WEIGHING UP CHANGE:

A GROUNDED THEORY

EXPLAINING THE RESPONSE OF MIDDLE MANAGERS TO

ORGANISATIONAL CHANGE

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ABSTRACT

Although the phenomenon of organisational change is the subject of a large body of theory, relatively few studies have been conducted from an interpretive perspective (Wilson, 1992). The purpose of this study was to develop a substantive theory of how middle managers respond to organisational change, using the grounded theory methodology (Glaser & Strauss, 1967). Grounded theory is an inductive methodology concerned with understanding action from the perspective of the actors involved.

The study was conducted in the context of local government and was bound within a single large city council. The primary method of data collection was interviews. Data were collected from twenty-five middle managers over a two-year period following the launch of a major organisational change programme within the council. The data were analysed using the constant comparative method and theoretical sampling.

The core variable accounting for most of the variation in the way middle managers respond to organisational change is Weighing Up, a process of the for-and-against evaluation of change. Weighing Up is conditional upon both the content and process of change. Middle managers assess the extent to which the change will meet their own psycho-social needs and, to a varying extent, the needs of others. The outcome of the Weighing Up process is an emotional state, typically some combination of the primary emotions of pleasure, anger, and apprehension. The behavioural responses of managers to change are dependent on this affective state. These responses vary across a range from active support to disaffection and exiting the organisation, and they have organisational consequences for the implementation of change.

The study contributes to the understanding of organisational change in three ways; (i) it confirms previous studies that show that managers evaluate or Weigh Up change; (ii) it suggests that the response of managers to organisational change is as much emotional as rational, and; (iii) it draws attention to the importance of non-work experiential careers as an important factor in the evaluation of change.
INTRODUCTION

1. INTRODUCTION

Over the period of the last fifteen years organisations have shed millions of jobs as they downsized in an attempt to improve their efficiency in the emerging global economy. Middle managers suffered particularly badly during this restructuring process. Delayering, or reducing the number of hierarchical layers in an organisation, was ranked as one of the three most cited reasons for restructuring (Drew, 1994). Comprising only five to eight per cent of the work force, middle managers accounted for fifteen per cent of total job losses (Dalton, Perry, Younger, & Smallwood, 1996). They were an unnecessary "layer of insulation" (Carlzon, 1987, p.15) that needed to be removed.

However, belatedly, there is evidence that the pendulum may have swung too far. Roach (1996) argues that removing middle management may not help organisations because middle managers are crucial to communication and facilitation of change. They may become even more important as organisations adopt team management practices and focus on improved customer service (Brandt, 1994). What is needed is not excision, but adaptation. There is a need to "reconceive the role of middle managers" (Peters, 1987, p.367) so that they move away from "their traditional delaying style of management" (ibid, p.369) to become expeditors and facilitators of change. Such a transition requires an improved understanding of how middle managers function.

The nature of the traditional middle management role is well established. For example, Mintzberg (1979) suggests that middle managers operate between the strategic apex and the operating core. Their role includes collecting information on performance to pass
upwards; passing information downwards and making decisions requiring their authority; allocating resources, implementing plans and providing leadership. This difficult 'in the middle' role (Jick, 1993) is more pronounced during periods of organisational change when middle managers are both change recipients and change implementors.

In their role as change strategists CEOs and general managers are concerned with creating an agenda for change. They are also responsible for building a strong implementation network (Kotter, 1988), which will in most cases comprise middle management. Senior executives are more likely to be successful in this task if they have a good understanding of the factors that influence how middle managers respond to organisational change. Often middle managers are asked to implement change when many of their peers have been made redundant, or when their own workloads have increased significantly without any recognition (Hecksher, 1995). Understanding why and how middle managers respond in such situations is the area of interest with which this thesis is concerned.

2. PURPOSE OF THE STUDY

(1) Area of interest

The study has been conducted using grounded theory (Glaser & Strauss, 1967; Glaser, 1978, 1992). Grounded theory "is a general methodology of analysis linked with data collection that uses a systematically applied set of methods to generate an inductive theory about a substantive area." (Glaser, 1992, p.16). It is an inductive methodology, the goal of which is "to generate a theory that accounts for a pattern of behaviour which is relevant and problematic for those involved" (Glaser, 1978, p.93).

Most methodologies require a researcher to identify a research problem first and then look for a population in which to study that problem. However, one of the distinctive
features of grounded theory studies is that they do not start with the formulation of a specific research problem that identifies the phenomenon to be studied. Getting started and identifying the problem is regarded as part of the methodological process. The rule is that the researcher moves into his or her area of interest "with abstract wonderment of what is going on that is an issue and how it is handled" (Glaser, 1992, p.22). This means that the researcher should not presume to know the problem before entering the field.

Consistent with this approach, no formal research question guided this study. Instead, the purpose of the study is expressed in terms of an area of interest, namely, to discover how middle managers respond to organisational change. The study achieves this by generating a substantive grounded theory that explains a large amount of the variation in the behaviour of middle managers who are recipients of organisational change.

(2) Definitions

The term middle managers is defined in organisations in different ways depending on the design of people's functions and their hierarchical status, which is often indicated by a grading code or title (Broussine & Guerrier, 1983). In this study it is defined as meaning those roles located in the organisational hierarchy between the City Manager and his directors, and front line staff who have the responsibility of delivering the organisation's services. In the context of this study and the terminology of its respondents it means Level Three and Level Four managers and team leaders.

In this study organisational change means any change in respect of which middle managers are recipients. It does not include, and is in distinction to, organisational change that middle managers have themselves been responsible for suggesting, planning or initiating (Dutton et al, 1997).

(3) Bounding the study

The study is bounded within local government in New Zealand. This is justified on the basis that this industry has features that make it unique, namely, the whole industry
has undergone structural changes that have been prescribed by legislation; local authorities have been traditionally and commonly characterised by strong bureaucratic cultures; and interface with politicians is typical at many levels within local government organisations. Within the broader context of local government the decision was made to bound data collection within one large local authority, the Christchurch City Council, on the grounds of cost, scope and convenience.

3. SIGNIFICANCE OF THE STUDY

The research described in this thesis is important for a number of theoretical and practical reasons. Firstly, the role and importance of middle managers in the organisational change process is well established in the management of change literature (e.g., Kanter, Stein, & Jick, 1992). The particular difficulties such managers face as a result of 'being in the middle' are also well known (Oshrey, 1993) but not well understood. Research that improves that level of understanding helps to fill that gap in our understanding.

Secondly, one of the reasons why so little is known about organisational change is that the structural-functionalist, systems models of organisations have failed to provide a sensitive understanding of the cognitive and interpretive processes by which people make sense of their organisational lives, and in particular by which they either support, facilitate or seek to resist change (Wilson, 1992, p.78). There is a relative neglect of interpretive research in this area that presents an opportunity for studies that employ interpretive methodologies such as grounded theory.

Thirdly, the study focuses on the local government sector which forms a significant part of the New Zealand economy. In 1993/94 local government expenditure was $2.8 billion, or three per cent of the country's Gross Domestic Product. Local authorities manage assets with a value in excess of $25 billion, and they employ over 87,000
employees. Local government affects all our lives through the provision of basic services such as roads, water, sewage, waste disposal, and civil defence. It also provides a range of other services including libraries, parks and recreation facilities, animal control, and environmental regulation to mention some. The manner in which these services are provided impacts on us all. Local government has been undergoing, and continues to undergo, major changes as a result of legislative changes introduced in 1989. An analysis of these changes is contained in Appendix One. Worldwide, the industry is experiencing a paradigm shift as local authorities seek to change their organisational cultures to become more accountable, efficient, and customer-focused (Richardson & Brooks, 1996). The amount of change that the industry has experienced, and is experiencing, makes it a fruitful arena for study. Research that improves the level of understanding of these change processes will have wide application both in New Zealand and overseas.

4. OVERVIEW OF THE THESIS

This thesis contains five chapters. This chapter has introduced the thesis by describing the context and purpose of the study. It has also justified the thesis in terms of its theoretical and practical importance.

Chapter Two, entitled 'Research Methodology', discusses the principal differences between qualitative and quantitative research; overviews the different research paradigms; and justifies the selection of grounded theory, a postpositivist research strategy, as the methodology of choice. It then discusses the evolution of the grounded theory methodology as a precursor to describing the methodology in some detail. The chapter concludes with a critique of grounded theory. As is the practice in qualitative research, these early chapters are written in the first person to reflect the researcher's interactive role in the research process.
Chapter Three, entitled 'Data Collection and Analysis', reports on the data collection and analysis phases of this research study. It discusses the practical and ethical implications of using humans as both the instrument and source of data collection. It then provides details of my data collection and my protocols for data collection and management. Major data collection design decisions are discussed and justified. Two particular aspects of data analysis are canvassed in more detail, namely, the use of a computer to assist in data analysis and the difficulties I encountered during coding. The chapter concludes with a discussion of how to evaluate grounded theory studies.

Chapter Four, entitled 'Findings', commences with a discussion of the write up of grounded theory studies, which is considered to be part of the analytical process. The main function of this chapter is to present the theoretical framework generated by this research. As is typical of grounded theory works the chapter is organised around the core variable, in this case Weighing Up, and its properties, and the relationship of other categories to the core variable. The relevant literature is integrated into the write up to show its contribution to the theory.

In the concluding chapter, entitled 'Conclusions and Implications', the theoretical framework is summarised and conclusions on the research findings are drawn. This is followed by a discussion of the implications of the findings for managerial practice and for future research.

Appendix One contains a structural analysis of the 1989 legislative reforms that have given rise to significant organisational change within local government in New Zealand.
CHAPTER 2

RESEARCH METHODOLOGY

1. INTRODUCTION

Denzin & Lincoln (1994) suggest that there are five phases in the research process. This chapter discusses the first three of those phases, namely; (i) locating the field of inquiry; (ii) choosing a theoretical paradigm to inform and guide this research study, and; (iii) selecting a strategy of inquiry to link that paradigm to the empirical world through data collection and analysis. The remaining two phases (data collection and analysis) are the subject of Chapter Three. So in this chapter I introduce qualitative research as one of two competing fields of inquiry (the other being quantitative research). I then explain the ontological, epistemological, and methodological assumptions and beliefs underlying each of the major theoretical paradigms within qualitative research. Building on this foundation I then locate this study within the postpositivist paradigm, and from the various postpositivist strategies of inquiry I select, justify and describe grounded theory. The chapter concludes with a critique of the methodology.

2. LOCATING THE FIELD

Social scientists hold different assumptions about the nature of the social world and how best to study it (Burrell & Morgan, 1979). Historically, these assumptions have centred around two fundamentally different and competing research traditions that are commonly referred to as the quantitative and qualitative paradigms. However, Guba and Lincoln (1994) suggest that it is more accurate to talk of quantitative and qualitative
research methods than quantitative and qualitative paradigms, because both research methods can be used appropriately with any paradigm.

The significant points of difference between quantitative and qualitative (or interpretive, as it often known) research have been well documented (eg., see the extensive reviews in Cook and Reichardt, 1979; Fetterman, 1989; and Lincoln and Guba, 1985). Denzin and Lincoln (1994) have summarised these differences as follows:

The word qualitative implies an emphasis on processes and meanings that are not rigorously examined, or measured (if measured at all) in terms of quantity, amount, intensity, or frequency. Qualitative researchers stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry. Such researchers emphasise the value-laden nature of inquiry. They seek answers to questions that stress how social experience is created and given meaning. In contrast, quantitative studies emphasise the measurement and analysis of causal relationships between variables, not processes. Inquiry is purported to be within a value-free framework (p. 4).

Qualitative research is typically multi-method in focus, involving an interpretive approach to its subject matter. It usually takes place in real-world settings where human behaviour and events occur naturally in a non-controlled, non-experimental way. There is openness as to what emerges (Silverman, 1993). "Qualitative research is a particular tradition in social science that fundamentally depends upon watching people in their own territory" (Kirk & Miller, 1986, p.9). It is typically conducted through prolonged or intense contact with a "field" or life situation where the researcher has direct contact with and gets close to the people, situation, and phenomenon under study (Miles & Huberman, 1994). The focus of qualitative research is on capturing data on participants' perceptions and experiences "from the inside", through a process of close attention and empathetic understanding. The researcher negotiates meanings and interpretations with
respondents because it is their realities that the researcher is attempting to reconstruct. This means that the researcher is the primary instrument in data collection rather than some standardised, inanimate instrumentation. The researcher's experience, biases, and insights are explicitly recognised and treated as an important part of the inquiry (Merriam, 1988). His or her role is to gain an holistic overview of the whole phenomenon under study, rather than just its constituent parts (Locke, Spirduso, and Silverman, 1987).

Qualitative researchers prefer an inductive, hypothesis-generating mode of inquiry to a deductive, hypothesis-testing mode. Research usually begins by exploring genuinely open questions without establishing hypotheses a priori. This approach avoids the premature testing of hypotheses, although at some point this occurs (Hammersley & Atkinson, 1983). Qualitative studies usually report the data that emerge in words rather than numbers and there is a preference for integrated, thick description (Marshall & Rossman, 1989). The main aim is to understand how people make sense of their lives, to explain how people in particular settings come to understand, account for, take action and otherwise manage their day-to-day situations (Miles & Huberman, 1994). The emphasis is on process. Qualitative research is particularly interested in how things occur, and it assumes that change is constantly occurring (Merriam, 1988).

There are a number of reasons why a qualitative methodology was chosen for this study. Firstly, the "dominant discourse" (Calas & Smircich, 1987) in the literature on organisational change has been, as previously observed, functional and normative. This has been particularly evident in studies of cultural change (Wilkins & Dyer, 1987). Change is usually portrayed as being management planned and led, cascading down through the organisation. The end result is the substitution of a new, desirable organisation-wide unity for the old one (Greenwood & Hinings, 1988). This perspective has been criticised on a number of grounds (eg., Alvesson & Berg, 1992). According to Hayes (1991), the Tom Peters' type of 'corporate culture' literature (Peters &
Waterman, 1982) which stresses the importance of creating strong cultures of excellence:

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....stops short. Questions as to how those shared beliefs develop, are transmitted, and have their effect on the individual's practice are not investigated. Consequently, the phenomenon considered to be at the root of organisational culture remains largely unexplored (Hayes, 1991, p.2).
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This view is supported by Isabella (1990) who notes that most studies of organisational change have focused on observable behaviours and actions, yet "understanding the cognitive basis for responding to change requires understanding interpretation and interpretive phenomenon" (p.8). Relatively little is known about the cognitive and interpretive processes by which people support, facilitate, or seek to resist change (Wilson, 1992). Although there is increased interest in these processes (eg., Weick, 1995), there is much scope in this problem area for theory-generating research.

No doubt for this reason, an interpretive view of organisations is becoming increasingly popular. As Reed (1992) notes, increasing academic support for an action-orientated framework:

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.....indicates the strength and impact of a deeper intellectual movement away from determinism and towards explanatory logics grounded in a model of an organisation as a construct or process reproducing structural forms. The ontological status of 'organisation' as enacted process, rather than imposed structure, has emerged as a central strand of thinking in contemporary organisational analysis (p.185).
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Secondly, it has been widely argued in the organisation studies literature that quantitative functional perspectives are not suitable for "tapping into how individuals experience the organisation" (Rousseau, 1990, p.161). Rousseau, and others, argue that
researchers who use surveys to study organisations should not purport to speak for respondents through aggregated survey data that may not accurately reflect the insiders' own conceptual categories. On the other hand, in-depth interpretive research that solicits an emic viewpoint is ethically and methodologically sound.

Finally, it is legitimate and appropriate for the personal attributes, skills, experience, and personality of the researcher to influence the choice of research method (Cresswell, 1994; Guba and Lincoln, 1994). These factors shaped this study as a piece of qualitative research.

3. SELECTING AN INQUIRY PARADIGM AND RESEARCH STRATEGY

The second and third phases of the research process are to select a theoretical inquiry paradigm and then a compatible research strategy. A paradigm is an interpretive framework; a "basic set of beliefs that guides action" (Guba, 1990, p.17). Paradigms define an interconnected set of beliefs that underlies the whole process of inquiry and research. They define the world-view of the researcher and deal with first principles. Paradigms consist of three elements: epistemology, ontology, and methodology. Epistemology addresses the relationship of the researcher to that being researched; ontology, the nature of reality; and methodology the process of research. Researchers who operate within different paradigms resolve these issues quite differently.

In a text addressed to an audience of doctoral students, Cresswell (1994) notes the traditional dominance of the positivist paradigm amongst examiners and editors of journals. He recommends that researchers who elect to use another paradigm should justify their selection and refer to the assumptions underlying that paradigm, particularly if their potential audience is not familiar with them. Such a recommendation implicitly accords the positivist paradigm a position of dominance, a position which Guba and Lincoln (1994) take issue with: all researchers should justify their choice of paradigm:
Paradigm issues are crucial; no inquirer, we maintain, ought to go about the business of inquiry without being clear about just what paradigm informs and guides his or her approach (1994, p.116).

They argue that because paradigms are belief systems, and as such are human constructions, their truthfulness or worth cannot be proved. There is no way or need to elevate one paradigm over another. Each paradigm is subject to limitations, and "No construction is or can be incontrovertibly right: advocates of any particular construction must rely on persuasiveness and utility rather than proof in arguing their position" (ibid, p.109). Glaser adopts a similar position when he discusses the different methods of deriving or verifying theories: "Our perspective is but a piece of a myriad of action in Sociology, not the only, right, action" (1978, p. 3).

However, it is important for researchers to understand the differences between paradigms because these differences have major implications for data collection, analysis, and interpretation (Denzin & Lincoln, 1994). If their research is to satisfy the evaluative criteria for good research, whatever those criteria may be in the context of any particular study, researchers must choose a research design and adopt an ethical stance that is consistent with the assumptions of their theoretical paradigm. This need for consistency makes paradigm selection a crucial issue in any research study.

Qualitative research is currently organised around four dominant paradigms: positivism, postpositivism, constructivism, and critical theory and related interests (Denzin & Lincoln, 1994). These paradigms are discussed at length in Guba and Lincoln (1994) on the basis of ontology, epistemology, and methodology, and they can be summarised as follows (from Guba & Lincoln, 1994, pp. 109-111):

(a) **Positivism**  Positivists assume that the social world is real, that it is capable of being apprehended and measured. Findings are "true" and thus replicable through reliable and valid research. The researcher is assumed to study the people who are the
subject of his or her research on the basis that the researcher does not influence them and is not in turn influenced by them (dualism). The authors use the analogy of conducting research through a one-way mirror to describe this relationship. Methodologically, positivist research is deductive in nature: research questions are expressed as hypotheses and are subjected to empirical testing.

(b) **Postpositivism**  Postpositivists accept that only partially objective accounts of the social world can be produced because of the nature of the phenomenon and because of flaws in the capacity of humans to act as data collection instruments. Dualism is abandoned and the mutual influencing of researcher and researched is acknowledged. However, vestiges of objectivity remain, with findings expected to "fit the realities under study in the eyes of subjects, practitioners and researchers in the area" (Glaser, 1992, p.15). Research can be either deductive - based on falsifying rather than verifying hypotheses - or inductive in nature.

(c) **Constructivism**  Multiple realities are socially and experientially based, and often shared among groups. Such constructions cannot be true or false, but simply more or less informed. The researcher and the researched are interactively linked in such a way that findings are created as the investigation proceeds. Constructivist methodologies such as ethno-methodology are based on interaction between and among the researcher and respondents.

(d) **Critical theory**  For critical theorists, inappropriate and false realities are over time reified into structures that are now taken as real, that is, natural and immutable. These structures become an historical reality. As with constructivism, the researcher and the researched are interactively linked. However, critical researchers recognise that their values mediate their findings, thus rendering them value laden. Critical inquiry requires a dialectical dialogue between the investigator and the investigated in order to transform ignorance and misapprehension.
It is for researchers to choose the paradigm that will guide their inquiry. Their selection cannot be right or wrong in any absolute sense; they must rely on demonstrating to others the utility of their choice (Guba & Lincoln, 1994). The purpose of this study is to generate a substantive theory that explains most of the variation in the way in which middle managers respond to organisational change. Guided by a set of managerial values (see Chapter 3 supra), the ultimate purpose of this research is the prediction and management of those responses - in the sense that the findings will assist organisations to implement change more effectively. This desire for explanation leading to control clearly locates the thesis within the positivist or postpositivist paradigms. Of these two, the postpositivist paradigm was chosen because it is the more interpretive and emic and the advantages of these qualities have been noted already.

Theoretical paradigms are connected to the empirical world through strategies of inquiry. The next step in the research process is to select a strategy or inquiry, or research methodology as it is more commonly known.

A strategy of inquiry comprises a bundle of skills, assumptions, and practices that researchers employ as they move from their paradigm to the empirical world. Strategies of inquiry put paradigms of interpretation into motion. At the same time, strategies of inquiry connect the researcher to specific methods of collecting and analysing empirical materials. For example, the case study method relies on interviewing, observing, and document analysis. Research strategies implement and anchor paradigms in specific empirical sites, or in specific methodological techniques, such as making a case an object of study. These strategies include the case study, phenomenological and ethno- methodological techniques, as well as the use of grounded theory, the biographical, historical, action, and clinical methods (Denzin & Lincoln, 1994, p.14).

The selection of a research strategy is one of the most important decisions that must be made in the research process. The process of selection involves a clear focus on the
research question; the purpose of the study; what type of information will answer the research question; and which research design will be most effective in obtaining that information (LeCompte & Preissle, 1993). After consideration of these criteria, I selected grounded theory (Glaser & Strauss, 1967; Glaser, 1978, 1992) as the research strategy for this study. The methodology is described in more detail later in this chapter.

There are five reasons why grounded theory was chosen. Firstly, in a comparative review of the major types of interpretive research strategies, Morse (1994) suggests that grounded theory is the "method of choice" (p.223) for investigating experiences where the phenomenon in question is a process. "Process" is an elusive term, not easily explained, but it has been defined as the "linking of sequences of action/interaction as they pertain to the management of, control over, or response to, a phenomenon" (Strauss & Corbin, 1990, p.143). Since the focus of this study is on a process, that is to say, on how middle managers respond to organisational change, grounded theory is the preferred methodology. Secondly, grounded theory is firmly entrenched within the modernist, postpositivist tradition (Denzin & Lincoln, 1994), the paradigm of choice.

Thirdly, the lack of knowledge about the cognitive and interpretive processes involved in organisational change (Isabella, 1990; Wilson, 1992) has already been noted. There is a gap in our knowledge of this substantive area that lends itself to an inductive, theory-generating methodology such as grounded theory. Fourthly, grounded theory is a well-established and rigorous methodology (Gerson, 1991). And finally, grounded theory has as its objective the generation of theories that fit, work, and are relevant to the actors in the action scene under investigation. These properties make it a potentially effective methodology for achieving my research objective, which is the better prediction and management of responses to organisational change.
4. GROUNDED THEORY

(1) The evolution of grounded theory

Grounded theory was developed during the 1960's by two American sociologists, Anselm Strauss and Barney Glaser, who came from very different research backgrounds. Strauss studied and later taught at the University of Chicago, which had a strong tradition of qualitative research. He was heavily influenced by Dewey, Park, Hughes, and Blumer, and by George Herbert Mead, with whom he worked. One of the methods of qualitative research practised at Chicago that Strauss used extensively in his own research (along with participant observation) was comparative analysis, which involves the comparison of several groups or social units as a means of gathering and analysing data. Comparative analysis would become the dominant parent of grounded theory (Mullen & Reynolds, 1994).

Glaser was educated at Columbia University and the Sorbonne in the late 1950's and came from a strong quantitative research tradition that stressed the importance of rigorous, explicit procedures if research was to be credible. Glaser was strongly influenced by Paul Lazarsfeld, by whom he was trained to analyse survey data with the goal of generating core variable theories. The concept of a core variable refers to a category which accounts for most of the variation in a pattern of behaviour and which helps integrate other categories that have been discovered in the data. Grounded theory is derived from and combines comparative analysis and core variable analysis. It uses the constant comparative method as an analytic tool to generate a small set of conceptual categories that are highly relevant to people in the action scene. These categories are connected by theoretical codes and interrelated through a core variable, in the form of a substantive theory that is parsimonious and yet has a lot of explanatory power (Glaser, 1992).

Glaser and Strauss began collaborating in 1960 in a study of dying in hospitals, which led to the publication of three grounded theory monographs on dying in 1964, 1968 and
1970 (Awareness of Dying, Time for Dying and Anguish: case study of a dying patient). During the period they were working together they also systematically developed the grounded theory methodology, which they set out in their book The Discovery of Grounded Theory (1967). Glaser elaborated the methodology further in Theoretical Sensitivity (1978). It took another decade before the methodology found widespread acceptance amongst qualitative researchers, at least if one takes the number of publications as a measure of acceptance. Today grounded theory is well established, leading Strauss and Corbin to comment that the methodology "now runs the risk of becoming fashionable" (1993, p.276).

In 1987 Strauss published Qualitative Analysis for Social Scientists, which marked the beginning of an intellectual and methodological divergence between Glaser and Strauss. This divergence became more pronounced in Basics of Qualitative Research (1990) which Strauss co-authored with Juliet Corbin. It now appears that there are two distinct variants of grounded theory with significant methodological differences between them (Stern, 1994). This has implications for the future of the methodology. The key points of difference between the variants are discussed below. A full review of these differences may be found in Glaser (1992) where the author expresses "outrage" at the "non scholarly changes" (p.123), "bordering on immorality" (p.5), that Strauss has made to the original grounded theory methodology.

1. Glaser's methodology relies on continually asking two formal questions while coding; (i) What is the problem of people in the substantive area, and what accounts for the most variation in processing it? And (ii) To what category or what property of what category does this incident relate? Strauss and Corbin on the other hand encourage researchers to ask a number of substantive questions about their data. Glaser argues that his method is emergent, while Strauss and Corbin's amounts to forced, preconceived, full conceptual description (Glaser, 1992, p.4).
2. There are procedural differences in the way that coding is carried out. For example, Strauss and Corbin encourage researchers to code single words, phrases, or sentences by listing all their possible meanings (1990, p.72). Glaser strongly criticises this practice as amounting to over-conceptualisation, and argues that coding means comparing incident to incident and/or concepts - not giving each discrete incident or idea a conceptual name.

3. Strauss and Corbin (1990, p.158) introduce the conditional matrix as a central element of their grounded methodology. A conditional matrix is an analytic aid that is useful for considering the wide range of conditions and consequences related to the phenomenon under study. Glaser argues that this amounts to an unjustified over-reliance on just one of eighteen coding families (1978, p.73).

4. Strauss and Corbin encourage researchers to move constantly between inductive and deductive thinking, to propose and then attempt to verify relationships or properties. Glaser rejects this notion as a return to testing conceptual hypotheses, and argues that grounded theory is only concerned with generating - not testing - hypotheses.

6. Strauss asks, "What if?" as he analyses his data. In so doing he brings to bear possible contingencies that could relate to the data, whereas Glaser remains focused on the data and asks, "What do we have here?". Glaser thus allows "the data to tell their own story" (Stern, 1994, p.220).

Reflecting the fact that Strauss and Corbin are practising academics and Glaser is not, and the fact that their 1990 work appeared two years before Glaser's reply, Strauss and Corbin's version of grounded theory methodology is cited more frequently than Glaser's. However, it is too early to determine which, if either, methodology will prevail. What is clear, however, is that a researcher seeking to use grounded theory must now choose between the two variants.
When I began this study I relied on Strauss and Corbin's *Basics of Qualitative Research* (1990) because I perceived it as providing the simplest and most detailed account of how to conduct grounded theory. However, as coding progressed, on the basis of giving each discrete incident or idea a conceptual name, my list of codes grew rapidly without any sense of any pattern or integration. It was not obvious how I could reduce this expanding list of codes. I had no sense of the importance of a core variable. It was only after personal discussions with Barney Glaser, reading *Theoretical Sensitivity* (1978) and *Basics of Grounded Theory Analysis* (1992), and recoding my data that I began to make progress. The outcome of this has been that whereas this study began using Strauss and Corbin's variant of grounded theory, it was completed using Glaser's.

(2) **The grounded theory methodology**

The following section contains a description of the grounded theory methodology, based on Glaser and Strauss (1967) and Glaser (1978, 1992).

(a) **Emergence: the central logic of grounded theory**  
Grounded theory is a methodology for inductively generating theory through the qualitative analysis of qualitative - which is more usual - and/or quantitative data. Unlike some qualitative methodologies that are concerned with empirical description, grounded theory aims to produce a theory, in the form of hypotheses that are grounded systematically in the data, that has analytic power and conceptual thoroughness, and which synthesises, explains and interprets the data. The central logic of grounded theory is clearly explained by Glaser:

> The logic of grounded theory as stated most clearly in *Theoretical Sensitivity* is to ask two formal - not preconceived - questions. They are: What is the chief concern or problem of the people in the substantive area, and what accounts for most of the variation in processing the problem? And secondly, what category or what property of what category does this incident indicate? One asks these two questions while constantly comparing incident to incident, and coding and
analysing. Soon categories and their properties emerge which fit and work and are of relevance to the processing of the problem. The researcher must have patience and not force the data out of anxiety and impatience while waiting for the emergent. He must trust that emergence will occur and it does (1992, p.4).

Emergence and discovery are central to grounded theory. A researcher should not begin with preconceived ideas or extant theory and then force them on the data for the purpose of verifying them. To avoid preconception, to avoid contaminating or constraining their thinking by imposing concepts and relationships that may not be relevant, grounded theorists should not read literature related to their research until later in their study. Whereas many methodologies require an extensive literature review, in grounded theory the rule is clear: there is a need not to review the literature in the field until the emerging theory is grounded in a core variable and integrated with other categories. It is only at this stage in the research process that existing theories are evaluated and those that fit with the emerging grounded theory are integrated with it so that the grounded theory may be enriched and elaborated. In this way concepts, their properties, and the relationships between them, will emerge from the study without being predetermined by previous literature.

(b) The research problem

Grounded theorists start their research with a set of experiences they wish to explore, or in an area of interest into which they move with "the abstract wonderment of what is going on that is an issue" (Glaser, 1992, p.22). Glaser strongly advises that, as a general rule, grounded theorists enter their area of interest with no research problem because the problem as defined by the researcher may not be relevant to the subjects involved. Rather, the research problem should be allowed to emerge through the methodological process of describing what is going on here, in the same manner as the means by which the subjects involved continually process it. A good example of this approach is found in Nursing Partnership (Christensen, 1995) where that author entered a surgical ward "to examine the giving and receiving of nursing" (p.239). The research question that guided her research was simply, "what is
happening here?" (p.239). Likewise, Corbin (1987) studied how women manage the risks associated with their pregnancies; Cauhape (1983) studied how men and women made a fresh start with their lives after a divorce; Charmaz (1990) how chronic illness affects the self (see also Glaser 1993, 1994, and 1995).

(c) Constant Comparative Analysis In grounded theory, data is analysed by the constant comparative method whereby the researcher codes incidents for categories and properties of those categories, and the theoretical codes that connect them. The key processes within the constant comparative method are coding, memoing, and sorting. Coding is the process of conceptualising data into concepts. Concepts are the underlying meanings, uniformity or patterns in the data. There are three types of coding: open, selective, and theoretical. Open coding is the initial stage in grounded theory analysis. In open coding the data is analysed sentence by sentence, line by line, constantly asking the question: "What concept or property of a concept does this incident indicate?" This is the basic rule of thumb or heuristic for coding raw data to generate concepts. Glaser (1992) offers some guidance for the coding process:

Therefore, conceptualising the data becomes the first step in grounded theory analysis. By breaking down and conceptualising the data we do not mean taking apart a single observation, sentence or paragraph, and giving each discrete incident, idea, or event a conceptual name, which indicates something that stands for or represents a phenomenon. This single incident analysis would end up in a helter skelter of too many categories and properties...

We do mean comparing incident to incident and/or to concepts as the analyst goes through his data. We look for patterns so that a pattern of many similar incidents can be given a conceptual name as a concept, and the compared incidents can be seen as interchangeable indices for the same concept (p.40).
As open coding progresses the researcher moves from comparing incident with incident to compare incidents with properties of concepts and categories. These properties are integrated through a process of constant comparison that forces the researcher to make some related theoretical sense of each comparison. At some point saturation is reached, which simply means that there are sufficient concepts and categories to handle all the emerging data.

Open coding and theoretical sampling continue until the core category, which is the category that accounts for most of the variation in a pattern of behaviour, has been identified. The core category is crucial to grounded theory because the resulting theory will eventually be based around this core category. Selective coding starts when open coding ceases. As its name suggests, selective coding is more selective than open coding. It is more selective in that the researcher begins to delimit his or her coding only to those variables that relate to the core variable in sufficiently significant ways to be used in a parsimonious theory. In other words, the core category becomes the guide to theoretical sampling and further data collection. Glaser suggests that small research projects, such as doctoral works, should start to selectively code as soon as possible.

(d) Memoing. Writing memos is a crucial part of grounded theory. Its importance has been stressed by Glaser:

The core stage in the process of generating theory, the bedrock of theory generation, its true product, is the writing of theoretical memos. If the analyst skips this stage by going directly from coding to sorting or to writing - he is not doing grounded theory. Memos are the theorising write-up of ideas about codes and their relationships as they strike the analyst while coding ... Memoing is a constant process that begins when first coding data, and continues through reading memos or literature, sorting and writing papers and monographs to the very end (1978, p.83).
A memo is simply a written record of the researcher's thoughts as he or she codes, sorts or writes (see Appendix Two for an example of a memo). The purpose of memoing is to provide a means of raising the level of conceptualisation by moving from the data to concepts and categories, which are recorded in memos, as are the relationships between them. There is no rigid format that must be followed when writing a memo, although there are some simple housekeeping rules that make memos easier to use and sort later on, such as dating them and including headings that make it clear what they relate to. The golden rule of memoing is to stop and memo whenever the researcher has an idea.

Memoing is one of the key procedural differences between grounded theory and other forms of qualitative research such as case studies. In most descriptive research the analyst ends up with an ever growing list of codes and categories, which must be grouped in some way. In grounded theory, the analyst ends up with an ever diminishing number of codes (perhaps no more than twenty) and an ever increasing number of conceptual memos. It is this stock of memos that the researcher works with as he or she develops their theory. References to the actual data are sparse, and only occur through the referencing of data within memos as illustrations, for example.

(e) Theoretical sampling The constant comparative method employs a sampling process known as theoretical sampling, whereby data collection is guided by the outcome of previous coding. The researcher actively seeks out groups which he or she believes will maximise the possibilities of obtaining data for codes to be checked and saturated. To theoretically sample in conceptually elaborate directions requires joint collection, coding and analysing, which means that a researcher should start coding and sampling early in the data collection process: Glaser suggests starting coding after three or four interviews.

(f) Sorting As analysis proceeds, the properties of categories start to become integrated and the researcher begins to make increasing theoretical sense of each comparison. At some stage, as the theory develops, delimiting occurs. Delimiting is the
process of discovering underlying uniformities in the original categories and their properties, and on the basis of those similarities developing a smaller set of higher level concepts, ie, moving to a higher level of abstraction. This allows the researcher to focus on a reducing list of categories as he or she begins to achieve two requirements of theory, parsimony of variables and scope in the applicability of the theory. Delimiting also occurs as categories become theoretically saturated, which means that as more incidents are coded they add nothing new to the theory. They simply add more bulk to the quantity of data. When saturation occurs the researcher can stop coding for that category or property.

It is in this stage that the researcher's ideas are integrated into an emerging theory. The goal of grounded theory is the generation of theory. Theories are based on the relationships between concepts and the identification of these relationships is what theoretical coding is all about. In *Theoretical Sensitivity* Glaser identifies at least eighteen coding families that can be used to relate concepts to each other. These families provide a resource base for generating ideas about how the categories relate to the core variable and to each other. A grounded theorist needs to have a knowledge of these coding families if they are to theoretically code their data successfully. The conceptual material contained in the researcher's memos forms the basis for the grounded theory. The researcher sorts his memos and writes new memos as insights occur and he or she develops new theoretical relationships. Existing literature is integrated into the theory at this stage. Once the core variable and other categories and their properties have been identified, the grounded theory can be written up.

(3) **The application of grounded theory in organisation studies**

The application of grounded theory has been greatest in nursing and the health sciences, education, and communication. Grounded theory has also been used in sociology, anthropology, and organisation studies (Denzin, 1994). Its presence in organisation studies can be traced to the early 1970's. Using data collected in semi-structured and unstructured interviews with managerial and supervisory staff, Reeves
and Turner (1972) studied how technology and production tasks determined the type of control system adopted in factories. Noting that an abundance of deductive studies of planned organisational change had failed to provide a "convincing account of the relationships between theory and practice", Dunn and Swierczek (1977, p.136) retrospectively analysed sixty-seven reported cases to demonstrate the potential for developing grounded theories of planned organisational change. The following year Conrad (1978) developed a grounded theory of academic change in universities.

Turner (1981) recommended the use of grounded theory for handling the large amounts of data that is generated in qualitative studies of organisational behaviour. He later presented three illustrative examples of the use of grounded theory to examine the relationship between patients and nurses in hospital settings; control systems in factories; and the causes of large-scale accidents (Turner, 1983). Martin and Turner (1986) discussed the potential for grounded theory in organisational research, and in particular they noted that "the approach and methods of grounded theory are appropriate for use in investigating and working with organisational cultures" (p.143). In 1991 Preston studied the role of management development in organisational socialisation. There have been two recent grounded theory studies of organisational change; Isabella (1990) identified the trajectory of changes from the perspective of managers in a financial services firm, and Meston and King (1996) sought to explain the causes of resistance to changes in a nursing home for the elderly.

(4) A critique of grounded theory

All methodologies are subject to criticism, and grounded theory is no exception. It has been criticised by theorists and researchers from other paradigms and perspectives who see shortcomings in the methodology (i) from the perspective of their world view; (ii) as espousing the impossible, namely, pure induction; (iii) as being procedurally complex; and finally, (iv) for failing to recognise recent developments in philosophical methodology. Each of these criticisms is discussed below.
A way of seeing is also a way of not seeing, and to hold one world view is not to hold another. Grounded theory is a postpositivist methodology, and as such is based upon certain ontological, epistemological, and methodological assumptions. Researchers who operate from other paradigms and perspectives do not accept (and are critical of) these assumptions. This criticism ranges across the spectrum. For example, psychologists like Rennie, Phillips, and Quartaro (1988) suggest that grounded theory is not sufficiently positivist for many of their colleagues in psychology who would see grounded theory as being too subjective and too vulnerable to the influence of individual researchers. They would be critical of grounded theory's reliance on verbal reports (interviews), and of the lack of generalisability of grounded theories. On the other hand, Stanley and Wise (1983), writing from a feminist perspective, argue that grounded theory is too positivist! They see it as nothing more than an inductivist version of positivism whereby "the researcher enters the natural setting ....and then goes away to produce a theoretical interpretation of what has occurred within it" (1983, p.152). Likewise, Oiler (1983), writing from a phenomenological perspective, questions the basic assumption in a grounded theory study that there is some objective reality to be found in the data.

Critical theorists and others argue that grounded theory, because it is grounded in only certain types of data, ignores wider social structures that are simply taken for granted. Layder (1982) and Brown (1973) suggest that for this reason grounded theory explanations of social behaviour can only be partial explanations. Some phenomena involve a much greater discontinuity in time or space than the interaction being studied and close contact with the phenomena being studied may not produce good theory. To ignore these contextual conditions of interaction is a form of empirical reductionism. Thus we should study not only groups, behaviours and interaction, but also the contextual conditions that provide parameters relevant to these phenomena. The phenomena do not provide all their own conditions of existence. "In this sense, grounded theory merely describes interactive realities without inquiring into, or theorising the wider external, contextual conditions of these interactive realities" (Layder, 1982, p.115).
Layder concedes this does not vitiate grounded theory. Some research requires first-hand experience. However, if one wants to know or understand the context within which interaction occurs, phenomenological knowledge is not enough. In the latter case, notions of fit or relevance have no place. The reason for this is that actors may not have a knowledge of the objective social conditions/factors that contextualise their behavioural world. Strauss and Corbin (1990) address some of these concerns through the use of their Conditional Matrix, but Glaser (1992) rejects any attempt to base theory on preconceived contextual factors such as a conditional matrix, as forced conceptual description. If the respondents do not mention something as important, then it is not.

It is difficult for grounded theorists to answer paradigmatic criticisms because they reflect the views of researchers writing from a different world view. The wisdom of avoiding taking the view that one paradigm is superior to another has already been noted (Denzin & Lincoln, 1994), and a better position may be to recognise that one's research is based on certain assumptions and to be aware of how those assumptions influence that research.

Putting aside paradigmatic differences, grounded theory has been "subject to a considerable amount of criticism, principally on the grounds that the approach signals a return to simple 'Baconian' inductivism" (Haig, 1995, p.282). Glaser and Strauss seem to espouse pure induction because they recommend not reading the relevant literature until the researcher has generated his or her categories. This is the "tabula rasa" argument; can a researcher approach a substantive area tabula rasa, with a completely open mind, without preconceptions based on the existence of at least some extant theory? The grounded theory response to this criticism is that Glaser and Strauss do not espouse pure induction, and that those who allege they do, do not understand the methodology (Charmaz, 1994). Grounded theorists do not overlook the literature - they simply delay reading it and use it as a means of helping analyse the data rather than to develop hypotheses for verification. Likewise, grounded theorists do not claim to
practise pure induction; the delay in reading the literature simply means that the
researcher is "not hooked into preconceived conceptual blinders upon entering the field
and in interpreting the data" (Charmaz, 1994, p.72).

The third area of criticism relates to procedural difficulty. Schatzman (1991) has
observed that many students who attempt to use grounded theory run into procedural
problems that discourage them from the methodology. He notes that other students
never commence grounded theory studies because they are scared away by the
complexities of the simultaneous nature of data collection via theoretical sampling and
coding. To overcome these difficulties Schatzman suggests adopting different analytic
methods such as situational analysis and definition that are described more fully in
theory researchers, namely, premature closure of the theoretical sampling process and
failing to find a core variable to integrate the process.

On this note, Stern (1994) notes that grounded theory is half art and half science, or
even more art than science, and as a consequence it is difficult to describe grounded
theory procedures easily. She suggests that grounded theorists should find themselves a
good mentor, and she laments supervisors who agree to supervise grounded theory
studies without having a good understanding of the methodology. Stern argues that over
time this can only lead to "generational erosion" (p.216). Glaser has recognised the
difficulties that "minus mentoring" grounded theory students face and he responded by
writing Gerund Grounded Theory (1996) to assist them.

Finally, Haig (1995) suggests that grounded theory can be strengthened by
reconstructing it in accordance with recent developments in AEI (Abductive
Explanatory Inferentialism, or inference to the best explanation). AEI is based on the
constraint - composition theory that asserts that a problem "comprises all the constraints
on its solution, along with the demand that the solution be found" (p.282). Grounded
theory is fundamentally at odds with this approach, because in grounded theory studies
the method comes before the problem, which the researcher will arrive at, at some point in the research process. Haig suggests that by thus ignoring the importance of the problem definition in researching the solution, Glaser and Strauss's methodology displays a misconception about the nature of scientific research.

5. SUMMARY

This chapter began by emphasising that research in organisations may be conducted using quantitative and/or qualitative methodologies. It proceeded to discuss the most important characteristics of the qualitative methodology and justified the selection of a qualitative methodology for this research study. It then noted that within the qualitative research tradition there are four dominant paradigms that define the world-view of the researcher. It is necessary for a researcher to select one of those paradigms and then a strategy of inquiry to link that paradigm to his or her data. A postpositivist grounded theory approach was selected for this study, for reasons which this chapter clearly explained.

It then traced the evolution of grounded theory, noting that there are now two variants of the methodology. This doctoral thesis was undertaken using Glaser's variant, which was explained in some detail. The chapter concluded with a section devoted to a critique of grounded theory, the purpose of which was to demonstrate some of the alleged shortcomings of the grounded theory approach.

As noted in its introduction, this chapter has been concerned with the first three phases of Denzin and Lincoln's (1994) five stages of the research process. Chapter Three will discuss the remaining two stages - data collection and data analysis - and some of the ethical issues that arose during the course of the research.
CHAPTER 3

DATA COLLECTION AND ANALYSIS

1. INTRODUCTION

This chapter reports on the next stages in the research process, namely, data collection and analysis. The chapter begins with a discussion of the role of the researcher in qualitative research, focusing on the researcher as 'an instrument of research'. It then discusses the effects of researcher bias and introduces the concept of theoretical sensitivity. On the basis that qualitative researchers should acknowledge and articulate their personal experiences and biases, I proceed to do so. I also canvas the ethical implications of my research. I then discuss my data collection and analysis procedures and protocols in detail. Chapter Three concludes with some personal reflections on my experience of the grounded theory process.

2. THE ROLE OF THE RESEARCHER

(1) Researchers as instruments of research

Whereas in quantitative research validity depends upon the careful development and administration of an instrument to measure what is supposed to be measured, in qualitative research the researcher is the primary instrument for data gathering and analysis (Patten, 1990). "Data are mediated through this human instrument rather than through some inanimate inventory" (Merriam, 1988, p.19). The importance of this feature of qualitative research cannot be overstated. Human investigators are limited in many ways: by their sensitivity and integrity (Riley, 1963); their personal theoretical framework (Bogdan & Biklen, 1982); and by their awareness of the political dimensions
of their work (Marshall & Rossman, 1989). These limitations result in some loss of rigour because "changes resulting from fatigue, shifts in knowledge, and cooptation, as well as variations resulting from differences in training, skill, and experience among different 'instruments', easily occur" (Guba & Lincoln, 1981, p.113).

This important feature of qualitative research means that to produce a worthwhile study a researcher must be sensitive to his or her own biases, values, experiences and judgment (Locke, Spirduso & Silverman, 1987). Rennie, Phillips and Quartaro (1988) and Guba and Lincoln (1981) recommend that researchers deal with these issues by explicitly discussing them in their research report: "The best cure for biases is to be aware of how they slant and shape what we hear, how they interfere with our reproduction of speaker's reality, and how they transform truth into falsity" (1981, p.148). Commenting upon such openness, Goetz and LeCompte (1984) remark that qualitative research "is one of the few modes of scientific study that admit the subjective perception and biases of both participants and researcher into the research frame" (p.95).

The issue of bias is more important in those methodologies (such as grounded theory) that seek to interpret and conceptualise what respondents say or do, as opposed to letting them speak for themselves without any interpretation on the part of the researcher. This is recognised by Glaser (1992), who writes:

But the fear of bias perspective, which forces data and renders it unfaithful to reality analyses, is not unfounded to some degree. And grounded theory has several methods which reduce and forestall this bias in large measure, such as constant comparison and saturation and core relevance.....This is why we have data collection, data analysis and data presentation intimately linked at every step of the way. They constantly adjust each other to the emergent theory through theoretical sampling, memoing and sorting, in order to stay close to the data yet to conceptualise it (p.14).
Turner (1988), in writing about the study of organisational cultures, strikes a similar theme in suggesting that qualitative researchers should seek a balance between subjectivity and objectivity, and in doing so should seek to manage bias rather than eradicate it:

It is helpful to think of the researcher as bringing a distinctive 'perspective' to an inquiry, a perspective which does not deny the possibility of achieving a degree of objectivity in investigation, but one which equally does not deny the presence and significance of the values, the passions, and the subjectivity of the observer. There is no real alternative to this, for research is a human activity, carried out by human beings, who cannot relinquish their values and passions....In admitting the presence and the importance of the observer's 'perspective', we acknowledge that the first person stand-point is not erroneous.....the recognition of subjectivity as one element of our perspective allows us to accept that we view the world personally and self-consciously.....But objectivity, too, has to be an element of our perspective if we are to avoid both solipsism and fantasy (1988, p.115).

The variability of humans as instruments of research is explicitly recognised in grounded theory through the concept of theoretical sensitivity:

Theoretical sensitivity is an ability to generate concepts from data and to relate them according to the normal models of theory in general, and theory development in sociology, in particular. A researcher may be very sensitive to his personal experience, his area in general and his data specifically, but if he does not have theoretical sensitivity, he will not end up with grounded theory. His result will be a combination of empirical description with some preconceived conceptual description ..... Theoretical sensitivity is a personal attribute of the researcher who has the ability to give conceptual insight, understanding and meaning to his substantive data (Glaser, 1992, p.27).
Theoretical sensitivity derives from a number of sources, including the personal and professional experiences of the researcher, the literature, and from the process of data analysis in grounded theory. It is valuable because it enables a researcher to understand and conceptualise events and actions, and in this way theoretical sensitivity helps the researcher develop theory that accurately reflects the phenomenon under investigation. As a grounded theory study progresses, the theoretical sensitivity of the researcher should increase, thus rendering it more likely that the resulting theory fits, works, and is relevant to people in the action scene. These are the criteria by which grounded theories are evaluated (see later this chapter for a fuller discussion). "Fit" means that the categories of the theory must fit the data, and "work" means that the theory should be able to explain what has happened in the action scene.

(2) Personal values, assumptions and biases

Grounded theory is interpretive work. Grounded theorists do not believe that it is sufficient to merely report or give voice to the views of the people being studied. They assume the further responsibility of interpreting what they observe, hear, or read. Because the final views reflect the result of this interplay between the researched and the researcher, grounded theorists must identify and record their biases and feelings at every stage of the research process. This serves two purposes. Firstly, this explicit acknowledgment of bias ameliorates the potential effect of that bias. Secondly, if those biases are recorded in the write-up, then those who evaluate the research are better able to assess its objectivity. Accordingly, my personal values, assumptions and biases should be made explicit.

My perceptions of organisational change have been influenced by my twenty years of work experience, and in particular the eight years I spent as a manager. From 1986 to 1992 I worked in the food manufacturing industry as a general manager with responsibility for organisations varying in size from twelve to three hundred and fifty staff. During that period I initiated and was involved in significant organisational change. As a result of those experiences I developed a personal interest in why people,
particularly managers, in different organisations respond to change so differently. In 1992 I decided to pursue this interest by embarking upon a Ph.D. My original intention was to undertake a participant observer study in the capacity of General Manager of a small local government authority where I had been offered a short-term contract (November 1992 to April 1994).

I embarked on this participant observation study enthusiastically but I was forced to abandon my research after three months simply because I was too busy in my managerial role. I became too involved as an insider, a not uncommon problem for participant observers (Spradley, 1980). However, my time at that council was not wasted. I acquired an interest in and a good knowledge of local government as an industry, including what a functional organisational theorist would describe as the prevailing industry culture. I also became very aware of the pressures for change that the industry was facing, and of how various councils were responding. This experience meant that I could more easily relate to much of what was happening in local government. I understood how it was organised, the terminology members used, the role and influence of the elected members, and the constraints that local authorities worked under. I also gained valuable practical experience in interviewing and taking field notes.

I embarked upon that research and this current study with what could be fairly described as a management bias. In a reflective manner I have endeavoured to identify the biases I held when this study commenced, as recommended by Locke, Spirduso and Silverman (1970). I have set out these biases below:

1. I view change as being natural and ongoing. I agree with Kanter, Stein and Jick (1992) that "organisations are always in motion" (p.12) and that stability is an idealisation. In this sense I could be described as being change-oriented and sympathetically aware of the pressures on managers to implement change.
2. In terms of the ongoing debate as to whether change is driven by the economics of the market or by the power of managers (see for example a special edition of the Academy of Management Review, 1990, No.3), my views are influenced by my personal experiences. I believe the environment often influences senior managers to initiate change, but how, when, and what they change are usually highly discretionary. I believe that middle managers have less discretion because there are more constraints on what they can achieve, with time being one of the major constraints.

3. I have experienced organisational change both in the role of a Chief Executive and of a middle manager, and I am aware of the particular issues facing middle managers who are often expected to be active change implementors while being the recipients of significant change. My experience suggests that change often looks more attractive the closer one is to initiating and planning it, and conversely less attractive if one is merely the recipient. I intuitively felt that factors such as having a knowledge of the change and some sense of control over it are important factors.

4. I believe that how managers do things is as important as the substance of what they do.

Before I leave this issue I should comment on my feelings about the reflective process of identifying and stating my values. When I began the process I did so because it was good practice to do so. However, I found the exercise both more difficult and more worthwhile than I had supposed. The whole research process highlighted for me the taken-for-granted assumptions that I held without really being consciously aware of them. It made me more sensitive to the fact that there are alternative views on all of the dimensions I had identified. It also made me more aware of how my values could influence my findings.
3. **ETHICAL CONSIDERATIONS**

It is now well established that everyone engaged in qualitative research must display an awareness of the ethical issues that may arise during their research (Marshall & Rossman, 1989; Merriam, 1988; Spradley, 1980). The onus on qualitative researchers to have regard to ethical considerations is expressed forcefully by Miles and Huberman who observe that, "any qualitative researcher who is not asleep ponders moral and ethical questions" (1994, p.288). These ethical concerns, which focus on respecting the rights, needs and values of respondents, are particularly strong in organisational studies. Because organisations play such an important role in society today, they have a major impact on human development and social practices. Organisational studies that fail to take account of ethical considerations are responsible to neither those organisations nor society (Deertz, 1985).

Handling these ethical concerns poses a challenge. The emergent, personalistic and less-systematic nature of qualitative research means that detailed procedural guidelines such as those used in quantitative research may be of limited value to a qualitative researcher (May, 1987). During a study there will be so many situations that require a researcher to exercise his or her discretion that the burden of producing an ethical study must always rest with the individual. For example, at what point during a semi-structured interview does a respondent feel pressured to answer a question they would prefer not to, because they are too embarrassed or fearful to decline (Kelmann, 1982)? To address this problem, Merriam (1988) suggests taking a situation-specific approach which involves adopting a broad ethical framework and applying it to particular issues as they arise. Miles and Huberman (1994) support this approach, suggesting in addition that most research projects would benefit from thinking about ethical issues during the early stages of the project. In this way a researcher can identify and address potentially difficult issues before they became problematic. My research was guided by these principles.
"Specific ethical issues are, explicitly or not, nested in larger theories of how we decide that an action is right, correct, or appropriate" (Miles & Huberman, 1994, p.289). Flinders (1992) suggests four general theories. Often seen as the traditional scientific stance, a utilitarian approach addresses the recruitment of respondents through informed consent, requires fieldwork to be conducted so as to avoid harm to others, and extends this stance through protection of confidentiality in reports. A deontological approach is more absolutist. Recruitment must emphasise reciprocity (both researcher and researched are to gain), fieldwork must avoid wronging others, and reports must be fair, just and honest. On the other hand, a relational theory view stresses equal-status collaboration; researcher and researched are now more symmetrical. Fieldwork seeks to avoid imposition of any sort, and reports serve to confirm support, or even celebrate people who are defined as friends. Finally, an ecological approach requires researchers to be sensitive to the language and meanings of the local culture. They should avoid detachment in favour of being attentive to the wrong or harm one may be doing to the entire relevant environment.

There is an enormous amount of literature on ethical issues, and researchers differ in the ethical issues they confront. Ultimately the selection of an ethical stance is a matter of individual choice (Flinders, 1992). I chose to work within a utilitarian framework, for two reasons. Firstly, positivist and postpositivist research is traditionally conducted from this perspective. Secondly, a utilitarian stance accords closely with the principles for research involving human subjects laid down by the University of Canterbury Human Ethics Committee in its Principles and Guidelines (1994). The University of Canterbury requires research projects involving human subjects to be approved by the university's Human Ethics Committee (unless the project falls within a narrow range of exemptions, which mine did not). All non-exempted research is required to be conducted in accordance with the following principles (1994, p.1):

a. The participation of a human subject in any research project must be voluntary;
b. Information provided to gain the consent of subjects must be adequate and appropriate;

c. Any deception or departure from the standard of fully informed consent must be justified in terms of its necessity to the scientific aims of the project;

d. Projects involving human subjects must be supervised by suitably qualified personnel;

e. Confidentiality of information is to be assured at all stages of a project.

I made application to the committee and received approval for my research on 11 October 1994.

A number of ethical issues, which I have outlined in more detail below, arose at an organisational level. As recommended by Miles and Huberman (1994), I dealt with them by 'contracting' with the council. Our understanding focused on four key issues:

1. Consent. I provided a clear explanation of the project's objectives and methodology. Council staff were given the opportunity to seek elaboration or explanation of any aspect of the project.

2. Ownership of data. It was agreed that I would maintain ownership of the project's data and findings. I assumed responsibility for ensuring the data remained confidential, subject to the standard dissertation requirements that it be made available for auditing and examination purposes, and for secondary analysis if required. I agreed to show the draft of any reports or articles to the City Manager before publication to ensure they met the criteria of fairness, accuracy, relevance and the preservation of individual anonymity. The City Manager did not seek any power to veto or edit my research findings.

3. Anonymity. While anonymity was a crucial issue for individual respondents, the council agreed to participate in my research on the basis that my report would
identify the council as the respondent organisation. This made the task of writing my report much easier because no effort was required to disguise the organisation. I gratefully acknowledge my thanks to the council, and the City Manager in particular, for allowing my study to proceed on this basis.

4. Reciprocity. Although a strict utilitarian approach does not require reciprocity, Marshall and Rossman (1989) emphasise that researchers must demonstrate an awareness of the need to reciprocate for the time and resources given, and the risk taken, by the organisation and people being studied. Accordingly I agreed to assist the council by offering to use the university's resources to access material on any aspects of management they wished to investigate. Also, during the course of this study, the City Manager was invited to present a paper on organisational culture change to an international conference on local government and I was able to assist him by providing an academic foundation for that paper. That support was appreciated by the City Manager.

Issues arose in the course of my contact with individual respondents. The first of these was the requirement for free and informed consent to participation in the research project. I dealt with this requirement in two ways. Firstly, I was concerned that people did not feel pressured into granting me an interview, but I did not at any time have the feeling that this was the case. When I spoke to them, managers responded quite enthusiastically when I asked if they would be available for an interview. Because I usually left a message on their voice mail explaining why I was calling, people who were reluctant could opt out simply by not replying. This happened in four instances. I did not pursue an appointment with anyone who did not return my call. Secondly, this issue was addressed by providing each respondent with a two-page information sheet and consent form (See Appendix Four for a copy of these documents). The Human Ethics Committee had previously approved both documents. I asked each respondent whether they had any questions about any aspect of the project; most had at least one or two. I then asked if they were willing to continue with the interview. If they were, I
requested them to sign a duplicate consent form and they retained the information sheet and blank consent form.

Issues of confidentiality and anonymity were paramount to respondents and it was important to explain clearly what steps I was taking to safeguard them. The information sheet was invaluable in this regard. I observed the procedures described in the information sheet strictly and anonymity never became an issue during the project. Finally, I had to devise ways to reciprocate for the time individual respondents gave me. I did this in personal ways such as engaging them in conversation after the interview, paying attention to them during the interview, responding to questions they had, and by writing a letter to each respondent thanking them for granting the interview.

4. DATA COLLECTION

Although data collection and analysis proceed simultaneously in grounded theory, I will treat them separately for the purposes of describing my procedures and protocols. There is a temporal logic in dealing with data collection first, which I will discuss under seven subject headings related to various aspects of the data collection process.

(1) Bounding the study

One of the most important design decisions a researcher must make is to determine the parameters of their data collection. Qualitative researchers refer to this as the 'bounding problem':

Bounding problems relate to the task of establishing the boundaries of an inquiry as a whole. In experimental inquiry, these boundaries are sharply constrained (controlled), so that there is no question what variables are to be studied, what questions are to be asked, or what hypotheses are to be tested. But in the case of naturalistic inquiry, antecedent conditions are not constrained in any way. Thus the
boundary problem comes down to this: How is the inquirer to set limits to his inquiry? What are the rules for inclusion and exclusion? How can the inquirer know what is relevant and what is not relevant (Guba & Lincoln, 1981, p.86)?

In general, the answers to these questions depend upon the methodology the researcher has selected and upon his or her research question or, as Patton (1990, p.100) puts it, "what it is you want to be able to say something about at the end of the study". For no researcher can, to quote Miles and Huberman, "study everyone, everywhere, doing everything" (1994, p.27). It behoves doctoral students in particular, who are constrained by time, resources, and expertise, to have relatively modest expectations about what it is they want to be able to say something about. Recognising these limitations I made four bounding decisions early in the research process. I would:

(i) Limit the number of roles I would study by focusing on middle managers only;
(ii) Study only one industry, namely, local government;
(iii) Sample within one unit, or organisation, namely, the Christchurch City Council; and
(iv) Study organisational change in respect of which middle managers are recipients rather than initiators.

Bounding my study to a single organisation does not this render this research a study of a social structural unit, viz, a local council. It is a study of a Basic Social Process - how middle managers respond to organisational change: the unit is simply a place "where the process goes on and it provides a set of conditions for its operation" (Glaser, 1978, p.109). Thus this is not a case study of the Christchurch City Council, but an interpretive study of the process of evaluating change which is realistically bounded by the constraints of doctoral research.

A related issue is the question as to whether this is a study of middle management's response to the Christchurch City Council's "Giving Value - Being Valued" culture
change programme, or to organisational change generally. The answer is that it is clearly the latter. In my interviews I asked managers to describe an experience of organisational change. While some respondents talked about the "Giving Value - Being Valued" culture change programme, others talked about amalgamation or other changes not identifiable as being part of the culture change. Some managers I interviewed still regarded themselves as untouched by the "Giving Value - Being Valued" culture change programme, even after two or three years. For these reasons it should be emphasised that this is a study of the response of middle managers to organisational change generally.

(2) The research setting

Sampling should begin in a setting where a researcher would expect to find the basic social process under study. For example, if one is studying dying (Glaser & Strauss, 1964) then sampling should commence in a setting where dying people are found, namely, hospitals. Likewise, local government, which has undergone significant change since 1989, is a good starting point for research into how middle managers respond to organisational change.

The setting for this study was the Christchurch City Council, which was selected for the following reasons:

1. It is located in the city where I live. This meant that there was a high degree of convenience and a low level of cost associated with carrying out the research;
2. It is one of the largest councils in New Zealand and it employs a large number of middle managers from whom to gather data;
3. It had just commenced a major organisational change programme; and finally,
4. The council was willing to participate in this research project.
However, I need not have started there. I could have started with any local authority, although less data may have been available and the costs of conducting the research may have been higher had another site been selected.

The Christchurch City Council is a Territorial Local Authority located in Christchurch, New Zealand, a city with a population of approximately 300,000 inhabitants. The council as currently constituted was created during the 1989 local government reforms out of the amalgamation of four councils - Christchurch, Waimairi, Riccarton and Heathcote. It is responsible for delivering a wide range of services to the local community, and in addition it has a majority share holding in a number of trading activities such as Christchurch International Airport Ltd, Southpower and the Lyttelton Port Company Ltd. At the time this study commenced the council employed approximately 1,800 fulltime equivalent employees, organised into six Groups comprising a total of 35 Units, as shown in Figure 1 below.

At the political level (not shown), there are a Mayor, Deputy Mayor, and twenty-three councillors, who are all elected. In addition, there are six local Community Boards, each consisting of nine elected Community Board members.

The Christchurch City Council was a joint winner of the 1993 Carl Bertelsmann Prize "Democracy and Efficiency in Local Government". This is an international prize for the best-governed city in the world.

It should be noted that the council's organisational structure changed during the course of this study. The structure shown below reflects the organisational structure that existed at the time I commenced my study. In the figure below, Groups are shown in bold, and their constituent Units are indented below them. The number of full-time equivalent positions in each unit are also shown.
Figure 1 - Christchurch City Council structure

<table>
<thead>
<tr>
<th>Group or Unit</th>
<th>FTEs</th>
<th>Group or Unit</th>
<th>FTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Manager's Office</td>
<td></td>
<td>Works Operations</td>
<td>536</td>
</tr>
<tr>
<td>Personnel</td>
<td>9</td>
<td>Development</td>
<td></td>
</tr>
<tr>
<td>Legal Services</td>
<td>2</td>
<td>Public Health &amp; Safety</td>
<td>73</td>
</tr>
<tr>
<td>Corporate Planning</td>
<td>1</td>
<td>Environmental Administration</td>
<td>65</td>
</tr>
<tr>
<td>Administration</td>
<td></td>
<td>Environmental Policy</td>
<td>22</td>
</tr>
<tr>
<td>Central</td>
<td>34</td>
<td>Administration</td>
<td>15</td>
</tr>
<tr>
<td>Service Centres (6)</td>
<td>59</td>
<td>Employment</td>
<td>5</td>
</tr>
<tr>
<td>Financial Services</td>
<td>75</td>
<td>Management Information</td>
<td>19</td>
</tr>
<tr>
<td>Technical Services</td>
<td></td>
<td>Communications/Promotions</td>
<td>4</td>
</tr>
<tr>
<td>Roading</td>
<td>38</td>
<td>Metropolitan Services</td>
<td></td>
</tr>
<tr>
<td>Waste Management</td>
<td>133</td>
<td>Libraries</td>
<td>185</td>
</tr>
<tr>
<td>Plant &amp; Building Services</td>
<td>65</td>
<td>Parking</td>
<td>43</td>
</tr>
<tr>
<td>Design Services</td>
<td>54</td>
<td>Property</td>
<td>22</td>
</tr>
<tr>
<td>Water Services</td>
<td>61</td>
<td>Leisure &amp; Community Service</td>
<td>84</td>
</tr>
<tr>
<td>Traffic Operations</td>
<td>28</td>
<td>Art Gallery</td>
<td>18</td>
</tr>
<tr>
<td>Parks</td>
<td>90</td>
<td>Administration</td>
<td>3</td>
</tr>
<tr>
<td>Administration</td>
<td>24</td>
<td>Christchurch Town Hall</td>
<td>43</td>
</tr>
</tbody>
</table>

(3) Gaining and maintaining entry

I will now discuss how I gained entry and maintained access into the research setting. The difficulties researchers face in gaining entry into organisations are well documented (Marshall & Rossman, 1989; Bantz, 1993). Bantz recounts the story of one of his students whose entry into organisations was refused so many times she ended up making it the subject of her dissertation! Fortunately, in my case I did not experience such difficulties.
I became aware of the fact that the Christchurch City Council was embarking upon a culture change programme when two members of the staff of the Department of Management at the University of Canterbury were engaged by the council to conduct a statistically-based climate survey of council staff. At my request these staff members made an approach to the City Manager to ask whether the council would agree to allow me to conduct my research on the culture change process. After an exchange of letters and a meeting with senior management in August 1994, the City Manager approved my research study. I was fortunate in that gaining access thus proved to be a relatively straightforward exercise.

Maintaining access was also problem free. Council staff were advised of my involvement through their staff newsletter and I did not experience any difficulties at any time during the lengthy data collection process. Staff whom I contacted to request an interview were very cooperative in the great majority of instances: there were only two occasions where my requests were declined, and both were on the grounds of excessive workload.

(4) Data collection strategy and rationale

Qualitative researchers have a variety of data collection methods at their disposal. While most researchers combine several different data collection methods in a project, it is not essential for them to do so (Merriam, 1988; Taylor & Bogdan, 1984). However, whatever method or combination of methods is chosen, the selection should be made only after a careful analysis of the advantages and disadvantages of each (Marshall & Rossman, 1989). Zelditch (1962) suggests that researchers should make their selection on the basis of what is most practical, efficient, and feasible in the circumstances. Applying these criteria, I chose to use interviewing as my primary method of data collection.

Interviewing is relied upon extensively by qualitative researchers because it has particular strengths. An interview is a useful way to get large amounts of data quickly. It
allows for immediate follow-up questions and later follow-up interviews (Marshall & Rossman, 1989). This flexibility, and the ability to direct questions to elicit certain data, makes interviewing attractive to researchers engaged in theoretical sampling (Glaser & Strauss, 1967). Interviewing also allows the flexibility to direct questions to the phenomenon under study in a way that observation does not (Cresswell, 1994). It is thus more efficient than other modes of data collection; it creates data that are expressed in the language of the informants; and interviewing is a means of obtaining data at relatively low cost.

I considered and rejected the other two primary qualitative data collection methods: personal observation and document analysis. Participant observation would have been an inefficient method of conducting this particular study. The primary purpose of this research was to develop a grounded theory of how middle managers in local government respond to organisational change. The most efficient, obvious and practical way of finding out how those managers interpreted and responded to change over time was to ask them (Glaser, personal communication). A researcher cannot go back in time to observe change that has already happened. Instead, it is necessary to ask what meaning people attached to that change. As Patton (1990, p.196) notes, "We cannot observe the meanings people attach to what goes on in the world - we have to ask people about these things. The purpose of interviewing, then, is to allow us to enter into the other person's perspective". Interviewing is also less obtrusive than participant observation. The City Council's management were quite happy to allow a researcher to enter their organisation to conduct interviews, but were less happy about the prolonged access that a participant observation study would require. Likewise, one's ability to gain an understanding of a social-psychological process such as Weighing Up change through document analysis is limited and also inefficient. Interviewing was the most feasible choice.

Interviews are typically classified into three types; structured, semi-structured, and unstructured. Each type of interview has its own strengths and weaknesses and is more
or less suitable for particular types of qualitative inquiry. I selected semi-structured interviews as being the most suitable for my grounded theory research. Semi-structured interviews are:

...guided by a list of questions or issues to be explored, but neither the exact wording nor the order of questions is determined ahead of time. The format allows the researcher to respond to the situation at hand, to the emerging world view of the respondent (Merriam, 1988, p.74).

There were a number of advantages in using this type of interviewing. The use of a guide makes data collection more systematic for each respondent. Logical gaps in the data can be identified and closed. This characteristic is vital to the process of developing theoretical sensitivity in grounded theory research (Glaser, 1978). Balanced against this, the fact that the sequence and wording of questions can be decided as the interview progresses allows it remain "fairly conversational and situational" (Patton, 1990, p.288). Semi-structured interviews strike a balance between having sufficient structure to gather data efficiently and develop theoretical sensitivity on the one hand, and the flexibility to allow the respondent to express their world-view on the other.

Although I did not rely on personal observation as a primary means of data collection, each time I entered the field I took field notes to record my thoughts and observations.

(5) Sampling

I noted in Chapter Two that grounded theory employs a sampling process known as theoretical sampling, which is a process of:

...data collection for the generation of theory whereby the analyst jointly collects, codes, and analyses his data and decides what data to collect next and where to collect them, in order to develop his theory as it emerges. This process of data collection is controlled by the emerging theory, whether substantive or formal. The
initial decisions for theoretical collection of data are based only on a general sociological perspective and on a general subject or problem area (such as how confidence men handle prospective marks or how policemen act towards Negroes or what happens to students in medical school that turns them into doctors). The initial decisions are not based on a preconceived theoretical framework (Glaser & Strauss, 1967, p.45).

Sampling can start anywhere in the action scene where the researcher believes he can obtain data that might be relevant to the general problem area. That is not to say there is not some advantage in having an initial data collection strategy, which I had, based on maximising the possibilities of obtaining data. I commenced my data collection by interviewing two middle managers who had been seconded to the newly formed Change Office for a period of one year with the goal of facilitating the culture change programme. By the end of the data collection process I had conducted twenty-seven interviews, including follow-up interviews with two managers, with twenty-five respondents over a two-and-a-half year period. The interviews ranged in length from forty minutes to one hour and forty minutes.

What did theoretical sampling mean in practical terms in deciding whom to interview next; what to ask those people; and making the decision to stop data collection? Theoretical sampling involves seeking out data on theoretical constructs to allow them to be filled out and elaborated. In practice this meant doing two things. Firstly, in relation to observable constructs such as overt support for or resistance to the change programme, I sought out and interviewed respondents who displayed behaviour indicative of those constructs. Secondly, in the case of the majority of my social-psychological concepts, I theoretically sampled by asking questions relating to the concept I wished to elaborate. This meant that as the study progressed my questions moved from the general to the specific as I sought data on particular codes and their properties. In the early stages of my research my list of codes was constantly changing. But as the number of my interviews reached the mid-twenties, the rate of change in this
list slowed. Although the incidents that people were describing were new, the categories and properties they indicated were not. I conducted another two interviews to satisfy myself that no new codes were emerging; they weren't, and so I concluded my data gathering after the twenty-seventh interview. In other words, I was satisfied that saturation had occurred.

(6) Data collection procedures and protocols

Data collection procedures and protocols are concerned with the actual process of collecting data in the field. These protocols typically start before the researcher enters the field. I developed a number of protocols, two of the most important of which dealt with; (i) my handling of the phenomenon known as reactivity (Webb, Campbell, Schwartz, and Sechrest, 1966) and; (ii) my use of a tape recorder to record the interviews.

The interactive nature of qualitative research means that it is inevitable that the researcher will affect the data he or she gathers. The process of observing affects what is observed, just as the process of interviewing affects the interviewee's response (Patton, 1990). People behave differently when they know they are the subject of study or evaluation.

Even when he is well-intentioned and cooperative, the research subject's knowledge that he is participating in a scholarly search many confound the investigator's data...It is important to note early that the awareness of testing need not, by itself, contaminate responses. It is a question of probabilities, but the probability of bias is high in any study in which a respondent is aware of his subject status (Webb, Campbell, Schwartz, and Sechrest, 1966, p.13).

This effect, known as reactivity, must be addressed before, at the commencement of, and during the interview. Reactivity refers to the obtrusiveness of measures which may affect how a person responds, and can include such things as dress, manner, reasons for
the research, conduct of the interview, and knowledge of what the research is for. It was important for me to dress appropriately, for example, to minimise reactivity. So, when I interviewed white collar staff I wore a suit and tie. But when I interviewed "outside staff" I wore jeans and an open-neck shirt. At the outset of each interview session I went to some length to make respondents feel relaxed by engaging them in conversation or joking. I explained that I would like to talk to them about what it was like to be a middle manager experiencing organisational change. During the interview I asked open questions to ensure that respondents were not led into providing particular responses. Likewise I was careful to avoid using terms that I had used to describe my conceptual categories. Having experienced fifteen months in local government I was also familiar with the language used by respondents and some of the issues facing them. This made it easier for us to relate to each other than might otherwise have been the case.

The second protocol related to the taping of my interviews (I taped nineteen of my interviews). Patton (1990) offers a useful checklist for researchers who wish to tape interviews. This checklist includes such safety measures as changing batteries regularly, carrying spare batteries, testing sound quality while chatting before the interview, storing and numbering tapes carefully and so on. I followed this checklist faithfully and I experienced no difficulties or problems in this area.

I was fortunate enough to receive a research grant from the university that enabled me to have my tapes transcribed. I provided my typist with a transcription guide that detailed the procedures she should follow and the format in which I wanted the transcription. On average, each hour of taped interview took five hours to transcribe. After I received a tape and its transcription back the first thing I did was to listen to the full tape myself and check the accuracy of the transcription. This took on average two hours for each hour of taped interview. In this way the accuracy of the transcription was verified by someone other than the original transcriber.
(7) Data management procedures and protocols

In qualitative research, data is usually in the form of text that is voluminous and often difficult to handle. For example, the printed transcripts of my interviews comprise over two hundred pages of single-spaced typing. In addition I wrote over one hundred and thirty analytical memos. This feature makes qualitative data analysis a challenging process that is notoriously vulnerable to poor data management practices, for data management and data analysis are inseparable activities (Miles & Huberman, 1994). Data management has to be planned at the outset of a study. To assist novice researchers setting out on a major study, Miles and Huberman (1994, p. 46) offer a checklist of "What to store, retrieve from, and retain" when considering data management. I used this checklist, adapted as necessary for a grounded theory study, to guide my data management, thus helping to preserve analytical integrity.

1. All raw material, in the form of tapes and documents, was retained. Tapes were numbered consecutively, and after transcription and checking were stored in a fireproof storage container. A tape register was kept that recorded the following information: tape number, date of interview, respondent by name and unique identifier, the date handed to my typist for transcription and the date received back.

2. As noted previously, all transcripts were checked by me before being analysed. To check a printed transcript against the original recording, all that is required is to refer to the tape register to find out which tape the interview was recorded on, and then locate and play the tape.

3. After each interview I completed a Contact Summary as recommended by Miles and Huberman (1991). Each Contact Summary recorded the name of the interviewee, the time, date and place of the interview, descriptive notes, a summary of the main themes to emerge from the interview, and key points that
may have been important for future memos. These summaries also contained reflective notes in which I recorded my personal impressions, hunches and ideas.

4. At regular intervals during the analysis process I produced reports listing all the nodes in the NUD.IST index system (NUD.IST is a qualitative research software programme that is explained in more detail under Data Analysis). These reports were kept and filed in chronological order. In this fashion, the development of categories and their properties could be traced over time through successive iterations. This enables others to trace the emergence of the core variable, other categories, their properties, and the relationship between them. An example of a list of node reports is contained in Appendix Five.

5. The importance of data security was recognised from the beginning of the study. Backups of all NUD.IST files and reports were made and kept, with these backups being stored in different locations.

5. DATA ANALYSIS

In Chapter Two I described the grounded theory methodology in broad outline. In this section I wish to elaborate on that description in relation to two important aspects of the data analysis process. The first issue I will discuss is the use of computers in grounded theory analysis. Glaser (1996b, p.32) is cautious about their use, while encouraging grounded theorists to experiment. I did, and it is useful to reflect back on my experiences. The second relates to difficulties I encountered during coding.

(1) **The use of computers in grounded theory data analysis**

Presumably because their works pre-date the ubiquitous personal computer, neither Glaser nor Strauss discuss the use of computers to assist in data management and analysis. However, computers have become increasingly valuable in qualitative research
(Fielding & Lee, 1991). They can be used to store and handle large volumes of data efficiently, and they permit rapid and accurate retrieval (Brent, 1984). Tesch (1990) notes that by permitting greater speed and flexibility in handling data, computers allow researchers to spend more time on actual analysis, thus drawing a distinction between the mechanical and conceptual aspects of the analytic process:

In all qualitative analysis the process consists of two simultaneous activities. The conceptual operations involved can be carried out only in conjunction with or after the completion of mechanical tasks in the management of data.....This, of course, is where the computer becomes useful. It can with enormous speed perform technical tasks that previously had to be done painstakingly by hand. While the difference may appear trivial in terms of scholarship, the gain can be measured not only in terms of time, but in increased accuracy, and the potential for greater thoroughness can actually result in considerable investigative advantages.

The thinking, judging, deciding, interpreting, etc, are still done by the researcher. The computer does not make conceptual decisions, such as which words or themes are important to focus on, or which analytic step to take next. These intellectual tasks are still left entirely to the researcher (Tesch, 1990, p.25).

This distinction between the mechanical and conceptual aspects of data analysis is very relevant for grounded theorists. For while computers provide a valuable tool to assist in the mechanical tasks of data management, it is very difficult to imagine how a computer could be used to code data in the sense that coding is used in grounded theory. To be effective, such a programme would need to be able to recognise the nuances of language, have the ability to raise incidents to a higher conceptual level, and somehow develop theoretical sensitivity during the course of the research. At least for the moment, conceptual analysis in grounded theory studies must continue to be carried out by researchers.
After trialing coding and memoing both manually and using a computer I decided to proceed using one of the number of software programmes that are now available to assist researchers with the mechanical tasks of recording, storing, and manipulating data. I selected the NUD.IST programme (Richards & Richards, 1991, 1992). NUD.IST is an acronym for Non-numerical Unstructured Data Indexing, Searching and Theorising. The programme supports qualitative research by providing a document management system for the processing and maintenance of documents such as interview transcripts and memos. Documents can be read, edited, coded, memoed and searched.

NUD.IST also allows the creation of an indexing database which can be easily modified during the research process. As data are coded, the researcher can create categories (called nodes) in the indexing system. Nodes may be deleted, added, edited, or merged at any time by the researcher and they may be searched using a variety of search types. An important feature of NUD.IST is that the indexing system is separate from the document system. This feature is specially important in grounded theory studies because it allows an ever expanding bank of memos to be created and manipulated directly without having to constantly move large chunks of data. Memos may be written and stored at nodes. These memos may be edited and sorted at any time as a researcher's thinking about a category develops during the course of the project.

Reflecting back on my use of computer software to assist with the mechanical aspects of data collection and analysis in grounded theory research I have formed two conclusions. Firstly, it was a very valuable tool for mechanically storing and manipulating data. It has the potential to afford researchers a high degree of flexibility and freedom from mechanical tasks, thereby releasing energy for important conceptual tasks. I would not have liked to have manually manipulated my data and memos the way I did using NUD.IST. My second conclusion sounds a note of caution about forcing data. Earlier versions of NUD.IST required nodes to be organised in a hierarchical tree structure. There was a risk that this tree structure would force data to be conceptualised in like fashion. The latest version of NUD.IST, released in April 1997, allows researchers to
choose between creating free nodes (categories) or tree nodes. In the early stages (at least) of a grounded theory analysis a researcher should only create free nodes in order to avoid the risk of forcing data. Overall, I believe that with experience, programmes such as NUD.IST should only enhance a researcher's ability to produce good grounded theory work.

(2) Coding

Coding is a generic term given to analysis in qualitative research. There are many types of codes and coding, and even within grounded theory the two variants employ different coding strategies. Strauss and Corbin (1990) suggest giving each discrete incident a conceptual label or code. This list of codes grows rapidly. As the analysis proceeds these codes are compared to each other and when they appear to pertain to the same phenomenon they are grouped into a slightly more abstract code called a "category". This process is repeated until higher and higher levels of abstraction are achieved. Essentially it is a 'bottom-up' process.

In contrast, Glaser's method is based on coding each incident into as many categories as possible. During this process the researcher compares each incident with previous incidents coded in the same category. This process of constant comparison soon starts to produce theoretical properties of the category, such as "the full range of types or continua of the category, its dimensions, the conditions under which it is pronounced or minimised, its major consequences, its relation to other categories, and its other properties" (Glaser & Strauss, 1967, p.106). The aim is to raise the level of the data as quickly as possible, and then to fracture it. In this sense it is much more of a 'top-down' coding process.

As I noted in Chapter Two I began analysing my data using Strauss and Corbin's method as described above. I found it to be a difficult and unexciting process. I was developing an ever-expanding list of codes that left me with a sense of going nowhere. When I reflect back on grounded works I have read that have been produced using the
Strauss and Corbin method, for example, Christensen's *Nursing Partnership* (1995), I see the same 'list' phenomenon that I experienced in my coding. One is left with lists of codes without any core variable to really explain what is going on. The resulting findings make well-structured descriptive works that fit, but I doubt that they work, in the sense that this term is used in grounded theory. To "work" means that a theory explains successfully what has happened, and predicts what will happen in the action scene.

In mid-1996, following my attendance at a grounded theory workshop conducted by Glaser, I abandoned my previous efforts at coding and started recoding my data using the constant comparative method. I discovered it to be a much more interesting and rewarding process. I developed a core variable which I confidently believe explains the variation in managers' responses to change. I don't believe that I would have arrived at this point had I persisted with my original attempts. This was one of the many insights that I gained during the research process and, as is encouraged in qualitative research, I will now reflect back some of my key experiences.

6. REFLECTIONS ON THE GROUNDED THEORY PROCESS

Looking back I have three strong impressions of the my experience of the grounded theory process. The first is that grounded theory is a difficult methodology to use in a 'minus mentoring' situation. This is so for a number of reasons. *The Discovery of Grounded Theory* (Glaser and Strauss, 1967) and *Theoretical Sensitivity* (Glaser, 1978) are difficult works for novice researchers to comprehend and apply. Coding and memoing may seem straightforward with hindsight, but are clouded with uncertainty for the novice. The whole grounded theory process of starting without a framework, other than that potentially provided by one's theoretical sensitivity, is a daunting one. It is like stepping into a void, not knowing where you are going and, most importantly,
wondering if when you get there you will have anything at all useful to say! It requires a level of self-confidence that verificational researchers do not need.

Second, grounded theory is a very rigorous methodology. It is hard work analysing large quantities of data line by line, page by page; at times it is very boring and mechanical. For example, it took three days to analyse my first interview. Grounded theory requires large reserves of energy and commitment to do the job properly. As Glaser (1978) notes:

Generating grounded theory takes *time*. It is above all a *delayed action* phenomenon. Little increments in coding, analysing and collecting data cook and mature then to blossom later into theoretical memos. Significant theoretical realisations come with growth and maturity in the data, and much of this is outside the analyst's awareness until it happens. Thus the analyst must pace his patience, and not just be patient, accepting nothing until something happens, as it surely does (p.18).

It is for this reason that the first substantive chapter in *Theoretical Sensitivity* (Glaser, 1978) is on the subject of how grounded theory researchers must pace their work if they are to go the distance. Pacing refers to the need to pace out the research in accordance with one's temperament and energy levels for the project. When I first read *Theoretical Sensitivity* I recall almost skipping this chapter and thinking, why is this is so important that it's here at this stage of book? With hindsight I see why.

My third and overriding impression of grounded theory is the feeling of discovery, of building and creating something. Glaser calls this feeling "the drugless trip" (1978, p.24) and I relate to that description entirely. This sensation was strongest when I started to read the literature in the problem area after I had identified my core variable and major categories. When I discovered that other writers had written about some of the same variables I had - and given them the same name - I almost felt cheated because
they were my discovery! But notwithstanding that, such discoveries served to reinforce my faith in the methodology in two important ways. Firstly, to come across the same concepts, sometimes with the same name, only emphasised the rigour and validity of the constant comparative coding process. But most importantly, I note that I came across most of these concepts in the sociology, not the management, literature; and even there, not in the context of a discussion of organisational change. So this study both highlights the significance of these concepts in the organisational change process, and integrates them in a way that has not been achieved before. This is one of the contributions of this thesis. It also reconfirms the value of conducting grounded theory studies in areas where there are gaps in our knowledge.

The desire to generate theory was one of the features of grounded theory that attracted me to it despite the absence of mentors and guides. While I paid a price in terms of delays and frustration, the rewards have justified the effort.

7. CRITERIA FOR EVALUATING GROUNDED THEORY STUDIES

(1) Introduction

An historical emphasis on verificational research using quantitative methods has had the effect of discounting the generation of theory through flexible qualitative research as being unsystematic or merely exploratory (Glaser & Strauss, 1967). This discounting has occurred because qualitative research is usually found wanting when the traditional criteria for judging verificational research are applied to it. As a consequence extensive battles were fought over how to judge their quality, trustworthiness, or authenticity (Miles & Huberman, 1994). Lincoln and Guba argue that there are four questions to which all research must respond and which can be used to establish the "truth value" (1985, p.290) of a study. These questions are set out below. Each has been paired with terms commonly used within both positivist and interpretive research to describe the issues involved in each question.
1. How truthful are the particular findings of the study? By what criteria can we judge them? ie, issues of internal validity, credibility, or authenticity;

2. How applicable are these findings to another setting or group of people? ie, issues of external validity, transferability, or generalisability;

3. How can we be reasonably sure that the findings would be replicated if the study were conducted with the same participants in the same context? ie, issues of reliability, dependability, or reproducibility;

4. How can we sure that the findings are reflective of the subjects and the inquiry itself rather than the result of the researcher's biases? ie, issues of objectivity or confirmability.

To this list Miles and Huberman (1994) add a fifth question:

5. What does the study do for its participants? ie, issues of utilisation and ethics.

These questions must be answered in the context of the specific canons and procedures of the research method used to generate the findings (Corbin & Strauss, 1990; Denzin & Lincoln, 1994), in this case grounded theory.

(2) Evaluative criteria for grounded theory studies

Evaluative criteria specific to grounded theory have been developed by the authors, although as with other aspects of the methodology Glaser and Strauss have subsequently taken different approaches. In their original work, *The Discovery of Grounded Theory* (1967), Glaser and Strauss stated that grounded theories must meet three criteria: fit, relevance, and work. To this list Glaser (1978) added a fourth criteria, modifiability. However, Strauss and Corbin (1990), and Corbin and Strauss (1990) make no mention of these criteria, replacing them with a new range of criteria which Glaser attacks as
being relevant only to verificational, conceptual descriptive studies (Glaser, 1992). Figure Two synthesises the grounded theory-specific criteria proposed by Glaser with the general criteria of Lincoln and Guba.

Figure 2 - Evaluative criteria for grounded theory

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<tr>
<td>1. Credibility</td>
<td>1. Fit and grab</td>
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<tr>
<td>2. Transferability</td>
<td>2. Modifiability</td>
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<tr>
<td>5. Utility</td>
<td>5. Work</td>
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<tr>
<td>6. Not a criterion</td>
<td>6. Relevance</td>
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Each set of criteria is discussed below.

(3) **Credibility / fit and grab**

Whereas positivist researchers refer to the internal validity of research studies, interpretive researchers prefer to talk about credibility, truth value, or authenticity (Merriam, 1988). This canon is concerned with how truthful the particular findings of the study are (Marshall & Rossman, 1988). It is the concept that Glaser and Strauss refer to as "fit" (1967, p.238), and "grab". Fit means that the categories of the theory must be indicated by the data. The theory must be "faithful to the everyday realities of a substantive area" (Glaser & Strauss, 1967, p.239). Grab means that "the theory speaks to or is relevant to the social or practice world and to persons in that world" (Chenitz & Swanson, 1986, p.13). A good grounded theory will fit the realities under study in the eyes of subjects, practitioners, and researchers in the area: it should be believable in that it should seem to the reader to be a plausible explanation of what is happening in the
social scene being studied (Rennie, Phillips & Quartaro, 1988). Stern, Allen and Moxley (1984) express this concept as:

The final test of accuracy comes from the subject group. If a theory fits, mouths drop open, eyes light up, and the audience, grasping the ides, fairly shouts its acceptance. "That's it," they say, 'that's just the way it is!" Or they may say, "Oh, of course", as in, 'Of course, who doesn't know that' (p.376).

Marshall and Rossman (1989) talk of the need to embed variables and their interaction in the data to the extent that the study cannot but be valid. This is exactly what the constant comparative method and memoing are designed to achieve (Henwood & Pidgeon, 1992). In grounded theory studies "the criteria of fit is automatically met" (Glaser, 1978, p.4) because the categories of grounded theory are generated systematically and directly from research data. It follows that as long as grounded theory procedures are observed faithfully, the findings, in the form of theory, will fit and be credible. Evaluation of grounded studies should therefore be directed at establishing whether the research has been conducted in accordance with the those procedures. Accordingly, the following questions are relevant: have the appropriate grounded theory procedures been followed (Strauss & Corbin, 1990)? Has the research kept close to the data (Henwood & Pidgeon, 1995)? Do the categories fit the data well? Are they "faithful to the everyday realities" of the substantive area under study (Glaser & Strauss, 1967, p.239)? Are the findings believable? Do they seem to people in the substantive area to be a plausible explanation of what is going on? Were the findings considered to be accurate by the original informants (Rennie, Phillips & Quartaro, 1988)? Are the findings adequate and comprehensive? Or do they omit significant parts of the data (Rennie, Phillips & Quartaro, 1988)? Is the generated theory well integrated with extant or emerging theory (Glaser & Strauss, 1967)?
(4) Transferability / Modifiability

The question here is how transferable, applicable, or generalisable to another context are the findings of a study? To use Glaser's terminology, how modifiable is the theory to other processes? This issue of generalisability has always been problematic for interpretive researchers, and is seen by positivist researchers as a weakness of qualitative research in general (Marshall & Rossman, 1989) and grounded theory in particular (Rennie, Phillips & Quartaro, 1988). It has been suggested by Firestone (1993) that there are three levels of transferability: from sample to population, theory-connected, and case-to-case transfer. The first and third levels are concerned with unit analysis, with transferring findings from one unit to another, typically larger, unit. Grounded theory studies are only concerned with the second level, because grounded theory is concerned with the analysis of basic social processes, not units (Glaser, 1978):

The standard approach of verificational studies is to generalise to a population. This is unit analysis....it does not apply to grounded theory, since grounded theory is focused on a process analysis, not a unit analysis......What applies to grounded theory is its generalisability from a substantive theory of limited scope with parsimony, based on its ability to fit, work, and be relevant. Is it readily modifiable? Thus, for example, how generalisable is the cultivating of clients by milkmen, to the cultivating of clients in general for profit or to the cultivating of all relationships for fun and profit (Glaser, 1992, p.117)?

The inability to generalise grounded theories to larger populations or other cases is not seen as problematic. Rather, it is a natural and healthy feature of grounded studies (Rennie, Phillips & Quartaro, 1988):

It is intimacy with the phenomenon that grounded theorists seek much more than external criteria of adequacy such as hard evidence of generalisability derived from random sampling. The problem of the limited generalisability of grounded findings is not resolvable but is accepted by grounded theorists as a legitimate
price to pay for research that is intimately tied to the phenomena it addresses (p.147).

Modifiability is a wider concept than transferability. It implies that if a theory is to remain relevant over time then it must be readily modifiable when new data about categories or their properties emerges. "It is only through this quick approach that the tractability of grounded theory over social life is maintained" (Glaser, 1978, p.5). Glaser contrasts this feature of grounded theory with verificational studies where hypotheses are changed slowly and may easily become outdated.

In evaluating transferability or modifiability, there are a number of questions that can be usefully asked of grounded studies. Is the basic social process that was the subject of the study described well enough to permit adequate comparisons with other processes (Bogdan & Biklen, 1992)? Was the theoretical sampling thorough and diverse enough to encourage broader applicability (Chenitz & Swanson, 1986)? Did the research define the scope and boundaries of reasonable generalisation from the study (McGrath & Brinberg, 1993)? Does a wider range of readers report the findings to be consistent with their own experience? Is the transferable theory from the study made explicit (Maxwell, 1992)? Is the grounded theory contextually sensitive, rich and dense enough to suggest its own sphere of relevance and application (Henwood & Pidgeon, 1992)?

(5) Reproducibility

The third construct is reproducibility as it is widely known in positivist research, or dependability as it is referred to in interpretive research. Positivist notions of reliability require studies to be capable of being reproduced or replicated with consistent results. Such notions assume an unchanging universe, which is in direct contradiction to interpretive assumptions that the social world is always changing. The whole concept of replication and reproducibility is problematic in interpretive research. For this reason, interpretive researchers talk about dependability (Marshall & Rossman, 1989) or quality control (Goetz & LeCompte, 1984). Have things been done with reasonable care?
Qualitative research does not pretend to be replicable, but it should be concerned with whether it is dependable or consistent. Chenitz and Swanson suggest that instead of asking, "If I were to repeat this study would I generate the same results?", grounded theorists ask, "If I apply this theory to a similar situation, will it work?" (p.13).

Marshall and Rossman (1989) suggest that qualitative researchers deal with traditional concerns about reliability via two strategies. The first is to assert that qualitative studies simply cannot be reproduced because of the changing nature of the social world. This is an approach taken by Glaser who, in commenting on Strauss and Corbin (1990) says:

One quantitative canon he wrestles with is reproducibility and replication. However he redefines this notion for grounded theory, his definition is irrelevant. Nobody cares. Theory is too fluid and changeable in time and space....Thus when Strauss says, "Another investigator should be able to come up with the same theoretical explanation about the given phenomenon", no grounded theorist would ever waste his time trying (Glaser, 1992, p.116).

The second strategy suggested by Marshall and Rossman (1989) relates to conducting a study with reasonable care, something that Glaser does not explicitly address but which he assumes. In determining whether a grounded theorist has exercised reasonable care a number of questions can be asked of a study.

Has the researcher avoided preconceived research questions by asking, what is the chief concern or problem of people in the substantive area, and what accounts for most of the variation in addressing the problem (Glaser, 1992, p.4)? Is the researcher's role and status in the research explicitly described? Are the strategies for data collection and analysis made explicit? Are the categories and the relationships between them grounded in the data? Were coding checks made, and did they show adequate agreement? Were data quality checks made (eg., for bias and deceit)? Were forms of peer or colleague review in place?
(6) Confirmability

Confirmability captures the traditional positivist concept of objectivity (Marshall and Rossman, 1989). "The basic issue here can be framed as one of relative neutrality and reasonable freedom from unacknowledged biases - at the minimum, explicitness about the inevitable biases that exist" (Miles & Huberman, 1994, p.278). Do the findings depend on the inquiry rather than the inquirer (Guba & Lincoln, 1981)? In other words, how replicable is the study? While noting Glaser's comments (supra) about reproducibility and replication, the following questions may still usefully be asked. Are the study's general methods and procedures described explicitly and in detail? Was an "audit trail" laid? Can others follow the actual sequence of how data were collected, coded, delimited and written up? Has the data been preserved? Is it in a well-organised, retrievable form so that other researchers can easily analyse it? Has the researcher been explicit and as self-aware as possible about personal assumptions, values and biases, affective states - and how they may have come into play during the study (Miles & Huberman, 1994)?

(7) Application / work

The next criterion is that of utilisation/application/action orientation (Miles & Huberman, 1994). It is concerned with asking the question, what does the study do for its participants and for its consumers? Does it permit more intelligent action? This is similar to the concept of 'work' in grounded theory (Glaser & Strauss, 1967). If a grounded theory works it will successfully explain the major variations in behaviour with respect to processing the main concerns of the subjects (Glaser, 1992). A theory should be able to explain what has happened, interpret what is happening, and predict what will happen in the area under study: it should "give traction over action" (Glaser, 1978, p.14).

Miles and Huberman (1994) suggest asking the following questions: are the findings intellectually and physically accessible to potential users? What is the level of useable knowledge offered? Do the findings have a catalysing effect leading to specific action?
Do the actions taken actually help solve the local problem? Have the users of the findings experienced any sense of increased control over their lives, or have they developed new capacities?

(8) Relevance

If a theory has fit and works then it has relevance (Glaser, 1992). Relevance means that the theory is of interest to subjects, practitioners, and researchers in the area and that the grounded analyst does not need to explain the worth of his or her research. Its value to these people is obvious. We can ask, what is the rhetorical power of the findings? Are they effective in persuading other readers to accept them? And to what extent do the findings generate further questions for study (Henwood & Pidgeon, 1995)?

8. SUMMARY

This chapter has reported on the data collection and analysis phases of my research study. It began by discussing the practical and ethical implications of using humans as both the instrument and source of data collection. It then provided details of my data collection, including justifying my decision to bound the study; my choice of data collection method (interviewing); my sampling strategy; and my protocols for data collection and management. Two particular aspects of my data analysis were discussed, namely, my use of a computer to assist in data analysis and difficulties I encountered during the coding process. I then discussed my personal reflections on my experience of the grounded theory process, and the chapter concluded with a discussion of the evaluation of grounded theory studies.

Chapter Four will discuss the write up of grounded theory studies, and present my findings.
CHAPTER 4

FINDINGS

1. INTRODUCTION

In grounded theory studies the process of presenting the findings (referred to as the "write up") is an integral part of the analytical process. For this reason the process of writing up is described here before the findings are presented. The write up, which is based on memos written and sorted in earlier stages in the analysis, begins with an overview of what is to follow. The emergent theoretical framework is then presented. The presentation begins with a discussion of the context in which the action scene is set. This is followed by an explanation of the core variable, Weighing Up, and its properties. There are two categories that are related to Weighing Up, namely, the content and the process of change, and these are explained in some depth. Weighing Up leads to the formation of emotional or affective states, and these are described, as are their subsequent behavioural responses and organisational consequences.

2. THE WRITE UP OF GROUNDED THEORY STUDIES

The way in which grounded theory studies are written up is quite different to the way other types of qualitative research, such as descriptive or verificational studies, are written up (Glaser, 1992). Structurally, there are two key points of difference. The first is that there is no separate literature review in grounded theory studies (Glaser, 1978). Instead, the existing literature is integrated into the generated theory through the use of referral footnotes or by being combined in the text. The aim is to show the place of the newly generated theory among the work of others who have previously written on the same topic. This is consistent with the recommendation to treat libraries as sources of
secondary data which should be integrated with actual field data (Glaser & Strauss, 1967).

The second point of difference relates to the way the findings of a grounded study are physically presented. Grounded theory studies are constructed on the basis of a "little logic" (Glaser, 1978, p.124), which is the main building idea of the thesis. In this study it is the core variable that explains a large amount of the variation in the way middle managers respond to change. The findings are structured around this core variable, the most important and relevant properties of the core variable, and other categories, which are treated as sub-variables. It is usual to discuss a single property of the core variable in each section or chapter. For example, Experts versus Laymen (Glaser, 1972), which is concerned with the way prospective home owners deal with building subcontractors, is divided into two parts, "Inviting Bids" and "Generalling the Work". Within each part are chapters dealing with sub-variables such as articulating the job and closure.

In terms of style, grounded theory write ups should be written conceptually, and description should be secondary (Strauss, 1987, p.258). The data should be used to make theoretical statements about the relationship between concepts rather than making descriptive statements. The use of indicators as illustrations should be minimised: they should be used only for support purposes (Glaser, 1978, p.133). Rennie, Phillips, and Quartaro (1988) note that they have had grounded theory studies published in refereed journals by providing just one illustration of each category or significant property of a category. This feature differentiates grounded studies from descriptive studies that seek to provide a "thick description" (Miles and Huberman, 1994, p.10). On the relationship between the process of writing up and the rest of the grounded theory method, Glaser comments as follows:

Grounded theory assumes that part of the method itself, is the writing of theory. The way data is coded, ideas are memoed, and memos are sorted are all partly focusing on designing and facilitating the writing of the theory. Writing is not
left to chance or untrained skill. We discovered so many analysts floundering at this stage. How to write theory has become a significant part of the grounded theory method (Glaser, 1978, p.7).

3. OVERVIEW OF THE FINDINGS

The phenomenon of organisational change is the subject of an extensive body of theory. However, much of that theory has been written from a structural-functional viewpoint and it has failed to capture the real-world perspective of participants or actors in the change process (Wilson, 1992). The substantive theory that follows, on the contrary, has as its aim to capture and freeze for a moment that perspective by being grounded in the participants' reality.

Weighing Up is a causal-consequence model, which can be represented diagrammatically as follows:

![Figure 3 - Causal consequence model](image)

(Glaser, 1978, p.74).
The write up begins with a description of the context in which the actors see themselves operating. This context provides a set of conditions in which the core variable operates. The category found to be the core variable in this study is Weighing Up, which is the 'for and against evaluation' of organisational changes that managers carry out to determine how those changes will affect them and others. Weighing Up is triggered by organisational change.

Weighing Up is heavily influenced by two important theoretical categories, namely, the content of organisational change and the process of organisational change. These categories are mediating conditions. The consequence or outcome of Weighing Up is an emotional state (also referred to as an affective state). The various types of emotional states will be described, as will the behavioural responses that are consequent upon them, such as support for or resistance to the change. Finally, the organisational consequences of those behavioural responses are noted.

In the presentation of these findings the following conventions have been adopted to assist readers in identifying and integrating points of particular theoretical importance. These conventions are: (i) the core variable in this study, i.e., Weighing Up, appears throughout with a capital W; (ii) key concepts and categories have been italicised the first time they appear, and; (iii) diagrams have been used to facilitate the writing process by illustrating concepts and their properties (see Strauss, 1987, especially Chapter 8).

4. CONTEXT

The context of a study refers to those conditions and circumstances in which the basic social process under investigation operates. Strauss and Corbin define it as:
The particular set of conditions within which the action/interaction strategies are taken to manage, handle, carry out, and respond to a specific phenomenon (sic, organisational change) (Strauss & Corbin, 1990, p.101).

In any study the context is influenced by the bounding decisions that the researcher makes in designing their research. This study is bound within the context known as local government. This is a highly political environment where the influence of politicians and the public make managers' jobs demanding and stressful. Local government has a tradition of being staid and bureaucratic. Vestiges of this tradition remain, with significant ongoing implications for managing change. Since amalgamation in 1989 local authorities have been subject to continuous significant change that has resulted in heavy workloads and high stress.

**1. Political environment.**

Local government is a highly political environment in which there are three groups of political actors: elected political representatives, lobby groups, and the public. Elected representatives differ from lobby groups and the public in that they are organisational insiders; they have a political role within the council. In general terms the role of these elected members is to exercise collectively the powers, authorities, and responsibilities vested in their authority by legislation. Elected members are accountable to their community and are responsible for setting policy; identifying outcomes via the Annual Plan process; commissioning outputs; striking local body rates, and auditing the delivery of services by council staff. Elected members are accountable to their constituencies via the political process of triennial elections.

Under the provisions of the Local Government Act 1974 and its amendments, elected councils employ only one person - the Chief Executive (in this study called the City Manager). All the functions of the day-to-day management of the council are delegated to the City Manager and thence to his staff. Managers and staff are responsible for managing council resources efficiently, effectively, economically and equitably;
implementing decisions and service delivery, and providing advice and reporting to elected representatives. The relationship between elected representatives and staff is best described as one where the former decide and the latter execute.

Middle managers have a difficult relationship with elected representatives, who are not themselves accountable to the staff organisation. Elected representatives have their own agenda, which is highly political in nature and quite separate to the agenda that management may be following. Prior to elections the problem worsens as elected members make promises for political gain that may or may not be seen by managers as being in the best interests of the staff organisation. There is thus an ongoing level of inter-group conflict between managers and elected representatives which can make local government an "unhealthy environment" for middle managers. Middle managers have the feeling that they are always vulnerable to "being sabotaged" in public by elected representatives for their own political ends. They feel that politicians play on this insecurity by laying things on managers at short notice or in public, when managers feel at their most vulnerable. Managers operate with a state of mind that requires them to be ready for having anyone "bowl in and expect them to be instantly knowledgeable".

The uneasy relationship between middle managers and elected representatives has a number of consequences. Managers are always plagued by the nagging doubt that a politician is "going to have a go" at them in public. This concern gnaws away at managers, making it difficult for them to feel valued by the organisation irrespective of what senior managers might do.

I think there will always be a problem in this organisation simply because of the elected member role. You can never control elected members and I think it's very, very damning on staff when elected members criticise them publicly at a meeting when they've got no right of reply, and things like that. So there is always going to be that element that is almost uncontrollable.
This fear of public criticism makes middle managers less willing to delegate to subordinates. This is so for two reasons. First, managers feel uncomfortable about taking on the risk that their subordinates may have erred, exposing the manager to public attack for a mistake that he or she did not make. Second, managers are expected by politicians to be instant experts on a wide range of matters; this is difficult if subordinates have taken over responsibility for some of those issues. It also adds to the permanent overloading of middle managers who spend much time and effort servicing the needs of elected representatives. Finally, elected representatives can interfere in organisational change processes directly by criticising expenditure on change projects.

Managers respond to these pressures by developing a "thick skin", something they succeed in doing to varying degrees. They also commit time to establishing relationships with politicians to build confidence and personal rapport, but this time adds to the overloading problem. It happens occasionally that managers can rely on direct political support from their customer base amongst the public, but this is rare and is unwelcome by the elected representatives. The influence of the other types of political actors, the public and lobby groups, is important in other ways.

(2) Public service industry.

An important feature of local government is the extent to which it impinges on the day-to-day lives of every citizen. Local authorities provide or fund a vast array of public services from roading, water supply, sewerage and refuse collection, to housing, libraries, dog control and parking. Because the public are so affected by and familiar with many of these services, they can be hard and difficult taskmasters. The public have a sense of ownership of their local council in that they feel that managers and staff are expected to be directly accountable to them. This public accountability "makes the job different and difficult, but it's very much an integral part of what local government is".
There is a legislative requirement for local government business to be transacted in public, apart from some narrowly defined exceptions. This requirement can cause problems for managers who are required to deal with sensitive human resource issues.

Well, it's not easy, but I mean, the only way you can manage a thing like that is being completely transparent and honest with the staff and up front with them. I mean, and the difficult thing in a democracy is that it often hits the paper because of the committee process before you can actually tell staff that a decision has been made.

At times this transparency sits uneasily with the demands for its performance to compare favourably with commercial operations in the private sector. Local government managers liken it to "playing with one hand behind their back". Public accountability also requires managers to engage in time consuming and often contentious public consultation. On many matters members of the public regard themselves as expert, and are quick to criticise council employees. There is a perception amongst middle managers that they will never please the public: that even if they get "ninety-five per cent of their work right they will be judged on the other five percent". These factors combine to make local government a difficult environment in which to manage: "more stressful than people outside the council would know".

Lobby groups are particularly influential during the annual budgeting process when they attempt to use their power to prevail upon elected members to make funding decisions that inevitably have repercussions for managers.

We've thought ourselves hard done by, and to a degree that's true because we are very much in the public eye. So, an organisation like _____ can actually pick us off and run a campaign against us, which they did in the last three months of the budget round. And you feel fairly helpless unless the council picks up the cut.
The effect of being the focus of attention of lobby groups is to create feelings of apprehension: middle managers and their staff cannot be certain that their units or sections will survive the budget round.

(3) Permanent overloading.

Since amalgamation in 1989 middle managers have faced consistently high workloads. An in vivo code for being under a permanently high workload is overloading (from work).

And pressures of work are a serious concern. They are a serious concern. I mean, partly I suppose, personally, but to a large extent or to a greater extent, at unit manager/section head level that we are actually asking an awful lot of our unit managers.

Permanent overloading is the result of a variety of factors. These include legislative changes such as the Resource Management Act; increased financial and operational accountability; budget constraints; increasing diversity, and demands for higher levels of customer service (see Appendix One for an analysis of the structural changes leading to this state). There is a feeling that extra things are being thrown at managers all the time, with the result that managers increasingly are feeling overloaded, over-stretched and stressed. There is no let up from permanent overloading: it is part of managers' daily existence.

This state of permanent overloading is distinguished from overloading which results from change work. Although both are types of involuntary overloading, the former is a more or less permanent condition whereas change work is short-term and associated with episodes of organisational change. Permanent overloading has implications for organisational change efforts: how will managers be able to "make space" for change work?
Traditionally secure employment.

Local government has traditionally offered employees secure employment, which has resulted in local authorities having a high proportion of long-serving staff. Managers who have worked for the council for over ten years still regard themselves as "new on the block". This situation is the legacy of strong employee unions, a level of trade-off between job security and remuneration, and the fact that the industry has a history of being stable and bureaucratic in nature. Since amalgamation, some councils have been aggressive in tendering out and outsourcing their services, but the Christchurch City Council is still regarded as offering secure employment.

High levels of security of employment can pose implementation problems for middle management who have to deal with poorly performing staff. Its effect is felt in two ways. Firstly, managers suspect that the council contains a high proportion of poor or average performers who have stayed rather than enter a more demanding employment environment elsewhere because "no other organisation would put up with them for long". Thus there is an historical consequence for managers in terms of the scale of the problem they have to address. As well, managers feel frustrated in their limited ability to address the problem of poor performance by replacing staff. There are normative expectations against such an aggressive approach. Secondly, length of service is a property of an employee's organisational career that is related to their predisposition to change. The longer the length of service the less disposed to change a manager or staff member is. This has consequences in terms of a manager's own predisposition to change, and his or her ability to implement change within the organisation.

To summarise, context refers to the conditions within which the action under investigation takes place. The context of a study is influenced by the researcher's bounding decisions. In this study the context is local government, at an industry level, and the Christchurch City Council at an organisational level. There are four important properties of the context; it is a highly political environment; it is a public service
industry; middle managers feel permanently overloaded with work; and it has traditionally offered secure employment.

5. WEIGHING UP

The core variable that accounts for most of the variation in the way that middle managers respond to organisational change is Weighing Up. This section will explain that Weighing Up is the evaluation of the process and content of change, and it will discuss three important properties of Weighing Up. These properties are, the extent to which others' needs (i.e., needs other than a manager's own needs) are taken into account in evaluating the effects of change; the concept that managers have different predispositions to change, and the influence of external social factors, in the form of reference groups, on Weighing Up.

(1) Weighing Up as evaluation of change

Weighing Up is the 'for-and-against' evaluation of organisational change that each manager carries during the change process. It is a weighing up of the pros and cons of change, wherein middle managers ask themselves the question, how will the changes will affect me? Will they be to my benefit or will they harm me?

The concept of Weighing Up can be illustrated by the following examples from the data:

I think that some staff do and some staff don't [support change], and how they feel about it will depend on how they feel treated.

The first thing people ask is, what is happening? How is it going to affect me?
I don’t worry too much about change as long as you can see why, and any sort of thing that’s going to be better for me or make my work better, I’m quite happy to come on board.

Two other studies have sought to develop a model of how managers respond to organisational change. Both are consistent with the findings of this study in that they also concluded that there is a process of evaluation that explains the variation in managers' responses. In the first of these studies, Isabella (1990) interviewed managers in the financial services industry to investigate their responses to a defined change event. She found that managers asked themselves the question, 'what does it [the change] mean for me?', although the author did not ascribe any name to the process of asking and answering that question. And in 1996 Meston and King developed a model of management's response to change in a nursing home for the elderly. Like Isabella, the authors did not name their core variable but simply referred to it as a process of evaluation:

We show responses as stemming from evaluation of [change] - what the individual member of staff sees as the pros and cons of the innovation (p.99)

This concept of evaluation is similar to what Follett (1924) calls "confronting the activity of environment" (p.120).

This confronting would make apparent many incompatibilities of interests, but does not judge the case beforehand as to what shall be done about it. Confront does not mean combat. In other words, it leaves the possibility of integrating as the method of the meeting of difference (1924, p. 120).

Follett suggests that when changes occur in our environment, confronting leads to a range of possible responses, from resistance or combat to integration and support. There is a process of evaluation or judging that is implicit in the concept of confronting. But
what is it that managers base their evaluation on? How do they determine to what extent there are "incompatibilities of interest"?

(2) The basis of Weighing Up

When middle managers make their evaluation of change, they do so on the basis of Weighing Up both the *content* and *process* of the changes. As far as content is concerned, managers Weigh Up change in terms of whether it is likely to meet, or has met, their psycho-social needs. Maslow (1954) offers a widely accepted hierarchical model of psycho-social needs. He suggests that there are five sets of generic or instinctive needs which people possess and that as people satisfy most of their needs at one level they move up to seek satisfaction of the needs at the next level. At the lowest level are physiological needs such as food, drink, sex, and sensory satisfaction. At the second level are safety needs which motivate people to avoid danger. At the next level are love needs which include needs to belong and to affiliate with others in both giving and a receiving sense. Higher up the hierarchy at the fourth level are esteem needs which cover prestige, status and appreciation from external sources as well as internal feelings of confidence, strength, achievement, adequacy and independence. At the highest level is the need for self-actualisation, which is the desire to reach one's potential.

That psycho-social needs are hierarchical is illustrated in this study. For example, a manager may be concerned initially about job security. Once he satisfies himself that his job is secure then his concern will shift to remuneration, both present and future; if that is not threatened then he may turn his mind to whether he will be transferred into a new organisational setting. Then to whether his status or power in the organisation will be diminished or enhanced; and so the process continues. Needs such as job security, pay, and status are *content needs*: they are structural in nature and arise out of the outcome or the 'what' of change. But they are not the only type of needs that managers seek to meet during organisational change, as noted by Cropanzano (1993):
Outcomes are not the only relevant issue to an individual; the way one is treated is equally important. Experience suggests that the favourability of a single outcome is less crucial when the underlying allocation process is fair, perhaps because we can feel confident that such a system will meet our needs in the future (p.9).

This other set of needs, called *process needs* in this study, and more widely known as procedural justice (Greenberg, 1990; Lind & Tyler, 1988), relates to the 'how' of change. For example, managers have a need to maintain a sense of control; to be involved in the change process; to have information about the changes; to be able to cope with the workload, and to be able to implement the changes effectively. The content-process dichotomy is thus already well established in the literature. For example, Daly (1995) found that when employees evaluate the fairness of change outcomes (i.e., content) they expect explanations only when those outcomes are negative. However, employees expect explanations to enable them to evaluate decision procedures (i.e., process) in all cases, whether the outcomes are favourable or unfavourable.

Meston and King (1996) also identified that content and process needs are important. These authors suggest that the evaluation of change depends upon two clusters of concepts. The first of these clusters relates to perceptions of "the implementation process, including management attitudes and motives" and "what" changes (p.98). These are directly equivalent to the categories *process* and *content* of change, identified quite independently in this current study. The consistency extends further because Meston and King talk about managers' perceptions of the implementation process and the "what" of change being, in turn, influenced by:

...dominant personal values; in other words, what the individual most values in their working life at Hazel Hill (p.99).
It is suggested that these "dominant personal values" are the same construct as the hierarchy of psycho-social needs hypothesised in this study. The second cluster of concepts suggested by Meston and King relates to the way the evaluation-response linkage is mediated by:

....the degree of power and control he or she perceives him/herself to have in the work setting, and the constraints on the job itself and the wider organisational environment ((1996, p.99).

There is therefore a lot of support for the finding that managers evaluate both the content and process of change. This support derives from the organisational justice literature (eg., Cropanzano, 1993) and other grounded studies of organisational change.

(3) The temporal ordering of Weighing Up

Weighing Up is a temporal process of varying duration and no clear ordering. Duration refers to the length of time the process lasts. Weighing Up begins when a middle manager first receives information about impending change, and continues until the aftermath of change. Accordingly, the duration of the Weighing Up process is highly variable, depending on the factual circumstances of organisational change. For example, news of the Christchurch City Council's culture change programme was announced many months before most staff had any knowledge of what it meant. Many more months passed before staff saw any effects of its implementation. Two years after it was initiated some staff still believe it has not affected them in any way. This is an illustration of a long-duration Weighing Up process. It can be contrasted with a short-duration Weighing Up process such as where details of a restructuring are announced: a manager may suddenly announce his departure; or sudden or unanticipated operational demands may force unplanned change.

Ordering refers to the existence of clear stages, phases, or steps in the process. There is no evidence in this study of any clear ordering of the Weighing Up process. In this
respect it is very different to Isabella's (1990) model in which she identified a linear trajectory consisting of four ordered and distinct stages. Isabella called the first stage the Anticipation Stage. During this stage managers try to create a new interpretive framework from the rumours, suspicions, and scattered and discontinuous pieces of information available to them in the early stages of change. The passage to Stage Two, Confirmation, is triggered by a formal announcement that change will occur. The key interpretive task in this stage is standardisation, as managers seek to use existing frameworks to understand what is happening and thereby reduce their anxiety. Culmination occurs when the announced change actually happens and managers set about creating new frames of reference that incorporate the changes. About six months later, once the changes have been confirmed by the passage of time, managers engage in a process of evaluation of the changes as they try and put them in perspective.

Isabella's conclusions in respect of staging, as described above, differ to the findings of this study in two critical respects. Firstly, in this study the data did not indicate the existence of any distinct stages or clear ordering in the Weighing Up process. Secondly, the results of this study suggest that evaluation starts to occur as soon as news of the changes is received, not many months after they have taken place. In part this is due to the fact that managers evaluate change in terms of the process of change as well as its content, a point which Isabella ignores.

Weighing Up has three other important properties, and these will now be discussed.

(4) Having a world view.

So far, Weighing Up has been characterised as being purely a process whereby each person evaluates the likely effects of organisational changes on them personally. Expressed in those terms, the concept is inherently egocentric, i.e., it is concerned with evaluating change only in relation to oneself. However, middle managers are not always or necessarily totally egocentric. The level of egocentricism varies from individual to individual.
Some managers exhibit a high degree of egocentricism: managers ask, and only ask, "Well, how is this going to help me"? In this respect the findings of this study are similar to Isabella's (1990) conclusion that managers simply ask, "what does it mean for me"? But to ask only that question captures but a part of what is happening. For at the other end of the continuum there are middle managers who are prepared to take more of a world view of change. An in vivo code for having a world view is looking at the bigger picture:

I tend to sleep on it and so that makes it easier for me to get the bigger picture in my mind, as opposed to just saying 'No, to hell with that, I am not having anything to do with that'.

Yes, yes. And obviously some of them are looking at their own needs too....but I think there would be more than half would be looking positively at things cultural within the organisation, and I use that on the wider scale with cultural, you know, the changes we need to make.

Having a world view means managers are willing to recognise the needs of others, including the needs of customers and other staff, and the organisation's needs. For example, managers may be concerned about the effect of change on their staff who may be in straightened financial circumstances. Or they may recognise that changes are being made to improve customer service levels. The most important characteristic of having a world view is that a manager has a perspective wider than mere self-interest. It follows that if a manager is to take the interests of others into account in the Weighing Up process, they must have information available to them that relates to those interests. This is one of the reasons why the quality and quantity of information received by managers about proposed changes is such an important property of the change process.
Meston and King (1996) found that managers will evaluate change on the basis of what they "most value in their working life" (p.99), which can and does include concern for others' needs. This is evidenced by the following data quoted by the authors:

Her dominant personal values at work are the patient's comfort and doing her job well. She evaluates [change] by weighing up the costs and benefits for herself and the patients, and has a consistently positive response.

A manager's position on this egocentric - world view continuum has a mediating effect on the Weighing Up process. A manager who evaluates change, wholly or in part, in terms of its effects on the organisation and people outside the organisation, such as customers, will frame change differently from someone who is more egocentric. There is a balancing effect whereby his or her own needs are weighed against the needs of others. Managers who take a world view are more likely to frame change positively because they can see the reasons for the changes: they can see the benefits to the organisation and its customers. Such managers regard egocentric behaviour as selfish and irrational.

Those who resist don't see the value of change. They are selfish. They ask, what can I get out of it?

At the time we probably never thought about it rationally at all. I think we were probably irrational. You know, we tended not to sit down, look at it from the big picture view, if you like. You know?

Whether managers are prepared to take a world view or not depends to a large extent on their predisposition to change and on the influence of their reference group(s).
(5) Predisposition to change.

Middle managers vary in the extent to which they are predisposed to accept/reject change or take a world view. This predisposition operates like a default setting that kicks in automatically unless and until altered later in the Weighing Up process. It is an orientation to change which predisposes managers to think and act in particular ways in response to change. It is influenced by a combination of a manager's personal and organisational career, and by their personality. The categories of personal and organisational careers will be discussed in depth later in this thesis under the heading of 'Content of change'. It is sufficient to note at this stage that managers are influenced by their experiences both at work and outside the work setting.

People are also predisposed by reason of personality factors as illustrated by the following two responses below:

Why are people knocking the programme? Again I would put it down to purely their personalities. You know, some people have got to be able to dissect everything to the smallest possible degree.

I think I am the sort of person who says, 'OK, this is change, let's get on and do it and see if we can make something of it'.

Personality factors and experiential careers are both individual properties of Weighing Up, but it is not only individual factors that are important.

(6) Reference groups.

Before moving to discuss the trajectory of the Weighing Up process, an important point to note is that while middle managers frame change on an individual basis, as a group they form assessments of how each other has fared, for "in change there are always winners or losers". For some managers it is important not to be seen by other managers as being a loser in the change process. While Weighing Up is first and
foremost a cognitive and affective process, it should not be overlooked that it is also a social process. The same point is made by Weick in describing the properties of the sensemaking process:

Those who forget that sensemaking is a social process miss a constant substrate that shapes interpretations and interpreting. Conduct is contingent on the conduct of the others, whether those others are imagined or physically present (1995, p.39).

People identify or compare themselves with other people, or more particularly, other groups of people, whose attitudes, beliefs and actions are taken as appropriate measures. Such groups are known as reference groups. People do not actually have to be members of the groups to which they refer: attitudes can be formed not only through positive identification with a reference group, but also through negative comparisons or rejections of it. Reference groups can thus operate in either a normative or a comparative manner.

Managers can use other middle managers as their reference group. Through formal and informal communication channels they gather information about how other managers are responding to change and then they assess their own attitude and performance. Depending on the outcome of this assessment they may feel comfortable with their position or they may be influenced to make some personal changes. Industry peer groups can operate in this fashion. This is illustrated by the case of a manager who had been opposed to a certain change initiative until he went to a conference where his professional peers expressed support for the type of change that was proposed in the council. The manager returned from the conference with a new, supportive, outlook on the proposed changes.

The importance of reference groups is also recognised by Meston and King (1996), who argue that the evaluation process is mediated by a manager’s need for peer group
approval. This is turn is influenced by their perception of their peer group response to change and the strength of their feeling of the need to conform to that response.

Managers also use their staff as a reference group, particularly if, together, they are "a tight little unit". Attitudes and change behaviours can be reinforced and amplified because it feels good to "be part of a group knowing everybody felt the same". In these cases a manager's loyalties may lie downwards rather than to the organisation, a situation which might be undesirable from the organisation's point of view.

Weighing Up, as developed thus far, is summarised in Figure 4 below.

**Figure 4 - Weighing Up**

![Diagram of Weighing Up process]

**Organisational change**

**Content of change**

**Process of change**

**WEIGHING UP**

Influenced by:
1. Having a world view.
2. Predisposition to change.
3. Social reference groups.

**CONSEQUENCES:**

EMOTIONAL STATES
In conclusion, when middle managers frame change they do so on the basis of their evaluation of whether the change will enhance or harm the satisfaction of their psychosocial needs. This evaluation involves both the content and the process of change (or, in sociological terms, of structure and process) and is influenced by the extent to which a manager has a world view versus an egocentric approach; by his or her predisposition towards change; and by social influences in the form of their reference groups. The consequence of Weighing Up is an emotional or affective state.

It is timely to now discuss the content and process of change.

6. THE CONTENT OF CHANGE

(1) Introduction

The content of change refers to change outcomes; the 'what' of change, those 'things' that are being or will be changed. In sociological terms the concept is similar to the concept of structure, which comprises "regularities or patterns in social behaviour, observed as frozen in time" (Watson, 1995, p.12). Likewise the process of change accords with the sociological concept of process, being social behaviour observed in movement. The term content is preferred in the context of this study because the word 'structure' has a particular meaning in organisational parlance and is seen as referring to the organisational hierarchy and the allocation of authority and responsibility.

The range of indicators or codes for the category of content of change is very wide, forming the basis for the hypothesis that the range of change issues that are important to different individuals is also wide. Figure 5 below contains a sample of empirical indicators that illustrate the breadth of the range.
Sometimes managers perceive that the change may lack any substantive content, in which case it may be evaluated as being no change at all. TQM, a previous council change initiative, was seen by some middle managers in this light: it was seen as trivial, as consisting of little more than "holding breakfasts to get medals". A perceived lack of change content can lead managers to discount the change, negatively affecting Weighing Up.

The category content of change has seven important properties. The first property is that the particular psycho-social needs that are important at any point in time are unique to each individual. This unique positioning is dynamic, it changes over time according to the intersection of individual's personal and organisational careers. These concepts comprise the non-work and work experiences of individuals that influence the Weighing Up process. The remaining three properties of the content of change are the degree to which the content of change is aligned with an individual's own value system; the type of change and the degree of discretion it affords middle managers; and the extent to which the change is consistent with the perceived terms of any psychological contract between the organisation and the individual.
(2) **Unique needs makeup**

Maslow (1954) suggests that psycho-social needs are ordered hierarchically and that as needs on lower levels are met people seek to meet higher level needs. However, this says nothing about what level any particular individual is on when change unfolds. In fact, people are situated at widely different points in the hierarchy, so much so that it can be said that the mix of needs that is important to an individual (their needs makeup) is *unique* to that individual.

To illustrate this point, take the example of a manager who is in their fifties. He or she is concerned that if they lose their job they will have great difficulty in finding another one. Their experience is specialised and their age militates against them. Besides, their social networks are based on their work. For Manager A, security issues are paramount. Any suggestion that their job may be threatened will lead to high anxiety and probably resistance to the changes. Compare this person with a manager in his or her twenties, degree qualified and in an occupation where their services are in demand. Redundancy may amount to a messy disruption but little more. They will find another job easily and a redundancy cheque may be something of a bonus. Manager B will be much less concerned about losing their job and may be more anxious that should it happen, job loss should not be seen as a commentary on their perceived competency.

That needs makeups are unique provides an important insight into the Weighing Up process, for it means that it is not the objective content of change that influences Weighing Up outcomes, but rather the subjective perceptions of that content, that is crucial. It is not enough to simply look at what is changing, one needs to know how important that change is to each individual. That will be determined in part by their needs makeup.
Needs makeups are not fixed and immutable through time; they are dynamic, constantly changing as a result of the changing trajectories of personal and organisational careers.

What is becoming clear is that to understand work behaviour we must recognise the importance of dynamic orientations and that, instead of relating work attitudes and behaviour in a direct way to either fixed psychological needs or technological constraints, we must recognise that individuals see things differently and act accordingly in different situations and at different times. This may seem fairly obvious but, as with so many generalisations which emerge from sociological study, this insight is not always present in our everyday thinking (Watson, 1995, p.125).

This property can be illustrated by the case of Manager C. At the time of amalgamation in 1989 Manager C's family was in a state of near financial crisis. Manager C's spouse had lost their job and their family was dependent on Manager C's council salary. The loss of that income would have dealt a major blow to their family, and consequently any threat to Manager C's job was a cause of great anxiety and fear. Years later, during a further round of change, Manager C's job again came under threat. This time, however, the family's financial position was much sounder and Manager C was quite relaxed about the risk of being made redundant. The most important issue for Manager C was to preserve good health: a close friend had recently died of cancer, causing Manager C to come to the realisation that good health was ultimately all that was important.

This small case scenario clearly illustrates the dynamic nature of an individual's needs makeup. It provides empirical support for the hypothesis made in the previous section that it is the Weighing Up of the content that is important, not the objective nature of the content itself. The content was the same in both change events - potential job loss - but it was framed quite differently because Manager C's needs makeup had changed over a
period of a number of years. The case scenario also illustrates the importance of non-work factors in Weighing Up change at work.

(4) Career

The concept of career is used extensively in sociology, particularly in the symbolic interactionist tradition (e.g., Becker, 1963; Goffman, 1968; Glaser, 1968). A career is a sequence of social positions filled by a person throughout their life. The concept is based on the premise that an individual's life is a process that has a certain pattern, when viewed both by others and by those individuals themselves. Hughes (1937) describes it as "a moving perspective in which the person sees his life as a whole and interprets the meaning of his various attributes, actions, and the things which happen to him" (p.409). This means that an understanding of work experiences can only be gained through an understanding of a person's whole life career (Collin, 1986). The importance of taking such a holistic approach to the study of organisational change was confirmed in this study, which identified two types of career as being important; non-work, or personal careers, and organisational careers.

(5) Personal careers

The category of personal careers refers to the non-work experiences and careers of middle managers that influence the Weighing Up process - and which are in turn influenced by the Weighing Up process. The potential range of these influences is extremely wide, but some of the more common factors include age; gender; state of health; marital status; family; political views; financial situation; and other business interests not related to primary employment. It follows that the effect of these influences is also extremely varied.

The influence of personal careers can be illustrated by taking two examples. A manager approaching retirement who has not made financial provision for that stage of his or her life may be very concerned about maintaining their maximum earning capacity for as long as possible. Any threat to job or conditions of employment will be framed very
negatively. In contrast, a manager of a similar age whose health is poor, but who is well set up for a financially secure retirement, may welcome finishing work. This manager may be more concerned by increases in workload and stress rather than about the threat of losing their job.

Personal careers affect managers looking for strategies to cope with overloading from change work and/or permanent workload. Many managers seek to cope with overloading by using up non-work time, for example, by working longer hours in the evenings or in the weekend, or by taking work home with them. To this extent, non-work careers act like a sponge, soaking up additional work.

I suppose major change at work usually seems to mean that you have to increase your output and take work home sometimes.

One of the properties of managers' personal careers is that they vary in the extent to which they can absorb the pressure from overloading. The variation is due to a range of conditions such as other commitments and the willingness of other family members to allow work to encroach on family time. A manager may have a policy of not taking any work home:

I certainly valued all the time I could get at home, sort of thing, and I didn't feel inclined to take work home.

In some circumstances personal careers can act as a constraint on the ability of managers to cope with organisational change. Manager D had been in the habit of using evenings at home to do the sort of work that requires long spells of uninterrupted time. For a long period of time Manager D was able to do this because of a supportive partner who took over most of the child care responsibilities in the evening. When Manager D's partner went away for a few weeks on a training course it became very difficult to continue working at home at night and Manager D suddenly found:
I'm under pressure of time. I can't do justice. I'm just being bounced around.

*Personal and organisational careers* constantly interact with each other. Managers may return home at the end of their formal working day and seek advice and support from those close to them. Their partner may reinforce the manager's evaluation by assessing his or her account in an empathetic manner, thereby reinforcing the manager's evaluation of the situation at work. Conversely, conflicting views from significant others can feed into this dynamic process negatively, as can frustrations or hostilities in the workplace. Work affects non-work, and non-work affects work.

(6) **Organisational careers**

Organisational careers describe the influence of prior work, as opposed to non-work, experiences generally. In the context of Weighing Up in particular, it describes managers' prior experiences of organisational change. Weighing Up appears to be influenced by two properties of organisational careers. One is the amount of change to which a middle manager has been exposed previously. The other is the outcome of the manager's Weighing Up of that change.

There is a relationship between the amount of change which managers have experienced and their predisposition to change. Middle managers who have experienced minor change, or who have been "sheltered", are more likely to be predisposed against change. Managers who have experienced more change are more likely to be positively predisposed. This accords with the findings of research into culture change that shows that strong cultures are resistant to change, while successful organisations encourage adaptive cultures (Kotter & Heskett, 1994). On the other hand, too much change is bad also: managers can overload on change so that it gets too much for them to cope with.

I think morale would be greatly enhanced if, for twelve months, the council said, 'let's not have any change; let's not bring in any new systems; let's not review
anything; let's just get on and do our job'. I think people would sigh an enormous sigh of relief and get on with it.

There is no doubt that managers evaluate change on the basis of their Weighing Up of previous change. Many managers, and staff, are cynical about previous change, often because it simply failed. There is particular cynicism of "management fads" and of managers whose enthusiasm for those fads doesn't last. From a team leader:

Doubts is a better word. These things tend not to happen. They, being management, so often they have these big meetings and they come out all fired up and 'we are going to do this', and it dies. And they [the staff] hear no more about it.

Managers refer to this as the "here we go again" phenomenon. It strips credibility away from later change efforts, reducing their chance of success.

In a word, cynically. Well, sort of manifesting itself in, oh well, sort of attitude, well, we will do, as one guy I'm thinking of in particular, we'll do this, but it won't last, or it's this month's flavour, it won't make any difference. Why bother making any effort?

In this study it is impossible to talk about organisational careers and the effect of previous change outcomes without referring to local government amalgamation which occurred in 1989 (see Appendix 1). As a result of this amalgamation over eight hundred and thirty local government organisations were amalgamated into just eighty seven councils. The Christchurch City Council amalgamated with four other local councils to become an enlarged City Council. Amalgamation was a traumatic change event for many managers, and they still refer to it today, eight years on, using the in vivo codes amalgamation luggage, or amalgamation baggage.
The codes describe the strongly negative and durable emotional response to amalgamation outcomes.

Grown people were having breakdowns at their desks because they could not cope: people fell apart.

They came across like a beaten army.

They still have chips on their shoulders.

They were not motivated...they were not winning people when they came to apply for jobs.

The reasons for these strong feelings are that people perceived that the amalgamation process produced unfavourable outcomes for some people:

They were shafted salary-wise.

Their opportunities for promotion altered.

They lost status or were disenfranchised.

They have been through the mill.

The consequences of amalgamation for middle managers are twofold. Firstly, managers may feel resentful about the outcome of the process and this influences the way they evaluate current change initiatives. Secondly, they have to manage and motivate staff, some or many of whom may feel resentful or cynical. The combination of the properties of secure employment (resulting in a high proportion of long-serving employees) and organisational careers produces potentially difficult conditions for change.
(7) **Values alignment**

*Values alignment* refers to the extent to which a manager's own values align with the values espoused in and by the organisational changes (often via vision or values statements). The greater the degree of alignment the more likely it is that change will be framed positively:

I'm delighted with the new culture which I see as being consistent with my own values, which are feminine in nature; non-competitive, cooperative and non-hierarchical.

If the degree of value alignment is high, middle managers may have been pushing for some time the type of change now being implemented. In such cases there is *pre-support* for the changes. Other managers may be so supportive of the espoused values that they may have actually joined the organisation to share in them.

Oh, I think the change process is the right direction to go. I mean, that's one of the reasons I came here. I could see what was starting to take place.

Alignment leading to support for change is predicated on the assumption that managers know what the espoused values of the changes are; if they don't, then values alignment cannot occur. This presages a point to be made later in this thesis that managers need to have sufficient information about organisational changes if they are to evaluate them positively.

It happens sometimes that there is a perceived divergence between espoused goals and values and what is actually happening. In other words, the change programme promises either something more, or at least different, to what it is delivering. This has been coded as *Goal-Practice divergence*. It has the property of being a range where the degree of divergence is the difference between perceptions of what was promised and what is being delivered.
I believe that the emphasis and direction we are talking about is excellent, but I don't believe that the direction and emphasis of what's actually happening is quite as good.

The greater the degree of Goal-Practice divergence the more likely it is that negative Weighing Up will occur.

(8) Change type

Organisational change is classified by organisation theorists into a variety of typologies (e.g., Wilson, 1992), but managers seem to classify it into two types. These types are structural and cultural change. Structural change is typically seen as mandated change, i.e., involuntary from the perspective of middle managers. Examples of this type of change include legislative change; restructuring; process and system changes; changes in management; and contracting out and redundancies. This type of change is typically 'hard' and observable. The other type is climate and culture change, which are typically based around changing values and, as a consequence of that, changing behaviour. It is typically slower and 'softer' and it is much more difficult to assess whether it's being implemented properly or at all. It may be seen by some managers to be discretionary: they may feel they have some choice in whether to implement it or not. For that reason it is often seen as less threatening.

But this climate change, if you like, is not a threatening change. It's the other changes that are threatening, you know, and it's the work changes, the structure changes, the management changes. I think that's probably why this has been accepted, because it's not an immediate threat change.

Thus change differs in the extent to which it is perceived to "happen to" a manager, as opposed to managers feeling they have some flexibility with regard to if, how, and when change is implemented. Change is more likely to be Weighed Up positively the more control managers feel they have over the process.
(9) Psychological contracts

Schein (1978) claims that at the heart of every employment relationship there is an implicit or *psychological contract* which tacitly defines what an employee will put into the job and what the organisation will do to reward the employee in exchange. Both parties must feel that the benefits, or consideration, provided by the other are roughly commensurate with what they are providing if the contract is to be perceived by both as fair. Thus, perceived equity is an important property of psychological contracts. The terms of these psychological contracts are never fixed or stable, due in large part to organisational change. Perceived future equity is related to Weighing Up. Change may threaten to upset the existing sense of equity and the expectations one party (typically the employee) may have about what will happen in the future. When that happens the employee may regard the change as causing a breach of the terms of their psychological contract, with serious negative consequences for the Weighing Up process. The higher the level of perceived equity the more likely it is that change will be framed positively. Huseman, Hatfield and Miles (1987) suggest that people vary in their willingness to accept potentially unfair outcomes. 'Equity-sensitive' employees monitor their implicit contracts closely, while 'Beneficent' employees are more comfortable when others may appear to gain. Perceived equity reinforces one of the properties of the Weighing Up process discussed earlier, namely that middle managers have different predispositions to change.

Middle managers are often affected by organisational change. Change almost always results in more work for them, and it is rare that this is recognised with more rewards from the organisation. Change may affect them in other ways also. Their conditions of employment may be affected detrimentally; their social networks may be broken and their job satisfaction reduced; promotion opportunities may be eliminated by flattening the organisation. Whatever the form of the change, managers will weigh it up in terms of their implicit psychological contract.
I think it has quite a big bearing on a number of people, a large bearing if you like. They have got themselves into this stage where they think that they are giving a lot of value, and there is nothing coming back from the organisation or from management.

[the change] was seen as a way of getting more out of people without paying them any more.

During the Christchurch City Council's 'Giving Value-Being Valued' change programme this phenomenon was made more explicit because the name of the programme suggested to many managers that there was some implicit trade-off: if you give more value the organisation will value (ie., reward) you more.

There is, you know, a greater expectation that more should be done for less, and you know, there's a bit of a negative feeling on that issue as far as being valued goes. But some people would say, yep, we're giving more and more value, but where's the other side? Where's the being valued?

I am not sure how widespread, but the Giving Value-Being Valued was interpreted, being valued was interpreted very much, I think, in monetary terms by some people, which I don't think was the original intention of it. It was being valued on a different sort of level, and then when it didn't happen they got cynical, or when they realised that wasn't what it was about.

The range of responses to violations of psychological contracts is discussed later under 'Consequences of Weighing Up'.
7. THE PROCESS OF CHANGE

The process of change also has a significant impact upon the Weighing Up process. The term process refers to the manner in which the organisational change is carried out; not to the process of Weighing Up. Process has six properties which are relevant to Weighing Up. These are, the effect of change on middle managers' workload; the degree to which middle managers are involved in the change process; the amount and quality of information available to middle managers; the role of a middle manager's immediate superior; the degree to which middle managers have a sense of control over the change process; and the extent of difficulty middle managers experience in implementing the changes.

(1) Overloading with change work

One of the "biggest problems" middle managers face in the change process is overloading, or coping with the extra workload that organisational change inevitably brings. The problem is compounded in local government by the fact that managers are already suffering from permanent overloading, and change means "adding workload to existing workload".

And, you know, that's a pretty common worry amongst people, that if there's extra things that are going to be needed, then they come on top.

And pressures of work are a serious concern. They are a serious concern.

I mean, they're getting overloaded with work. We're all overloaded.

Overloading results from a variety of causes. The main cause is the extra work required to implement change or to attend training. It also results from short-staffing; increased delegation to middle managers, and the growing complexity and diversity of their work. Managers develop strategies for coping with overloading. These strategies fall into two
broad types: one, to reduce the amount of work per se; two, to cope by working longer and smarter. The latter is the most common. Some of the ways in which managers cope include, delegating more to subordinates; practising time management; working longer hours - starting earlier, finishing later, and working on weekends and not taking holidays; taking work home to get uninterrupted time; prioritising work; complaining; obtaining additional resources; and "letting things drop off the bottom of the pile". This is the last resort, and is difficult for conscientious managers.

The consequences of overloading on Weighing Up are generally negative. Managers resist change, they report suffering from stress and sickness, and non-essential aspects of their job such as spending time talking to staff just don't get done.

Personal changes in terms of work, I suppose, particularly. I mean I resisted, for example (pause), I was seconded up to this position and I resisted it at the same time because I perceived that as being an increased workload and I saw problems that I felt needed to be sorted out which were going to take some effort from me, so I did resist it.

In short, coping with the extra work that change brings is a major problem for middle managers.

(2) Being involved

Being involved has the property of being a range. There are degrees of consultation and involvement in the change process, ranging from none at all to extensive involvement. Managers prefer to be involved and consulted, and higher levels of involvement are associated with positive Weighing Up outcomes. Genuine consultation leads to "ownership", a feeling of "being on board", or being "part of it".

You don't have to get everything you want, but at least you had to have had an involvement.
Consultation can be of two types, genuine and pre-determined. The former occurs when senior management take the views of middle managers into account in reaching their decisions. On the other hand, pre-determined consultation or involvement is a sham. The views of middle managers are not seriously considered because the ultimate outcome is already known.

You felt that he has an agenda and that consultants have consulted without your views really being regarded. The result is that the authors arrive at the conclusions the City Manager wanted. Giving Value - Being Valued has to work both ways. There is a need for genuine consultation.

Consultation can be carried out through two classes of people. The first class consists of people who are members of the organisation, such as senior managers or change facilitators. The second class is made up of people external to the organisation, typically consultants. Internal actors are assumed by change recipients to have a better knowledge of the organisation than external agents. For this reason managers feel more comfortable with the former because the decisions will be made by people who know and care for the organisation.

I have a fear of decisions being made by people who don't know the business. Another review of our unit is possible. The reviews are generally conducted by external consultants: what do they know?

Senior managers can, by virtue of their position, create a climate of openness in which middle managers find it easier to become involved and be consulted.

Consultation is the main one, where the opportunity is provided for everybody at all levels to consult with each other. And to consult on issues and get a (pause) across the board opinion, if you like, rather than pocket sort of opinion. It's just, it really has just opened everything up, I believe.
Conversely they can create a climate where there is little consultation.

(3) Information

*Information* refers to the information that managers have about the changes. Information can vary in terms of its quantity and quality. The amount of information middle managers have is an important influence on the Weighing Up process.

Ultimately, people's response depends upon the amount of information they have about the change.

Adequacy of information leads to involvement and reduces anxiety and fear. When managers don't have sufficient information they have concerns that senior managers may have "a secret agenda", leading to feelings of apprehension.

Information can also vary in terms of its quality. It can be formal, derived from primary sources such as the CEO and senior managers, either directly or in writing. Or it can be informal rumour and hearsay, referred to by actors as the *grapevine*. The grapevine can work very rapidly: "As soon as someone has an idea, a hundred people know about it". Rumours proliferate in the absence of information of adequate quality; by definition rumours are less reliable and can lead to apprehension and mistrust.

From what I have seen you very quickly get a huge number of rumours floating around and, depending on what the rumour is, people will tend to feel more or less positive about the thing. I think rumours tend to create an atmosphere of mistrust and negativity, yeah.

The amount of information managers require is variable. It is affected by their predisposition to change and by the level of confidence they have in their immediate manager. There is a process of knowledge by proxy: I don't need to know facts X and Y
because my manager does, and that is sufficient for me'. The converse is also true: if middle managers have little trust, or if they have a new manager or consultants involved in decision making then they want the information themselves.

(4) Immediate manager

Middle managers are influenced in their Weighing Up of change by their immediate manager, which refers to the person at the next level up in the hierarchy to whom a manager reports. This may be a senior manager, or it may be another middle manager. Immediate managers vary in their management style, personality, skills, experience, and degree of support for the changes. They have a positive influence on the Weighing Up process if they are seen by their subordinates to give their support to the changes. This support can take the form of supporting the changes themselves and/or encouraging their subordinates to support the changes. The distinction between the two types of support may be characterised as 'do as I do' on the one hand, and 'do as I say' on the other. There is an expectation that (good) immediate managers will "walk the talk" and set an example for others to follow. Poor immediate managers seem to expect their staff to change their behaviour while not recognising that they themselves need to make changes in their own behaviour. This is someone-elsism: 'someone else needs to change, but I don't'. It can be very frustrating for subordinates, in this case middle managers, who end up trying to work around their immediate manager.

It makes me very wild and frustrated at not having a leader.

In some cases immediate managers do not actively support the changes at all. This can be due to a feeling that they won't have any effect anyway so there is little point in making the effort.

There are some people who would be negative no matter what you do, so why try?
Or, lack of support for change may be due to the fact that the immediate manager does not agree with the changes him or herself. He or she may have framed the changes negatively and may be actively or passively resisting them. It can be discouraging and frustrating for middle managers to receive information about proposed changes and then not have their immediate manager pick them up and support them. Nothing happens. "There it lies".

The importance of a middle manager's immediate manager is confirmed by Preston (1991). Preston conducted a grounded theory study of the role of management development in communicating messages about a new organisational culture. She concluded that the relationship that a middle manager has with his or her immediate manager was of one of the most important factors in the socialisation process.

Before leaving this subject, it should not be overlooked that middle managers are, in relation to their own staff, immediate managers themselves. Ideally, middle managers should behave in ways that lead to positive Weighing Up outcomes by their own staff. But that doesn't always happen:

I've seen some changes but I've found a lot slip back too and it's happening in this unit. But then I've seen a lot of people that are expecting middle management and staff below them to change and live the new council culture, but they're not. And I think that's the units where there are problems, where people are not changing because the example is not being set more.

(5) Sense of control

Overloading, and a lack of information and involvement, all lead to a sense of loss of control on the part of middle managers. Loss of control is at one end of the range of a category called sense of control, which is correlated with the positiveness of Weighing Up outcomes. Managers who feel they have lost control of the change process are more likely to feel anger, resentment, or apprehension.
I think you feel as though you are just being swept along in the sea. Yes, it creates a great deal of negative thinking.

I mean, we all feel that if we're not driving something that we don't have control and we feel vulnerable and at risk.

Nobody likes being told what to do. We like to be in control of our own destiny.

Conversely, middle managers who have retained a sense of control are more likely to frame change positively. A sense of control results when enough of a manager's process needs, such as being adequately informed, being consulted, having a bearable workload, and having confidence in their immediate manager, are being met.

(6) Implementing change

Organisational change typically requires middle managers to be involved in implementation of the change. Depending on their experience, knowledge, and skills, managers will vary in their implementation capability. In a culture change programme like the council's Giving Value-Being Valued programme, the implementation demands imposed on middle managers are related to people rather than technical issues. In addition to workload, which has already been discussed, middle managers identified two common types of implementation problems they had to face. The first of these is the problem of maintaining personal energy levels and motivation in the face of staff cynicism. This is a particular problem with organisational change initiatives that are expected to take a long time, for example, many years, to be implemented. Many culture change programmes are in this category.

And it really takes a lot of energy to keep the momentum up because there's so much inertia there and so much negativity that you have to be determined to push it through.
I think one of the biggest things has perhaps been at times to keep the morale going.

The second problem relates to the interpersonal aspects of managing people, and particularly to handling emotionally difficult situations such as redundancies and non-performance.

I think one of the things I find most difficult about the council is its inability to deal with non-performers.

And I still deal with some of these difficult people, you know. And, you know, maybe the process might help me down the track of (pause) they either perform or we do something else with them, you know. It might be training, it might be counselling, it might be at the end of the day they're out of the door if there's absolutely no solution. But that's very difficult right now.

Yeah, for me, because the stress would not be for me personally, for my job, but the stress of actually having to deal with the staff and the redundancies and that sort of thing.

To this point the write up has focused on explaining the core variable, Weighing Up, as the for-and-against evaluation of change that managers carry out. This process is influenced by the context in which managers operate, in this study, local government. Managers Weigh Up both the content and the process of organisational change in a holistic fashion. The various properties of those categories have been discussed. Evaluation processes in general, and Weighing Up in particular, lead to results and outcomes. The Weighing Up process, in particular, leads to the formation of an emotional or affective state, which in turn leads to behavioural responses such as
support or resistance to the changes. These responses, both emotional and behavioural, will now be explained.

8. EMOTIONAL STATES AND BEHAVIOURAL RESPONSES

(1) Emotional states

One of the striking features of the data collected during this study was the way in which middle managers consistently described how they felt about organisational change. They expressed their responses to change in terms of their emotions; how they felt rather than what they thought. It quickly became clear that the outcome of the Weighing Up process was an emotional or affective response.

The concept that a for-and-against evaluation of change produces an emotional response is not new, at least in the psychology literature. Reisenzein and Schonpflug (1992) talk about such evaluations giving rise to affective states. And Karl Weick (1995), drawing on the work of Berscheid (1983) and Mandler (1984), discusses the role of emotion in sensemaking. Weick argues that emotion results from arousal of the autonomic nervous system. Arousal is triggered by an interruption to ongoing activity. This provides a warning that there is some stimulus to which attention must be paid and a suitable response made if one's wellbeing is to be preserved. For Weick, emotion is what happens between the time that the interruption is noticed and the time at which the interruption is removed, or a substitute response can be found. Emotional responses vary across a range from positive to negative, with negative emotions more likely to occur when the interruption is unexpected or is perceived as being potentially harmful or detrimental. In the context of a work environment, organisational change, provided it had substance, would constitute an interruption in Weick's terms. The resulting emotional response has four key properties; type, intensity, duration, and consequences.
The properties of type and intensity can usefully be discussed together. While the classification of theories and types of emotions is a complex area of psychology (see, for example, Strongman, 1996), the data in this study indicated three types of emotion: feelings of support for, fear of, and anger against, the changes. These three types accord closely with Millenson's (1967) typology as shown below in Figure 6.

**Figure 6 - Millenson's typology of emotions**

<table>
<thead>
<tr>
<th>Low intensity</th>
<th>High intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pleasure</td>
<td>Elation</td>
</tr>
<tr>
<td>Annoyance</td>
<td>Anger</td>
</tr>
<tr>
<td>Apprehension</td>
<td>Anxiety</td>
</tr>
</tbody>
</table>

Millenson proposed that there are only three primary emotions: pleasure, apprehension and annoyance. All other emotions are the result of the combination of two or all of the primary emotions. Each of these three emotions exists on a scale of intensity. For example, apprehension can lead to anxiety and, if more intense, terror.

The first type of emotion to be discussed is *pleasure*, which is a *positive* outcome of the Weighing Up process. If a manager has feelings of pleasure in relation to the changes it means that the manager has evaluated the changes as meeting, to an acceptable level, his or her, or others', psycho-social needs. A sample of the empirical indicators for this type of emotional response is contained in Figure 7 below:
Annoyance and anger are *negative* Weighing Up outcomes. The annoyance/anger/rage response frequently results from a breach of the psychological contract between a manager and the organisation. There is a feeling that the changes have lead to a situation of inequity or unfairness.

Yeah, pissed off. It was partly a personal circumstance in that while I didn't lose any salary in coming across, in my position at _____ I happened to have just gone through a salary bar and there were a couple of automatic steps, which were reasonably generous, which I would have got in subsequent years if I has stayed at __________. They disappeared when I was here. Yes.

Figure 8 contains examples of some of the empirical indicators for anger.
Annoyance can also arise from a variety of other causes, such as feelings of betrayal, frustration, or disagreement with the way change has been carried out. For example, Manager E got "angry over the lack of consultation" over changes that affected Manager E's section.

Of the three types of emotional response, the most common is apprehension. Apprehension/anxiety results either from uncertainty (about the content or process of change) or from knowledge (of changes that have been evaluated as threatening to the meeting of a middle manager's psycho-social needs). From an organisational perspective, apprehension is a negative Weighing Up outcome, which is illustrated by some of the examples of this concept that are contained in Figure 9 below.

**Figure 9 - Empirical indicators for code, response of apprehension**

<table>
<thead>
<tr>
<th>initially suspicious</th>
<th>anxiety</th>
</tr>
</thead>
<tbody>
<tr>
<td>totally depressed</td>
<td>ultimate threat</td>
</tr>
<tr>
<td>threatened the pants off</td>
<td>threatening the hell</td>
</tr>
<tr>
<td>fear</td>
<td>scared to death</td>
</tr>
<tr>
<td>scared stiff</td>
<td>shocked</td>
</tr>
<tr>
<td>wait and see what happens</td>
<td>cynical</td>
</tr>
<tr>
<td>comfort zone threatened</td>
<td>panic</td>
</tr>
</tbody>
</table>

The remaining two properties of emotional responses are duration and consequences. The duration of emotions is highly variable. They can last literally a few minutes, while at the other extreme they can last many years. Amalgamation baggage is an example of the latter:

Yeah, and I go back to my friends. The cynics. They have always been there, and I don't really know why, except that some of them are still carrying baggage from the amalgamation.
The fact that emotions do change re-emphasises the dynamic nature of the Weighing Up process. Social processes are constantly in motion: change unfolds and manager's personal and organisational careers evolve: individuals are constantly Weighing Up these developments, seeking stability and coherence (Collin, 1986). There are four broad types of trajectory of emotional response:

Type 1: Initially negative and stays negative.
Type 2: Initially negative, becoming positive later.
Type 3: Initially positive and stays positive.
Type 4: Initially positive, becoming negative later.

In Types 1 and 3 the emotional response is durable and unchanging. Types 2 and 4 involve a state change, either from negative to positive or vice versa. There are a number of reasons for Type 2 state changes. They can occur: (i) when the content benefits of the changes become apparent to middle managers; (ii) when the initially heavy change workload passes; (iii) when middle managers become accustomed to the changes, ie, they cease to be an interruption; (iv) when more information becomes available, or, to use an in vivo code, when "the flesh is put on the bones"; (v) when middle managers achieve new insights into the change process. For example, managers reported feeling much better about the change process after attending leadership training workshops. One of the features of these workshops was that the facilitators told participants that having feelings of apprehension and concern were quite normal and that people in many organisations shared those feelings. Being made aware that it was not unusual to have those feelings made managers feel more comfortable about the changes. Another example was Manager F who, after attending the workshop, realised that organisational change was inevitable in any organisation and that if he was to remain a manager he would have to learn to live with change; (vi) Finally, some middle managers simply reached the point they described as "decision time". They came to the realisation that they needed to get on board with the changes or get out of the organisation.
Typically there are fewer Type 4 state changes where middle managers change from positive to negative Weighing Up of the changes. The most frequent cause is receipt of further information about the changes that causes a re-evaluation of the original change. For example, a manager may not have been aware of the true implications of change until later in the change process. It can arise from a growing feeling over time that there is too much change, that it has reached the point where there is "change for change's sake". From a process point of view, it can be due to aspects of the change process altering. For example, consultants may be brought in, or, after an initial period of consultation, managers may feel excluded later in the process.

The final property of emotional responses is *behavioural outcomes*. Managers act on their emotions in a range of ways, all with organisational implications for the success of organisational change.

**2) Behavioural outcomes**

There are a range of behavioural outcomes to the Weighing Up Process. At one end of this range there are varying levels of support for the changes, while at the other there are varying levels of disaffection, leading to the decision by a middle manager to exit the organisation.

Positive Weighing Up outcomes are associated with support for the organisational changes, which can be *active or passive support*. Active support may result from feelings of high or low intensity pleasure about the changes, and includes behaviours such as communicating about the changes in a positive fashion; motivating others to support the changes; actively implementing the changes, and even joining the organisation to be part of them.

Passive support consists of verbalising support for the changes, but otherwise not actively implementing them or changing one's own behaviour in any marked way. Passive support results from feelings of low intensity pleasure, or from low intensity
apprehension where managers feel the need to be seen on the surface supporting the
changes.

I'm a bit ambivalent about it really.

Basically I just carried on with my job.

There's nothing in it to excite me, but I'm not going to stand in the way.

One of the conditions leading to passive, as opposed to active, support is the
phenomenon of *someone-elsism*. This phenomenon is commonly found amongst
managers who profess support for change, but who, for some reason, fail to recognise
that their own behaviour needs to change to some extent. These managers seem to think
that "they've got it in hand already" and that change will occur in someone else's
behaviour without anything being required of they themselves. The following passage
from an interview with Manager G illustrates this well.

**IB** So, G, are there ways in which you think you have changed the way you practise
or manage as a result of what's happened in the last six months?

**G** I don't think so. I don't think so. Umm, people often talk about walking the talk
and talking the talk, and I don't believe I've ever had a problem in doing that. I
don't think I've been secretive and (pause), or hiding information away or not
being prepared to discuss things as necessary. But no, I don't think there has been
a major change - or much change at all - in my case.

Someone-elsism is a common phenomenon amongst middle managers and may account
for some of the criticism levelled against them that they slow and block organisational
change.
Negative Weighing Up outcomes, also known as responses to disaffection (e.g., Hirschman, 1970, and Farrell, 1983), result from feelings of annoyance and/or apprehension. Rousseau (1995) suggests that such responses can be analysed along two dimensions, active-passive and constructive-destructive behaviour. Combining these two dimensions together in a 2x2 matrix, Rousseau has developed a model of responses that is reproduced below in Figure 10. Rousseau's model is consistent with the findings from this research project.

**Figure 10 - Responses to disaffection**

<table>
<thead>
<tr>
<th>Constructive</th>
<th>Destructive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active</td>
<td></td>
</tr>
<tr>
<td>Voice</td>
<td>Neglect/destruction</td>
</tr>
<tr>
<td>Passive</td>
<td></td>
</tr>
<tr>
<td>Loyalty/silence</td>
<td>Exit</td>
</tr>
</tbody>
</table>

(From Rousseau, 1995, p.135)

Outwardly, passive constructive behaviour is similar in nature to passive supportive behaviour, but the state of mind of managers is different. Managers tend to be cynical rather than supportive of the changes.

I think that a lot of people couldn't be bothered. There was no compulsion and it was seen as flavour of the month.

There's quite a few cynical people out there really. Cynical people say, Oh, there's another change, and think it'll go pop just like that and come back to what it was.

Some of the biggest cynics we've got, and I'm talking unit managers.

Active-constructive responses are more vocal: managers are prepared to debate the changes, or they try and lobby for different outcomes. Active-constructive responses are
more common at group level where managers and/or staff can appoint spokespersons or representatives and the debate becomes institutionalised. If senior managers fail to acknowledge the views of middle managers the response can be heightened feelings of anger and resentment.

For example, originally there was no position of ______, so they lobbied senior management to create such a position and they were successful.

At one of the meetings when it was suggested that the ______ could have been handled better, Senior Manager H got very angry, which surprised us. He should not have responded the way he did.

**Destructive** behaviour is more likely to be the result of feelings of high intensity anger or fear. Destructive behaviour is less common than constructive behaviour, but damaging when it does occur. It can affect productivity, teamwork, and organisational effectiveness.

I decided that I would do bare minimum work.

I had to make a decision whether to try and block it.

If you get attacked, you attack back, sort of thing. And what end's up you've got bloody walls everywhere.

You know, people leaving a position because they felt negative about it didn't make any effort to provide their successor with any information of what should be done. So huge amounts of information, I think, was lost because of negative attitudes at the time.

I'm not going to change - no matter what they do to me.
The most extreme form of disaffected behaviour is for a middle manager to exit the organisation. Exiting decisions may be mediated by the availability of other employment options and by the stage in a manager's organisational career.

For instance, in the upper management here there's very few of us from the old council. Only those that sort of wanted the change were able to survive, I believe.

A lot retired. They couldn't handle it.

If you didn't like the change you could simply move on.

You had to make a decision whether to leave the organisation.

(3) Organisational consequences

Managerial responses to change have organisational consequences. From an organisational perspective, active support is the most desired behavioural response; the one that is most likely to lead to the desired change outcomes. Passive support and passive resistance are likely to result in slow or ineffective change. Active resistance will lead to conflict and ineffective change, while exit behaviour has mixed consequences. On the one hand, it may be better for the organisation to have active dissenters leave; but on the other, a loss of skilled managers may be damaging.

10. SUMMARY

This chapter has presented the write up of the study's findings. It began by explaining how grounded theory works are written up. It then presented an overview of the findings, which are based on the core variable of Weighing Up Change. Weighing Up is a for-and-against evaluation of change that managers carry out over time. Four other key categories were also explained, namely, the context in which this study took
place; the content of change; the process of change; and the emotional/affective states and subsequent behavioural responses that form part of the Weighing Up process.

The final chapter will summarise and draw conclusions from the findings, discuss their implications for managerial practice, and highlight opportunities for further research.
CHAPTER 5

CONCLUSIONS AND IMPLICATIONS

1. INTRODUCTION

The final chapter begins with a summary of the findings which emerged from this study. The summary includes an integrative model which illustrates the relationship between the core variable (Weighing Up), its properties, and the other theoretical categories.

This study makes a number of contributions to our understanding of organisational change: it confirms that middle managers respond by evaluating change; it emphasises the role of emotion in organisations; and it highlights the importance of non-work factors in managers' evaluations of change. These contributions are discussed, in relation to both the management and the sociology of work literature. Further, the chapter discusses the implications of this study for the better management of organisational change in local government, which was one of the aims of the study. Finally, it contains a discussion of the implications of study's findings for future research.

2. SUMMARY OF FINDINGS

In this section the theoretical framework that was developed in this study is summarised and compared to Meston and King's (1996) findings. Both models are illustrated diagrammatically, which is a useful means of summarising and comparing the two. The findings of this study are presented in Figure 11 overleaf.
Figure 11 - A model of how middle managers Weigh Up Change

Context
Highly political, public service, heavy workload, secure employment

Organisational Change

Content of Change
Unique needs hierarchy
Dynamic needs hierarchy
Personal & work careers
Degree of value alignment
Degree of discretion
Psychological contracts

Process of Change
Overloading with work
Degree of involvement
Information
Role of immediate superior
Sense of control
Difficulty in implementation

WEIGHING UP CHANGE
Having a world view
Predisposition to change
Reference groups

Emotional States
Pleasure
Annoyance
Apprehension

Behavioural Responses
Support
Voice/loyalty
Neglect/exit

Organisational Consequences
(Un)successful change
The model in Figure 11 can be summarised thus. Organisational change occurs within a broader context. The context of this study is perceived by middle managers as being stressful because of the transparent and highly political nature of local government. Since amalgamation, managers have been labouring under heavy workloads which show no signs of easing, and managers are required to deal with a work-force that has a traditionally staid and bureaucratic culture. This can make the implementation of change difficult. Middle managers respond to organisational change by Weighing Up such change in terms of both the content and process of the change. Weighing Up is the core variable that best explains the response of middle managers to organisational change. It is a process that has no clear, ordered trajectory and it has the property of being of variable duration. Weighing Up has three other important properties: it is influenced by an individual's predisposition to change; by their willingness to have regard to others' needs as well as their own; and by managers' social reference groups.

Weighing Up results in an emotional state comprising one, or a combination, of the three primary emotions; pleasure, annoyance, and apprehension. Emotional states vary in their type, intensity, and duration. Managers then act on their emotions. Their behavioural responses vary across a range from active or passive support for the changes, to vocal dissent, active resistance, and, most extreme of all, exiting the organisation. Collectively and individually these responses have consequences for the success of organisational change.

This model has a number of significant similarities with a model developed by Meston and King (1996). In the grounded theory tradition, Meston and King's work was not accessed until selective coding had already begun in this study. It is interesting to see the extent of the similarities between the two models, which reinforces the ability of grounded theory studies to capture what is actually happening in an action scene. Meston and King's model is shown overleaf in Figure 12.
Both models are based around a core variable of evaluating change, although this construct has been given a different name in this study. Both incorporate the idea of some hierarchy of criteria by which managers carry out that evaluation. Meston and
King describe this hierarchy as *Dominant Personal Values*, whereas in this study they are called a *psycho-social needs hierarchy*. Upon elaboration, both hierarchies are concerned with the process and content of change: the difference between the two models lies more in the naming of the categories than the properties of those categories. Both models also recognise the importance of social reference groups in influencing individual responses. Where the two models differ is in their treatment of the response to the evaluation process.

Meston and King talk of *situation-specific responses*, mediated by a manager's perception of the strategies and resources available to him or her. The findings of this study, on the other hand, suggest that behavioural responses are mediated by a manager's emotional state. Issues of resources, constraints, and workload are seen as properties of the change process (which incorporates managers as recipients and implementors) rather than as conditions mediating a manager's response directly. This is an area where further research is necessary to determine the nature of these variables.

3. CONCLUSIONS

This study makes three significant contributions to our understanding of organisational change. The first is that establishes more firmly a separate explanatory process based on evaluating. Second, it emphasises the importance of emotion in organisations. Third, it reinforces in the management literature something that sociologists have long accepted, namely, that non-work factors influence our work lives.

(1) Evaluating as an explanatory process

When this study, Isabella (1990), and Meston and King (1996) are considered together, they form the basis of an interpretive model of organisational change that is based on evaluating (in this study called Weighing Up) the effects of such change. Managers evaluate change against their own unique and dynamic hierarchy of what is
important to them. It seems clear that this evaluation is both an individual and a social process, influenced by reference or peer groups, and that what is evaluated is the content and process of change. These theoretical categories have properties that make them unique and dynamic, thereby accounting for the variation in managers' responses.

The primary contribution of this study is its reinforcement of evaluation as a construct which provides a powerful explanation of organisational change. Currently, the dominant interpretive perspective in organisation studies is sensemaking (Weick, 1995). Weick (p.17) describes seven characteristics of sensemaking that set it apart from other explanatory processes such as understanding, interpreting, and attributing. To this list of explanatory processes could be added a new concept, evaluating. Evaluating is similar to interpretation, and different to sensemaking in one respect, in that, as Weick suggests (1995, p.13), evaluation and interpretation produce a 'product' - an interpretation, or an evaluation, whereas sensemaking does not.

Although evaluating, or Weighing Up, is similar in that respect, and others, to understanding, interpreting, or attributing, it has properties that are not present in those other explanatory processes. Firstly, it emphasises psycho-social needs and the importance of work in meeting them. Psycho-social needs are not properties of these other explanatory processes. Secondly, evaluating involves more than merely understanding or interpreting what is going on: it involves an assessment, a weighing up, of those events. Seeking to understand or interpret such changes (through involvement or information) is only part of the broader evaluation process. And thirdly, emotion is much more important in the evaluation process than in understanding, interpreting, or attributing. These differences are sufficient to justify evaluating as a separate theoretical construct, one that sheds a new understanding on organisational change.
(2) Emotion in organisations

One of the most interesting and unexpected findings of this study was the importance of emotion in managers' work lives. As Watson (1995) notes, most of the classic texts on management paint a picture of managers as rational, logical, unemotional beings. With the exception of the Tom Peters' (1982, 1987) genre of management literature, which exhorts managers and their staff to have fun and to be passionate about their work, and the work of authors like Arlie Hochschild (1985) who studied emotional labour in organisations, and Jackall (1988), emotion has not featured prominently in management theory. It is interesting to note that Meston and King do not refer to emotional states as being an outcome of their evaluation process, but prefer to see an assessment of available strategies and resources as determining the behavioural response.

Fineman (1993) expresses the paucity of attention to emotion in organisations thus:

Writers on organisations have successfully 'written out' emotions, to the extent that it is often impossible to detect their existence. A scan of the indexes of recent texts on organisational behaviour reveals no direct entries under 'feelings' or 'emotions'. We teach and preach on organisational life and management, usually acknowledging that our subject matter can be a bit messy - because people are not like machines. But at the same time we fail to square up to the essential emotionality of organisational processes, much of which is, and is likely to remain, unmanaged (p.1).

In contrast to the prevailing emphasis on managers as completely rational beings, this study suggests that managers' responses to organisational change are primarily emotional, and that change-induced emotional states can be very enduring in character. The outcome of the Weighing Up process is an emotional state, often one of apprehension or resentment, that influences behavioural outcomes, and hence organisational change outcomes. This is the second contribution that this study makes. It
emphasises the importance of the emotional dimension of organisational change. If senior managers, as change strategists, are to establish effective implementation processes and networks then this study suggests that they need to have an understanding of the role emotion plays.

(3) Non-work factors

That orientations to work cannot be understood simply through looking at the experience of work itself, but require an understanding of non-work factors is well established in the sociological literature. For example, one of the best known studies in this area is a study of Luton-based Vauxhall car workers in the UK during the early 1960s by Goldthorpe and others (The Affluent Worker, 1968). Although The Affluent Worker study has subsequently been criticised (eg., Grieco, 1987), its central message is still valid - workers do not leave their home life at the office door or the factory gate. Rather, there is a "complex and two-way relationship" between the work and non-work aspects of our lives (Watson, 1995). The importance of non-work factors in understanding people's behaviour at work is so well accepted in the sociological literature that it is difficult to understand why so little attention is paid to it in the management literature. Tony Watson, sociologist turned management professor, is one of the few writers to attempt to bridge this gap between the two bodies of literature. In his book In search of management (1994) Watson has a section entitled Home and work, husbands and wives in which he discusses the way in which workloads impact on home life, and the mutual "spill over" effect of work into home and home into work.

Systems theorists (eg., Katz & Kahn, 1966) have long stressed that organisations are not closed systems. Instead, organisations are best viewed as open systems that exist in a broader environment with which they interact in a mutually influencing relationship. If we accept that at an organisational level organisations are open systems, why are we not also prepared to see individual experiences as being part of a wider work and non-work system? Perhaps the answer lies in the fact that the primary audience for organisational research is practising managers and that the research agenda is being led by managers
and consultants rather than academics (Barley, Meyer, & Gash, 1988). Managers are interested primarily, some would argue solely, in organisational performance. Non-work factors could be seen not only as irrelevant, but even as undesirable, by managers. Who wants to consider the effect of change on a manager's home life when planning change? In ignoring non-work factors, researchers, seeking an accepting audience for their work, may follow that managerial lead.

In emphasising the importance of non-work factors in explaining the response of middle managers to organisational change, this study perhaps begins to open the door for an increased interest in such factors - even if only from a purely pragmatic perspective. Thus the third contribution of this study is the way in which it seeks to integrate sociological concepts, which are grounded in the study's data, into the management literature.

4. IMPLICATIONS FOR MANAGERIAL PRACTICE

One of the strengths of grounded theories is that they explain, rather than merely describe, what is happening in an action scene. Good grounded theories work; that is, they must:

.... enable the person who uses it to have enough control in everyday situations to make its application worth trying. The control we have in mind has several aspects. The person who applies the theory must be enabled to understand and analyse ongoing situational realities, to produce and predict change in them, and to predict and control consequences both for the object of change and for other parts of the total situation that will be affected (Glaser & Strauss, 1967, p.245).

This feature of the methodology means that grounded theories will typically assist people in managing the action scene, in this case the management of organisational
change in local government. Consistent with this approach, this study has a number of important implications for managerial practice in local government.

(1) Taking a holistic view of work life

It was noted above that managers are not completely rational beings who evaluate organisational change clinically and coldly. On the contrary, they have unique and changing needs that encompass their non-work and work lives, and their emotional state plays an important role in influencing their response to organisational change. It is therefore crucial that senior managers recognise this and that they do not proceed in planning and implementing change as if emotion had no place at work, and as if people's work lives constituted the only basis on which they will respond to organisational change.

If senior managers wish to establish the implementation networks that are necessary for successful organisational change they need to achieve a better understanding of how middle managers respond to change. This study suggests that this understanding can be better achieved if senior managers take a holistic perspective that recognises that their subordinates will respond emotionally to change that affects them, and that those managers' non-work lives will influence those responses. But it is one thing for senior managers to know and understand how important non-work factors can be; it is another for them to use that knowledge in implementing change. The findings of this study do not suggest that organisational requirements should be made subservient to non-work considerations. But they do suggest that organisational change is more likely to be effective if senior managers have an understanding of the factors that influence the response of middle managers. Such an understanding may allow for some accommodation in either the change content or process, and it will make it less likely that responses will be misinterpreted. In essence, understanding is the first step to managing change responses.
Managing the political environment

The highly political nature of local government poses special problems for middle managers, as has been noted. The most serious concern expressed by managers is the fear of being attacked in public (during committee or council meetings) by elected members. Apart from assisting managers to develop "thick skins", a solution to this problem is to attempt to manage the politician-staff interface in a way that avoids placing middle managers in the firing line. An example of the type of strategy that might be available to senior managers in local government is provided by the researcher's personal experience. When he was General Manager of the Banks Peninsula District Council in 1993 there was a high level of cooperation between elected members and management. If an elected member had any concerns about the contents of a manager's report then the onus was that member to discuss his or her concerns with the manager prior to the meeting so that the issue in question could be discussed. There was an understanding that managers would not be criticised in a public forum without at least this level of prior warning. From the managers' perspective this arrangement worked well, and it went a long way to alleviating the type of concerns expressed in this study.

While such arrangements worked well in a small rural council with a high degree of political consensus, it may be more difficult to achieve the same results in a larger and more politically confrontational council. However, that does not mean that senior management should not at least attempt to manage the political-staff interface. If the detrimental organisational effects of scoring political points at the expense of middle managers were pointed out to politicians then some improvement in the relationship might result.

Honouring psychological contracts

Organisational change will almost inevitably mean the psychological contract between the organisation and the middle manager will be changed in some way. Rousseau (1995) suggests that such change can come about in two ways. The first method is through accommodation, where adjustments are made to the existing psychological contract, but the spirit if not the letter of that contract is honoured. This
might mean that the relative benefits accruing to each party remain equivalent, even if changed; that there is a degree of participation and voluntariness about the changes; and that the core of the contract remains constant. This type of change, which accords closely with meeting some of the key content and process needs identified in this study, is less likely to lead to perceived violations of contract and resulting disaffection. The second type of change is transformational, where an existing contract is basically replaced by a new one. For this reason transformational change is much more likely to result in perceived contract violations, with all the consequences discussed previously.

Therefore, it is important for senior managers to be aware of and understand psychological contracts. This is particularly so with slower, less transformational change programmes where at least the opportunity exists to effect change without being perceived as violating existing psychological contracts. A senior manager who understands the need to observe the spirit of the existing contract; who involves middle management in negotiating the changes; and who ensures that perceptions of relative equality of consideration and fairness are observed, is more likely to achieve a positive evaluation outcome than a manager who enters the process unaware of these factors. This in turn will mean the chances of successful organisational change will be enhanced. It is perhaps less important in cases of transformational change, such as a major restructuring, because the contract changes are so great that the existing contract is going to be replaced in any event. However, that does not mean that negative evaluation outcomes are inevitable because, as found in this study, there are a number of other variables that can be managed to achieve a satisfactory result.

(4) Avoiding goal-practice divergence

Leadership texts emphasise the need for managers to set an example by their conduct for others to follow. In other words, there should be consistency between word and deed. What this study has confirmed is that the same need for consistency exists at an organisational level. Thus, when senior managers promulgate new vision, mission, or values statements, they must be aware that middle managers (and one could probably
generalise to all the staff) will be Weighing Up any subsequent organisational changes in terms of those statements. It is therefore very important for senior managers to behave in ways that are consistent with such statements. If organisations are inconsistent then the likely result will be cynicism and disaffection, leading to a reduced probability of successful organisational change. Senior managers should observe the old marketing maxim, "under-promise and over-deliver".

A further implication is the need to ensure that the organisation's new values are clearly expressed and well understood. For example, in this study the "Giving Value - Being Valued" programme was interpreted by some managers and staff as meaning being valued in terms of improving wages and conditions of employment. When that did not happen, and when workloads increased, resentment and cynicism resulted. So, the implications for management are: ensure consistency between the organisation's goals and the change process, and ensure that those goals are clearly stated to avoid misinterpretation.

(5) Involving middle managers in the change process

The more that middle managers are involved and consulted about change, the more likely it is that they will Weigh Up change favourably. It follows that senior managers should involve middle management wherever possible. To be effective, such involvement must be genuine and not a sham, for sham consultation is akin to goal-practice divergence in that it only raises and then dashes expectations.

The recommendation that managers consult and involve employees is not new, particularly in the quality literature, and the reasons for doing so are well documented (see, for example, Lawler, Mohrman, & Ledford, 1992). These reasons become even more important in the case of middle managers who, by virtue of their position in the organisational hierarchy, have additional responsibilities in the implementation of change. The findings of this study suggest that middle managers have high expectations of being involved, and if these are not realised, then resentment, apprehension, and
disaffection result. It is therefore important that senior managers should see middle managers not just as recipients of change, but also as empowered implementors. It is recognised that there may be some circumstances where decisions need to be made without middle management involvement or consultation, but where it is possible, it should occur.

(6) Providing information about the changes

Closely allied to the above is the finding that the quality and quantity of information about the changes that is provided to middle managers is linked to the likelihood of a positive evaluation outcome. As shown, this is because possession of information reduces fear and anxiety and gives managers a greater sense of control over the change process. Having information about the changes also assists middle managers who are required to implement those changes.

Senior managers involved in organisational change should therefore endeavour to provide as reliable, as complete information as possible, as early as possible. Ideally this should include information about the reasons for the change (to encourage middle managers to take a world view), as well as information about the content and process of the changes. This is particularly so if external actors are involved in the change process. If information is provided early enough then that may mean that middle managers are involved to some extent as change strategists, as well as implementors and recipients. The aim of senior management should be to avoid periods in the change process where the grapevine dominates and apprehension becomes the prevailing response, because apprehension and anxiety are more likely to lead to negative evaluation outcomes. The manner in which information is provided is also important: if it is presented as a fait accompli, with no opportunity for middle managers to be consulted and involved in the change, then some of the benefits of providing the information may be lost. Thus, information and involvement are related categories.
The various implications for managerial practice discussed above are all what might be labelled non-theoretical, "hands-on" issues. As discussed at the outset of this section, this feature reflects the aim of grounded theories to assist in managing the action scene in ways that work and are relevant.

5. IMPLICATIONS FOR FURTHER RESEARCH

There are two features, in particular, of grounded theory that have important implications for any future research arising out of grounded studies. The first of these is that the product of a grounded theory study is a substantive theory that is grounded in the particular area of investigation. It might be held to be relevant only to that area. For example, in the context of this study, the theory might be held to apply only to middle managers as opposed to all recipients of organisational change; or only to local government rather than to all industries; or to organisational change as opposed to change generally. It follows that the opportunity exists to use the substantive theory to contribute towards the development of a grounded formal theory dealing with the same phenomenon. For example, the work that Glaser and Strauss (1964, 1968, and 1970) did on the status passage of dying led to the development of a formal theory of status passage (Glaser & Strauss, 1971). In the case of this study one could conduct further grounded studies of responses to change in other work and non-work situations to develop a formal theory of change. Such a theory would have widespread application for many areas of our lives.

The second feature of grounded theory studies that has implications for future research is that grounded theory studies have as their aim to account for most of the variation in the behaviour of people in the action scene under investigation. This means that the theories fit and work, and it follows that they are theoretically comprehensive. One only has to read Awareness of Dying and Time for Dying (Glaser & Strauss, 1964 and 1968) to appreciate the completeness of grounded theory monographs and the relatively
limited opportunities for future inductive research in that action scene. However, this is more pronounced with grounded theory monographs than dissertations, which by their nature are more likely to leave opportunities for some future inductive research. In the former case, further research is more likely to be verificational in nature. With these observations in mind, five opportunities for further research have been identified, and these will now be discussed.

Firstly, this study can be extended in a number of directions. Future research could focus on contexts other than local government, for example, manufacturing, health, education, professional services, and so on. Or alternatively, the theory could be extended to include staff at all levels rather than just middle managers. Do front line staff respond differently to middle managers? And in this vein future research could examine responses to different types of organisational change. The Christchurch City Council programme was perceived as being a long-duration culture change programme. Is the empirical model described in this study valid in cases of short-duration restructuring type changes? If a number of such substantive studies were conducted, in time this might enable a formal theory of organisational change to be developed. Such a theory would fill a large gap in the organisational change literature (Wilson, 1992).

The remaining four opportunities for future research are concerned with further elaborating aspects of the theoretical framework developed in this study.

(1) The linkage between affective state and behavioural response

In this study two tentative hypotheses were proposed that dealt with this issue. These hypotheses can be stated as follows: (i) that supportive behaviours are more likely to result from feelings of pleasure about the changes; (ii) that disaffective responses such as resistance, neglect, or exiting, are more likely to result from feelings of apprehension or annoyance about the changes. These are general hypotheses, and there is scope for further elaboration to determine more precisely the relationship between categories of affective state and behavioural response. For example, Meston and King
(1996) suggest that one of the determinants of whether evaluations of change result in behavioural responses is the extent to which managers feel they have the power to influence change outcomes. In other words, are there mediating conditions that influence the relationship between affective state and behavioural response, and if so, what are they and how do they operate?

(2) What factors influence the extent to which managers adopt a world view?

One of the findings that distinguish this study and Meston and King's (1996) work from Isabella's (1990), is the hypothesis that managers are willing, in certain circumstances, to adopt a world view of what effect the changes will have. The degree to which managers will take others' interests into account in the Weighing Up process is an important determinant, for it has been hypothesised that the more willing a manager is to adopt a world view the more likely it is that he or she will evaluate change positively. This is because world view managers see the reasons for and benefits of the changes from the point of view of the organisation or its customers. It would therefore be of potentially significant benefit to organisations if it could be established what the conditions are that give rise to consideration of a world view.

(3) How do organisations influence enduring affective states?

Although this study was conducted six to eight years after the 1989 amalgamation of local government, it was clear that there a lot of amalgamation baggage still exists. In other words, there is evidence of strong and enduring (negative) affective states. Managers thought that between ten and fifteen per cent of the work force carried this amalgamation baggage, which made implementing change much more difficult for them because of the cynicism and resistance to change that was present in the organisation. While the aim of this research is to assist managers in avoiding negative evaluation outcomes in the first place, for managers who join organisations where disaffection is common another issue is important: what strategies can they effectively employ to change that situation? How can enduring negative affective states be altered?
(4) Strategies for coping with overloading

Managers increasingly face permanently heavy workloads, which are exacerbated by change work. The difficulties managers face in coping with the 'change hump' is well documented, particularly in the TQM literature (for example, Choppin, 1991). It would be valuable to identify in more detail the strategies managers employ to cope with overloading; the mutual influence of personal careers on those strategies; and the effect of overloading on the effectiveness of the implementation of organisational change.

In addition to the five opportunities for further research discussed above, the empirical framework could be subject to verificational research in respect of any of the hypotheses contained in the framework.

5. SUMMARY

This chapter summarised the findings of this study and integrated them with the findings of other studies of organisational change to establish the core of an interpretive theory of how middle managers in local government respond to change. The contributions made by this study are to confirm the centrality of the evaluation construct, called Weighing Up in this study, in explaining managers' responses, and to highlight the importance of emotion and of non-work influences in our work lives. The implications of these findings for managerial practice were discussed, as were opportunities for future research.
ACKNOWLEDGMENTS

Four years ago when I started this thesis I had no idea how long and difficult I would find the experience. Throughout that period Jocelyn has had to put up with much: moods, frustration and, at times, my despair at whether it all worth the heartache. Jocelyn constantly brought another perspective to my work that preserved my sanity. For her understanding and support, I dedicate this thesis to her.

I would like to thank my supervisors, Dr Stephen Dakin and Professor Bob Hamilton, for having the confidence in me to allow me to embark on this, for us, relatively uncharted research process. Their guidance and support throughout the preparation of this thesis has been much appreciated.

Dr Barney Glaser was a source of inspiration and wise counsel and over the last two years we have become good friends. To Barney, a big thank you.

This study would not have been possible without the full cooperation and support of the Christchurch City Council, to whom I owe a debt of gratitude. In particular I would like to thank the City Manager, Mr Mike Richardson, who has been very understanding and supportive during the lengthy period of time it took to complete my data gathering. Thanks also to Mrs Dorothea Brown and Mr Joe McCarthy for opening so many doors and facilitating my access throughout the council in the early days of the study.

Finally, I extend my thanks to those individual staff members, who must remain anonymous, who gave up their valuable time to be interviewed by me.
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APPENDIX ONE: LOCAL GOVERNMENT REFORM

1. INTRODUCTION

The purpose of this analysis is threefold. Its first objective is to define and describe in an introductory fashion the current system of local government in New Zealand. Its second is to discuss the 1989 local government reforms that led to the current system and which provide the "contextual conditions" (Layder, 1983) within which the responses of local government managers to organisational change has been researched in this study. The discussion will first locate the reforms in the broader reform program of the fourth Labour government (Holland & Boston, 1990) which was ideologically grounded in an "enterprise culture" (Keat & Abercrombie, 1990). This grounding was evident in the aims and objectives of the reforms, which in general terms were to improve the management of public resources and encourage greater accountability at a political and managerial level (Elwood, 1993). In discussing the reforms a structural analysis approach has been used. Dente and Kjellberg (1988) argue that just as a behavioural or interpretive approach is useful for filling in details of how reorganisation occurs within a given structural framework, a structural analysis is useful for analysing why the reforms were initiated and why a certain form of reform was chosen. The success of the 1989 reforms is then evaluated. In this fashion this appendix intentionally provides a structural framework within which this grounded theory study of organisational change has been conducted. This responds to the objections of Brown (1973) and Layder (1983) who argue that grounded theory amounts to a form of empirical reductionism because it ignores the wider structural context within which social psychological processes occur. The third objective is to discuss what the reforms have meant to local authorities at an organisational level in terms of some of the demands it has imposed on middle managers in local government.
2. LOCAL GOVERNMENT IN NEW ZEALAND

As this study has been concerned with how middle managers in local government respond to change it may assist the reader by defining and describing local government in New Zealand. This part of the appendix is concerned with that task.

The various components of local government are created by the Local Government Act 1974 and its amendments. A useful summary of these components is provided by The Officials' Coordinating Committee on Local Government (OCCLG) which defined local government as:

...including all territorial authorities, community councils, regional authorities and special purpose authorities including those quasi-local authorities which operate at the local level and have power to spend public money, tax, or regulate behaviour.

OCCLG (1988).

The New Zealand Local Government Association's definition of local government's role has a similar emphasis:

The mission of local government is the provision of activities which can be most effectively (that is sensitively and efficiently) delivered by government agencies, within communities of interest, in accordance with local needs and aspirations (New Zealand Local Government Association, 1988, p.3).

Local government is thus taken to mean those institutions of government that represent, and are active in, a defined local constituency, as opposed to operating at a national level. That is the preserve of Parliament. Likewise, local government should not be confused with the local branches of government departments such as the Income Support Service which, while active within local communities, are run on a nationwide basis as organs of central government. Local government enjoys a much greater degree
of autonomy than do such organisations and is in fact a decision making level of government. It follows that local government should be seen as part of a broader system of government as a whole. However, it is important to note that local government is a creature of statute and does not have any power of general competence; such power is reserved to Parliament.

The purposes of local government are set out in Section 37K of the Local Government Act, and they are to provide:

1. Recognition of the existence of different communities in New Zealand;
2. Recognition of the identities and values of those communities;
3. Definition and enforcement of appropriate rights within those communities;
4. Scope for communities to make choices between different kinds of local public facilities and services;
5. For the operation of trading activities of local authorities on a competitively neutral basis;
6. For the delivery of appropriate facilities and services on behalf of central government;
7. Recognition of communities of interest (both regional and district);
8. For the efficient and effective exercise of the functions of, duties, and powers of the components of local government; and
9. For the effective participation of local persons in government.

These functions are discharged by three distinct types of local authorities, each with a different role;

Regional councils are based on regional communities of interest. They have a wide variety of functions, duties, and powers under the following legislation (inter alia); the Resource Management Act 1991; the Agricultural Pests Destruction Act 1967; the Noxious Plants Act 1978; the Soil Conservation and Rivers Control Act 1941; the
Harbours Act 1950; the Marine Pollution Act 1974; the Civil Defence Act 1983; the Transit New Zealand Act 1989, and the Transport Services Licensing Act 1989. New Zealand is divided into twelve regions, each with a regional council. Provision exists in the legislation for territorial (see below) and regional councils to combine their functions as unitary authorities. At the current time there are four unitary councils in existence.

In distinction to regional councils, territorial authorities have territorial communities of interest based around cities and districts. Territorial authorities perform an even wider range of mandatory and discretionary activities, including the provision of refuse collection and disposal; roads, footpaths, and bridges; sewerage; water supply; civic amenities such as libraries and community centres; animal control, and the administration of building regulations to name some of the principal activities. There are seventy-three territorial authorities, excluding the Chatham Islands.

Community boards make up the third tier of local government. Community boards are established by parent territorial authorities and derive their authority by delegation from such authorities. They fulfil an advisory function, and any other functions that may be delegated by the local authority that established them. Territorial authorities are required by law to provide administrative and other facilities for community boards. Because community boards cannot and do not employ any staff, the following discussion focuses on regional and territorial authorities only.

Regional and territorial authorities have elected councils whose members are elected for a term of three years. In general terms the role of elected members is to exercise collectively the powers, authorities, and responsibilities vested in their authority by legislation. Elected members are accountable to their community and are responsible for setting policy; identifying outcomes via the Annual Plan process; commissioning outputs; striking rates and auditing the delivery of services by council staff. They are accountable to their constituencies via the political process.
Under the provisions of the Local Government Act 1974 and its amendments elected councils employ only one person - the Chief Executive. The Chief Executive is responsible for all personnel matters, including the employment of all other staff and the negotiation of their contracts of employment. All the other functions of management are delegated to the Chief Executive and thence to his or her staff by the elected council. Council staff are responsible for managing council resources efficiently, effectively, economically and equitably; implementing decisions and service delivery, and providing advice and reporting to elected members. The relationship between elected members and staff is best described as one where the former decide and the latter execute.

Regional and territorial authorities vary in size from smaller rural councils with a few dozen staff to the larger city councils with over two thousand staff. In terms of staff numbers the size of a local authority is primarily, but not only, a function of its revenue or served population: it may also be dictated by the volume and type of services that might have been competitively tendered to outside contractors. For example, in 1994 the Banks Peninsula District Council (where the writer was employed for one and a half years) reduced in size from sixty-seven to thirty-one staff following the contracting out of physical works to a private contractor who took on the thirty-six staff who had been previously employed by the council to carry out those activities.

The current system of local government is quite different to that which existed prior to the 1989 reforms, and it is to that system and those reforms that this appendix now turns.
3. LOCAL GOVERNMENT REFORM

(1) The need for reform

The structures of local government that were in place in 1987 when serious work began on its reform had remained essentially unchanged since the abolition of provincial government in 1876. Based on the English model of local government the country was at that time divided into 63 counties and 36 municipalities, although their combined total eventually grew to exceed 250 by 1950. In addition, an enormous number of ad hoc and special purpose authorities were established to fulfil perceived social needs and, once created, had never had their function reviewed. By 1950 there were some 537 of these special purpose authorities dealing with such diverse activities as pest destruction, water catchment, health, and harbour administration.

Dating back to the last century there were numerous attempts by Parliament to review the system of local government, but with limited results. Growing dissatisfaction with attempts to bring about the reform of local government led to the establishment of the first Local Government Commission in 1946, which was charged with the task of keeping local authorities under continual review. The Commission achieved only limited success. In the forty years between its establishment in 1946 and 1987 it only managed to reduce the number of special authorities to just over 400. The system of local government remained so unwieldy and inefficient that in 1976, more than ten years before Labour's reforms, a task force described New Zealand's local government sector as:

A picture of almost total confusion, and a feeling of helplessness on the part of many citizens who feel caught between two sets of institutions which seem to be becoming less rather than more responsive to individual needs (Scott, 1979, p.13).

In 1980 the May Report (The Report of the Local Bills Committee - Inquiry into the Structure of Local Government) noted that the Local Government Commission's
attempts to restructure local government had proved largely fruitless due to a requirement for amalgamations to be approved by local electors. The report concluded that the vested interests of councillors and parochial opposition to any real change would continue to frustrate reform efforts. This prediction proved to be true: in 1987 local government was still highly fragmented, consisting of no less than 828 different bodies (OCCLG, 1988, pp.8-9).

(2) The Fourth Labour Government

Considering the obvious need, one might consider that it took the fourth Labour government a surprisingly long time to get around to attempting to reform the local government sector. Shortly after the 1984 snap election Labour's spokesman on local government pointed out the need to reform local government to bring about greater autonomy from central government, more accountability, more efficient service delivery and the improvement of the lopsided partnership between local and central government (Bush, 1990, p.23). The following year it created a new Local Government Commission, but was not until 1987 that the process of local government reform actually started.

In the interim the Fourth Labour Government had turned its attention to the private and state sectors where it proceeded to implement radical changes. These reforms were a precedent for the later reform of the local government sector, with their emphasis on improved efficiency and effectiveness. The aim of these reforms was to change New Zealand's economy from one based on the welfare state economic doctrine which had been established in the wake of the 1930's depression and was in full flight by the 1960's:

Once having committed itself to the role of both mitigating distributional shortcomings and productive failures in the market-place, and assuring sufficient systemic efficiency to allow public sector reallocations, the social democratic state increasingly found itself interceding in sectors that had proven incapable of
privately maintaining profitable production. As a consequence, social democrats became responsible for a public sector often overwhelmed by inefficient, unprofitable operations (Denemark, 1990, p.274).

The Labour government's answer to this problem was a 'rolling back of the state', the introduction of monetarist economic policies, and a program of fundamental changes to the public sector including large scale corporatisation and privatisation of hitherto public industries:

The new guidelines have meant reducing the role of the State from overseeing redistributive provisions to a more minimalist function of assuring the markets continuance and promoting individual satisfaction of desired goods and services (Denemark, 1990, p.282).

The Labour government first turned its attention to the private sector. It reduced government subsidies and removed industry protection, thereby forcing industries to change or fail. Next, the public sector underwent reform to improve effectiveness and efficiency. Efficiency became the governing ideal of the public sector in the belief that more efficient use of resources would lead to more effective delivery of goods and services to the consuming public.

These reforms were guided by the New Public Management philosophy (Keat & Abercrombie, 1990) based on the following tenets:

1. A continuing process of privatisation;
2. Deregulation of markets;
3. The restructuring of publicly funded organisations;
4. A reduction in the culture of dependence; and
5. The competitive market organisation should become the model for all organisations to adopt; commercial methods of operation would lead to improved organisational performance.
Local government reform in New Zealand should therefore be seen in two contexts. The first is the historical context of on-going attempts to implement changes in the structure, function, and organisation of local government to improve its effectiveness. Most of these attempts had been either half-hearted or had failed totally because of "a lack of political commitment to change" (Horner, 1989). The second, and most important, context is that of the general economic reforms implemented by the fourth Labour government which fulfilled its much heralded promise of introducing radical politics into New Zealand's political life (Holland & Boston, 1990).

3. The aims of local government reform

The basic aim of all local government reform, including the 1989 reforms, has been to improve the way in which local government fulfils its role. This naturally begs the question of what that role is. The role of local government had not, before 1988, been expressed in any coherent fashion by central government. However, the Minister of Local Government and the Local Government Commission headed by Brian Elwood realised that an understanding of that role must be central to any reform of local government. Bassett (1988) described the purposes and principles of local government as being:

- to recognise the existence of different communities within New Zealand;
- to promote the identity and values of these communities;
- to define and enforce (subject to national guidelines) appropriate rights within those communities;
- to enable communities to make choices between different local public goods;
- to undertake locally owned trading enterprises (where costs and benefits are captured locally) on a competitively neutral basis;
- to deliver on behalf of central government such national public goods as may be most efficiently delivered by local government.

The principle that is evident in this definition is that of the provision of 'local public goods'. A 'public good' is a good (i.e., thing, value, or service) the provision of which
benefits everyone indiscriminately and the benefit of which cannot be restricted to a
certain group within the community without significant difficulty. For example,
defence, clean air, public roads, etc. Often these goods involve a great deal of capital
outlay or continual expenditure and they would not be provided if they were left to
private industry alone. The provision of such public goods is one of the fundamental
justifications for government, whether central or local. A local public good is one where
the provision of that public good benefits all of the community in one locale rather than
across the board nationally. In such circumstances it is generally accepted that the
provision of a local public good should be made as close to the relevant community as
possible - by local government. The public then are viewed as consumers of the 'local
public goods' provided by local government. However, the public, in the form of
ratepayers, are also indirectly the owners of the resources that local government uses to
provide public goods. Thus the public are more than just consumers: they are also
shareholders to whom local government must also must be accountable.

Looking back on the reform process, Elwood (1993, p.2) described the two key
objectives of the reforms as being:

1. Better management of public resources at the local level; and
2. Better standards of accountability at the political and managerial levels in the use
   of those resources.

Accountability and efficiency (or effectiveness) were the twin aims of the local
government reforms. The goal of improved efficiency was based partly on Treasury
ideology and partly in the public desire, not widely articulated, for the best possible
provision of local public goods and management of local resources. The need for
efficiency was also part of Treasury's and the Labour government's determination to
reduce the national deficit by disciplining government spending, devolving government
functions to a regional or local level, and making all aspects of the economy, whether
private or public sector, pay the true cost of consuming resources (Tremaine, 1988).
Improved accountability was not necessarily on Treasury's reform agenda, but came out
of the Local Government Commission's assessment of key problems with the current system.

These twin aims of improved efficiency and accountability are discussed below.

**Efficiency.**

Of the five principles of the local government reform program, the first three directly relate to efficiency. Efficiency was seen to exist at three levels: structural, operational and organisational.

1. **Structural efficiency.** Individual functions should be allocated to local or regional agencies which represent the appropriate community of interest.

2. **Operational efficiency.** There is a case for local authorities to be amalgamated if there are gains, for example, from economies of scale, or a reduction in the number of local elections or the provision of beneficial career structures. However, it is also important to recognise that amalgamation may reduce incentives for efficiency within a given institutional structure. There are costs from size, for instance, the costs inherent in more bureaucratic decision-making processes;

c) **Organisational efficiency.** Local authorities should have clear, non-conflicting objectives. Responsibility for making trade-offs between objectives should be seen as a separate objective. This suggests amongst other things that institutional arrangements should separate service delivery functions and regulatory functions. Otherwise a regulatory authority could potentially guarantee its service delivery arm an unfair commercial advantage. Minimising potential conflicts of interest will ensure that authorities are less liable to capture by interest groups (OCCLG, 1988, p.1).
Structural efficiency meant matching functions to their appropriate level of the local government structure and, equally as importantly, restructuring the system to assist in this. The OCCLG established that a major problem with the current system was a lack of clear division between the functions of different local authorities, local authorities and central government, and local government and the rights and responsibilities of private individuals. A clearer and simpler structure that could be implemented across New Zealand with little variation was necessary to deal with this problem.

OCCLG also drew on the principle that functions or public goods should be delivered to the relevant community of interest by institutions at that level. Thus a major part of achieving structural efficiency was the determination by the OCCLG of communities of interest, what functions were relevant to those communities, and what was the simplest structure that could best meet the needs of those communities of interest.

It has already been noted that prior to the reforms local government was comprised of a multitude of special-purpose authorities. However, the OCCLG believed that multi-purpose authorities would be better at setting priorities and coordinating between functions and would therefore be a simpler and more efficient option than the existing system. There was a reluctance to permit United Councils to expand their functions because they had been shown to be inefficient. The Local Government Commission therefore aimed to establish a three-tiered structure of regional, local and community authorities. The first two tiers (regional and local authorities) would have primary responsibility for clearly defined functions which matched the relevant interests of their communities, thereby attending to both structural and operational efficiency. Community boards would operate at a more local level in an advisory capacity and fulfilling any other roles that their parent territorial authority delegated to them.

The main priority in achieving organisational efficiency was to separate two aspects of local and regional authorities' functions, namely, the regulatory function from actual service delivery. Two options were identified: either all regulatory functions could be
delegated to the regional level and all service delivery functions to the local level, or these functions could be delegated to both levels with steps to ensure adequate separation of function. The first option was deemed to be flawed because it violated the principle of delivering services to communities of interest they were most relevant to: some services were clearly regional in origin and devolving those services to the local level would not have been efficient. Thus the Local Government Commission aimed for separation of regulatory from non-regulatory functions within the new regional and local authorities, and it was largely left up to each authority as to how that would be achieved.

The Local Government Commission also sought to improve functional efficiency by reducing local government's activities in the private sphere. Local Authority Trading Enterprises (LATEs) were seen as receiving special benefits from their status which were not available to their private industry competitors. The Local Government Commission therefore aimed to have all LATEs corporatised or even privatised and run on the same principles as State Owned Enterprises (SOEs). This would serve the dual purpose of forcing local authorities to divert their attention to what was perceived as their core functions, and the removal of special privileges would also pressure LATEs to become more efficient and effective.

The government's experience with SOEs was also to be applied to the non-trading activities of local and regional authorities. Authorities were to be required to adopt the New Zealand Society of Accountant's Public Sector Accounting Concepts which required a shift from the system of cash accounting that many authorities practised to accrual accounting. Formal annual planning and reporting requirements were also introduced. Taken together, these changes were intended to increase local government efficiency by making local government accounting clearer, more realistic, and performance oriented. All local authorities would be placed on the same footing, thereby reducing the divergence of accounting practices that existed.
Accountability.

Whereas the first three principles of local government reform were aimed at improving efficiency, the fourth and fifth were primarily aimed at achieving greater accountability:

(d) any trade-offs between objectives should be made in an explicit and transparent manner so that those affected can adequately exercise accountability; and
(e) clear and strong accountability mechanisms should be encouraged. Relevant mechanisms include electoral processes, mandatory information flows and contestability in the provision of services (OCCLG, 1988, p.2).

Lack of electoral accountability was of particular concern as many local functions had hitherto been discharged by boards, not all the members of which were elected. The United Council structure had demonstrated the problem of asking locally elected representatives to act in the interests of the wider region. Standardisation and simplification were also high on the list of aims for electoral accountability structures. The Local Government Commission aimed to have regional and local councils elected on the following principles:

1. There should be a common electoral law at both local and Parliamentary level;
2. There should be standard electoral arrangement for all types of local government;
3. Different local authorities should share common electoral boundaries;
4. There should be standard residentially-based franchise criteria;
5. All local authority members were to be directly elected;
6. Eligibility requirements should be the same for standing for local office as for voting.

To enable electors to be able to hold their representatives accountable for their decisions it is necessary for electors to know what those decisions are, why they were made, and by whom. This is what is meant by transparency in local government, the attainment of which was one of the key thrusts of the reforms. Bassett (1988, p. 11) summed up the aims of the reforms insofar as they were concerned with improving accountability:
1. All local authority business will be carried out in a manner which is comprehensible and publicly accessible. This will enhance the transparency of decision making;
2. Local authorities will be required to establish clear objectives for each of their activities;
3. Conflicting objectives will be identified and the resolution of these conflicts carried out in a transparent manner;
4. Local authorities will be expected to show how they have organised themselves to achieve and monitor these objectives;
5. The performance of local government will be transparently assessed against the stated objectives;
6. Depending upon the activity, local government will be made clearly accountable either to Government or the local community. Local authorities must establish ways by which local communities or Government are adequately informed and involved in the accountability process.

4. THE REFORM PROCESS

(1) 1984-89

The first step of the reform process could be seen in the appointment of Dr Michael Bassett as Minister of Local Government. Dr Bassett had been a firm supporter of the previous Labour Government's local government reforms. His appointment sent a clear signal that local government reform was on the agenda of the fourth Labour Government. Dr Bassett moved quickly to establish a new Local Government Commission headed by Brian Elwood, for 14 years Mayor of Palmerston North, ex-President of the Municipal Association, and one time National Party candidate. The other members of the newly formed Commission were Vicki Buck, Eric Clark, Heather Little, and Ron Wood.
The Local Government Commission spent much of the fourth Labour Government's first term in consultation. During this period it visited most of the territorial authorities and asked each to conduct a self review and look at the possibility of uniting with neighbouring districts. Naturally, responses to this first attempt at voluntary reform varied. Some limited progress was made, with twenty-seven territorial and seven special purpose authorities entering into schemes for amalgamation (Bush, 1990). By the end of 1987 one city and ten districts had been created from twenty-four authorities and some forty-three other schemes were also being contemplated. On 14 December 1987, in an Economic Statement released by the Government, Dr Bassett announced the "complete and comprehensive reform of all aspects of local government functions, structure, funding, organisation and accountability" (Horner, 1989, p.2). The government announced that the reform program was to proceed in two phases: phase one was to see the development of a policy framework, which was to be completed by July 1988. This would guide the second phase, the implementation of local government reforms, which was to be completed by October 1989.

The subsequent release in February 1988 of the first of what were called Blue Books indicated the extent of the reform program and the rapidity with which it was to proceed. The first Blue Book was a discussion document written by the Officials' Coordinating Committee on Local Government (OCCLG) which had been established to ensure a multi-departmental approach to local government reform. This discussion document identified issues to be addressed, possible options and their consequences, and called for public submissions.

Submissions were duly received and covered a broad spectrum of positions. These were laid out and compiled in the second Blue Book, the Bridgeport Group's Synopsis of Submissions document released in June. This was followed in August by the passage of the Local Government Amendment Act (No 3) 1988, which essentially warranted the Local Government Commission to proceed with the reform program as it deemed fit. Then in December 1988 Dr Bassett released his policy document on the reforms which
outlined the decisions which had been made to date. There were still many areas to be
dealt with at this point. In particular, parallel reviews of resource management, hospital,
electricity and education boards, and liquor licensing trusts were not yet complete and
would have decisive affects on the final functioning of local government.

The guiding principles of local government reform had now been decided and rounds of
indicative schemes and submissions followed as the Local Government Commission
began to deal with individual regions and districts. The following "devastating"
structure (Bush, 1990, p. 241) was proposed by the Commission: twenty-two regions
were to be compressed into fourteen (later reduced to twelve), which would assume
many of the functions of the ninety-eight percent of special purpose authorities which
were being done away with. Territorial authorities were decreased in number by sixty
percent, and all territorial authorities would be either districts or cities: counties,
municipalities and boroughs would disappear from the vocabulary of local government
in New Zealand.

By the end of 1988 the draft reorganisation schemes had been finished and were seen to
be little different from the indicative schemes that they had followed. The first in a
series of legislative measures, the Local Government Reform Bill, had been tabled and a
discussion document on the as-yet unfinalised issue of funding had been released. The
Local Government Amendment (No 2) Act 1989 finalised many of the details of the
new system, which are summarised by Bush (1989). The final reorganisation scheme
reduced the number of local authorities from some 828 units into sixty-five territorial
authorities (of which fourteen were cities), and twelve regional councils. The scene was
thus set for a period of significant organisational change for those employed in the local
government sector. Eighty-seven new organisations had come into existence on 1
November 1989. In most cases these organisations now served new communities of
interest under a legislative framework that imposed a whole set of new demands on the
way they were required to function.
(2) The success of the 1989 reforms

It is necessary to approach the question of how successful the 1989 reforms have been with a certain degree of caution. Several matters must be taken into account. The time scale against which the reforms should be evaluated is particularly important, as the 1989 reforms were clearly intended to take New Zealand into the twenty-first century. Any early analysis of the reforms may fail to capture some of their longer-term effects. However, five years is a sufficient period of time to form a reasonable picture of how effective the reforms have been. Secondly, the perspective and biases of the researcher must also be taken into account. Academics, local government staff, elected members, central government, and the public may well have different perceptions of how the reforms have affected local government. Finally, one must be aware of the criteria that are being used to evaluate success.

The early reports in the wake of the 1989 reforms were somewhat critical of certain aspects, while holding out some hope for the future. The reforms were deemed by some to be successful simply on the basis that they were implemented on schedule. This was particularly impressive because the time frame was quite challenging considering the scope of the reforms. However, criticism was levelled at several aspects of the reforms. Firstly, it was noted that several important aspects of local government were left out of the 1989 legislation. For example, no decisions had been made on the funding of local authorities; Maori participation had not been fully worked out, and a power of general competence for local government had been rejected.

Many people objected to the way in which the reform deadline was met. While on the whole the reformers adopted a consultative and flexible approach to the content of the reforms, when it came to implementation the opposition was, as Bush puts it, "confined to barracks" (1990, p. 244). The Local Government Commission, through the Local Government Amendment Act (No.3) 1988, was given, and used, the ability to force its reorganisation schemes on unwilling participants. As a result of the speed and scope of the reforms, those who were charged with implementing them after amalgamation
faced a number of difficult challenges, and some problems soon became apparent. Most authorities had considerable difficulty in coming to grips with the new organisational and financial regimes. Regional councils in particular, as totally new entities, lacked the experienced personnel with which to create their new organisations. Those they did inherit from the now defunct catchment boards generally did not have the necessary experience.

The almost universal practice of requiring the amalgamation of several authorities into one council gave rise to various problems. Councillors in rural areas in particular had some difficulty with their new, more limited role as being primarily responsible for policy as opposed to the day-to-day functioning of their local authority. Finally there were problems between the different tiers of local government. The regional councils found that most of their constituent districts viewed them as unnecessary additions to the local government sphere and some were greeted with significant hostility. Most territorial authorities were not happy with the idea that they had to share some aspects of local government with the regional government. To further complicate matters some of the newly established community boards appeared to believe that they were the successors of the old counties and boroughs and had to be brought back into line under their district councils. Conflict between territorial authorities and their community boards was common.

An early prognosis of the reforms would have suggested that while the Local Government Commission was fairly successful in creating the new framework on time, the new local authorities themselves were not nearly as successful in fitting themselves into that framework. However there were some success stories. Some of the larger local authorities had anticipated the reforms and implemented changes well in advance. Reports from Richard Walls (1990-91), then Mayor of Dunedin, and John Gray (1990-91), City Manager of Christchurch, were optimistic about the reforms. They claimed to have achieved amalgamation in a very painless, problem-solving and consensus style and described their new organisations as technically and financially stronger, more
efficient and more accountable, and the reforms as more successful than had been anticipated.

In most cases however, any early improvements in efficiency and accountability were offset by the organisational and financial costs of the dramatic upheaval created by the reforms. Thus in the first year and a half or so following the reforms local government experienced a few successes but mostly severe teething pains. The following two years have given more basis for an analysis of the effects of the reforms. On the one hand one can see marked improvements in, and much optimism for, the future of local government. On the other hand the criticisms levelled at local government largely suggest that while the reforms have improved the situation further improvements are necessary. This is reflected in the fact that a new Local Government Amendment Bill is currently before Parliament. This bill introduces significant new reforms, and in particular imposes new requirements on local authorities to engage in long-term financial planning in much the same way that Annual Plans are now required.

The reforms have forced local authorities to implement more efficient systems. For instance territorial authorities have had to appraise their service delivery systems and most have made changes to the way in which they deliver services to their communities. On the whole there has been movement away from delivery through council departments towards using a variety of methods including Local Authority Trading Enterprises (LATEs) and/or business units and to increased use of the private sector through competitive tendering processes. This is particularly so in the case of infrastructural services such as water supply, drainage and sewerage systems, and refuse collection and disposal (Local Government Business Group, 1993).

Local authorities are now more likely to be asking whether they should be in a certain business before they begin asking how they are going to deliver those services. In many cases policy and service delivery functions have been separated. While many elected members of local and regional councils initially had difficulties with the complex
concepts involved with the new accounting practices they are steadily coming to grips with these concepts and using them in their policy making (Chin, 1993). Improvements in efficiency are not being reflected in staffing or expenditure cuts; rather the savings are being used to provide more and better services for the public (Local Government Business Unit, 1993).

In addition the newly rationalised local government structure has made it easier to have and implement initiatives such as city wide campaigns or district events. Local authorities can act at any of three levels - regional, local or community, and the most appropriate community of interest can be targeted for any specific initiative (Elwood, 1993). City councils in particular have used the new structure to promote their city and create events to attract visitors. Not only have these programs promoted the cities to visitors but they have also raised the image of the local council to their own constituents.

Generally then, the reforms can be seen as a success. However there are limits to that success and many see room for improvements, particularly in the area of financial management. The main criticism is that while the requirement for accrual accounting (many councils used cash accounting prior to the reforms) is a major improvement, there is still too much variation in accounting practices. This has made it difficult for the Audit Office to compare local authorities and this undermines the effectiveness of the Annual Plan process as a check on a local authority's performance (Chin, 1993). Inconsistencies are particularly evident in:

1. Cost allocation;
2. Cost of capital;
3. Depreciation and valuation of assets; and

These issues were the subject of the Local Government Amendment Act 1996 which (inter alia) required councils to prepare long-range financial plans addressing these concerns.
5. IMPLICATIONS AT AN ORGANISATIONAL LEVEL

The discussion so far has focused on examining structural reform at an industry level as a means of providing the context within which this study has been conducted. In this final section the level of analysis shifts to the organisational level as the question is posed - what have been the significant effects at the level of individual local authorities?

The most immediate effect of the reforms was the reduction in the number of local authorities: almost ninety per cent of organisations in the local government industry simply went out of existence. In most cases their functions and staff were taken over by new and/or enlarged authorities which faced a number of significant challenges in the years immediately following what is known in the industry as "amalgamation". These included redundancies, restructuring, the introduction of new systems and policies, and the creation of service centres. With the creation of larger councils came the requirement to ensure that services remained or became available at outlying locations. Service centres were intended to fulfil this role by being "one-stop-shop" centres for council services.

The reforms also led to more council services being competitively tendered. Under Section 247D of the Local Government Act councils are obliged to consider different methods of service delivery including their own staff, contractual arrangements with other councils, creating LATEs, or contracting out. Many councils began to competitively tender out their physical works in particular. Where their council works units were unsuccessful in winning tenders it was not uncommon for council staff to be made redundant. Council staff are now aware that they are in many instances in competition with other organisations - a different situation to that they were in prior to 1989.

Section 223F requires every local authority to adopt financial systems and reporting practices that are consistent with generally accepted accounting practice recognised by
the accounting profession as appropriate and relevant for reporting financial information in the public sector. This has meant that local authorities have had to introduce accrual accounting, to make allowance for depreciation and the cost of capital, and identify activity costs. The intention is that costs become completely transparent which, coupled with the tendering out of some works, placed a new emphasis on measuring and managing costs.

The new local authorities are more accountable to their ratepayers through the Annual Plan process (required by Part XIIA of the Local Government Act). Each year a council is required to prepare, through a process of consultation, an Annual Plan specifying:

1. Significant policies, objectives and outcomes;
2. The nature and scope of significant activities to be undertaken;
3. The performance targets for each significant activity. These performance indicators include location; quantity; quality; funding and resources, and timeliness.

Councils are obliged to report their performance against their plan within five months of the end of financial year. Council plans and reports are audited by the Auditor-General.

The requirement to specify and publicly report on performance objectives in terms of quantity, quality, cost and timeliness has led many councils to consider quality management practices. In a survey of local authorities Gordon (1993) reports that 98% of respondents regarded quality in local government as or more important than quality in the commercial sector. However, four years after amalgamation 80% of councils reported having no quality policy and 75% no formal quality systems (Gordon, 1993).

There is evidence that councils are struggling to change their culture to adapt to these changes (see, for example, Richardson & Brooks, 1997). Elwood (1993) suggests that their strong institutional cultures have held back the achievement of the full potential of the reforms in some local authorities. If so, this would reflect overseas findings.
Gordon (1993) notes that a third of his respondent councils reported wanting to change their organisational culture to develop a service or quality culture. The evidence would suggest that this will be a challenging task for them.

Finally, in discussing significant organisational-level changes, there has been a high turnover of CEOs of local authorities. One-third of the CEOs who took office at the time of amalgamation in 1989 had gone by mid-1994, to be replaced in many instances by private sector managers (Report of the Auditor-General, dated September 1994). The Auditor-General’s report was prompted by concerns over the level of turnover amongst CEOs: the loss of industry experience and disruption caused by changes at CEO level were perceived as being undesirable. While the report noted that CEO-elected member relationship difficulties were a major cause of turnover, the challenge of managing in the new local government environment was also noted.

6. SUMMARY

Local government underwent major structural reform in 1989, the aims of which were to bring about better management of public resources and to increase the level of accountability at a local level. The number of local authorities was reduced from 828 to 87, and a number of major legislative changes were introduced that affected the way local authorities performed their functions. Significant amongst these were the clear separation of responsibilities between elected members and council staff, a new financial and accounting regime, and the accountability requirements of the Annual Planning and reporting process. After a long period of stability, local government, which had acquired a reputation for staid, inefficient bureaucratisation, has been subject to a period of rapid and continuous change in the last eight years. These changes have meant heavily increased workloads on council management and staff, which show no signs of easing.
REFERENCES TO APPENDIX ONE


MEMO 60
Memo on Permanent Overloading
Created 8.44 pm, Aug 18, 1997.

See Memo 45 and Int ____ 1, t/u 78 to 81.

In Memo 45 I raised the possibility of a distinction between workload increasing because of CHANGE WORK, ie, the "work hump" associated with managing the change process, and a heavy workload that has become a permanent state of affairs.

This manager's comments confirm my tentative hypothesis. She confirms that people are now working harder: there is "more coming at you and it's so sort of diverse, and you cannot give the time you would like to any one thing".

Other demands have come into their working lives, reducing their job satisfaction.

Unlike CHANGE WORK there is no end in sight to PERMANENT OVERLOADING.
You are invited to participate as a subject in a doctoral research project being conducted in the Department of Management. The name of the project is "Organisational change in local government". The aim of the project is to explore the responses of middle managers to organisational change.

If you agree, your involvement will consist of participating in an interview which may last anywhere from 30 to 60 minutes. With your consent the interview will be taped to assist the researcher later in his analysis of the data you provide.

The overall results of the project may be published, but you are assured of complete confidentiality. Any references to or quotations by participants in the published research will be made in such a way that there will be no possibility of identifying any individual person.

This research is being carried out by Mr Ian Brooks. He can be contacted at the Department of Management at the University of Canterbury. His direct dial telephone number is 3642-665. His departmental supervisor is Dr. Stephen Dakin who may be contacted also through the department. Either person will be happy to answer any questions or concerns you may have. Thank you for your cooperation.
CONSENT FORM

Project Name:
"Organisational change in local government"

I have read and understand the information provided to me relating to the above-named project.

I agree to participate as a subject in the project, and I consent to publication of the findings of the project on the understanding that the confidentiality of subjects will be preserved completely.

I also understand that I may at any time withdraw from the project and that if I do so then any information I have provided will also be withdrawn.

Signed __________________________ Date: _____/_____/9
APPENDIX FOUR: EXAMPLE OF LIST OF CODING NODES

Taken as at 26 June 1997 after coding eight interviews.

<table>
<thead>
<tr>
<th>Node No.</th>
<th>Node Title</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Context</td>
<td>Context or ambience</td>
</tr>
<tr>
<td>(1 1)</td>
<td>Context/Polenv</td>
<td>Managing in a political environment</td>
</tr>
<tr>
<td>(2)</td>
<td>Causes</td>
<td>Causes of loss of control, or syntonicity</td>
</tr>
<tr>
<td>(2 1)</td>
<td>Causes/Involv</td>
<td>Involvement of managers in change</td>
</tr>
<tr>
<td>(2 2)</td>
<td>Causes/Workld</td>
<td>Finding the time to cope with extra workload</td>
</tr>
<tr>
<td>(2 2 1)</td>
<td>Causes/Workld/Causes</td>
<td>Factors affecting increased workload</td>
</tr>
<tr>
<td>(2 2 1 1)</td>
<td>Causes/Workld/Causes/Reorg</td>
<td>Effect of organisational restructuring</td>
</tr>
<tr>
<td>(2 2 1 2)</td>
<td>Causes/Workld/Causes/Home</td>
<td>Effect of factors outside work situation</td>
</tr>
<tr>
<td>(2 2 1 3)</td>
<td>Causes/Workld/Causes/ResSuff</td>
<td>Sufficiency of resources as a cause of workload</td>
</tr>
<tr>
<td>(2 2 2)</td>
<td>Causes/Workld/WkStrat</td>
<td>Strategies for overcoming workload</td>
</tr>
<tr>
<td>(2 3)</td>
<td>Causes/ImplChng</td>
<td>Problem of how to implement change</td>
</tr>
<tr>
<td>(2 4)</td>
<td>Causes/Uncert</td>
<td>Level of uncertainty felt by managers</td>
</tr>
<tr>
<td>(2 5)</td>
<td>Causes/ImmMng</td>
<td>Importance of immediate manager</td>
</tr>
<tr>
<td>(2 6)</td>
<td>Causes/Status</td>
<td>Threat of loss of status arising from change</td>
</tr>
<tr>
<td>(2 7)</td>
<td>Causes/GpMemb</td>
<td>Feeling of being part of group. &quot;All in it&quot;.</td>
</tr>
</tbody>
</table>
(3) Mngers
   Level 3 and 4 managers: subject of study

(3 1) Mngers/MngResp
   The response of managers to change

(3 3) Mngers/MngWk
   Management work

(3 3 1) Mngers/MngWk/InfGath
   Information gathering: type of MngWk

(3 3 2) Mngers/MngWk/CommWk
   Communication work: type of MngWk

(3 3 2 1) Mngers/MngWk/CommWk
   Selling change

(3 3 3) Mngers/MngWk/WkTalk
   Walking the talk: type of MngWk

(3 3 4) Mngers/MngWk/FacChng
   Facilitating change

(3 3 5) Mngers/MngWk/HelpSt
   Getting in and helping staff

(3 3 6) Mngers/MngWk/Delgt
   Delegating or empowering staff

(3 3 7) Mngers/MngWk/TeamBu
   Team building work

(3 3 8) Mngers/MngWk/Celeb
   Celebrating: a type of management work

(3 3 9) Mngers/MngWk/InstrPr
   Instilling pride

(3 3 10) Mngers/MngWk/StratPl
   Strategic planning

(3 3 11) Mngers/MngWk/MngStrat
   Managers' change strategies

(3 3 12) Mngers/MngWk/Neg Ocome
   No definition

(4) Condit
   Conditions or qualifiers

(5) CoreVar
   The core variable

(5 1) CoreVar/Traject
   The trajectory of the core variable

(6) Range
   The full range of the core variable continuum
Conseq
Range of outcomes or consequences

PerGp
Perceived groupings or types of staff

CEO
City Manager, or CEO

CEO/New St
New management style of CEO

FacVar
Face variables of respondents

FacVar/TypWk
Type or class of worker

FacVar/OrgHier
Level in the organisational hierarchy

FacVar/lenServ
The length of service with the CCC

FacVar/LGexp
Length of service in local government

FacVar/Unit Sz
The size of unit the manager manages

FacVar/OrgStr
Organisation structure

FacVar/PhysLoc
Physical location of work units

FacVar/Gender
Gender of respondent

Memos
List of memos created

ChnRecp
Change or outcome recipient

ChnRecp/DiffRsp
Different responses to change

ChnRecp/DiffRsp/PersCh
Personalising change: what does it mean?

ChnRecp/DiffRsp/AccCh
The response of accepting change

ChnRecp/DiffRsp/Resist
Resistance or reluctance to accept change

ChnRecp/DiffRsp/Resist/ResCau
The causes of resistance to change
(12 1 3 1 1) ChnRecep/DiffResp/Resist/ResCau/UnwCh
Unwillingness to change

(12 1 3 1 2) ChnRecep/DiffResp/Resist/ResCau/HidAgen
Suspecting a hidden agenda

(12 1 3 1 3) ChnRecep/DiffResp/Resist/ResCau/Content
Staff contentment

(12 1 3 1 4) ChnRecep/DiffResp/Resist/ResCau/UnfExp
Unfulfilled expectations

(12 1 3 1 6) ChnRecep/DiffResp/Resist/ResCau/FrCh
Fruitless change: no benefit to anyone

(12 1 3 1 7) ChnRecep/DiffResp/Resist/ResCau/NewBr
New broom: a new CEO or manager

(12 1 3 2) ChnRecep/DiffResp/Resist/Staff Conc
Staff concerns

(12 1 4) ChnRecep/DiffResp/DismCh
Dismissing change

(12 1 5) ChnRecep/DiffResp/Enthus
Enthusiastic response to change

(12 1 6) ChnRecep/DiffResp/Denial
Denial or disbelief of changes

(12 1 7) ChnRecep/DiffResp/Uncert
Uncertainty or apprehension of change

(13) ChngFac
Change facilitators

(14) Culture
Organisational culture

(14 1) Culture/CorpSC
Corporate subculture

(14 2) Culture/CultSt
Culture statement

(15) PerOrg
Perceptions of what "the organisation is"

(16) CCC
The Christchurch City Council organisation

(16 1) CCC/PerOrg
Perceived organisational worth

(16 2) CCC/Rivalry
Inter-unit rivalry

(16 3) CCC/IntUnit
Inter-unit differences
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCC/OrgEnv</td>
<td>Nature of the organisation's environment</td>
</tr>
<tr>
<td>CCC/MangTm</td>
<td>Management Team</td>
</tr>
<tr>
<td>ChgRole</td>
<td>Change role</td>
</tr>
<tr>
<td>ChgRole/RolMod</td>
<td>Role model for change</td>
</tr>
<tr>
<td>ChgRole/Lead</td>
<td>Leadership</td>
</tr>
<tr>
<td>ChProg</td>
<td>Change programmes</td>
</tr>
<tr>
<td>ChProg/GV-BV</td>
<td>Giving Value - Being Valued change programme</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStages</td>
<td>Stages in the trajectory of GV-BV</td>
</tr>
<tr>
<td>ChProg/GV-BV/Stages/TmFrame</td>
<td>The time frame for change</td>
</tr>
<tr>
<td>ChProg/GV-BV/Stages/Reason</td>
<td>Reasons or causes why GV-BV started</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep</td>
<td>Steps in the GV-BV programme</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/TrgDev</td>
<td>Training and development</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/LttlTh</td>
<td>&quot;The little things&quot; that are important</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/TeamBld</td>
<td>Team building activities</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/PerDev</td>
<td>Performance development</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/ECNeg</td>
<td>Employment contract negotiations</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/ClimSur</td>
<td>Climate survey</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/JobVal</td>
<td>Job Values Statements</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/ManMeet</td>
<td>Management meetings</td>
</tr>
<tr>
<td>ChProg/GV-BV/GVStep/Cons</td>
<td>Consulting with staff and managers</td>
</tr>
</tbody>
</table>
(18 1 2 10) ChProg/GV-BV/GVStep/ComRes
Commitment of resources to change
(18 1 2 11) ChProg/GV-BV/GVStep/ImpCom
Improved communication, partic. inter-unit
(18 1 2 12) ChProg/GV-BV/GVStep/ProcTm
Setting of process teams re climate survey
(18 1 3) ChProg/GV-BV/GvFail
Potential causes of failure of GV-BV
(18 1 4) ChProg/GV-BV/BngVal
The perception of being valued
(18 1 5) ChProg/GV-BV/Feedsb
Feedback to staff
(18 1 6) ChProg/GV-BV/GV-BVOBJ
Objectives or goals of the GV-BV programme
(18 1 7) ChProg/GV-BV/Traj
Trajectory of GV-BV
(18 2) ChProg/TQM
TQM change programme
(18 2 3) ChnProg/TQM/TQCauF
Reasons why TQM was unsuccessful
(19) Amalg
Amalgamation
(19 1) Amalg/AmCons
Consequences of amalgamation
(19 1 1) Amalg/AmCons/Amper
Personal consequences of amalgamation
(19 1 2) Amalg/AmCons/Lugg
"Amalgamation luggage"
(20) WkLoad
Workload
(22) OrgComm
Organisational communication
(22 1) OrgComm/ForComp
Forming comparisons
(24) PrevCh
Change prior to GV-BV
(30) ShVis
Shared vision