Business Sustainability through Change Management Case Study: Rokel Commercial Bank (RCB)

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Abstract: - The central focus of this study was to ascertain business sustainability through change management within the banking industry in Sierra Leone. Rokel Commercial Bank, like other Banks, has undergone and is currently undergoing a series of significant changes, mainly due to competition, continuous value addition and emphasis on customer satisfaction and profitability.

Present trends show a sense of urgency on the part of the Bank to revitalise a system that is able to provide sustainable banking services, this means employees are expected to adjust their thinking and practices to respond to the changing needs and expectations of customers.

The study spanned approximately 5 years and the data was gathered from 58 employees who were randomly selected from a population of100 to provide answers with aid of questionnaires and interviews, while descriptive tools were applied for data analysis.

Findings revealed that there is a positive relationship between Change Management and Organisational sustainability at RCB.

These understandings help employees accept, facilitate and support the change, making it become lasting and also improve employee performance and sustainability.

This study recommended that the guiding principles for change programs should be undertaking by a strong team that adopts a flexible change management techniques.

Keywords: **Sustainability, Business Sustainability, Change, Change Management, Performance**

I. INTRODUCTION

❝❝Change is a fundamental part of the organization and there invariable in most organizations" (Szamosi& Duxbury, 2002).

The banking industry is an integral segment of Sierra Leone's economic sector and that it is sensitive to external environmental changes. In order to remain competitive, financial institutions must be flexible to quickly react and adapt to external environment challenges.

A successful organisation is one that can adapt and integrate to the changing circumstances while at the same time keeping the focus on the business' vision. An organisation's vision has the full mandate of identifying the need for change or that which maintains the status quo. (Sullivan & Harper, 1996).

According to Van den Ven(2005), many organizations to date face the challenge of establishing relevancy in a market which overall translates to success.

In today's business "change" becomes inevitable; moreover it turns to be a regular feature of business life.

Change management is the process of continually renewing a company's direction, capabilities and structure in order to serve the changing needs of internal and external customers (Moran &Brightman, 2001).

Burnes (2004 commented that it has become the accepted view that, for society at large, the magnitude, speed, unpredictability and impact of change are greater than ever before.

Business environments are experiencing continuous change in today's world, more frequently than before.

However, due to the continuous threat posed by the external environment, the importance of organisational change, the management and sustainability of change is becoming a highly required managerial skill and competence.

Graetz (2000) also suggested that against a backdrop of increasing deregulation, globalisation, the rapid pace of technological innovation, shifting social and demographic trends, and a growing knowledge workforce the primary task for management is the managing of organisational change.

According to Cangemi, et.al.(2011)"for Corporate organizations, change and dynamics are the framework and responsibility of leadership, regardless of what type of implementation is being considered. There should be greater stability by leadership to the organization before, during, and after the change. Employees have success in their effort, costs of change implementation in assisting employees with change are minimized, and the future of the organization can include creative-competitive endeavors, and enhanced profitability for the global economy"(p. 32).

II. THEORETICAL FRAMEWORK

This study considered that the success of any change initiative lies in the understanding of that change by employees. Change in any form, irrespective of how minor, will usually face opposition of some kind. To ensure its success, change initiators must be fully aware of the implications of change, not only to the organisation itself but to the employees

concerned. Clearly when the decision to change is made, the change initiators will need to have a vision as to why it is required. Unless these visions are shared with the employees concerned, total acceptance is unlikely. To overcome this, change initiators can merge the change processes that include the 'wants' of employees as well as that of the organisation.

Hence, this study has presented a thorough review on business sustainability and change management.

Of course there are many theories and concepts written by many authors about change management using different arguments and perspectives. Kurt Lewin (1951) is one of the most famous authors who wrote and developed concepts about organisational change management. Lewin (1951) introduced the change process in three steps (Pasmore, et al., 2010).

Unfreeze, Change and Refreeze

Unfreezing:

This stage identifies as to how an organisation should get ready for the change, highlighting measures to be taken in order to move away from current stage, current comfort zones. This stage majorly tries to educate the importance and the necessity to change highlighting repercussions of not changing according to the current situation. The objective is to reduce possible employee resistance to change. Once the employee mind-set is right for change then Lewin (1951) argues that managers should implement the second stage of the change process.

Changing/transition:

This is the process where all change measures are taken on by the employees. Once the employee minds are ready for the change, it is easier to implement the required change initiatives. This is the most challenging phase as even though people are well educated about the change process, there is always the possibility of people resisting the change when it is actually happening. Therefore, managers should take this phase extremely seriously as the success or the failure of the change process will heavily depend on the overall progress of this stage. Effective communication, support, demonstrating the bigger picture of the change is vital in this stage (Pasmore, et al., 2010).

Refreezing:

The main objective of this stage is to ensure the smoothness, stability and balance of the business operations with the changes already embedded. In this stage people will find new patterns, relationships and become comfortable with their new routines. This phase will consume time, however it is important to closely monitor to what extent people are actually practicing change initiatives learned.

III. STATEMENT OF THE PROBLEM

Change is effective and deliver employee performance when the right decisions are made timely, right human capital are used in planning, executed in the right environment and right human capital are at the receiving end and monitored.

The general business problem in this study was that employees are usually not a part of the process in any new or upgraded system implementation that directly affects their job. When handling organizational change, management usually decides how a change will take place and what method will be used to incorporate the change, without involving the employees.

If change is initiated at the management level without translating the content in a simple language or meaning to the low level operational employees on the hierarchy, the change may eventually fail. It is undeniable that the overall intent of change programs is to create a new company culture and improve employee performance. This intent is sometimes not fully actualised because the needed skills, knowledge and experience of the change agents, project team and the employees on the receiving end of the change are sometimes low.

Like many other parts of the world, banks in Sierra Leone also initiate change programs and they are facing looming challenges in effectuating change programs successfully.

This study specifically looked into the problem of the bank introducing change initiatives without consulting employees at the receiving end which affects its acceptance and sustainability.

IV. AIM OF THE STUDY

The general aim of this study is to assess business sustainability through change management.

V. OBJECTIVES OF THE STUDY

i. To assess the effectiveness of implementing change.
ii. To assess the impact of change management on performance.

VI. RESEARCH QUESTIONS

i. What are the factors influencing the effectiveness of change management?
ii. What are the impacts of change management on performance?

6.1 Significance of the Study

The findings of this study would hopefully benefit the following:

Financial Institutions

This study will also help financial institutions in drafting policies and procedures, which support full implementation of change programs in order to maximize on HR deliverables, which then improves organizational performance and sustainability and tries to provide possible solution the problems encountered by ineffective change programs.

Researchers

This research will enhance the skills of other researchers and will help them tackle even difficult research questions and situations relating to this research which will provide an opportunity for more insights into change management activities in organizations and how it should be mapped forward.

Students, Organizations and Other Interested Persons

This research will be a valuable reference material for students, organizations and other interested persons who may want to undertake similar study. Recommendations made by this study will enable organizations to have more insights and better understanding on the impact of effective change management programs in determining its success, growth and sustainability.

Policy   Makers

In addition to the above, this work will also serve as a useful tool for development partners and government, Ministries Departments and Agencies and for policy formulation and implementation on change management programs which will serve as a pathway for economic development and growth.

VII. RESEARCH DESIGN

This research is largely descriptive, drawing its data through the primary and secondary methods, this research adopted the stratified and simple random sampling techniques.

7.1 The population of the Study

The population of the Study was 100 and includes members of staff at the Rokel Commercial Bank Headquarters in Freetown.

7.2 Sample Size and technique

Thesample of this research covered a total number of (60) sixty respondents and it was taken to cover the research. Among these, areworkers at operational,middle, and the top level.

7.3 Research Instrumentation

Instruments used in the collection of data in this research was focus group discussions, personal (oral) interviews, review of literatures and administering questionnaires.

7.4 Methods of Data Collection

The methods of data collection were:

  i.   Focus Group discussions
  ii. Research interviews
  iii. Questionnaires

7.5 Methods of Data Presentation and Analysis

The tools that wereemployed to present and analyse the data included the use of the following:

  i.   Tables

VIII. RESULT AND DISCUSSION

a.   Answering Research Question

Research Question 1:

i.   *What Are The Factors Influencing The Effectiveness Of Change Management?*

To answer Research Question 1, the following responses provided answers to the said question:

Strategic Change Management Policy

	Frequency	Percent
Very great extent	30	52%
Great extent	12	21%
Moderate extent	10	17%
Little extent	6	10%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, thirty (30) respondents which constitute fifty two percent (52%) agreed to a very great extent that the bank has a strategic change management policy, twelve (12) respondents which constitute twenty one percent (21%) agreed to a great extent that the bank has a strategic change management policy, ten (10) respondents which constitute seventeen percent (17%) agreed to a moderate extent that the bank has a strategic change management policy and six (6) respondents which constitute ten percent (10%) agreed to a little extent that the bank has a strategic change management. This implies that the bank has a strategic change management policy that guides the bank regarding the implementation of change program.

Recruitment of qualified staff and employees relationship

	Frequency	Percent
Very great extent	25	43%
Great extent	11	19%
Moderate extent	17	29%
Little extent	5	9%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, twenty five (25) respondents which constitute forty three percent (43%) agreed to a very great extent that the bank recruits qualified staff and develops a relationship that effectiveness of a change effort, eleven (11) respondents which constitute nineteen percent (19%) agreed to a great extent that the bank recruit qualified staff and develops a relationship that facilitates effectiveness of a change effort, seventeen (17) respondents which constitute twenty nine percent (29%) agreed to a moderate extent and five (5) respondents which constitute nine percent (9%) agreed to a little extent that the bank recruits qualified

staff and develops a relationship that facilitates effectiveness of a change effort.

From the total response, it means the bank recruits qualified staff and develops a relationship that facilitates effectiveness of a change effort.

Top-level executives support for change

	Frequency	Percent
Very great extent	15	26%
Great extent	23	40%
Moderate extent	10	17%
Little extent	8	14%
Not at all	2	3%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, fifteen (15) respondents which constitute twenty six percent (26%) agreed to a very great extent that by staying actively involved, top-level executives demonstrate their support of a change, twenty three (23) respondents which constitute forty percent (40%) agreed to a great extent, ten (10) respondents which constitute seventeen percent (17%) agree to a moderate extent, eight (8) respondents which constitute fourteen percent (14%) agreed to a little extent, and two (2) respondents which constitute three percent (3%) not at all agree that, staying actively involved, top-level executives demonstrate their support of a change. This implies that there is strong support for change by the top-level executives.

Creation of awareness

	Frequency	Percent
Very great extent	5	9%
Great extent	21	36%
Moderate extent	15	26%
Little extent	10	17%
Not at all	7	12%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, five (5) respondents which constitute nine percent (9%) agree to a very great extent that the bank has enhanced creation of awareness by developing an informal network of relationships to get information, twenty one (21) respondents which constitute thirty six percent (36%) agreed to a great extent, fifteen (15) respondents which constitute twenty six percent (26%) agreed to a moderate extent, ten (10) respondents which constitute seventeen percent (17%) agreed to a little extent, and seven (7) respondents which constitute twelve percent (12%) not at all agree that, the bank has enhanced creation of awareness by

developing an informal network of relationships to get information.

Allocation of resources to change management initiatives

	Frequency	Percent
Very great extent	11	19%
Great extent	20	34%
Moderate extent	20	34%
Little extent	2	3%
Not at all	5	9%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, eleven (11) respondents which constitute nineteen percent (19%) agreed to a very great extent that the bank allocates adequate resources to change management initiatives, twenty (20) respondents which constitute thirty four percent (34%) agreed to a great extent, twenty (20) respondents which constitute thirty four percent (34%) agree to a moderate extent, two(2) respondents which constitute fourteen percent (14%) agreed to a little extent, two (2) respondents which constitute three percent (3%) not at all agree and five (5) respondents which constitute nine percent (9%) not at all agreed that the bank allocates adequate resources to change management initiatives. This implies that there is adequate allocation of resources to change management initiatives.

ii. What are The Impacts of Change Management on Performance

Improved Performance of employees due to change in organizational plans and policies

	Frequency	Percent
Very great extent	25	43%
Great extent	14	24%
Moderate extent	11	19%
Little extent	5	9%
Not at all	3	5%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, twenty five (25) respondents which constitute forty three percent (43%) agreed to a very great extent that the performance of employees are improving due to change in organizational plans and policies, fourteen (14) respondents which constitute twenty four percent (24%) agreed to a great extent, eleven (11) respondents which constitute nineteen percent (19%) agreed to a moderate extent, five (5) respondents which constitute nine percent (9%) agreed to a little extent and three (3) respondents which constitute five percent (5%) not at all agree that the performance of employees are improving due to

change in organizational plans and policies. This implies that due to change in organizational plans and policies, the performance of employees have improved.

Improvement in the skills employees due to organizational change

	Frequency	Percent
Very great extent	33	57%
Great extent	11	19%
Moderate extent	6	10%
Little extent	5	9%
Not at all	3	5%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, thirty three (33) respondents which constitute fifty seven percent (57%) agreed to a very great extent that there is improvement in the skills of employees due to organizational change, eleven (11) respondents which constitute nineteen percent (19%) agreed to a great extent, six (6) respondents which constitute ten percent (10%) agreed to a moderate extent, five (5) respondents which constitute nine percent (9%) agreed to a little extent and three (3) respondents which constitute five percent (5%) not at all agree that there is improvement in the skills of employees due to organizational change. This means, due to organizational change, there has been improvement in the skills of employees.

Improvement in employees Productivity

	Frequency	Percent
Very great extent	36	62%
Great extent	12	21%
Moderate extent	10	17%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, thirty six (36) respondents which constitute sixty two percent (62%) agreed to a very great extent that productivity of employees is improving after implementing change, twelve (12) respondents which constitute twenty one percent (21%) agreed to a great extent, and ten (10) respondents which constitute seventeen percent (17%) agreed to a moderate extent that productivity of employees is improving after implementing change. This means, after the implementation of change program, Productivity of employees have improved.

Improvement in profitability

	Frequency	Percent
Very great extent	30	52%
Great extent	16	28%
Moderate extent	11	19%
Little extent	1	2%
Total	58	100%

Source: Researcher's field survey 2019

Based on the data from the above table, thirty (30) respondents which constitute fifty two percent (52%) agreed to a very great extent that due to organizational change there is improvement in the profitability, sixteen (16) respondents which constitute twenty eight percent (28%) agreed to a great extent, eleven (11) respondents which constitute nineteen percent (19%) agreed to a moderate extent, and one (1) respondent which constitute two percent (2%) agreed to a little extent that due to organizational change there is improvement in the profitability. This means, due to the change, the bank's financial position has improved.

IX. DISCUSSION OF FINDINGS

The main objective of the study was to examine business sustainability through change management.

Based on series of analysis conducted on the data collected, it was shown that both business sustainability and change management are predictors of employee performance.

The specific findings are expounded below.

9.1.1 Strategic change management policy

In this research, it was found that the Bank has a Strategic change management policy which guides the operations of the bank as to how, when and what type of change management programs to adopt in other to perform and compete effectively and efficiently.

9.1.2 Top-level executives demonstrate their support of a change

In this research, it was found that the Top-level executives demonstrate their strong support of a change by actively involved in the change process. Proper education and sensitization, effective communication, Incentives, training and other forms of support are provided by them in other to make sure the change is understood and accepted by employees thereby reducing the possible bottlenecks of resisting change.

9.1.3 The Effect of Change Management Practices and OrganisationalSustainability

The study showed that Change Management Practices has positive relationship with Organisational Sustainability. It showed thatProper training was provided to employees, Management is also positively participating in the change

process and boosting the morale of the employees and Management provides incentives to employees in other for them to embrace the change and make it sustainable.

9.1.4 The effect of Strategic Change on organizational Performance

In this study, a greater percentage shows that Productivity of employees has improved thereby improving organizational Performance and due to organizational change there has been significant improvement in the profitability.

9.1.5 The effectiveness of change management programs

In this research, it was found that 16%, 66% and 19% believed that the change management programs were Very effective, Effective and fairly effective respectively, this shows that the change management programs in overall are effective.

9.2 Conclusion

Doing things the same way does not achieve different results. Change is very difficult to adopt in every human institution, however when it is embraced, there is a payback. Change management in organisations always comes with the purpose to improve performance in the long run.

Strategic change managed from top-down (that is management driving change down the organisation.) geared towards improving performance will not only make the subsequent change meaningful but achieve greater employee performance.

As depicted from the study, Change management influences employee performance and business sustainability.

Business sustainability on the other hand provides the bank with a lot of long term benefits as it influences employee and organisational performance directly. Therefore change programs should be seen as key driver of employee performance and hence business sustainability. This is empirically tested in the study. Within the study, it was found that other Proper education and sensitization, effective communication, Incentives, training and other forms of support can be an effective way of tackling resistance to change as these are factors that make employees embrace the change.

Again, the results and analysis confirm findings on existing literature shows that for a change to be sustainable, it has to be incentivize, well communicated, design and provide adequate training programs that complements the change, adopt policies that deter employees or prevent employees from going back to the old ways of doing things and finally, recognition and appreciation is a key intangible reward that also complements change and hence make it sustainable as success must be celebrated and the people actively involved must be appreciated.

9.3 Recommendation

Upon major findings coming from the research, it is therefore recommended that the following are adhered to:

Managers should clearly define the vision of change, set the right scope and incorporate it into the objective. They should have strong team and guiding principle for change projects and adopt flexible change project management methodology. When it comes to planning change, managers should involve hands-on and skilled team. There must a multi-skilled, versatile project team who can cover many areas of change objectives.

There should be role clarity and thought through project plan document.

On the implementation side, managers should

- ❖ Be flexible in implementing strategy and plan.
- ❖ Create and communicate a shared vision
- ❖ Evaluate impact on everyone and define changes at the micro level
- ❖ Involve employees and stakeholders and devolve decision making authority
- ❖ Communicate continuously, honestly and simply
- ❖ Expect and plan to manage resistance
- ❖ Plan for contingencies – both the possible and the unlikely
- ❖ Reward and celebrate new behaviours
- ❖ Reinforce and institutionalize the change

Another important activity that is usually skipped by managers is reviewing and learning. There should a period and room to review and reflect on the outcome of change project. Confirmation and monitoring processes for further improvement should be put in place. Managers should institutionalize the learning and knowledge.

Mangers play a major role in making a change sustainable. Training and development plans should be functional at every level in the organisation and it should be considered as an important strategic function.

Achievements of targets should be communicated for awareness at all unit levels. Employees must be given the required manual, instruments and material for their work. Employees should be given the opportunity to bring out with new ideas and directs better ways of doing work. On the job learning must cascade from Top Management. There must be a system in learning and development unit like content development, skill/competency development. The staff should also be equipped with the technical know-how that is not common with competitors.

There must be supervision of staff to apply learnt techniques everyday as they execute their assigned tasks. The outcomes of training should be instituted in organizational processes. To have a balance workforce and transfer knowledge among employees, experienced employees should be included in

teams and given the chance to explore. Lastly, experienced employees must be made to lead change projects.

9.4 Recommendation for Further Studies

This research work was on change management and business sustainability and RCB had been used as a case study. There had been lots of research findings and necessary recommendations made to tackle the challenges associated with effective change management and business sustainability.

The work is not definitely closed, other researchers can expand on this work or add more information where necessary with either the same topic or of similar nature.

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