INVESTIGATING EMPLOYEE PERCEPTIONS OF THE XPERDYTE INVENTORY SYSTEM: A CASE STUDY OF KROST SHELVING (PTY) LTD

Charlene Moodley  
Graduate of the Regent Business School, Durban, Republic of South Africa

Nishika Reddy  
Dissertation Supervisor Associated as a Part Time Academic with the Regent Business School, Durban, Republic of South Africa

Anis Mahomed Karodia (PhD)  
Professor, Senior Academic and Researcher, Regent Business School, Durban, Republic of South Africa

ABSTRACT
For an organization to obtain competitive advantage, the organization needs to change with the times. Accompanying change is the acknowledgement of failure during organizational change therefore a need for further empirical studies have been identified. Although uncertainty has been established as a factor of lack of success within organizational change, there still remains a deficiency of understanding regarding the processes through which employees address such perceptions. The aim of this research was to establish employee perceptions of change within the organization, namely the implementation of Xperdyte at Krost Shelving (Pty) Ltd. The results of this study postulated key factors of employee perceptions that may lead to the success or failure of the integrated system, Xperdyte.

Key Words: Employee Perceptions; Inventory System; Competitive Advantage; Organizational Change; Empirical Studies; Integrated System

INTRODUCTION
Krost Shelving (Pty) Ltd is one of South Africa’s leading manufacturing business and supplier of customized steel shelving, racking, lockers and mezzanine floors. Krost Shelving (Pty) Ltd is a historically rich company with humble beginnings in the early 1950s with official establishment in 1965. Krost is a company that has over fifty years of experience in manufacturing and realizes that the highly valued customer is the lifeline of the business. Krost Shelving (Pty) Ltd is the fastest growing storage equipment manufacturer in Southern Africa and continues to pursue potential customers on the rest of the African continent. (www.krostshelving.co.za).
Over many years Krost Shelving (Pty) Ltd had to endure tedious manual stock takes on a monthly basis thereby questioning the accuracy. An overview of the Xperdyte system impressed the Chief Executive Officer of Krost Shelving (Pty) Ltd immensely leading to the purchase of the software to eliminate the tedious manual stock take, reducing risk of theft and ensuring accurate valuation of the Inventory.
Xperdyte is a software programme that provides a Holistic Enterprise Resource Planning (ERP) solution for manufacturers by control of the production processes and integrates all aspects of the operating environment. Xperdyte assists in planning, recording, tracking and
controlling daily production and is the official Sage Pastel Software Solution Partner for manufacturing companies that provides a monetary value-effective solution for improved manufacturing resource planning.

**Research Objectives**
- To determine whether there is acceptance or resistance within the organization in respect of Xperdyte;
- To determine various factors that affect employee’s perceptions of the implementation of Xperdyte;
- To reveal both management’s and subordinates strategies on overcoming resistance or acceptance to the change; and
- The Benefits of Xperdyte have been communicated to all employees however its effectiveness still has to be determined.

Eating changes in the existence today create imperativeness on organizations to adapt. Change is the key. This study combined with previous theoretical frameworks and the results thereof will assist to address potential flaws in the system and improve with the change, increase awareness amongst managers of the efficacy of the new system, motivate employees at all levels so that any future changes will be embraced, promote innovation because of the new ideas and suggestions by employee involvement and uplift employee morale when they are included in these matters thus luring them to greater commitment.

**LITERATURE REVIEW**

**Introduction**
According to Sekaran and Bougie (2013: 50), literature review is a step-by-step process that entails identification, evaluation of the problem and documentation of secondary data sources in respect of the topic of interest.

This section reviews change, models of change, theoretical backgrounds, and factors linked to perceptions of change, communication and resistance to change.

There have been three waves of change in the history of human progress, namely, the Agricultural Age, the Industrial Age, and the Information Age (Jalali and Mohmoodi, 2009: 1). According to Jalali and Mohmoodi (2009: 2), the well-known futurist Alvin Toffler identified the first wave of change as the Age of Agriculture, thereafter preceded to the second wave, the Industrial Revolution that noticeably began in the 18th century.

In South Africa, the most phenomenal change occurred when Apartheid was officially abolished in 1991 (Banned People in Apartheid Era) with repeal of the last of the remaining apartheid laws; the end of apartheid is widely regarded as arising from the 1994 democratic general elections. In February 1990 President FW de Klerk announced Nelson Mandela's release and began the slow dismantling of the Apartheid system. In 1992 a whites-only referendum approved the reform process. On 27 April 1994 the first democratic elections were held in South Africa, with people of all races being able to vote (SEO, 2008: 1-5). The impact of this change is still slowly unravelling to this day and age. This change has also impacted on organizations for example the employment of different race groups and ages within organizations at management and skill levels. Similarly, rules, regulations and technology need to change with the times.
Pasubathy (2010: 14) emphasised that there is nothing more constant than “change”. Change is a continuous process that occurs in every aspect of everyone’s lives. People grow and continue to evolve to adapt to various surroundings and factors that change lives as mentioned by Pasubathy (2010:14) that indicated just as human beings evolve, organizations also endure the same processes.

From the manual operation to an automation change, change is a continuous process that brings a ray of hope to many, we grow and continue to evolve to adapt to various surroundings and factors that change lives. Change is inevitable, like in times past; we have evolved from the horse and cart age. President Obama’s book is “Change we can believe and Change we need” (Obama, 2008). Evidence of the need for change at Krost Shelving (Pty) Ltd became transparent when production and delivery of goods could not meet the deadlines of the large clientele portfolio.

According to DePamphilis (2010: 5-6), there are various types of change which include: acquisitions and mergers, restructuring and downsizing, expansions, culture change or technology change. Acquisitions and mergers, restructuring and downsizing are considered to be interrelated. Both types can be very disruptive and destructive depending on the financial indicators and strategies implemented. Robey, Anderson and Raymond (2013: 1) stated the intellectual puzzle of the relationship between Information Technology and organizational change arises when uncertainty remains regarding social phenomena; for example, how organizations develop and change.

This great phenomenon of Change must be embraced and managed to its full potential in order for any organization to thrive in this competitive world. It was understood that change was a feared subject. However, because of the increasingly fast-changing environment, organizations cannot afford not to change, and are literally forced to change in order to survive (Rafferty and Simons, 2006: 325-350).

An organization’s culture predominantly affects the internal environment of the organization. Khoja and Maranville (2010: 262-278) postulated that organizational culture not only affects financial performance, but to encourage the creation and sharing of knowledge within organizations.

Elnaseih (2010: 26) postulated that there are costs associated with change irrespective if it was productivity or to redundancies within the organization. Fine (2007: 19-20) argues that there should be an evaluation of costs versus benefits. Thus in respect of the process of change, organizations must evaluate the need for the change and how the cost of change is going to be measured.

Cameron and Green (2012: 2) indicated that the rate of change and discovery outpaces individual ability to keep up with it; similarly organizations are also changing dramatically in respect of strategies, systems, boundaries and expectations of employees. Arsaellson and Theodorsdottir (2013: 5-9) stated that Industrialization, Scientific Management (Known as Taylorism), The Hawthorne Effect, The Lewin and Change Management Theory and Industrial Psychology were all theories preceding each other, help bring into context Change Management.

**Types of Change**

Literature review on the different types of organizational change was executed and a few summed up to be Transformational, Planned, Incremental, Strategic, Radical, Emergent, Continuous and Discontinuous.
Transformational Change

Toribio and Hernandez (2011: 11-13) indicated that transformational change is often triggered by external factors or if new competitors require new operating systems. According to Maes and Van Hootegem (2011: 2-6), organizations needed to transform themselves when environmental adaptations became more complex.

Planned Change

Maes and Van Hootegem (2011: 2-6) postulated planned change as a conscious, logical, rational and deliberate action to improve the functioning of an organization. Hence, planned change is an iterative process involving diagnosis, action and assessment with clear objectives executed in a systematic way. According to Andreeva (2008: 2), the planned change model was established in Kurt Lewin’s three step models for implementing change successfully: unfreezing, moving and refreezing.

Incremental Change

Incremental changes permit organizations to attain small wins with results of visible opportunities. According to Toribio and Hernandez (2011: 11-13), incremental changes befit organizations that require minimal strategic transformation. According to Forte (2008: 2), organizations need to consider these five incremental changes that yield exponential Results:

- **Spend time with each employee**: To ensure loyalty from employees a personal connection must be established between managers and employees. For example going to lunch with employees can be very informative;
- **Match the employee's talents to his role**: Establish an employee’s thinking measures as this reflects the role, contribution, effort and performance. Start to realign employees to roles that are a better fit for their talents;
- **Give the employee a problem or project to handle on employee's own**: Managers are aware of the employee's talents to enable the manager to exhibit trust;
- **Talk about the future**: Future career conversations keep employees connected and loyal to work and to management;
- **Commit to having fun**: Make the work environment fun to entice daily return and productivity.
- **Make small changes**: Be sure to make small improvements to assist connection between employees and the duties employees are required to perform.

McGrath and Bates (2013: 190) indicated that the Kaizen’s 5S Housekeeping Theory relies on incremental change whereby employees recognised that it benefits the employee to produce high quality goods and services.

Strategic Change

Toribio and Hernandez (2011: 11-13) postulated that strategic change has a larger impact on the organization in respect of configuration and relate to transformational or radical changes that affect organizational mission, strategy, leadership and culture.

Cabrey and Haughey (2014: 2) stated strategic change in successful organizations is processed through effective management of programs and projects. Brown (2012: 1) indicated strategic change occurs when an organization merges with (or is acquired by) another which entails multiple operational and cultural impacts.

Radical Change
Hallgrímsson (2008: 21-22) postulated that radical change was based on strategic, employee’s and internal objectives, namely; transformational, discontinuous, revolutionary or episodic, hence the term radical change. Furthermore, Hallgrímsson (2008: 21-22) indicated that radical change involves uncertainty and alters perspective however is rational for the introduction of new production technology involving active collaboration of employees compliance. Rennings, Markewitz, and Vögele (2010: 2) stated that before radical change replaces existing technology, it should first develop in small market niches.

**Emergent Change**
Change can be emergent by managers making unspoken, unconscious assumptions about the organization and the environment. Liebhart and Lorenzo (2010: 6) stated that emergent change is unpredictable, unintentional, iterative and influenced by external factors (the economy, competitors’ behavior, and political climate), or internal features (the relative power of different interest groups, distribution of knowledge, and uncertainty). Davis (2012: 2) postulated emergent or bottom-up change has beneficial qualities leading to long term results and strengthening of the enterprise although the change is unpredictable and delivers unexpected results.

**Continuous Change**
According to Hallgrímsson (2008: 20), continuous change is when organizations adapt with guided direction and aspiration of the ultimate long term goals including incremental steps or small adjustments to maintain adequacy. According to Maes and Van Hootegem (2011: 13), continuous change refers to gradual adaptation of internal logic to the changing external conditions or environment.

**Discontinuous Change**
Discontinuous change occurs occasionally in episodes and in times of divergence. Knoche (2006: 1-6) indicated that change within organizations involved some degree of discontinuous, behavioural shifts.

According to Maes and Van Hootegem (2011: 2-6), majority of research is about some type of transformation, stated distinction between planned change and emergent change, distinction between discontinuous and continuous change as well as to the absence of change: stability or inertia and finally incremental change as opposed to revolutionary change.

**Models of Change**
Although there are many change management models, organization often choose one of the three namely: Lewin’s Change Management Model, McKinsey 7-S Model, and Kotter’s 8 Step Change Model.

Two of the most contemporary models of change are that of Lewin’s Model and Kotter’s Eight Step Model as reviewed in this chapter.

Firstly, Le win’s viewed organizational change as a group rather than as an individual process due to employees working as a group and not alone. Le win’s model suggested that group behaviour is an intricate set of symbolic interactions that affect individuals and individual behaviour is therefore a consequence of a group environment as mentioned by Hallgrímsson (2008: 21-26).

The Three Step Model was developed on the premise that in order for people to be committed and engaged in any change, a process was needed.
Lewin’s Model of Change
Figure 2.1: Lewin’s Model of Change

**Kurt Lewin’s Model of Change**

![Image of Lewin's Model](source: Adapted from www.wordpress.com)

As illustrated in Figure 2.1, McGrath and Bates (2013: 132-133) investigated the following stages:

**Stage 1: Unfreezing**: Unfreeze attitudes that relate to the old ways of doing things thereby motivating employees to change;

**Stage 2: Transition**: This next step is to move the organization towards the desired state moulding the way of employees thinking and empower employees to contribute to the process; and

**Stage 3: Refreezing**: In the final step the change has occurred and the effectiveness of the desired outcomes is appraised, attitudes and behaviours are also changed thereby establishing a sense of stability within the organisation.

Lewin’s model (Figure 2.1) shown above is a very simple framework that gives organizations a point of departure compared to other theoretical approaches to change. According to Schmidt (2010: 23), Lewin’s approach defined the start actions of change and explained how to save the changes within an organization but lacks the necessary actions during the change process in the manner that Kotter’s Eight Step Model did.
Kotter ‘Eight Step Model

Figure 2.2: Kotter’s Eight Step Model

1. Create a Sense of Urgency
2. Form a Guiding Coalition
3. Create a Vision
4. Communicate the Vision
5. Empower others to Act on the Vision
6. Create Quick Wins
7. Build on the Change
8. Institutionalize the Change


Kotter’s eight steps guide the organization through the change management process. According to Kotter, these eight steps are: establish a sense of urgency, create a coalition, develop a clear vision for change, communicate/share the vision for change, remove obstacles, create short term wins, build on the change and anchor the changes in corporate culture. Kotter argued that hard work, careful planning and building the proper foundations for change are essential to improve the chances of an effective change management programme (McGrath and Bates, 2013:136).

Gupta (2013: 1) postulated traditional strategy as power coercive strategy (rewards and punishments), empirical rational strategy (utilised when people seek change) and normative reductive strategy (aims at the attitudes and values of human beings) which assists in improving problem solving capabilities and those involved on creating the system. Acquaaha, Amoako-Gyampah and Jayaramc (2011: 1) argued that researchers in the manufacturing area, manufacturing strategy can have a significant impact on an organisation’s ability to achieve competitive advantage and superior performance. The figure 2.3 hereunder indicates and shows Shannon’s Model of the communication Process as follows:
According to Foulger (2012: 2-3), Shannon’s model of the Communication Process breaks down the communication process into eight components as follows:

- **Information source**: the person that created the message;
- **Message**: the message was sent by the information source and to be received by the destination;
- **Transmitter**: Shannon portrays the telephone as the transmitter, however in these technological days we transmit via emails. Other methods are face to face communication, memo’s, advertisements;
- **Signal**: the channel through which the message was transmitted for example sound;
- **Channel**: The most commonly used channels include air, light, electricity, radio waves, paper, and postal systems;
- **Noise**: Any signal that obscures the message from originality;
- **Receiver**: The instrument that received the message for example the telephone call was received by an ear or a message was read by the eye; and
- **Destination**: The person that received the message.

Foulger (2012: 2-3) argues that majority of communication systems are more complex than that of Shannon’s Model, however Foulger (2012: 2-3) continued to state that Shannon’s model was useful in identifying the most important components of communication and the relationship to one another. Later models include feedback whereby the recipient of the massage responds to the sender.

Pounsford (2007: 32-35) found that greater customer satisfaction and increased revenue was because of communication strategies such as storytelling, informal communication, and coaching that led to greater employee engagement and trust.

Nishimoto and Matsuda (2007: 2) postulated informal communications as a chance for effective knowledge-sharing by spontaneous focus of encounters such as by chance meetings in corridors, lobbies, and on the street and view these as important opportunities because anyone may have very useful knowledge that we have strongly desired to obtain for a long time.

Storytelling tends to move from the past to the present thereby opening up possibilities for the future. According to Cameron and Green (2012: 405-406), stories are told to share wisdom, influence each other, entertain each other and often to see sense in the changes of
the world. Paradoxically, stories assist us to make sense of the past and understand the requirements for the future thereby affecting the present.

During times of change it is crucial to maintain employee’s loyalty thus the engagement of storytelling. Gill (2011: 1) expressed storytelling as a valuable internal informal communication medium that has a critical role that passed knowledge between generations. Gill (2011: 1) further affirmed that employees developed a stronger and deeper understanding communicated by employers through these stories.

According to McGuffin and Obonyo (2010: 1), coaching is a continuous process that assists employees in their personal growth and development by overcoming the challenges employees face on a daily basis at work thereby increasing competence and confidence. Bourga, Stoltzfus, McManus and Fry (2010: 1-13) expounded coaching to be an effective tool utilised to probe, align and raise employees skills thus expanding the learning process in concert with an effective instruction process, increasing the development of successful outcomes within an organization.

Elnaseih (2010: 29) emphasised that effective communication and dialogue influences and entices employees to accept change and dialogue encourages employees to raise their concerns, ambivalences, and persuasive conversations thereby eliminating any doubts amongst employees.

Communication is considered to be the key element of management activities within an organization. Flanagan and Finger (2013: 144-145) mentioned the following on effective communication:

- Always work to establish rapport which is imperative for the trust and confidence of others;
- Attract the attention of the audience by relaying a short, sharp and customised message;
- Demonstrate confidence to ensure others agree to what you say;
- Give people your full attention with the intent of learning from another;
- Opt for clarity by communicating the message in a specific, straightforward, unambiguous, consistent and complete manner;
- Match saying and doing and if you don’t do what you say then have a good explanation for it;
- Be aware of your nonverbal communication by standing or sitting erect, look directly at your listener, make constant eye contact, and adopt an enthusiastic tone of voice;
- Learn to listen because effective communication is a two-way process;
- Invite feedback from sources you trust to stay well informed;
- Ask the right questions which will assist in solving other’s problems too; and
- Capitalise on informal communication such as the grapevine network.

Communication is vital at all levels of the hierarchy. According to Bisel, Messersmith and Kelley (2012: 129), improvement of supervisor’s messages to their subordinates indicated an important objective therefore the study of supervisor-subordinate communication was executed.

Internal communication is communication between the organization’s leaders and one of its key publics: the employees (Dolphin, 2005: 171-190). Mazzei (2013: 4) postulated that
internal communication aim to support managers and employees in being external and internal ambassadors thereby empowering employees with information needed to complete jobs competently.

Waldeck, Durante, Helmuth, and Marcia (2012: 230) stated that the leading factor in any organisation is the ability to communicate. According to Waldeck et al. (2012: 230-231), effective communication is vital and forms part of the basis for many other behaviours that are important to a successful career that includes teamwork, leadership, planning, organizing, and more, however, there is the lack of these communication skills in contemporary businesses. A manager cannot make a decision without information and that information has to be communicated (Vally, 2005: 6-14). An inclusion of employee participation and involvement in the planning, decision making, and monitoring of the change strategy contributed as another important component of overcoming the resistance to change.

When unsuccessful change processes are analyzed the outcome usually is that the main problem is the lack of communication. Allen, Jimmieson, Bordia and Irmer (2007: 187-210) argue that effective communication during times of changes ultimately depends on the ability of the information provided to address the concerns that employees held. Wagner (2006: 2) re-iterated that communication was considered the key mechanism for increased understanding and acceptance.

Resistance to Change
Zander’s definition of the term Resistance to Change is, “a behaviour which is intended to protect an individual from the effects of real or imagined change” (cited Kebapci and Erkal, 2009: 32). According to Kebapci and Erkal (2009: 36 - 40), resistance to change has always been conceived as a significant obstacle however a significant amount of researchers have tended to evaluate resistance in a way that was completely contrasting with these pejorative interpretations.

One can easily embrace change or resist change. However, the greatest delay is the “Resistance to Change”. Resistance to change is the key ingredient to a positive change being derailed, often causing failure to sustainable future progress. Some of the strongest resistance to change occurs when reality differs from expectations (Blanchard, 2009: 7).

The great challenge however in the working world is to manage resistance to change, from a managerial point of view. According to Self (2007: 2-5), it is a slow process because changes to the organization involved process planning and the due course of introducing adaptable measures to incorporate the new changes in order to minimize the impact of resistance from employees.

Figure 2.4: Resistance to Change Life Cycle

Source: Adopted from Smith (2014) Leading People through Change
Toribio and Hernandez (2011: 35-36) emphasised four stages, as seen in figure 2.4, that are experienced in resistance to change psychological approach as follows:

- **Denial**: The first stage of resistance is Denial. Negative discrepancies and attitudes are brought about by the process of Denial of the change and can inevitably halt the process of change. Denial can be portrayed as a total isolation of the change process (ignoring the change) or pretend that the changes do not exist (own elaboration based on Toribio and Hernandez, 2011: 35). Employees tend to ignore the change completely hoping it will all just go away if not noticed and they will continue life just as it was previously;
- **Resistance**: in this second stage the employee tends to have disagreements towards the change. Quite often there may be some that will vent their anger and frustrations towards the change but managers need to be cautious and aware of those that are silent with the intent of working against the change in the background;
- **Exploration**: even though the anger and frustrations are still present, employees now look forward to the opportunities and possibilities linked to the changes. Humans in general tend to have an inquisitive and exploratory nature in general which aptly will tweak their curiosity even further with the change; and
- **Commitment**: finally in this stage, employees accept that the change is happening and start to adapt the best they can with each at their own pace. Teamwork and inspiration become the forefront to the change.

Denial leads to resistance to change. According to Jones, Haslam, York and Ryan (2008: 26, 117-132), one of the key reasons for high failure rate is resistance to change from employees. According to Rebora and Minelli (2012: 183-212), the word “resistance” be substituted with “inertia”. Rebora and Minelli (2012: 183-212) further postulated that due to inertia which is the most persistence of inefficient forms and practices, continuity characterizes any kind of organized system and hinders change processes. Analysis of the various types of inertia or resistance makes a distinction between the part related to individual and group behaviour and that which is linked to systemic and organizational aspects: “one comes from active opposition to change and the other from the passive incompetence of the organization”, (Rebora and Minelli, 2012: 183-212). Inertia seemed to be the concept that is related to resistance. Remult (2013: 202) promulgated inertia as an organisations inability or unwillingness to adapt to change thereby prolonging the change for many years. Remult (2013: 202) further postulated that organisations could be victim to any of three categories of inertia: (1) Inertia of Routine (Employees too set in their routines to want to change); (2) Cultural Inertia (the way the organisation has been doing things always); and (3) inertia by proxy (streams of profit owing to customer inertia). Nevertheless, when organizations have to face radical change inertia is detrimental to change success (Mutihac, 2010: 26-28).

According to Pearse (2010: 164-166), inertia can be classified into different levels namely:

- **Individual Level Organisational Inertia**: Fear of the unknown, job security, economic loss and reduced job status;
- **Group-level Organisational Inertia**: theory between groups that are complex and adaptive; and
- **Organisational inertia at the organisational level**: Organisations willingness and readiness to change.
With change employees need training on new or upgraded systems as their duties and responsibilities change. Fine (2007: 22-23) argues that the training comes at a cost and can add more fuel to the fire of resisting change. Jaidev and Chirayath (2012: 1) expounded positive training transfer as the degree to which employees effectively apply the knowledge, skills and attitudes gained to the workplace to enable their jobs to be performed more effectively. According to Schmidt (2009: 2), the design and delivery of training meet the needs of all employees so that employees perceive fair and equitable treatment in respect of the training they receive. Pearse (2010: 165-168) indicated the following five theoretical perspectives of organizational-level resistance to change: open systems theory; structural inertia theory; cognitive perspectives, including learning theories; political and social system perspectives; and theories of organizational culture.

According to Rick (2011: 1), there are many reasons for resistance to change; namely

- Misunderstanding about the need for change/when the reason for the change is unclear: If employees do not understand the need for change resistance is expected. Especially from employees that strongly believe the current way of their work is perfect and has been done for the past twenty years;
- Fear of the unknown: According to Smith, S (2010: 2), fear is regarding the loss of control of one’s environment. Jeffries (2013: 2) stated that fear is the most pervasive public emotion. This is the most common. Employees will engage in the unknown if they genuinely feel that the risks of standing still are greater than those of moving forward in a new direction;
- Lack of competence: This relates to the skills of employees;
- Connected to the old way: Employees are too set in their old ways to adapt to new ways;
- Low trust: Occurs when employees refuse to believe that they, or the company, can competently manage the change;
- Temporary fad: occurs when employees believe that the change initiative is a temporary fad and will soon fade away;
- Not being consulted: Employees should be allowed to be part of the change due to them wanting to know what is happening around them and if their jobs may be affected;
- Poor communication: when dealing with change it is vital to plan for ample communication rather than too little;
- Changes to routines: Employees struggle to adjust to doing their work differently;
- Exhaustion/Saturation: compliance must not be mistaken to be acceptance. Often the motivation is low so employees resign to change;
- Change in the status quo: relates to the perceptions of employees in respect of change within the organization; and
- Benefits and rewards: employees need to be informed of the benefits and reap the rewards thereafter.

Inertia is the inability to adapt to change and is closely related to resistance to change. Maes and Van Hootegem (2011: 10) postulated inertia in organizations is the tendency to routinely repeat past actions and patterns of activities. Maes and Van Hootegem (2011: 10) further indicated that structural inertia theory, postulated inertia arises from internal structural arrangements and environmental constraints therefore resulting in the consecutive adaptations and refinements of processes and procedures reducing an organization’s ability to change.
Rebora and Minelli (2012: 183-212) stated the following five forms of behavioural inertia:

- Cognitive Schemata: Employees select only information that is known to them;
- Relational Styles: Relationships within the organisation that relate to defensive behaviour;
- Beliefs and Values: when employees have strong beliefs to problems or solutions that they are attached to;
- Organisational Frames and Roles: Embedded routines and limits within the organisation contributes to the slowing down process; and
- Political Games and Vested Interests: Relate to power struggles amongst employees with different objectives and solutions.

According to Ford, Ford and D’Amelio (2008: 365), change agents contribute to resistance by breaking agreements and violating trust, misrepresentation and communication breakdowns. Ford et al. (2008:365) postulated that recipient’s actions can be valuable in respect of existence engagement and strength of a change.

Resistance to change can be the force that challenges the efficacy of the change itself. Kebapci and Erkal (2009: 40-41) in conjunction with Waddell and Sohal (1998: 543-548) relate that managers should utilise the resistance as an opportunity to revise proposed strategy and as an advantage to bring about change, address the flaws in respect of the change and directing attention to the defects.

Nevertheless, it is always better to have healthy conflict in respect of change than too much negativity. Ford and Ford (2009: 90-104), concept of resistance to change is summarised as a form of feedback. Ford and Ford (2009: 90-104) further indicated that in order for organisations to gain important ideas and to execute the change initiative successful, the organisation must treat the concerns as valuable information.

Ford and Ford (2009: 90-140) provide steps to use the resistance to produce successful effective change:

- Boost awareness: encourage communication at all levels about the change even though sometimes the feedback may be negative. Air the views to assist the elimination of total organizational resistance;
- Return to Purpose: Make all employees aware of the change and how it affects their duties;
- Change the change: There are some employees that will assist to evaluate the change and make suggestions – take note of the changes and readjust the initial change;
- Build in participation and engagement: It is always feasible to pay attention to employees concerns in order to make the change successful; and
- Complete the past: there can be occasional instances where employees actually resist change due to past experience on change therefore it is vital for management to consider past failures and learn from those failures before implementing the change.

According to Tikka and Hut (2010: 1), and based on the above it can be noted that resistance to change on a positive note benefits the organization in the following ways:
Resistance has an important psychological function. It guards against things that cause too much fear or anxiety, that would otherwise undermine the ability to function;
- Resistance prevents stupid things from happening. The more important thing is going to be changed, the more resistance;
- Resistance buys time to learn and adapt;
- When one encounters resistance, one is able to work with it. No resistance – no work – no progress;
- Brings attention to the areas that need to be addressed in respect of the change;
- Serves as a form of motivation for the change processes to be successful;
- Promotes innovation because of the new ideas and suggestions that are recognised; and
- Uplifts employee’s morale when they are included in these matters thus luring them to greater commitment.

RESEARCH METHODOLOGY

Introduction
Research is a process that involves obtaining scientific knowledge by means of various objective methods and procedures (Welman, Kruger and Mitchell, 2005: 2). According to Sekaran and Bougie (2013: 2), research is in simplicity a process of finding solutions to problems through the study and analysis of situational factors. Research methodology is the approach taken to acquire the information (McNabb, 2010: 13). This chapter presents an overview and critical evaluation of the type of research, the methodology, research philosophy, strategy, target population, samples, data analysis, research instrument, pilot study, administration and collection of the questionnaire, validity and reliability, limitations, bias and ethical considerations pertaining to the study.

Target Population
According to Welman et al. (2005: 52), population is the full set of cases from which a sample is taken or population embodies the total collection of the analysis units under research. Sekaran and Bougie (2013: 240) describes population as the entire group of people, events, or things of interest that the researcher investigates and a sample is the subset of the population.

The population at Krost Shelving (Pty) Ltd comprised of 39 administration staff in total, from which the sample of 30 was drawn included males and females, managers and subordinates within the organization. All participants in the survey were willing and able to participate in the study that involved sampling techniques of convenience sampling.

Limitations of the Research
This study examined the organizational change at only one time and point in one organization. Perceptions of the change may change over time, and other identities like professional identity may influence perceptions. Due to the current change within the organization, the researcher may encounter limitations in respect of attitudes, behaviours and personal traits.

RESULTS, DISCUSSION AND INTERPRETATION OF FINDINGS

Presentation, interpretation and discussion
The presentation is processed in accordance to the objectives of the study. The outputs of the study are generated by use of Excel Software. The results of each question are stated within the presentation and discussed intensely within the interpretation and discussion section below. The results of the study are presented in four categories namely; determining the
acceptance or rejection of Xperdyte; Factors affecting employee’s perception of the implementation of Xperdyte; reveal both managers and subordinates strategies to overcome resistance or accept the system and the benefits and effectiveness of the system to employees. The findings are linked to theories discussed in chapter two of the study.

According to Welman et.al (2005: 174), an open-ended question is where the researcher poses a question allowing the respondents to reply verbatim without prompting the range of answers expected. Bryman and Bell (2011: 203-204) indicate that closed-ended questions allows the respondents to choose from possible answers for example tick “yes” or “no”.

The open ended questions namely Q2, Q4, Q5, Q15, Q16 and Q17 (Appendix A) were re-assessed using the Likert scale thus data was re-categorised into five levels: Level of strong agreement, level of agreement, level of disagreement, level of strong disagreement and neutral position. This leaves the questions that remain to be closed-ended.

To determine whether there is acceptance or rejection within the organisation in respect of Xperdyte

Figure 4.1 Acceptance of Xperdyte System

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have accepted the Xperdyte system</td>
<td>42%</td>
<td>35%</td>
<td>19%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Figure 4.1 above is in response to the acceptance or rejection of the Xperdyte system. Seventy seven percent (77%) of the respondents have accepted the new inventory system, with 19% unsure and only 4% of respondents rejecting the system. Kavanagh and Ashkanasy (2006: 6) emphasise that unless the following four stages of employee reactions are recognised and dealt with astutely, employees will struggle to reach the stage of acceptance of change: (1) disbelief and denial; (2) anger; rage and resentment; (3) emotional bargaining that begins in anger, ends in depression; and finally (4) acceptance.

Kavanagh and Ashkanasy (2006:6) further postulate internalization (the acceptance of leadership influence that is congruent with the behavioural motives of followers) assists with motivations and sources of power for leadership. Even though 77% of respondents at Krost Shelving (Pty) Ltd have accepted the Xperdyte system 23% of the respondents are potential candidates for resistance to change. According to Gotsill and Natchez (2007: 2), people resist change due to not understanding the objectives driving the change; do not agree with the organization’s new direction; anxiety about how the change will affect their jobs. Findings of
the respondent’s perception leads postulate that the procedures and information of Xperdyte system are difficult to obtain.

**Figure 4.2 Rate of Communication regarding the Xperdyte System**

![Rate the communication of information regarding Xperdyte (Filtered on those who neither agree nor disagree to acceptance),](chart)

Figure 4.2 illustrates the composition of the sample rating of the communication of information to employees in respect of the Xperdyte system. From this rating 20% of respondents that neither agreed nor disagreed and 80% lacked the proper information in respect of communication about the system. According to Anstey (2006: 223-224), communication is a complex, changing and continuous process that generates understanding and spreads information. Prior to the Xperdyte system implementation, a system called Tea Cup was originally implemented that offered vast amounts of information to the employees in respect of the system, the benefits thereof and procedures.

Employees were offered training on the system together with lengthy meetings consisting of what the system does, how it will be implemented and how it affects each individual employee. Unfortunately the system does not have the capabilities of integrating with Pastel (Accounting Package) so it was terminated. Thus employees now compared the knowledge they obtained regarding Tea Cup to that of Xperdyte. Points brought forward from employees are that all they are aware of is a new system called Xperdyte had been implemented in respect of stock control. Employees have not had discussions or training on the system. Vast amounts of responses are that there was no form of communication about the system from their superiors or the implementer.

Cameron and Green (2012: 84) postulates, in order to obtain clear understanding of goals, roles and objectives; open, assertive and task orientated communication is the fundamentals of creating opportunities to give and receive feedback. However the critical stage of the implementation at Krost Shelving (Pty) Ltd continued without the very first step in the process that is to inform the employees of the system, its benefits, the adverse effects on their duties and the necessary training that will be provided.
Figure 4.3 Feelings towards the change

![Bar chart showing the distribution of feelings towards the change](chart.png)

Figure 4.3 Further justified that 81% (80.77%) of the respondents have been positive about the change, 7.69% are neutral and 11.54% portrayed a negative attitude. According to Pham, Lee and Stephen (2012: 2), in respect of certain types of judgements recent research postulates that reliance on feelings may be beneficial. The findings of this study suggest majority of respondents portray positive feelings towards the change thus encouraging progress with the implementation of the system itself. Carpenter, Peters, Vastfjall, and Isen, (2013: 1) indicates that positive feelings or moods influence cognitive processes by demonstrating superior incidental learning and performing better than those exposed to neutral or negative feelings. Those respondents that are positive towards the change are willing to allow Xperdyte to demonstrate the full capabilities of an integrated system. The main concerns are those respondents that exhibit negative attitudes who may retaliate resulting in resistance to change thereby causing a complete halt to processes.

To determine various factors that affect employee’s perceptions of the implementation of Xperdyte

Table 4.1 Pearson Correlation

<table>
<thead>
<tr>
<th>Was Necessary</th>
<th>Effected relationships</th>
<th>Beneficial</th>
<th>Like working on the system</th>
<th>Accepted the system</th>
<th>Effectiveness</th>
<th>Feelings toward implementation</th>
<th>Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.70</td>
<td>-0.04</td>
<td>0.61</td>
<td>0.47</td>
<td>0.71</td>
<td>0.32</td>
<td>1.00</td>
<td>0.07</td>
</tr>
</tbody>
</table>

Table 4.1 was formulated using Pearsons Correlation Scores. "Xperdyte is necessary" and "Xperdyte is beneficial", proved to be the key factors determining respondent’s feelings towards the implementation of Xperdyte. Welman et.al (2005: 234) states that correlations are an estimation of the extent to which the changes in one variable are associated with the changes in another variable. The table above postulates evidence that those respondents that have accepted the system also perceived the system to be necessary and beneficial. Seventy percent of the respondents viewed the implementation as necessary and have accepted the system. When asked if the system has affected relationships at work 38.46% of the respondents neither agreed nor disagreed with 7.69% strongly agreeing, 26.92% agree and 26.92% disagree. However the impact of the results linked to other aspects of the questionnaire had a negative or no impact at all.
Figure 4.4 the implementation of Xperdyte was necessary

Figure 4.4 illustrates that 85% of the respondents felt that the implementation of the Xperdyte system was necessary, 11.54% still unsure or uneducated in respect of the system and 3.85% view the system as unnecessary. According to Shuck and Wollard (2010: 89-110), employee engagement comprises of individual employee’s cognitive, emotional, and behavioural state that is directed toward the objectives of the organisation. Those respondents that viewed the implementation of the system to be necessary enlightened their reasoning to be based on the better stock control, accurate financial control, an informative time saving system and boosts the sales status. 

Wang (2013: 1) emphasises that auditing procedures must immediately address identified risks of material misstatements in an organisation that results from fraud and theft, according to the Statement on Auditing Standards (SAS) No. 99 (AU 316). This is also another critical advantage of the implementation of Xperdyte. Schwepker, Jr., and Good (2007: 1) postulate the dynamic nature of sales within an organisation has progressed in a setting that is far different from sales experienced a few years ago.

Figure 4.5 the system is beneficial
Illustrated in figure 4.5, 70% of respondents have viewed the system to be beneficial, 23.08% neither agreed nor disagreed and 7.69% totally disagreed. It is imperative to note that all the respondents were not informed of the system or its benefits as illustrated in 4.2 above. Cooper and Schindler (2014: 659) revealed that a benefit chain or laddering as a technique that requests respondents to link their physical and psychological benefits. One of the principal factors contributing to the results of beneficial is the elimination of manual stock takes on a monthly basis.

Overall, this suggests that employee's realised the need for the system and have faith that the system can fulfil this need.

4.2.3 To reveal both Managers and Subordinates strategies on overcoming resistance or acceptance to the change.

Figure 4.6 what would you have done differently when implementing the system?

Cooper and Schindler (2014: 667) indicate that strategy is a general approach that an organization follows to achieve goals and objectives. Flanagan and Finger (2012: 304-307) postulated the development of a strategic plan is to involve relevant participants, articulate a vision, using a SWOT approach, construct action matrices that include communication, link the plan to the structure and the budget and then implement. Flanagan and Finger (2012: 314-
315) further indicate that the initiation of the strategic plan involves establishing objectives, setting deadlines, identify and organise the tasks to be done in sequence, allocate a time for each task, create a schedule, assign tasks, establish a budget and monitor the project to completion.

The benefits of Xperdyte have been communicated however its effectiveness still has to be determined.

Figure 4.7 Rate the process of communicating the new system

![Graph showing communication rating](image)

Figure 4.7 above illustrates 26.92% of respondents’ state that there was good communication. Twenty three points zero eight percent are unsure while 50% state that the communication of the new system was poor with a larger percentage being very poor. According to Wagner (2006:13), the main challenge for implementers of change is to design a communication programme that creates understanding and acceptance among the recipients of change.

Distorted messages in respect of the system were evident due to the lack of implementer communication to the employees. Relevant training on the Xperdyte System has still not been carried out with the employees. Employees do not know how the system will affect their duties or affect their job status at the organization. No manuals or guides and procedures were distributed to employees or any of the departments. Fear of the unknown has impacted on the attitudes of employees.

Figure 4.8 Rate the effectiveness of Xperdyte System

![Graph showing effectiveness rating](image)

Figure 4.8 Illustrates 65.38% of respondent’s state that the system is effective, 26.92% are unsure whilst 7.69% view the system as in-effective. Anonymous (2013: 6) indicated that
effectiveness in general is the extent to which stated objectives are met. The aim of implementing the Xperdyte System is to have accurate valuation and control of stock within the organisation.

The greater number of employees aired retaliation to tedious manual stock takes on a monthly basis therefore the anticipation of the elimination of this task appealed to those that viewed the system as effective. Apparently reports from the Xperdyte system can verify exactly how much stock is still available for sale. According to Flanagan and Finger (2012: 340), operational effectiveness is to perform similar practices better than competitors by making best use off all available resources within the organization. Overall there is evidence that employees perceive that the communication has been poor whilst participants do believe that the tool (Xperdyte) is effective.

**Discussions on Questions 15, 16 and 17**

Question 15, 16 and 17 were open ended questions that postulate the respondents views and reasoning to a certain extent.

Question fifteen investigated the biggest challenge to respondents generated by the change/implementation of Xperdyte.

<table>
<thead>
<tr>
<th>Table 4.2 Eminent Challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>Time delays in duties</td>
</tr>
<tr>
<td>Lack of Knowledge</td>
</tr>
<tr>
<td>The change /</td>
</tr>
<tr>
<td>implementation itself</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

As Table 4.2 illustrates 15.38% of the 26 respondent’s states that their biggest challenge is time delays in their current duties due to the implementation of Xperdyte. Respondent’s duties came to a complete halt due to not enough stock in the system. For days at a time respondents were not allowed to create sales orders, pro-forma invoices or invoices on Pastel (accounting Package) due to the integration between Pastel and Xperdyte. A sales order introduces a picking slip that is sent to the factory which is used to manufacture the specifications of the customer’s order. When the sales order is not created then the customer’s good are not manufactured and will not be ready for delivery or collection at the customer’s stipulated date. The pro-forma invoice within the organisation is used to obtain the required deposit from the customer to enable the debt collection process and cancellation of order to be controlled. The invoice itself enables the vat claim within the month of sale and vitally important to the invoicing is the processing of a delivery note that automatically accompanies the invoice upon delivery or collection of goods.

During these time delays of the system manual documents were drawn up thus creating inaccuracy of financials and loss of tracking systems of exactly what products have left the warehouse or how much of stock is still left for sale thereby creating a manual count on those
specific days again. Tsai and Tung (2012: 1) assert that the existence of a time delay complicates the analytical aspects of a control system design by introducing severe limitations on system performance. The manual introduction of stock directly into pastel specifically for invoicing only has deliberated the Xperdyte procedure and functioning.

Employees were at a disadvantage owing to the lack of knowledge in respect of loading on stock counts when invoicing. On request of an invoice to be created, the employee had to go to the implementer and wait while the implementer added a specific amount of stock for that invoice only. This became tedious and time consuming to the employees. The resistance slowly approached the employees based on employees having to come in over weekends and work after hours without overtime compensation to complete backlog work that was not their fault.

Question 16 of the questionnaire investigate the responses of the respondents in respect of whether the company was in a better or worse position after the implementation of Xperdyte.

Table 4.3 Better (Yes) or Worse (No)

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>24</td>
<td>92.31</td>
<td>92.31</td>
<td>92.31</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
<td>7.69</td>
<td>7.69</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3 shows that 92.31 % of the respondents perspective is that the organization is in a better position with the implementation of Xperdyte. The balance of the respondents of 7.69% views the company as being in a worse position. Tables 4.4 and 4.5 provide motivation to the responses above as yes and no respectively.

Table 4.4 If yes (better position) responses.

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock control and value thereof</td>
<td>8</td>
<td>33.33</td>
<td>33.33</td>
<td>33.33</td>
</tr>
<tr>
<td>A more informative system</td>
<td>10</td>
<td>41.67</td>
<td>41.67</td>
<td>75.00</td>
</tr>
<tr>
<td>Makes employees jobs easier</td>
<td>4</td>
<td>16.67</td>
<td>16.67</td>
<td>91.67</td>
</tr>
<tr>
<td>Single view of sales process from order generation to dispatch</td>
<td>2</td>
<td>8.33</td>
<td>8.33</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>24</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

As exemplified in table 4.4, 41.67% respondents state that Xperdyte is a more informative system that is why they view the organization as being in a better position. Xpertdyte has the capacity to produce reports/ dashboards that show the exact figure of each item in the warehouse ready for sale and raw materials for manufacture of custom made products. Robertson and Wieland (2007: 1) postulated that an organizations quality and speed can be accelerated by utilising visually intuitive and rich graphical dashboards. Whilst 33.33% postulated that this is due to the stock control and value thereof thus accurate figures and valuations portray the true reflection on financials.
Abushamsieh, Hernández and Rodriguez (2013: 1) postulated that it is generally accepted that the financial information compiled and provided must be reliable, timely, comparable and transparent. Sixteen point sixty seven percent pronounce the reason to be because the system makes the employees jobs easier leaving them with additional time to concentrate on assisting with other important aspect of improving profits. Eight point thirty three percent interpret this to be due to the single view of sales process from order generation to dispatch meaning that there will be a free flow from the time a sales order is placed up until the manufactured product leaves the premises of the organization. Borg and Johnston (2013: 1) state that the focus in the sales process if that of high performance thus satisfying the needs of customers. 

Table 4.5 If No (Worse position) Responses

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders took longer to go out due to teething problems</td>
<td>1</td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>System not communicated well</td>
<td>1</td>
<td>50</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

There were only 2 respondents that expressed the organization was in a worse position. Fifty percent of the 2 respondents state that orders took longer to go out due to teething problems of Xperdyte. The other 50% states the system was not communicated well to the employees. Radhaswamyand and Zia (2011: 1) postulated that effective communication is an integral part of an organisation forming part of the pro-social behaviour thus resulting in personal effectiveness and is not limited to professions, presentations or meetings that constitute speaking, listening, and also written communication but rather a process embedded in the daily lives of people. The extent of the respondent’s knowledge in respect the Xperdyte system embedded that of no more tedious stock counts, new coding, and accurate stock valuation. Hence portraying evidence of another objective of whether the system was communicated appropriately to employees. Question 17 of the questionnaire is linked to question 16 in that a response is requested on whether respondents would have done some things differently.

Table 4.6 would you have done some things differently in respect of the change?

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>14</td>
<td>53.85</td>
<td>53.85</td>
<td>53.85</td>
</tr>
<tr>
<td>No</td>
<td>12</td>
<td>46.15</td>
<td>46.15</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

As presented in table 4.6 above, 53.85% (14) of the 26 respondents say yes and 46.15% (12) say when asked if the respondent would have done some things differently. The reasoning to the response above is discussed in tables 4.7 and 4.8 respectively.
Table 4.7 if yes what would you have done differently?

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communicated the information about system in-depth to all employees</td>
<td>7</td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Better Planning before implementing</td>
<td>1</td>
<td>7.14</td>
<td>7.14</td>
<td>57.14</td>
</tr>
<tr>
<td>First advised those that work on the system how it works and gained their opinion on it.</td>
<td>2</td>
<td>14.29</td>
<td>14.29</td>
<td>71.43</td>
</tr>
<tr>
<td>Provide training for employees</td>
<td>4</td>
<td>28.57</td>
<td>28.57</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.7 above illustrates 50% of the yes respondents revealed that they would have communicated all the relevant information about the system to all employees. A vast number of benefits such as better time management, cost-efficiency, making the employees jobs lighter and faster; were not communicated to the employees either which brings about some resistance to change. Iyer and Israel (2012: 2) postulates that clear, concise and honest organizational communication plays an integral role and lack thereof results in distrust, dissatisfaction, scepticism and unwanted employee turnover. Seven point fourteen percent of respondents emphasised that better planning was needed before the implementation of Xperdyte. Better planning would have saved the employees’ time which could have been used profitably. According to Anstey (2006: 153), planning gives consideration to identification of common ground, employees and managements needs to be met and exploited, setting of expectations of the process and coping with the change.

As illustrated in 4.7 above 14.29% re-iterated that the employees involved with the system should have been informed up front and their opinion should have been asked before the implementation. As discussed in table 4.5, communication plays an important role in all aspects of the organization. Another important aspect that 28.57% respondents brought to attention is the training linked to Xperdyte. Employees have not had the appropriate training of the system therefore the time delays and mishaps that brought about the negativity of the implementation. According to Wescott (2011: 2), the many benefits of proper training is to be providing workers with the skills necessary to do their jobs more effectively, allows workers to proceed on building on the knowledge acquired, to acquire new skills and competencies thus allowing the organisation to be more flexible by one employee filling in temporarily for another in different duties. However the respondents aired backlog of work causing unnecessary mistakes due to rushing on invoices as stock was not being captured on the Pastel system.

Table 4.8 if no please elaborate on your choice

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is working well so far</td>
<td>8</td>
<td>66.67</td>
<td>66.67</td>
<td>66.67</td>
</tr>
</tbody>
</table>
Table 4.8 illustrates 8 (66.67%) out of the 12 respondents that stated they will not have done some things differently due to their perception of the system working well thus far. Respondents that work on Xperdyte on a daily basis emulate positive feedback currently. The balance of the respondents, 33.33% postulated that they were not aware that the system was running live already. The Xperdyte system was installed on the server in October 2013 and since then employees have heard from management that the system will be running live at the end of the month. As many months passed the same statement was made and employees are still unsure due to the non-compliance of previous statements.

However, the integrated system is currently running live with a few flaws to be addressed and gains on trial and error are prominent. According to Zeng, Xie, Tam and Shen (2011: 1), the effective and efficient implementation of an integrated system is introduced to overcome problems resulting from multiple systems and incorporates many benefits such as: (1) decreased paperwork; (2) decreased management cost; (3) decreased complexity of internal management; (4) simplified certification process; and (5) facilitates continuous improvement.

CONCLUSIONS AND RECOMMENDATIONS
Findings from the study
Below are the findings of the study, which includes findings from the primary research and from the reviewed literature.

Findings from the Literature Review
Change
Nusbaum (2014: 1) postulated that whatever the reasons to change within an organisation it is vital that someone realises that a change is needed and step forward to take action to effect that change. Furthermore Nusbaum (2014: 1) states that employees at every level of the hierarchy and not only top management should be involved in effecting change with an organisation. The need for change at Krost Shelving (Pty) Ltd arose in respect of accuracy of inventory valuations related to finance. Xperdyte, the integrated inventory system was implemented however; employees were not at any stage involved in the decisions relating to the system. Findings relating to the change within the organisation reveals, should the employees have been invited to participate, the change would have occurred several months prior and at a more successful rate.

Change Models
Employee non-involvement leads to none of the suggested contemporary models of change being utilised to its fullest. In relation of Lewin’s Model of change the Stage 2: transition occurred without the process of stage: unfreezing of old attitudes. Cameron and Green (2012: 126) addressed Kotter’s Eight Step Model empowering change to occur.
**Figure 5.1 Cycle of change**

Source: Cameron Change Consultancy Ltd (2012: 127)

Krost Shelving (Pty) Ltd could have benefitted tremendously from Kotter’s Eight Step Model in the sense that it would have informed employees of the change, created team effectiveness, emphasised the organisation’s objectives, established appropriate communication procedures, empowered employees at each level to go a step further and motivated employees thereby ensuring the success of the implementation of Xperdyte.

**Communication**

Welch and Jackson (2007: 183) defined communication as ‘the strategic management of interactions and relationships between stakeholders at all levels within organisations’. Communication plays a vital role in any change process. Appropriate communication of potential change will benefit the organisation in the success of the change. People need to be made aware of what is happening around them and why it is happening.

Lingham, Richley and Soler (2005: 25) states that some of the critical factors for managers to create a safe conversational space for organizational managers and employees at all levels of the hierarchy to have interactions and feedback around the following:

- The necessity of the change and the change’s desired outcomes;
- Opportunities for employees to learn and develop;
- The supportive network created through the change process; and
- The openness to obtain critical feedback and suggestions from employees

**Perception**

Perception plays an important role in respect of change within an organisation. Ply, Moore, Williams and Thatcher (2012: 9-10) postulates that behavioural controls provides a smoother, more direct path to effective completion of changes and, hence, higher perceptions of professional efficacy. Irrespective of accurate information in the possession of employees, their thinking and opinions affects every stage of change. It is therefore important to consider all aspects of perception. However, armed with ammunition to feed the employees way of thinking should be channelled towards positive adaptation.

**Resistance to change.**

Smollan (2011: 12) indicates that resistance is viewed as a destructive force that runs in opposition to the interests of the organisation and is seen as a form of refusal to perform
duties or is done with as little effort as possible. Serious consideration must be given to resistance to change and compilation of strategies to deal with the resistance. Elimination of all negative aspects of change at a very early stage is vital. Managers must be able to identify each stage of resistance and tackle the problem with assurance. Fear of the unknown interjects resistance. Therefore communication of change prior to the planning of the change ensures that employees are aware and have time to accept the change thus eliminating prospects of resistance.

Findings from the Primary Research
Findings from the study are presented in accordance to the extent in which the research questions were answered.

Acceptance or Rejection to Xperdyte
Although 77% of the respondents have accepted the implementation of Xperdyte, there is concern raised about the 23% that have not as yet accepted. The 23% of respondents are linked to the 20% of the respondents that postulated the poor communication of the system to employees which will speed up the success of the implementation. On a positive note the majority of respondents have accepted the change and are positive towards the aforesaid. Consequently this positivity postulates hope for any future changes within the organization.

Employees Perceptions of the Xperdyte system
The findings reveal 85% of the respondents felt that the implementation was necessary and 70% found the system to be beneficial however 53.85% would have done things differently in respect of the implementation of the system with the prominent features being the communication and the planning of the change.

Communication
Among all the significant variables from the study the rating of the communication of Xperdyte proved to be poor. The 26.92% of the respondents that viewed the communication as good were found to be those that made queries on their own about the system. Seven of the 14 respondents stated if given the opportunity they would change the communication aspect of the implementation offering more information to employees to obtain sufficient knowledge of the system. However, 65.38% of the respondents stated that the system was effective even though their knowledge of the system was limited.

Strategies
The study reflected the response to the question “would you have done things differently” as 50% of the 14 yes respondents would have changed the communication process, 7.14% implement better planning, 14.29% make the employees aware of the system before implementing and 28.57% would provide adequate training to employees. Respondents comprising of both managers and subordinates postulated their strategies based on the current flaws revealed on the implementation of Xperdyte.

Conclusions
This study was undertaken to investigate employee perceptions of the integrated inventory system, Xperdyte at Krost Shelving (Pty) Ltd. The objectives of the study were to determine acceptance or rejection of the system, determine various factors of employee’s perceptions, strategies of managers and subordinates on overcoming resistance and accepting change and whether the benefits of the system have been communicated appropriately to employees.

This study revealed flaws in the implementation of the system that can be addressed with immediate vigour to avoid potential failure.
Recommendations
One of the objectives of this study was to recommend strategies that will enhance the success of the Xperdyte system. Based on the findings of this research, Krost Shelving (Pty) Ltd is recommended to:

- Create a climate dialogue by hosting meetings in respect of the Xperdyte system where all aspects of the system is covered thereby empowering employees with relevant information to conduct their duties appropriately;
- The benefits of the system must be revealed to employees at all levels of the hierarchy and the speaker must be open to the opinions and views of the employees without prejudice or retaliation;
- The Implementer or management must provide relevant training to employees. Each department should be taken in at least for a day and shown the system mechanisms for better understanding thus allowing employees to gain confidence in themselves as well as the system;
- Time management is to be contemplated in respect of employee’s duties being delayed by preparing for the month end shut downs days prior to the inventory stock take on. With an estimate of the stock in the system already the implementer should capture at least last month’s stock figures into the system to enable the finance department to continue with invoicing and avoid the few days of total shut down;
- Further expenses related to the system need to be addressed and financial position of the organization revisited;
- Manuals of Xperdyte should be distributed to employees. This is a costly process thus at least one manual per department will suffice;
- Involve everyone to deliver on the new strategies; and
- Pay attention to staff skill possession, knowledge, attention to detail and their needs creating an atmosphere where they feel a part of the system and decision making. Listen to employees – some vital suggestions may assist to improve the situation.

Areas for further research
The direction for future research in this area of study is limited. A similar study could be conducted by the end of this fiscal year to review the changes and the recommendation results. To gain in-depth understanding of any change within the organization, prospective perceptions linked to the implementation should be reviewed thus enhancing competitive advantage. Various factors influence employee’s perceptions, however, emphasis has only been on a few of those factors in this study and it is suggested to extend the research by adding more variables and concepts.

Conclusion
The primary findings of this study assisted the researcher in answering the relevant research questions that was specifically formulated for this study. The study concluded that employee’s perceptions play a vital role in any organization and the success of any change needs to first address such perceptions. The key to success in respect of change is communication on every level of the hierarchy thereby avoiding resistance to the change. In addition, training of employees will assist the change process with ease and success. Lack of knowledge and inappropriate planning has created negative perceptions, delays in the implementation and cost the organization financially over the extended period of implementation. Every system needs to be thoroughly researched in respect of time consumption, planning, communication, relevant training, team work and financial setbacks prior to the implementation.
Note: This study was presented by the principal author in partial fulfilment for the award of the Master of Business Administration Degree (MBA) to the Regent Business School in 2014. The dissertation was supervised by Nishika Reddy and edited by Professor Anis Mahomed Karodia for purposes of presenting the study as a referenced journal article.
Kindly note that the entire bibliography of the study is cited and the applicable references to this article can be found in the full bibliography cited.

BIBLIOGRAPHY


Jaidev, U.P., and Chirayath, S. (2012). *Pre-Training, During-Training And Post-Training Activities as Predictors of Transfer of Training*. VIT University, Vellore 14, Tamil Nadu, India.
Jalali, A.A., and Mahmoodi, H., (2009). *Virtual Age: Next Wave of Change in Society.* International Joint Conferences, e-CASE and e-Technology Department of Electrical Engineering, Iran University of Science and Technology, Tehran, Iran School of Engineering, San Francisco State University, San Francisco, California, USA.


Mazzei, A. (2013). Internal communication for employee enablement Strategies in American and Italian companies. IULM University, Milan, Italy.


Umble, M., and Umble, E. (2014). Overcoming resistance to change. Copyright of Industrial Management is the property of Institute of Industrial Engineers.


Business Administration, Economics, Law and Social Sciences (HSG), to obtain the title of Doctor of Business Administration.


Annexure A: COVERING LETTER

Dear Participant

This questionnaire is designed to understand employee’s perceptions in respect of the Xperdyte system. Completing this questionnaire indicates that you understand the information provided in respect of the reason for the assessment and that it has no impact on your work or job security. All information provided by you will be treated with confidentiality and security measures are set in place for the completed questionnaires to remain private and confidential until it is approved to be destroyed.

Thank you for your honesty on completing the questionnaire. Your time and co-operation is highly appreciated.

Thank you!

Charlene Moodley
083 796 8006
Charlenemoodley389@gmail.com

Annexure B: Krost Shelving (Pty), Ltd Questionnaire

Dear Participant;

This questionnaire aims to understand your perceptions of the change within the organization regarding the implementation of Xperdyte.

**General Questions**

Please indicate with an X:

1. Participants in the research are divided into three categories: non-supervisors, managers, and executives. Where would you place yourself within these categories?

<table>
<thead>
<tr>
<th>Non-Supervisor</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager</td>
<td></td>
</tr>
<tr>
<td>Executive</td>
<td></td>
</tr>
</tbody>
</table>

2. What kind of change process is the company undergoing? You may select more than one change if your company is undergoing several changes.

| Managerial |   |
| Financial |   |
| Structural |   |
| Other |   |
If you have selected “Other” above, please specify:
……………………………………………………………………………………………………

Could you describe the change briefly?
……………………………………………………………………………………………………

3. Is the process finished? Please state YES or NO by marking with an X:

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

4. Are you working with the Xperdyte system?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

If yes, how involved are you in the process?
……………………………………………………………………………………………………

5. What aspect of the change process did you find most positive and most negative?
……………………………………………………………………………………………………

Employee’s Emotional and attitudinal Questions

For the following questions please indicate how much you agree or disagree with each statement. There are no right or wrong answers. Please indicate with an X in the appropriate column using the following scales:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither Agree Nor Disagree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. The implementation of Xperdyte was necessary.

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>
7. The implementation has had an effect on relationships between employees.

8. The system is beneficial.

9. You like working on the system

10. I have accepted the Xperdyte system.
11. How do you view the effectiveness of the Xperdyte system?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Extremely Poor</td>
</tr>
<tr>
<td>B</td>
<td>Poor</td>
</tr>
<tr>
<td>C</td>
<td>Neutral</td>
</tr>
<tr>
<td>D</td>
<td>Good</td>
</tr>
<tr>
<td>E</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

12. What are your feelings towards this change/implementation?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Negative</td>
</tr>
<tr>
<td>B</td>
<td>Somewhat Negative</td>
</tr>
<tr>
<td>C</td>
<td>Neutral</td>
</tr>
<tr>
<td>D</td>
<td>Somewhat Positive</td>
</tr>
<tr>
<td>E</td>
<td>Positive</td>
</tr>
</tbody>
</table>

**The Process Questions**

Please indicate with an X

13. How would you rate the process of communicating information regarding the Implementation of Xperdyte to employees?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Extremely Poor</td>
</tr>
<tr>
<td>B</td>
<td>Poor</td>
</tr>
<tr>
<td>C</td>
<td>Neutral</td>
</tr>
<tr>
<td>D</td>
<td>Good</td>
</tr>
<tr>
<td>E</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

14. In general, employees were positive towards the change?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>B</td>
<td>Disagree</td>
</tr>
<tr>
<td>C</td>
<td>Neutral</td>
</tr>
<tr>
<td>D</td>
<td>Agree</td>
</tr>
<tr>
<td>E</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>
15. What was the biggest challenge brought on by this change/implementation?

Outcomes

16. In your opinion, would you say the company was in a better or worse position after the implementation of Xperdyte?

<table>
<thead>
<tr>
<th>Yes</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

Please elaborate on the above choice:

17. Would you have done some things differently in this respect?

<table>
<thead>
<tr>
<th>Yes</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

If yes, please elaborate.

Is there anything else you would like to add about Xperdyte?

Thank you for your co-operation!
Annexure C: Permission Letter

Dear Mrs C Moodley

18 Drakenstein Street
Witpoortjie
1724

15 April 2014

RE: RESEARCH

This letter serves to confirm that your request to carry out a research on Employee Perceptions in respect of the implementation of Xperdyte at Krost Shelving and Racking has been approved by the CEO (Shareholder) of the organisation.

Mrs Moodley, you will have the full co-operation of all managers and subordinates of Krost Shelving and Racking. We wish you well in your final stage of Masters in Business Administration, Dissertation.

Trust you find the above in order. Should you have any further queries please do not hesitate to contact the undersigned.

Kind regards,

[Signature]

URI KROST
CEO

Directors: CA Di Nicola (Chairman), MW McCulloch, UE Krostit, JB Krostit
Reg. No: 2007026977/07