner

Signature

External Examiner

Signature

Declaration

I hereby declare that the work entitled: “The Effect of Change Management on Organizational Performance: The case of Ethio-telecom Head Office”, is the result of my own effort and study that any other contributors or sources of material used for the study have been duly acknowledged. Here, it is presented for the partial fulfilment of Degree of Master of Arts in Business Leadership.

Declared By: Lemita Dinote

Signature: _____

Date: _____

Certification

This is to certify that the research project set by Lemita Dinote, entitled: **“The Effect of Change Management on the Organizational Performance: The case of Ethio-Telecom-Head Office”** for partial fulfillment of Master of Arts Degree in Business Leadership at Addis Ababa University School of Commerce. The study fulfills the rules and regulations of the university and encounters the recognized standard with respect to originality and quality. Hence, the study is original and is not worked and submitted on this specific company for any degree in this university.

CONFIRMATION BY ADVISOR: _____

Abraraw Chane (PhD)

Signature

Date

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Abstract

The purpose of this study was assessing the effect of Change Management on Organizational Performance in ethio telecom at HO. To attain this objective, the researcher has employed descriptive and explanatory research design to its intent to find the effect of the independent variables change management practices such as leadership, communication, employees' engagement and readiness for change on the dependent variable organizational performance. The correlation analysis reveals strong positive relationships, particularly highlighting the importance of communication, employee engagement, and readiness for change in influencing performance. Descriptive statistics indicate consistent perceptions across these variables, with communication scoring highest and readiness for change lowest. The regression model is highly significant, explaining approximately 61.7% of the variance in organizational performance, as confirmed by ANOVA results. The most significant predictor of performance is readiness for change ($\beta=0.527, p<0.001$), followed by communication ($\beta=0.142, p=0.044$) and employee engagement ($\beta=0.172, p=0.024$). Leadership, although important, does not show a significant direct impact when other variables are considered ($p=0.982$).

Based on these findings, the study concludes that enhancing readiness for change, improving communication, and increasing employee engagement are critical for boosting operational performance. Recommendations include conducting regular readiness assessments, establishing transparent communication channels, implementing engagement initiatives, developing leadership skills focused on change management, and continuously monitoring and refining strategies to sustain high performance.

These insights provide a roadmap for organizations aiming to navigate change effectively and achieve superior operational outcomes.

Key Words: Change Management, Operational Performance, ethio-telecom, Leadership, Communication, Employees Engagement, Readiness for Change,

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CHAPTER ONE

1 INTRODUCTION

This Chapter deals about the background of the study, statement of the problem, objectives of the study, significance of the study, research question and Delimitation/limitation of the study, definition of terms and organization of the study.

1.1 Background of the Study

Change management plays a crucial role in the functioning of organizations, as it involves efforts to modify business procedures and necessitates employees to adjust to different work methods (El Kattan, 2017). It involves the change or shift of organizational components, showing the continuous requirement to adapt to internal and external influences (Schnackenberg et al., 2019). When organizations undergo change, whether caused by internal forces or external circumstances, it is crucial to implement effective change management to take advantage of opportunities and minimize risks. (Branson, 2008).

Effective change management is essential for organizations to seize opportunities and minimize risks when they encounter internal or external changes (Manei et al., 2018). Change management involves a structured process that guides individuals, teams, and organizations from their current state to a future state that aligns with the organization's vision and strategy (Adula et al., 2023). Securing support and ensuring that individual behavior and skills are in line with the change goals are crucial aspects of change management (Lewin, 1951; Kotter & Schlesinger, 1979; Norton, 1999).

Organizational performance, on the contrary, is the level at which a company reaches its goals and objectives (Cho and Dansereau, 2010). By examining actual outcomes in relation to intended or expected results, it can be evaluated (Tomal and Jones, 2015). Efficient leadership plays a vital role in enhancing organizational performance through overseeing changes in the environment and aligning resources with the organization's strategic vision.

Ethio-telecom, the leading telecommunications provider in Ethiopia, is experiencing major transformation as a result of the government's choice to partially privatize the telecommunications industry (ENA, 2022). This action seeks to promote rivalry and variety in the telecommunications sector as a component of the nation's digital makeover strategy. Ethio-telecom is under pressure to adjust its operations and strategies with competitors entering the sector. Hence, it is crucial to analyze how change management impacts Ethio-telecom's organizational performance to comprehend its reaction to these environmental changes.

1.2 Statement of the Problem

Organizational change has long been regarded as a critical driver of competitiveness and operational efficiency in dynamic industries. However, the ability of organizations to successfully navigate change remains a major challenge. According to *Kotter* (1996), a staggering 70% of change initiatives fail, primarily due to poor execution and resistance to change. This high failure rate underscores the gravity of ineffective change management practices, which can lead to lost opportunities, decreased morale, and operational inefficiencies (Beer & Nohria, 2000). In the context of the telecom industry—marked by rapid technological advancements and increasing market competition—change management is not just necessary but pivotal to survival (Hiatt & Creasey, 2003).

Ethio-Telecom, Ethiopia's largest state-owned telecom operator, is at a crossroads. Following the government's decision to liberalize the sector and introduce new competitors like Safaricom, the organization is under intense pressure to adapt to a competitive market environment (ENA, 2022). This is a significant shift for a company that has operated as a monopoly for decades. The urgency of this transition cannot be overstated; failure to manage change effectively could result in diminished market share, customer dissatisfaction, and weakened operational performance. A study by *Gemechu* (2021) revealed that Ethio-Telecom has faced several

challenges in implementing change, including inadequate staff training, poor communication, and resistance from both employees and management.

The importance of this study lies in its potential to provide actionable insights into how change management practices affect organizational performance, particularly within Ethio-Telecom, as it navigates this critical period of transformation. Scholars such as *Burnes and Jackson* (2011) emphasize the need for organizations to develop robust change management frameworks that foster organizational agility and resilience. Ethio-Telecom's response to the changing market landscape is not only of national importance, given its significant role in Ethiopia's economy, but also provides a valuable case study for understanding how change management impacts organizational performance in state-owned enterprises transitioning to competitive environments.

This study is particularly important because it addresses a critical empirical gap in existing literature. While several studies have explored change management in various sectors, there is a paucity of research that specifically examines the relationship between change management practices and organizational performance in Ethiopia's telecom industry, especially within the context of market liberalization. Previous studies, such as those by *Aman Gemechu* (2021), have focused primarily on internal factors affecting change management within Ethio-Telecom, but there is limited empirical evidence on how external pressures, such as competition and market deregulation, affect the company's performance. This study aims to bridge this gap by examining the influence of key change management variables—leadership, communication, employee engagement, and readiness for change—on Ethio-Telecom's organizational performance. In doing so, it offers strategic recommendations that can be applied not only in Ethio-Telecom but also in other state-owned enterprises facing similar transitions.

In conclusion, the issue under study is serious, given the high stakes involved for Ethio-Telecom in maintaining its operational efficiency and competitive edge. The

findings of this study will have significant implications for both policymakers and corporate leaders by highlighting best practices in change management that can enhance organizational performance in rapidly evolving market environments.

1.3 Objective of the Study

1.3.1 General Objective

The main objective of this study was to explore the effect of change management on the organizational performance of ethio telecom.

1.3.2 Specific Objectives

Specific objectives are to:

1. Assess the Change Management Practice of ethio telecom,
2. Assess Organizational Performance of ethio telecom,
3. Explore the relationship between Change Management and Organizational Performance of ethio telecom,
4. Analyze the impact of change management on organizational performance of ethio telecom,

1.4 Research Question

1.4.1 General Research Question

The general question this research attempt to answer was what is the effect of change management on organizational performance of ethio telecom.

1.4.2 Specific Research Questions

Specifically, this research has the aim to address the following specific questions throughout its completion;

1. What does Change Management practice of ethio telecom looks like?
2. How does ethio telecom measure and evaluate its performance across various dimensions?
3. What is the nature of the relationship between change management and organizational performance of ethio telecom?

4. How does the implementation of change management practices affect organizational performance of ethio telecom?

1.5 The Significance of the Study

The results of the research are anticipated to help reduce the adverse effects on change management and organizational performance, offering assistance in making strategic decisions to address competitive pressures, pinpointing customized change management tactics, and acting as a valuable tool for further studies in the area.

1.6 Scope of the Study

This study focuses on examining the effect of change management practices on organizational performance at Ethio-Telecom's Head Office in Addis Ababa, Ethiopia. The research is geographically limited to the Head Office to provide a focused analysis of the company's central operations, where key strategic decisions and change initiatives are formulated and implemented. Although Ethio-Telecom operates nationwide, this study specifically targets the Head Office as it is the primary site for the company's leadership, decision-making, and policy implementation processes, which directly influence overall organizational performance.

The timeframe of the study spans from July 2021 to the present, a period marked by significant changes in the telecom sector, notably the government's decision to liberalize the market and the entry of Safaricom Ethiopia. This period was selected to assess how Ethio-Telecom has managed the transition from being a state monopoly to operating in a competitive environment. By focusing on this critical phase of transformation, the study aims to provide timely insights into the company's change management practices and their impact on performance.

The research is limited to four key dimensions of change management: leadership, communication, employee engagement, and readiness for change. These factors were chosen based on their recognized importance in change management literature and

their relevance to Ethio-Telecom's current operational environment. The study does not cover other dimensions of organizational change such as financial performance, customer service strategies, or technology-specific changes in-depth, although these may indirectly be influenced by the broader change management practices under examination.

Methodologically, the study employs a descriptive research design, utilizing both quantitative and qualitative data collected from a sample of 240 employees at Ethio-Telecom's Head Office. The sample includes a mix of managerial and non-managerial staff to ensure a comprehensive view of how change is managed across different levels of the organization.

While this study provides important insights into change management at Ethio-Telecom, its findings are limited to the organization's Head Office and may not fully represent the experiences of regional branches or smaller operational units. Additionally, the focus on the telecom sector means that the findings may not be directly generalizable to other industries without further research.

1.7 Definition of Operational Terms

- A. Change:** to transform is to go from one state, circumstance, or condition to another, or to make something different. Change can be favorable or negative, transient or permanent, purposeful or inadvertent. It can result in growth, development, advancements, and new opportunities and is a normal aspect of life.
- B. Change Management:** Change management is a methodical process involving strategy, technology, and resource management to implement organizational changes. It encompasses identifying needs, creating plans, implementing changes, and evaluating results.
- C. Change Management Practice:** refers to the management of change in an organization includes the use of processes, tools, and techniques to modify its structure, operations,

processes, or methods. This entails creating a systematic method to help individuals, groups, and organizations effectively implement required changes.

- D. Organizational Performance:** can be defined by dissecting these two terms: "Organizational" is an adjective that comes from the word "organization," and it describes an organized team of individuals working toward a specific goal. On the other hand, "performance" describes the act of carrying out a certain task or series of tasks and is determined by how well an individual or structured group of people completes these tasks.
- E. Ethio-telecom:** is an Ethiopian state-owned telecommunication service provider serving as the major internet and telephone service provider.

1.8 Organization of the Study

This study consists of five autonomous chapters. The initial chapter serves as an introduction, covering the study's background, problem statement, study objectives and questions, significance, scope and limitations, definition of terms, and organization of the study. The literature review is found in the second chapter, and the methodology is discussed in the third chapter. The focus of the fourth chapter will be on analyzing and interpreting data. The last chapter will cover a recap of findings, conclusions, recommendations, and suggestions for future research.

CHAPTER TWO

2 REVIEW OF RELATED LITERATURE

2.1 Concepts of Change Management and Organizational Performance

Before making changes, it is important to understand why the change is necessary, as noted by Hemp & Stewart in 2004 and Kasach T. in 2017. Discovering a valid explanation for why a company must change is a challenge that must be addressed during the change management process. In Kasach T (2017), Senge 1999 described change as external shifts in technology, customers, competitors, market structure, or the social and political environment, as well as internal changes like reorganization and re-engineering programs. Feleke Solomon, Hika Nigatu & Naol Soboko (2018) stated that the concept of change management is not a recent phenomenon. Change impacts every organization. Most change initiatives fail because they do not take into account how the changes will affect the human aspect of the organization. According to Warrilow 2010, in Feleke S, Hika N. & Naol S. (2018), successful management of change in organizations involves implementing strategies that encourage employees to embrace change and contribute positively to the organization's goals, requiring experienced change management in a dynamic environment. In the fast-paced and constantly changing business world of today, it is crucial for organizations to effectively navigate change in order to stay afloat, thrive, and stay ahead of the competition (David K, Carr et al, 1996). Kotter (1995) suggested in his research that transformation or change within an organization is not achievable unless individuals are ready to make sacrifices in the short term. The involvement and support from each person, team, and the entire organization are now vital and necessary.

According to Asikhia, Olalekan U, Nneji, Ngozi E, Olafenwa, Abiodun T, and Owoeye, Oladipo A (2021), Burnes and Jackson (2011) found that organizational change management is often reactive, discontinuous, and ad hoc, with approximately 70% of change programs failing. Therefore, in order to thrive, businesses lean towards becoming increasingly innovative, creative, and competitive.

In their 2021 study, Green, Asikhia, Olalekan U, Nneji, Ngozi E, Olafenwa, Abiodun T, and Owoeye discussed the importance of identifying the source of resistance to change and addressing opposing viewpoints. This will be the foundation for your decisions and your creations in controlling these forces or adjusting the change plan (Green, 2007). Numerous strategies for managing change have been created and are utilized in modern businesses today, including the McKinsey 7S model, ADKAR, and Kotter's 8-step Model.

2.2 Approaches to Change Management

Feleke S., Hika N., & Naol S. (2018) discussed the support that unique characteristics and needs of public sectors can provide in carrying out transformational change in these organizations, as suggested by Robert W. Backoff and Paul C. Nutt (1993); they also proposed that successful change will result in the emergence of strategic leaders in the future.

2.2.1 Planned Vs. Unplanned Change

Changes can be either planned or unplanned, according to Bryman (1992), Cooper (2005), and Burns (1987). Planned change occurs when a systematic and controlled approach is taken, while unplanned change happens unexpectedly and without adequate time for a systematic embrace due to unforeseen factors.

Poole & Van de Ven, 2004 as cited in Eskender Tesfaye (2021), defined planned changes as alterations in the organization that are intentionally made through proactive, carefully planned actions, led by individuals knowledgeable about the change and prepared for implementation. Planned changes always aim to enhance the current situation and achieve desired goals. Unplanned change refers to changes that cannot always be controlled or managed; they are forced upon the organization and are frequently unexpected. It is challenging to accept unforeseen changes without significant flexibility and adaptability within the organization. Therefore, planned change can be seen in adjustments to product or service offerings, managerial processes, organizational size, structure, or implementation of new technologies. Conversely, unexpected changes can be credited to

shifts in employee conduct, performance discrepancies, governmental mandates, market dynamics, rivals' status, customer choices or economic rivalry on a worldwide scale.

2.3 Sources of Change

In general, change can be divided into two categories depending on where the change originates from: internal and external. The change forces originating within the organization, such as restructuring, delayering, adapting new management styles, and expansion/retrenchment, are known as internal forces of change. External changes forces are alterations originating from outside an organization's environment. Various external factors such as social trends, economic volatility, government regulations, market competition, and technological advancements have the potential to impact the organization and necessitate changes in its business practices.

2.4 Resistance to Change

Juneja, 2015 in Asikhia, Olalekan U, Nneji, Ngozi E, Olafenwa, Abiodun T, and Owoeye, Oladipo A (2021) mentioned that refusing change leads to decay and the only place that resists progress is the cemetery. This implies that if organizations do not actively adopt change, they face the risk of becoming obsolete in the 21st century. Gravenhorst & Veld, (2004), also mentioned that resistance frequently accompanies changes, yet Gravenhorst et al., (2003) determined that resistance only arises when the change process is poorly designed and managed. It can manifest in various ways such as decreased productivity, higher staff turnover, disagreements, labor strikes, and verbal objections against the change being effective. Therefore, it is important to thoroughly plan any change and take into account the various interactions between different stakeholders involved in the process.

2.5 Main Principles of Change Management Process

Bart Perkins (2023) outlined the five key principles of organizational change management programs in his article. Claiming that there are numerous methods for managing organizational change, all of which can be condensed into five main principles:

2.5.1 Plan

In this principle, the change management team, together with key stakeholders, will identify the departments, business units, and groups that require change. They will also analyze how different aspects of the change management process will impact how individuals perform their duties. This will lead to the response to the typical inquiries asked when a change occurs: "what do I gain from this?" Clear understanding will be gained about which stakeholders support the change, oppose it, or are undecided. A plan for change was then created with detailed actions for each person and group. At this stage, the acceptance criteria are relaxed, depending on observations made from interactions during meetings, one-on-one talks, and other forms of communication.

2.5.2 Engage Stakeholders

The team for managing organizational change engaged in comprehensive conversations with potential supporters to ensure their buy-in and ultimately create a sense of urgency for implementing the upcoming changes. The team will perform a formal assessment of readiness for change to get a better grasp of the organization's openness to change.

2.5.3 Rollout and Communication

In this phase, the plans made previously are put into action. During the implementation process, the organizational change management team communicates with individuals at every level of the enterprise to ensure their support for the change. Communication typically involves official announcements, emails, notifications upon logging onto workstations, and meetings led by the CEO with support from videos, among other methods. Giving individuals or groups the power to facilitate rapid and effective change. It involves publicly acknowledging the individuals who played a key role in each successful outcome by carefully identifying and evaluating their exceptional contributions

at every stage of the change process. However, the implementation is still ongoing for people and groups who seem hesitant and persistently resistant to accepting the change.

2.5.4 Training and Reinforcement

Effective change management requires continuous training and reinforcement to ensure that employees are well-equipped to adopt new processes and strategies. Training helps employees acquire the necessary skills and knowledge to perform effectively during and after the change. Studies show that organizations that invest in ongoing training and support for their employees during transitions are more likely to experience successful change outcomes (Hiatt & Creasey, 2013). Regular training sessions help reduce resistance to change by addressing employee concerns, building competence, and ensuring alignment with the organization's new direction.

In addition to initial training, reinforcement mechanisms—such as periodic refresher courses, performance evaluations, and rewards for successful adaptation—are crucial in embedding the change within the organizational culture (Kotter, 1995). Reinforcement not only helps solidify new behaviors and processes but also sustains momentum for long-term change success. Without ongoing reinforcement, employees may revert to old habits, undermining the overall effectiveness of the change initiative (Prosci, 2020).

2.5.5 Measuring Success

The performance of every person needs to be evaluated. The performance plan needs to be transparent, quantifiable, and attainable, and should align with the objectives in the change's performance plan. This will assist in identifying discrepancies between planned objectives and those actually attained, as well as determining necessary modifications.

2.6 Organizational Performance

Organizational performance refers to how well an organization achieves its objectives and goals, often measured through financial, operational, and human capital indicators (Richard et al., 2009). Organizational performance is critical for understanding the effectiveness of management practices, including change management. Scholars have pointed out that the success of an organization can be gauged by comparing its actual

performance with its intended outcomes, which include profitability, productivity, customer satisfaction, and overall market competitiveness (Cho & Dansereau, 2010).

Effective leadership and strategic alignment are key components that drive organizational performance. Tomal and Jones (2015) emphasized that organizations that foster a strong alignment between their strategic goals and the performance of their employees tend to outperform their competitors. Moreover, the ability to continuously adapt to internal and external pressures, such as changes in market conditions or technological advancements, is a critical factor in maintaining high performance levels (Hitt et al., 2016).

Organizational performance is typically broken down into several dimensions. These include economic performance, which focuses on financial results like profitability and return on investment; operational performance, which looks at customer satisfaction, process efficiency, and market share; and human capital performance, which measures employee engagement, retention, and development (Cameron & Whetten, 2013). Each of these dimensions is influenced by how well the organization manages change, particularly in response to external pressures such as new market entrants or regulatory changes (Herminia, 2006).

Organizational effectiveness is the assessment of how well an organization achieves its goals using available resources while also considering the well-being of its employees. It pertains to the company's ability to meet the desired production goals, the efficiency of its operations, and the amount of waste generated. When leadership is optimal, performance consistently shows enhancement. Leadership is crucial in guiding teams, developing strategies, and successfully executing them to reach objectives, fostering clear communication, ensuring goals are in sync throughout the organization, nurturing employee growth, promoting accountability, and maximizing resource utilization.

Therefore, in summary, organizational effectiveness is related to an organization's attainment of complete self-awareness as a result of: Leaders establish clear objectives for employees and map out strategies for effectively achieving those objectives.

Management is putting into place clear processes for making decisions and communication channels. Employees who are committed and rewarded fairly are creating work that focuses on achieving results.

According to Wikipedia, organizational performance refers to the tangible results or outcomes of an organization compared to its planned goals and objectives.

We concur that organization performance can be categorized into three key areas: financial or economic performance, operational performance, and human capital performance.

The Economic Performance of the Organization: the organization's Economic Performance assesses financial and market results, such as profits, sales, return on investment, and other financial measures.

The Operational Performance of the Organization: focus on the organization's operational performance centers around measurable indicators such as customer satisfaction and loyalty, the company's social capital, and the competitive advantage gained from abilities and resources.

The Human Capital Performance of the Organization: the organization's Human Capital Performance encompasses topics such as Employee Engagement, Culture, development, and internal promotion opportunities. Metrics include Employer Net Promoter Score (eNPS) and being an employer of choice.

2.6.1 Factors of Organizational Performance

Not all organizations are identical; various factors set them apart, including their goals, strategies, and tools used to reach those goals. These factors, which dictate the organization's actions, objectives, and operational framework, can be categorized into:

External factors: These factors are external to the organization and beyond its control, yet impact its growth, effectiveness, and formation. These consist of:

- Economic factors
- Socio-economic factors

- Political-administrative factors.

Internal factors: These are those factors within the organization, characteristics such as:

- Purpose
- Mission
- Values
- Instruments, etc.

Individual choice factors: Decisions regarding anticipated costs and/or benefits can be made by either teams or individuals

2.7 Empirical Review

Some past researchers have discovered that the process of managing organizational change consists of three stages. According to Robertson and Seneviratne (2005) and Dr. Olajide Olubayo (2014), there are three phases: (a) planned interventions cause changes in the workplace environment; (b) these changes in the workplace environment result in individuals changing their behavior; (c) these individual behavioral changes affect both organizational performance and individual development, which are crucial outcomes for the organization. Bechard and Harris (2008) illustrated how the components in the change process are interconnected through arrows, demonstrating their interactive nature. Richard and his colleagues (2009) highlighted that organizational performance should be connected with factors like profitability, better service delivery, customer happiness, market share expansion, and enhanced productivity and sales. Multiplicity of individuals, group, task, technological, structural, managerial, and environmental factors all impact organizational performance. Using various strategies to handle change can lead to changes in the variables within each dimension, either increasing or decreasing them. Telecom companies should focus on effectively managing change in order to enhance the overall performance of the organization.

The research conducted by Aman Gemechu & Mustefa Ibrahim Wake in 2021 aimed to explore how change management practices impact the performance of ethio telecom south region. The study found that all three types of change management practices (Balanced

Score card practice, Kaizen philosophy management practice, and standard Quality circle management practices) were occasionally implemented. The results showed a strong and positive correlation between the balanced score card, kaizen, and standard quality circle management practices and the organizational performance of ethio telecom south region. This means that the practice of managing change has a considerable impact on the performance of ethio-telecom in the southern region.

Aman Gemechu (2021) stated that the changes made in the shops of ethio telecom in central west Addis Ababa region were inadequate. Introducing performance tools like balanced score card, quality circle management, Kaizen philosophy, and PDP in the company has been difficult due to staff not being trained on these changes and the ineffective implementation of these tools. Aman's research findings showed inadequate customer service, unsuitable conditions for successful change initiatives, ineffective change facilitators, poor communication regarding recent changes, and inadequate performance evaluations in the region's stores.

Also, Tefera Abera (2020) examined the relationship between leadership, communication, employee engagement, and readiness for change as independent factors and organizational performance as a dependent factor. This research observed that employee engagement, communication, readiness for change, and leadership are crucial factors in organizational performance, in that specific order of importance. Furthermore, the significance of change management is crucial in service-oriented companies like the private banks studied, as it plays a key role in achieving organizational performance and meeting the interests of stakeholders. Based on previous studies, researches on the impact of change management on organizational performance primarily focus on measurement tools like BSC, Kaizen philosophy, and Quality Circle Management. This is mainly driven by a strong internal push for change.

Nevertheless, this research carefully took into account the external factors: the Ethiopian government's deregulation of the telecom sector as a crucial component of the country's digital transformation. After the telecom sector of the nation was deregulated or liberalized,

it is anticipated that three operators will enter the market. Starting in July 2021, after Safaricom Ethiopia was officially registered and fully licensed, the market now consists of two main operators: ethio-telecom and Safaricom Ethiopia. The researcher thinks that ethio telecom needs to make changes to its organizational methods in response to the entry of a new competitor in the market. Recognizing the significance of leadership, communication, employee engagement, and readiness for change is essential in change management. These factors are considered as independent variables that influence the organizational performance of ethio telecom's Head Office.

2.8 Conceptual Model of the Study

The conceptual framework of this research demonstrates how elements like Leadership, Communication, Employees Engagement, and Readiness for change influence Organizational Performance as predictors or independent variables.

These four variables leadership, communication, readiness for change, and employee engagement are interrelated and represent the most critical dimensions for assessing the effectiveness of change management practices. They provide a comprehensive framework for evaluating how well an organization manages change by addressing both the structural (leadership and communication) and behavioral (readiness and engagement) components that drive successful change.

While there are other dimensions of change management, such as vision and strategy, training and development, culture and organizational alignment, measurement and feedback, technology adaptation or resource allocation, these four factors were selected because they directly relate to the human aspects of change, which are often the most challenging to manage. By focusing on these key variables, this study aims to provide actionable insights into how Ethio-Telecom can improve its change management practices to enhance organizational performance.

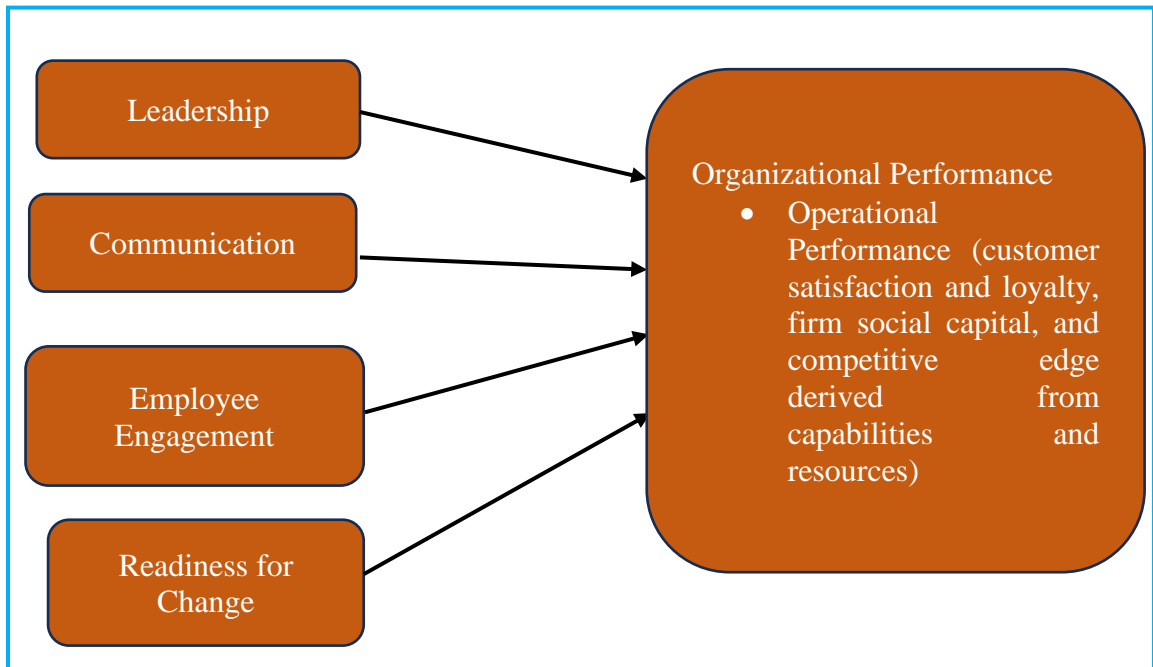


Figure 1 Conceptual Model of the Study

Source: (Farooq, 2016) little modified by the researcher to better fit this research objective

- Leadership, Communication, Employee Engagement, and Readiness for Change are the independent variables,
- Dependent Variable- Organizational Performance includes Customer Satisfaction & Loyalty, Firm Social Capital, and Competitive Edge as operational performance indicators.

CHAPTER THREE

3 METHODOLOGY

3.1 Introduction

This section of the research focuses on outlining the research design, research population, sample and sampling methods, data collection tools, and analysis procedures. Therefore, to investigate the research inquiries, data was gathered from the head office of ethio telecom. The data was analyzed using a mixed research technique approach. Thus, the participants in this research are the staff members of ethio telecom headquarters. The process of data collection administration relied on obtaining permission from both the adviser/expert and the sample members. The ethical guidelines were established and adhered to while collecting and analyzing data.

3.2 Research Design

As stated by Kothari (2006), a research design assists the researcher in preplanning the methods for gathering pertinent data and the techniques for analysis. Understanding the purpose and goals of the research to be analyzed, as well as the methods of data collection, are crucial aspects to take into account. Hence, selected employees from the ethio telecom Head office are involved. To research the impact of change management on organizational performance, the researcher utilized a descriptive survey & explanatory research method to describe and infer the current situation in the organization being studied.

3.3 Sampling Techniques and Sample Size Determination

The researcher employed a simple random sampling method to hand out the questionnaire, which enabled them to gather data without any biases since the questionnaire was distributed randomly. To calculate the sample size, the study utilized a statistical formula created by Daniel in 1999. According to a study by L. Naing, T. Winn and B.N. Rusli (2006). The researcher was set its confidence level at 95% with 5% error term.

Accordingly, using a Z-score value of 1.96 at this confidence level the following sample will be drawn:

$$n = \frac{Z^2 P(1-P)}{d^2}$$

Where: n= sample size

Z= z-statistic for the level of confidence

P= expected prevalence or proportion (in proportion of one if 20% p=0.2)

d= precision (in proportion of one if 5% d=0.05)

$$n = \frac{1.96^2 * 0.2(1-0.2)}{0.05^2}$$
$$n = 245.86 \cong 246$$

Therefore, the survey questionnaire was given to 246 participants from the total population of 5230 at the ethio-telecom head office and then utilized for analysis.

While this method is appropriate for ensuring randomness, there are potential biases and limitations associated with using simple random sampling in a complex organizational context like Ethio-Telecom, which need to be considered:

3.3.1 Potential Biases:

Non-response Bias: In large organizations such as Ethio-Telecom, not all employees may respond to surveys or participate in the study. Those who choose to respond may systematically differ from those who do not, potentially skewing the results. For example, employees with a positive attitude toward the change may be more likely to participate, leading to an overrepresentation of favorable responses, while those who are disengaged or resistant to change may be underrepresented.

Sampling Frame Bias: Although simple random sampling ensures that every individual in the population has an equal chance of being selected, the sampling frame (i.e., the list from which the sample is drawn) may not perfectly reflect the diversity of roles and functions within Ethio-Telecom. For instance, managerial staff may be overrepresented or

underrepresented relative to non-managerial staff, leading to an imbalance in perspectives that could influence the findings. Additionally, employees from certain departments or units may be more likely to participate than others, particularly if they have more flexible schedules or are more engaged in organizational activities.

3.3.2 Limitations in a Complex Organizational Context:

Complex Hierarchical Structure: Ethio-Telecom is a large and hierarchical organization with various departments, job levels, and operational units. Simple random sampling may not fully capture the diversity of perspectives across different hierarchical levels or departments. Employees at the senior management level might have significantly different experiences with change management compared to front-line employees, but random sampling may not guarantee adequate representation from all relevant groups. A stratified sampling approach might have been more effective in ensuring representation across different functional areas.

Contextual Variability: Given that Ethio-Telecom is undergoing significant changes due to market liberalization, the experiences of employees with change management may vary widely depending on their specific roles, departments, or regions. Simple random sampling does not account for this contextual variability, which may result in some perspectives being over- or underrepresented. For example, employees in departments directly affected by competitive pressures (e.g., customer service) may have different experiences compared to those in less impacted areas (e.g., finance or HR).

3.4 Mitigation Strategies:

To mitigate the risk of non-response bias, the study will employ follow-up reminders and encourage participation through various communication channels to ensure a higher response rate. Furthermore, non-response analysis can be conducted to identify any patterns among those who did not participate, allowing for adjustments in the interpretation of results.

While simple random sampling was chosen for its simplicity and ease of use, the study acknowledges the need for caution in generalizing the findings across the entire organization. Future research could use stratified sampling to ensure proportionate representation from different job levels, departments, or regions, especially in an organization as diverse as Ethio-Telecom.

In conclusion, while simple random sampling offers a degree of fairness and randomness in selection, it may not fully capture the complex realities of a large and hierarchical organization like Ethio-Telecom. The potential biases and limitations associated with this sampling technique highlight the need for careful interpretation of the findings, with an awareness of which groups may be over- or underrepresented in the data.

3.5 Data Source and Method of Collection

3.5.1 Data Gathering Tools & Methods

Both primary and secondary data sources were utilized in this research. Data for this study was obtained directly from managers, supervisors, and employees who serve as the primary sources of information. The researcher utilized a questionnaire as the instrument for collecting primary data. Secondary data was collected from various sources including books, journals, research reports, published company documents and other relevant data to support the study's development. The instrument was developed by the researcher through English.

3.5.2 Procedure for Data Collection

The first step in gathering essential data was meeting with selected samples' employees, such as coordinators and senior experts, in person to explain the study's purpose and ensure proper conditions for data collection are met.

Out of a total of 246 participants at the Ethio-telecom Head office, 240 questionnaires were successfully gathered. The remaining 6 surveys were not received back. Next, a total of 240 questionnaires were coded and analyzed using SPSS version 27.

3.6 Methods of Data Analysis

The data analysis for this study utilized both quantitative and qualitative methods to address the research objectives effectively. **Quantitative Data Analysis:** Data Entry and Software: Responses from 240 valid questionnaires were entered into SPSS version 27 for analysis. Descriptive statistics, including mean, standard deviation, and frequencies, were calculated for demographic variables and change management indicators (leadership, communication, readiness for change, and employee engagement). **Correlation Analysis:** Pearson's correlation coefficient was used to assess relationships between independent variables and organizational performance. **Regression Analysis:** A multiple linear regression analysis evaluated the predictive power of the independent variables on organizational performance, using R-squared values to explain variance and beta coefficients to indicate relative importance. **ANOVA (Analysis of Variance):** ANOVA tested the overall significance of the regression model, providing F-statistics **and p-values** to assess the joint effects of the independent variables.

Qualitative Data Analysis: open-ended questions gathered qualitative insights on challenges and perceptions related to change management. Thematic analysis was performed to identify and categorize recurring themes from the qualitative responses, such as resistance to change and communication issues. These themes provided context and depth to the quantitative findings.

The results from both analyses were synthesized to draw conclusions about the impact of change management practices on organizational performance. Quantitative results were presented through tables and graphs, while qualitative insights enriched the understanding of employee experiences.

3.7 Ethical Consideration

Ethical considerations are taken into account when conducting this research. Regarding informed consent, respondents will be informed about the study's background and the

significance of the data collected, while confidentiality will be ensured by reassuring them that their information will be strictly used for academic purposes.

3.8 Validity and Reliability

To ensure the credibility of the research findings, the study conducted validity and reliability tests on the data collection instrument—the questionnaire.

3.8.1 Validity

The validity of the questionnaire was enhanced by adopting established measurement scales from prior research in the field of change management and organizational performance. Specifically, validated constructs from studies by *Kotter (1995)* for leadership and *Armenakis and Harris (2009)* for communication were incorporated into the questionnaire. Additionally, the instrument was reviewed by the research advisor, ensuring that the items accurately reflected the constructs being measured. Their feedback facilitated necessary adjustments to improve the clarity and relevance of the questions.

3.8.2 Reliability:

The reliability of the questionnaire was assessed using Cronbach's alpha, a standard statistic for evaluating internal consistency. Elements of the questionnaire were derived from previously validated instruments, which have demonstrated reliable measurements in related studies.: Leadership, Communication, Readiness for Change, & Employee Engagement.

The results of the reliability analysis are as follows:

Leadership: Cronbach's alpha = 0.85

Communication: Cronbach's alpha = 0.87

Readiness for Change: Cronbach's alpha = 0.81

Employee Engagement: Cronbach's alpha = 0.83

These results indicate that all constructs have acceptable internal consistency, with Cronbach's alpha values above the commonly accepted threshold of 0.70, suggesting that the questionnaire is a reliable instrument for measuring the intended variables.

By establishing the validity and reliability of the data collection instrument, this study ensures that the findings are credible and that the conclusions drawn from the analysis are well-supported.

CHAPTER FOUR

4 ANALYSIS AND INTERPRETATION OF DATA

This chapter discusses the presentation, analysis, and interpretation of the study data. It is composed of two sections. The initial section contains demographic information about the participants, while the subsequent part comprises information gathered from the participants via a survey. In order to meet the research goals and/or inquiries, 246 surveys were handed out to participants. Of these, 240 were completed and returned, while 4 were not returned. Additionally, 2 surveys were rejected due to missing of essential data.

4.1 Respondents Profile

The research collected demographic data from participants, including gender, age, education level, tenure at the company, and monthly income, as it is crucial to describe the demographic profile of respondents for the study.

4.1.1 Respondents Gender

The result related to respondents' gender is displayed in Table 1 below;

Table 1 Respondents Gender

Sex of the Respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	161	67.1	67.1	67.1
	Female	79	32.9	32.9	100.0
	Total	240	100.0	100.0	

Source: own survey, 2024

As shown above, the sex composition of respondents indicates that the majority of respondents, 67.1%, are male. This result was anticipated since most of the staff at ethio telecom, according to the 2022/2023 annual business report, stated that out of the total permanent workforce of 17,202, 72% or 12,317 are male. While, the rest of the respondents are female, making up 32.9%.

4.1.2 Respondents Age

The result related to respondents' age is displayed in Table 2 below;

Table 2 Respondents Age

Age of the Respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 25	22	9.2	9.2	9.2
	26-35	108	45.0	45.0	54.2
	36-45	84	35.0	35.0	89.2
	Above 46	26	10.8	10.8	100.0
	Total	240	100.0	100.0	

Source: own survey, 2024.

The above table shows, from 240 respondents of this study 45% were aged from 26-35, 35% were aged from 36-45, 10.8% were aged above 46 and the remaining 9.2 % were aged below 25. The result indicated that 80% of the respondents are at the age of 26-45 implied that majority of the respondents are at the age of productivity and ready to accept and learn new things.

4.1.3 Respondents Educational Level

Results related to respondents' educational level is depicted in Table 3 below;

Table 3 Respondents Educational Level

Respondent's Educational Status					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	3	1.3	1.3	1.3
	First Degree	148	61.7	61.7	62.9
	Master's Degree	87	36.3	36.3	99.2
	Doctorate Degree	2	.8	.8	100.0
	Total	240	100.0	100.0	

Source: own survey, 2024.

Tables 3, reveals that 61.7% of the respondents are first degree holders, 36.3% had finished their post graduate master's degree, followed by 1.3% with diploma holders and also 0.3 had earned Doctorate degree. This result indicates that more than 99% of the respondents can comprehend the questions asked and could answer them well.

4.1.4 Respondents Year of Service in Ethio-telecom Head Office

Table:4 below shows result of respondents' year of service at Ethio-telecom

Table 4 Respondents Year of Service in Ethio-telecom Head Office

For How Long Have You Been Working at Your Current Organization?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	72	30.0	30.0	30.0
	6-10 years	106	44.2	44.2	74.2
	11-15 years	42	17.5	17.5	91.7
	Above 16 years	20	8.3	8.3	100.0
	Total	240	100.0	100.0	

Source: own survey 2024.

The above table result shows, that out of the 240 respondents, 44.2% of the respondents have been served with their organization for 6-10 years, 30% less than 5 years, 17.5 % have served with their organization for 11-15 years and 8.3% have served for above 16 years. This result indicates that 70% of the responders had sufficiently considerable experience with their organization and thus can be best positioned as respondents.

4.1.5 Respondents Job Position

Table 5: shows the result of respondents' job position as depicted below;

Table 5 Respondents Job Position

Job Position					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Managerial	60	25.0	25.0	25.0
	Non-Managerial	180	75.0	75.0	100.0
	Total	240	100.0	100.0	

Source: own survey 2024.

The result revealed that 75 of the respondents held non-managerial positions in their organization, whereas 25% of the respondents held various managerial positions. This shows that both regular staff and managers were sufficiently represented thus minimize biases in terms of responses.

4.1.6 Respondents Monthly Income

The result related to respondents' monthly income is shown in Table 6 below;

Table 6 Respondents Monthly Income

Monthly Income					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below Birr 10,000.00	36	15.0	15.0	15.0
	Birr 10,001.00-20,000.00	80	33.3	33.3	48.3
	Birr 20,001.00-30,000.00	73	30.4	30.4	78.8
	Birr 30,001.00 & above	51	21.3	21.3	100.0
	Total	240	100.0	100.0	

Source: own survey 2024.

The above table indicated that 33.3% of the respondents earn monthly income of Birr 10,001.00-20,000.00 per month, 30.4% earns monthly income of Birr 20,001.00-30,000.00, 21.3% earns above Birr 30,001.00 whereas the remaining 15% of the respondents earn below Birr 10,000.00.

4.2 Descriptive Statistics Analysis

Table 7 Responses of Employee on the Components of Change Management and Organizational Performance Analyzed in descriptive statistics;

Descriptive Statistics			
	Mean	Std. Deviation	N
Role of Leadership in Managing Change	2.6757	.90804	240
Role of Communication in Managing Changes	2.8076	.69612	240
Employee Engagement in Managing Changes	2.7056	.84647	240
Readiness for Chage in Managing Change	2.4840	.83108	240
Organizational Performance-Operational	2.6347	.82845	240

Source own survey: 2024

Mean Value

The mean values indicate the central tendency of the responses. All factors are rated between 2.4840 and 2.8076, suggesting a moderate level of agreement with the statements related to each factor.

Standard Deviation

The standard deviations indicate the spread of responses around the mean. The values range from 0.69612 to 0.90804, showing that there is some variability in the responses. Higher standard deviation values indicate greater variability in responses, suggesting a wider range of perceptions among employees. In contrast, lower standard deviation values reflect a closer clustering of responses around the mean, indicating more agreement among respondents about that aspect of change management. Thus, these statistical values are important for understanding of perceptions related to leadership, communication, employee engagement, readiness for change and operational performance in the context of managing change within ethio-telecom head office.

4.3 Correlation Analysis

A Pearson correlation test was carried out in order to assess the level of correlation between organizational performance, the dependent variable, and different independent variables related to change management, including Leadership, Communication, Employee Engagement, and Readiness for change.

Table 8 Shows Correlation Matrix between Organizational Performance and Change Management Dimensions

Correlations						
		Leadership	Communication	Employee Engagement	Readiness for Chage	Organizational Performance-Operational
Leadership	Pearson Correlation	1	.592**	.541**	.565**	.476**
	Sig. (2-tailed)		.000	.000	.000	.000
	N		240	240	240	240
Communication	Pearson Correlation		1	.783**	.725**	.659**
	Sig. (2-tailed)			.000	.000	.000
	N			240	240	240
Employee Engagement	Pearson Correlation			1	.789**	.699**
	Sig. (2-tailed)				.000	.000
	N				240	240
Readiness for Chage	Pearson Correlation				1	.766**
	Sig. (2-tailed)					.000
	N					240
Organizational Performance-Operational	Pearson Correlation					1
	Sig. (2-tailed)					
	N					

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Own Survey, 2024

Based on the correlation matrix above, the researcher identified the following outcomes for each construct:

4.3.1 Correlation Between Organizational Performance and Leadership

The Pearson correlation test revealed a moderate positive correlation ($r=0.476$, $p<0.01$) between organizational performance and Leadership. In this study, leadership is shown to have the lowest level of correlation with organizational performance compared to other change management constructs analyzed.

4.3.2 Correlation Between Organizational Performance and Communication

The Pearson correlation test in this study revealed a significant strong positive correlation ($r=0.659$, $P<0.01$) between the independent variable communication and the dependent variable organizational performance. Communication has been identified as the third most highly correlated variable with organizational performance, following employee engagement dimension, based on the change management constructs analyzed up to this point.

4.3.3 Correlation Between Organizational Performance and Employee Engagement

The study's Pearson correlation finding between employee engagement and organizational performance indicates a strong positive correlation ($r=0.699$, $p<0.01$). Employee engagement is the second most highly correlated change management variable with organizational performance in this study that has been observed up to this point.

4.3.4 Correlation Between Organizational Performance and Readiness for Change

The researcher conducted a Pearson correlation test to examine the relationship between organizational performance and readiness for change, the final dimension of change management studied. Therefore, the test outcome indicated a highly significant positive correlation between the two variables ($r=0.766$, $p<0.01$). In this study, readiness for change

was found to have the highest correlation with organizational performance among all the other dimensions of change management analyzed.

4.4 Regression Analysis Results

In this section, the researcher focused primarily on the three key components of regression output: the Model Summary, the ANOVA test, and the Beta Coefficient. The mean reaction gathered from the staff at the ethio-telecom main office was used for the dependent variable of organizational performance, as well as the predictor variables of leadership, communication, employee engagement, and readiness for change.

Table 9: Shows the Model Summary of the Regression Result

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.786 ^a	.617	.611	3.101
a. Predictors: (Constant), Readiness for Chage, Role of Leadership, Role of Communication, Employee Engagement in Managing Changes b. Dependent Variable: Organizational Performance-Operational				

Source: own survey 2024.

The regression model assessed organizational performance as the dependent variable and the change management score of individual dimensions as the independent variables. The model of multiple regression shows a robust capability in forecasting organizational performance by considering leadership, communication, employee engagement, and readiness for change. The model's **R** value of **0.786** and adjusted **R Square** of **0.611** signify that it accounts for a substantial amount of the variability in operational performance. The predictions are quite accurate as shown by the low **Standard error of the estimate of 3.101**. These findings underscore how crucial these factors are in impacting organizational performance and indicate that enhancements in leadership, communication, employee participation, and preparedness for change can result in superior operational results.

Table 10 Shows the ANOVA of the Regression Result

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3645.409	4	911.352	94.774	.000 ^b
	Residual	2259.775	235	9.616		
	Total	5905.183	239			
a. Dependent Variable: Organizational Performance-Operational						
b. Predictors: (Constant), Readiness for Chage in Managing Change, Role of Leadership in Managing Change, Role of Communication in Managing Changes, Employee Engagement in Managing Changes						

Source: Own Survey, 2024.

ANOVA (Analysis of Variance) was utilized to assess if there is a significant difference in the mean of a dependent variable across different categories of an independent variable. It evaluates how much of the variation is accounted for by the model compared to the remaining variation, helping determine if the model is a suitable match for the data.

The ANOVA table shows that the regression model is highly significant. The **F-value** of **94.774** is much greater than 1, indicating that the model explains a significant portion of the variance in organizational performance compared to what would be expected by chance. The **p-value** of **(.000)**, is well below the standard significance level (0.05), indicating that there is statistically significant relationship between the predictors (role of leadership, communication, employee engagement, and readiness for change) and the dependent variable (organizational performance).

Overall, the ANOVA results confirm that the predictors collectively have significant impact on organizational performance, validating the strength and reliability of regression model based on the opinion collected from employee of ethio-telecom head office.

Table 11 Shows the Beta Coefficient of Regression Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.393	.845		2.831	.005
	Leadership	.001	.047	.001	.023	.982
	Communication	.169	.083	.142	2.023	.044
	Employee Engagement	.168	.074	.172	2.271	.024
	Readiness for Chage	.525	.069	.527	7.555	.000

a. Dependent Variable: Organizational Performance-Operational

Source: own survey, 2024

In the Beta Coefficient table, the researcher focused on the importance of the Standardized Beta Coefficient to determine the relative significance of each independent variable in predicting the dependent variable, as well as on the Un-Standardized Beta Coefficient to create the linear regression equation.

According to the table, it is evident that the most crucial aspect of change management at the ethio-telecom head office is the readiness for change, which accounts for 52.7% of the Beta Coefficient in influencing organizational performance. Employee’s engagement, which accounted for 17.2% of the Beta Coefficient, is the second most significant factor in change management that positively impacts organizational performance. Communication, on the other hand, contributed the least variation in organizational performance with 14.2% of the Beta Coefficient. Although leadership had the smallest impact on the response variable compared to the other factors, it still accounted for 0.1% of the variance and was found to be statistically significant with a p-value of 0.982, which is greater than the significance level of 0.05.

These findings indicate that although effective leadership plays a crucial role, its influence on organizational performance could be influenced by variables like communication, employee engagement, and readiness for change. In order to increase operational

performance, the head office of ethio-telecom should concentrate on enhancing communication, boosting employee engagement and ensuring readiness for change.

4.5 Effect of Change Management on Organizational Performance

The following outcome is derived from the open-ended questions included in the survey by the researcher. The researcher discovered that the implementation of change management is evolving within the organization, leading to enhanced organizational performance and recent positive growth. The significance of change management in fostering organizational success and adjusting to a shifting business environment is widely acknowledged.

In relation to the connection between change management and organizational performance in the case company, respondents see change management as a tool to achieve the organization's strategies and goals. Respondents affirmed that the organizational performance of the case study benefits positively from the practice of change management. The respondents acknowledge that change management has led to increased sales, expanded operations, adoption of new technologies, enhanced productivity, profitability, and higher customer satisfaction. Nevertheless, the uncomfortable impact of change is often attributed to staff turnover and the disruptive nature of change. The importance of the effect differs based on how much the organization's change management practices are implemented and accepted.

Regarding obstacles faced during change implementation, respondents have pointed out problems with management support, communication, company culture, resources, training, budget, political instability, technology gaps, and inconsistent adaptation, as well as resistance from employees and the organizational structure as potential barriers. Additional obstacles include the constant evolution of the business environment, a lack of time to properly cultivate change, and the burden of responsibility, all of which are frequent hurdles faced when trying to enact change within the organization. According to staff members, addressing these challenges may require the support of senior management,

consistent tracking with key performance indicators (KPIs), and a focus on ongoing improvement.

4.6 Discussion

This section discusses the findings from the data analysis presented in Chapter Four, contextualizing them within the literature reviewed in Chapter Two. The results from the primary data collected through the questionnaires are compared and contrasted with existing studies to provide a deeper understanding of how change management practices impact organizational performance at Ethio-Telecom.

4.6.1 Leadership and Organizational Performance

The analysis revealed a mean score of 2.68 for the role of leadership in managing change, with a standard deviation of 0.91, indicating considerable variability in employee perceptions. This finding aligns with the literature emphasizing the critical role of leadership in effective change management. According to Kotter (1995), strong leadership is essential for guiding organizations through transitions, as leaders set the vision and motivate employees to embrace change. However, the relatively high standard deviation suggests that while some employees view leadership positively, others may feel disconnected or unsupported during the change process, reflecting the findings of Burnes and Jackson (2011), who reported that inconsistent leadership can lead to confusion and resistance among staff.

4.6.2 Communication as a Change Management Tool

The role of communication received a mean score of 2.81, with a lower standard deviation of 0.70, suggesting a greater consensus among respondents about its importance. This is consistent with Armenakis and Harris (2009), who argue that effective communication is crucial in change initiatives, as it helps reduce uncertainty and fosters a sense of involvement. The results emphasize that transparent communication can significantly enhance employees' understanding of change objectives, thereby increasing their

willingness to engage with new processes. This underscores the need for organizations to prioritize clear and consistent communication during transitions.

4.6.3 Readiness for Change

The readiness for change was assessed with a mean score of 2.48 and a standard deviation of 0.83, indicating moderate variability in employee perceptions. This result resonates with Weiner (2009), who asserts that organizational readiness is essential for successful change implementation. Employees who feel prepared are more likely to accept and support change initiatives. However, the findings suggest that there is room for improvement in fostering a culture of readiness at Ethio-Telecom, highlighting the need for targeted training and development initiatives to equip employees with the skills and confidence necessary to adapt to change.

4.6.4 Employee Engagement

Employee engagement received a mean score of 2.71 and a standard deviation of 0.85. This indicates that while some employees feel highly engaged and committed to the change process, others may feel less involved. This finding is corroborated by Kahn (1990), who emphasizes that engaged employees are more likely to contribute positively to change efforts. The variability suggests that Ethio-Telecom should implement strategies to enhance engagement, such as involving employees in decision-making processes and recognizing their contributions to change initiatives.

4.6.5 Impact on Organizational Performance

The overall perception of organizational performance (operational) scored a mean of 2.63 with a standard deviation of 0.83. This reflects a moderate level of satisfaction among employees regarding the effectiveness of change management practices in enhancing operational outcomes. The relationship between effective change management and improved organizational performance is supported by Cameron and Whetten (2013), who note that organizations that effectively manage change are better positioned to achieve their

goals and respond to external pressures. The findings suggest that while Ethio-Telecom has made strides in implementing change management practices, there is still potential for greater alignment between these practices and the desired performance outcomes.

4.6.6 Secondary Data Insights

In addition to the primary data collected, secondary data from existing literature have underscored the significance of the findings. Studies such as those by Aman Gemechu (2021) provide context to the challenges faced by Ethio-Telecom in its change management efforts, highlighting issues such as inadequate training and communication barriers. The alignment of primary and secondary data emphasizes the importance of addressing these challenges to improve organizational performance.

The analysis of primary data has revealed critical insights into how change management practices are perceived at Ethio-Telecom. When compared to the secondary data from the literature, these findings provide a robust understanding of the dynamics at play. Addressing leadership effectiveness, enhancing communication, fostering readiness for change, and increasing employee engagement are essential steps for Ethio-Telecom to improve its organizational performance and successfully navigate the challenges posed by a competitive market environment.

CHAPTER FIVE

5 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of Major Findings

From the information gathered from ethio-telecom's head office employees and the analysis conducted thus far, the following findings summary was derived.

- Strong positive correlations exist between communication and employee engagement ($r=0.783$), readiness for change ($r=0.725$), and operational performance ($r=0.659$).
- Employee engagement is strongly correlated with readiness for change ($r=0.789$) and Operational performance ($r=0.699$).
- Readiness for change has the strongest correlation with operational performance ($r=0.766$) among all factors.
- The mean scores for all variables are rated between **2.4840** and **2.8076** suggesting a moderate level of agreement with statements related to each other.
- Standard deviations indicate some variability in responses, particularly in the role of leadership ($SD= .90804$) and employee engagement ($SD= .84647$).
- The regression model is statistically significant ($F=94.774, p<0.001$). The model explains approximately 61.7% of the variance in organizational performance (**R Square = 0.617**). Adjusted R square (**0.611**) confirm the model's robustness.
- The ANOVA results indicate that the regression model is highly significant ($p < 0.001$), validating the impact of the predictors on the organizational performance.
- Readiness for change is the most significant predictor of organizational performance ($\beta= 0.527, p < 0.001$). Communication ($\beta= 0.142, p < 0.044$), and

Employee Engagement ($\beta= 0.172$, $p < 0.024$) are also significant predictors. However, Role of Leadership does not show a significant direct impact ($p= 0.982$) in the presence of the other variables.

- The analysis of open-ended questions has also confirmed the information mentioned earlier. Furthermore, it is confirmed that the connection between change management and organizational performance is beneficial, as shown by the significant contributions of change management to the recent improvements in organizational performance. Challenges faced during the implementation of change include employee and organizational resistance to change, political instability, fast-paced advancements in telecom technology, shifting customer preferences, training needs, budget, and time constraints.

5.2 Conclusion

This study has highlighted the impact of the four components of change management (leadership, communication, employee engagement, and readiness for change) as independent variables on the dependent variable of operational organizational performance.

The examination shows that organizational performance is significantly impacted by readiness for change, communication, and employee engagement. While leadership holds importance, its influence on performance is minimal when considering other variables. Instead, leadership can indirectly impact by improving communication, engagement, and preparedness for change. In order to improve operational results, ethio-telecom needs to focus on these factors.

In general, the researcher discovered that effective change management is essential for the success of an organization. Nevertheless, tackling the implementation obstacle requires careful planning and oversight of change efforts. Prioritizing the integration of change practices at all levels has a positive impact on employees, customers, stakeholders, and overall organizational performance, leading to successful change management. It is essential for success to allocate resources properly, comprehend customer preferences, and

integrate change throughout the organization. Implementation of thorough change management strategies will boost the ability to tackle obstacles and guarantee successful execution. In the end, successful change management is crucial for the survival and growth of an organization in a fast-changing environment.

5.3 Recommendation

In the fast-paced and constantly changing business world of today, it is crucial for companies to effectively handle change due to intense competition and the presence of dynamic rivals. To ensure ethio-telecom head office gains the most from managing changes, the researcher proposed the following constructive recommendation based on employee responses collected from ethio-telecom head office:

Enhance Readiness for Change: conduct regular assessment to gauge organizational readiness for change. Develop comprehensive change management plans that include clear communication strategies and employee involvement. Actionable steps to gauge and improve readiness includes: conducting regular readiness assessments, utilize focus group & workshops, monitor key performance indicators (KPIs), evaluate cultural readiness, establish a readiness review committee and create a continuous feedback loop, ...etc.

Improve Communication: Establish transparent communication channels to keep employees informed about the changes and organizational goals. Strategies to enhance the effectiveness of communication involves understating organizational culture, utilizing multiple communication channels, customization of communication templates, developing structured feedback channels, training managers and leaders on effective communication strategies that are culturally relevant and context-sensitive. In additional localization of communication strategy by considering the regional and departmental differences, and ongoing communication campaigns are also important to communicate effectively, ensuring consistency and clarity.

Increase Employee Engagement: implement engagement activities such as recognition programs, professional development opportunities, and fostering a positive work culture.

Encourage employee participation in decision-making process to enhance their sense of ownership and commitment.

Develop Leadership: although leadership did not show a direct significant impact, its role in facilitating communication, employee engagement and readiness for change is crucial. So, provide leadership programs focusing on soft skills, communication, and change management.

Monitor and Evaluate: continuously monitor the effectiveness of implementation strategies through regular feedback and performance assessments. Adapt and refine approaches based on data-driven insights to sustain high levels of organizational performance.

By giving attention to these suggestions, the main office of ethio-telecom can enhance their ability to handle changes and enhance operational productivity, resulting in lasting success and a competitive edge.

Finally, the main focus of this research is on managing changes at the ethio telecom head office. Therefore, the findings of the study are restricted to the headquarter of ethio-telecom. The upcoming researchers in this area studying the effects of change management in the telecommunications industry can utilize this study as an additional resource for future research. Other organizations offering services will also gain valuable insights into change management through consulting.

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7 APPENDICES

Appendices – I: Questionaries



I'm Lemita Dinote, a postgraduate student studying Business Leadership at the School of Commerce in Addis Ababa University. I'm reaching out to you to help in filling out the attached survey, which is an essential part of my MA research project. My research focus on studying how change management practices affect organizational performance, particularly in the case of Ethio telecom.

Hence, your authentic and truthful feedback holds great significance in the accomplishment of the investigation and the researcher appreciates your willingness to participate beforehand. Rest assured that any information you provide will be kept confidential and solely used for academic purposes. If you need more details, want to receive feedback on the study, or have any doubt, please feel free to contact me using below provided address.

Cell phone: +251 94 665 7995

Gmail: lemitadinote@gmail.com

Thank you for sharing your precious time to complete this survey.

N.B. No need of writing your name.

Where alternative answers are given, please make your answer using an “✓” mark in the corresponding box.

Part I- Personal Information

1. Sex

A. Female B. Male

2. Age

A. Below 25 B. 26- 35 C. 36-45 D. Above 46

3. Your Educational Status

- A. Certificates
- B. Diploma
- C. First Degree
- D. Master’s Degree
- E. Doctorate Degree
- F. Other Specify _____

4. For how long have you worked at your current organization?

Less than 5years 6-10 years 11-15 years Above 16 years

5. Job Position: - Managerial Non-Managerial

6. Monthly Income:

Below Birr 10,000.00 Birr 10,001-20,000.00
 Birr 20,001-30,000.00 Birr 30,001 & Above

Part II: Please tick the extent of your agreement level with the following statements.

(Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree)

	<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly Agree</i>
I. Components of Change Management					
Role of Leadership in Managing Change					
Management discusses with employees about what should be changed; more than they tell them what will change.					
Risk of resistance to change is well managed through proper education rather than enforce to accept the change.					
Management was committed to implement the change effectively.					
Management communicates on the various phases of the change, like planning, coordinating, implementing and monitoring.					
All levels of management are actively involved and participate in change process.					

Management is responsible and accountable for implementation of change management and its effectiveness.					
Role of Communication in Managing Changes					
I am familiar with the goals of the change.					
Everyone can give his/her opinion about the change.					
The information about the change is adequate.					
I discuss about the change with my immediate supervisors to understand change issues clearly.					
The change makes me feel insecure about my future in the organization.					
I make noticeable contribution to the change.					
Employee Engagement in Managing Changes					
The organization care about the employees in order to achieve the change management in good ways.					
There are opportunities for my advancement in this organization.					
My supervisor helps me to understand how my work is important to the organization.					
My co-workers and I openly discuss about what needs to be done to be more effective.					
The amount of work I am expected to do is reasonable.					
I have the tools and resources I need to do my job.					
Readiness for Chage in Managing Change					
I know what the vision for the change looks like.					
I am aware of the reasons why the changes are needed.					
The scope of the proposed change is appropriate and achievable.					
I believed that the change will benefit the organization.					
I feel that I have the necessary skills and knowledge to make the changed work.					
I think change is usually well-planned in my organization.					
II. Pillars of Organizational Performance-Operational					
In my organization there is growth in customer satisfaction.					
In my organization there is growth in number of loyal customers.					
In my organization there is high social capital (<i>a positive product of human interaction</i>).					
My organization has determinable competitive edge (<i>provide goods or services better or more cheaply than its rivals</i>).					
My organization possess unique capabilities and resource than rivals/competitors.					
In my organization there is an increment on employee productivity.					

Part III, please indicate your idea for the below open-ended questions.

1. What does the change management practice of your organization look like?

2. How do you relate change management and organizational performance in your company?

3. What are be the impacts of change management practice on your organizational performance?

4. What are challenges encountered while implementing change management at your organization?

5. If you have other issues regarding the change management and its effect on organizational performance; please describe them below.

Thank You!

Appendices – II:

Part I: Respondents Profile

Respondents Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	161	67.1	67.1	67.1
	Female	79	32.9	32.9	100.0
	Total	240	100.0	100.0	

Respondents Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 25	22	9.2	9.2	9.2
	26-35	108	45.0	45.0	54.2
	36-45	84	35.0	35.0	89.2
	Above 46	26	10.8	10.8	100.0
	Total	240	100.0	100.0	

Respondent's Educational Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	3	1.3	1.3	1.3
	First Degree	148	61.7	61.7	62.9
	Master's Degree	87	36.3	36.3	99.2
	Doctorate Degree	2	.8	.8	100.0
	Total	240	100.0	100.0	

For how long have you been working at your current organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	77	30.0	30.0	30.0
	6-10 years	106	44.2	44.2	74.2
	11-15 years	42	17.5	17.5	91.7
	Above 16 years	20	8.3	8.3	100.0
	Total	240	100.0	100.0	

Respondents Job Position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Managerial	60	25.0	25.0	25.0
	Non-Managerial	180	75.0	75.0	100.0
	Total	240	100.0	100.0	

Respondents Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below Birr 10,000.00	36	15.0	15.0	15.0
	Birr 10,001.00-20,000.00	80	33.3	33.3	48.3
	Birr 20,001.00-30,000.00	73	30.4	30.4	78.8
	Birr 30,001.00 & Above	51	21.3	21.3	100.0
	Total	240	100.0	100.0	

Part II: Basic questions of change management dimensions and Organizational Performance

Management discusses with employees about what should be changed; more than they tell them what will change.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	29	12.1	12.1	12.1
	Agree	107	44.6	44.6	56.7
	Neutral	26	10.8	10.8	67.5
	Disagree	54	22.5	22.5	90.0
	Strongly Disagree	24	10.0	10.0	100.0
Total		240	100.0	100.0	

Risk of Resistance to Change is well managed through proper education rather than enforce to accept the change.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	31	12.9	12.9	12.9
	Agree	98	40.8	40.8	53.8
	Neutral	27	11.3	11.3	65.0
	Disagree	65	27.1	27.1	92.1
	Strongly Disagree	19	7.9	7.9	100.0
Total		240	100.0	100.0	

Management was committed to implement the Change effectively.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	34	14.2	14.2	14.2
	Agree	105	43.8	43.8	57.9
	Neutral	35	14.6	14.6	72.5
	Disagree	45	18.8	18.8	91.3
	Strongly Disagree	21	8.8	8.8	100.0
Total		240	100.0	100.0	

Management communicates on the various phases of the change, like planning, coordinating, implementing and monitoring.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	24	10.0	10.0	10.0
	Agree	110	45.8	45.8	55.8
	Neutral	38	15.8	15.8	71.7
	Disagree	50	20.8	20.8	92.5
	Strongly Disagree	18	7.5	7.5	100.0
Total		240	100.0	100.0	

All levels of the management are actively involved and participate in change process.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.8	8.8	8.8
	Agree	90	37.5	37.5	46.3
	Neutral	40	16.7	16.7	62.9
	Disagree	67	27.9	27.9	90.8
	Strongly Disagree	22	9.2	9.2	100.0
Total		240	100.0	100.0	

Management is responsible and accountable for implementation of change and its effectiveness.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	72	30.0	30.0	30.0
	Agree	93	38.8	38.8	68.8
	Neutral	25	10.4	10.4	79.2
	Disagree	31	12.9	12.9	92.1
	Strongly Disagree	19	7.9	7.9	100.0
Total		240	100.0	100.0	

I am familiar with the goals of the Change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	36	15.0	15.0	15.0
	Agree	129	53.8	53.8	68.8
	Neutral	36	15.0	15.0	83.8
	Disagree	26	10.8	10.8	94.6
	Strongly Disagree	13	5.4	5.4	100.0
Total		240	100.0	100.0	

Everyone can give his/her opinion about the change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.8	8.8	8.8
	Agree	58	24.2	24.2	32.9
	Neutral	50	20.8	20.8	53.8
	Disagree	75	31.3	31.3	85.0
	Strongly Disagree	36	15.0	15.0	100.0
Total		240	100.0	100.0	

The information about the change is adequate

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	26	10.8	10.8	10.8
	Agree	82	34.2	34.2	45.0
	Neutral	58	24.2	24.2	69.2
	Disagree	57	23.8	23.8	92.9
	Strongly Disagree	17	7.1	7.1	100.0
Total		240	100.0	100.0	

I discuss about the change with my immediate supervisors to understand change issues clearly

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.8	8.8	8.8
	Agree	96	40.0	40.0	48.8
	Neutral	42	17.5	17.5	66.3
	Disagree	61	25.4	25.4	91.7
	Strongly Disagree	20	8.3	8.3	100.0
Total		240	100.0	100.0	

The change makes me feel insecure about my future in the organization

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	19	7.9	7.9	7.9
	Agree	64	26.7	26.7	34.6
	Neutral	45	18.8	18.8	53.3
	Disagree	79	32.9	32.9	86.3
	Strongly Disagree	33	13.8	13.8	100.0
Total		240	100.0	100.0	

I make noticeable contribution to the change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	39	16.3	16.3	16.3
	Agree	99	41.3	41.3	57.5
	Neutral	69	28.7	28.7	86.3
	Disagree	27	11.3	11.3	97.5
	Strongly Disagree	6	2.5	2.5	100.0
Total		240	100.0	100.0	

The Organization care about the employees in order to achieve the change in good way.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	23	9.6	9.6	9.6
	Agree	67	27.9	27.9	37.5
	Neutral	55	22.9	22.9	60.4
	Disagree	69	28.7	28.7	89.2
	Strongly Disagree	26	10.8	10.8	100.0
Total		240	100.0	100.0	

My co-workers and I openly discuss about what needs to be done to be more effective.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	12.5	12.5	12.5
	Agree	86	35.8	35.8	48.3
	Neutral	40	16.7	16.7	65.0
	Disagree	63	26.3	26.3	91.3
	Strongly Disagree	21	8.8	8.8	100.0
	Total		240	100.0	100.0

There are opportunities for my advancement in this organization.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	26	10.8	10.8	10.8
	Agree	108	45.0	45.0	55.8
	Neutral	60	25.0	25.0	80.8
	Disagree	35	14.6	14.6	95.4
	Strongly Disagree	11	4.6	4.6	100.0
	Total		240	100.0	100.0

My supervisor helps me to understand how my work is important to the organization.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.8	8.8	8.8
	Agree	98	40.8	40.8	49.6
	Neutral	41	17.1	17.1	66.7
	Disagree	50	20.8	20.8	87.5
	Strongly Disagree	30	12.5	12.5	100.0
	Total		240	100.0	100.0

The amount of work I am expected to do is reasonable.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	46	19.2	19.2	19.2
	Agree	114	47.5	47.5	66.7
	Neutral	35	14.6	14.6	81.3
	Disagree	36	15.0	15.0	96.3
	Strongly Disagree	9	3.8	3.8	100.0
	Total		240	100.0	100.0

I have the tools and resources I need to do my job.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	25	10.4	10.4	10.4
	Agree	120	50.0	50.0	60.4
	Neutral	42	17.5	17.5	77.9
	Disagree	42	17.5	17.5	95.4
	Strongly Disagree	11	4.6	4.6	100.0
	Total		240	100.0	100.0

I know the vision for the change looks like.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	28	11.7	11.7	11.7
	Agree	129	53.8	53.8	65.4
	Neutral	35	14.6	14.6	80.0
	Disagree	36	15.0	15.0	95.0
	Strongly Disagree	12	5.0	5.0	100.0
Total		240	100.0	100.0	

I am aware of the reasons why the changes are needed.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	36	15.0	15.0	15.0
	Agree	124	51.7	51.7	66.7
	Neutral	35	14.6	14.6	81.3
	Disagree	38	15.8	15.8	97.1
	Strongly Disagree	7	2.9	2.9	100.0
Total		240	100.0	100.0	

The scope of the proposed change is appropriate and achievable.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	27	11.3	11.3	11.3
	Agree	85	35.4	35.4	46.7
	Neutral	74	30.8	30.8	77.5
	Disagree	35	14.6	14.6	92.1
	Strongly Disagree	19	7.9	7.9	100.0
Total		240	100.0	100.0	

I believe that the change will benefit the organization.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	76	31.7	31.7	31.7
	Agree	101	42.1	42.1	73.8
	Neutral	39	16.3	16.3	90.0
	Disagree	18	7.5	7.5	97.5
	Strongly Disagree	6	2.5	2.5	100.0
Total		240	100.0	100.0	

I feel that I have the necessary skill and knowledge to make the change work.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	55	22.9	22.9	22.9
	Agree	110	45.8	45.8	68.8
	Neutral	31	12.9	12.9	81.7
	Disagree	40	16.7	16.7	98.3
	Strongly Disagree	4	1.7	1.7	100.0
Total		240	100.0	100.0	

I think change is usually well-planned in my organization.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	16	6.7	6.7	6.7
	Agree	86	35.8	35.8	42.5
	Neutral	52	21.7	21.7	64.2
	Disagree	67	27.9	27.9	92.1
	Strongly Disagree	19	7.9	7.9	100.0
Total		240	100.0	100.0	

In my organization, there is growth in customer satisfaction.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	7.5	7.5	7.5
	Agree	123	51.2	51.2	58.8
	Neutral	32	13.3	13.3	72.1
	Disagree	46	19.2	19.2	91.3
	Strongly Disagree	21	8.8	8.8	100.0
	Total	240	100.0	100.0	

In my organization there is growth in number of loyal customers.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	22	9.2	9.2	9.2
	Agree	100	41.7	41.7	50.8
	Neutral	53	22.1	22.1	72.9
	Disagree	45	18.8	18.8	91.7
	Strongly Disagree	20	8.3	8.3	100.0
	Total	240	100.0	100.0	

In my organization there is high social capital (a positive product of human interaction).

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	19	7.9	7.9	7.9
	Agree	103	42.9	42.9	50.8
	Neutral	52	21.7	21.7	72.5
	Disagree	50	20.8	20.8	93.3
	Strongly Disagree	16	6.7	6.7	100.0
	Total	240	100.0	100.0	

My organization has determinable competitive edge (provide goods or services better or more cheaply than its rivals).

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	22	9.2	9.2	9.2
	Agree	111	46.3	46.3	55.4
	Neutral	55	22.9	22.9	78.3
	Disagree	43	17.9	17.9	96.3
	Strongly Disagree	9	3.8	3.8	100.0
	Total	240	100.0	100.0	

My organization possess unique capabilities and resource than rival/competitors.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	12.5	12.5	12.5
	Agree	119	49.6	49.6	62.1
	Neutral	47	19.6	19.6	81.7
	Disagree	35	14.6	14.6	96.3
	Strongly Disagree	9	3.8	3.8	100.0
	Total	240	100.0	100.0	

In my organization there is an increment on employee's productivity.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	23	9.6	9.6	9.6
	Agree	118	49.2	49.2	58.8
	Neutral	59	24.6	24.6	83.3
	Disagree	33	13.8	13.8	97.1
	Strongly Disagree	7	2.9	2.9	100.0
	Total	240	100.0	100.0	