



COMMUNICATIONS AS CHANGE MANAGEMENT VEHICLE

How to Improve Change Receptivity with Organisational Communications

Mari Ruissalo

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TAMPEREEN AMMATTIKORKEAKOULU
Tampere University of Applied Sciences

ABSTRACT

Tampereen ammattikorkeakoulu
Tampere University of Applied Sciences
Master's Degree Programme in International Project Management

RUISSALO, MARI:

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In today's organisations changes are no longer happening every now and then, but are the pattern that continuously takes place in various scale. Changes touch people working in the organisation in many ways depending on the impact and frequency of the change efforts. Change resistance is a natural human reaction which may cause significant challenges for those who create and roll out change implementation strategies.

Receptivity, or resistance, of employees who face the organisational change plays crucial role in the success, or fail, of the change. By the means of effective and regular organisational communications the doubts and fears of employees can be reduced. Communication also provides tools for accelerating the change process when creating common understanding on change reasoning and targets.

The objective of this thesis was to examine the interrelation of employee change receptivity and organisational communications in the context of changes taking place in business organisations. Theoretical frame was built around the nature of change, change resistance and strategic change communications. Research method used in this thesis was deductive desk study where researcher reflects her own experiences with recent academic studies on these themes and draws conclusions out of the reflection process and literature review. As a result of the study a communications framework for a change project lifecycle was put together.

The results of the research show that without properly planned communication the organisational changes are doomed to fail. Employees facing the change need to be considered as subjects of the change, not just objects who need to be informed. Active participation and dialogue in all levels of the organisation throughout the change project improves the project success rate significantly. When there are committed change agents in all layers of the organisation instead of only top management, change is better understood and accepted within the majority of the employees.

Keywords: change receptivity, organisational communications, change management

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ABBREVIATIONS AND TERMS

CEO	Chief Executive Officer
GDP	Gross Domestic Product
NPD	New Product Development
OHS	Occupational Health and Safety
PETS	Political, Economic, Technological, Socio-cultural
Q&A	Questions and Answers
RTC	Resistance to Change

1 INTRODUCTION

In today's organisations changes are taking place more frequently than ever before. Globalization together with ever-widening use of online tools have changed the business environment in many fields. Rapidly changing global trends are forcing organisations to continuously improve their processes and ways of working (Lempiälä, Näsänen & Vanharanta 2015, 62). The variety of changes taking place is wide starting from new organisation models and changes in reporting lines moving on to massive changes such as mergers and acquisitions at the other end of the spectrum.

Employees working in today's organisations face changes as a continuous flow and need to adjust themselves accordingly. Fundamental changes in roles, job profiles and ways of working are today's reality at workplaces. All these changes cause different kind of emotions in the employees. Change resistance is a common human reaction when people are faced with unknown and are comfortable with present, familiar state of things. They would rather not lose position, control and reputation. (Paton & McCalman 2008, 52.)

Managers in charge of change initiatives should understand the concepts of change resistance and change curve and, furthermore, be aware of the impact of their actions. Resistance to change, or RTC, can be reduced through effective organisational design and development but it cannot be removed totally. Effective communication is often the key to successfully opening the door to change. (*Ibid.*, 53.)

1.1 Objective and purpose of the study

The objective of this thesis is to examine the interrelation of employee change receptivity and organisational communications in the context of changes taking place in business organisations. Both literature and researcher's own experiences tell that communication plays crucial role in the success of change projects. The purpose is to evaluate how communications efforts can contribute to improving change receptivity. As a result of the study a communications framework for the lifecycle of a change project will be presented.

Research method selected for this thesis is deductive desk study where researcher reflects her own experiences with recent academic studies on change receptivity and organisational communications. Researcher then draws conclusions from the reflection process and literature review.

1.2 Research questions

Following the objective of the thesis, the research question was formulated as *How to improve change receptivity with organisational communications?* To cover all aspects of the research question three sub-questions were defined:

- a) Why employees feel change resistance?
- b) What is strategic change communications and why is it needed?
- c) What type of communication works best in improving change receptivity during different phases of change projects?

Question a) will be discussed in Chapter 2 which focuses on the nature of change and change resistance as a natural part of human behaviour. Furthermore, various types of change together with drivers for organisational change are discussed in this chapter. The literature review will focus on aspects that are relevant from the point of organisational changes taking place in business environment.

Through question b) the principles of strategic change communications will be described together with the basics of planning effective change communications. Chapter 3 focuses particularly on this question.

Question c) will be covered in Chapter 4 which introduces four academic studies that discuss using employee communication to facilitate change. Furthermore, the selected academic studies propose communication approaches for enhanced change receptivity. These proposals will be reflected to researcher's own experiences from working life and literature.

Finally, Chapter 5 will present conclusions based on the literature review and researcher's reflections from recent academic studies. A communications framework for a change project lifecycle will be presented. Additionally, ideas for further research around the topic will be discussed.

2 NATURE OF CHANGE

Change is about moving from an initial state to a new state (Jones & Murray 2008, 4). Changes conducted in business environment are often considered to be projects or initiatives that follow a pattern similar to any project. Project has a beginning and an end whereas the concept of project lifecycle covers also phases before and after the project. Project lifecycle refers to the chain of phases in which the ideas, expectations and opportunities for a project are identified, the project is executed and the benefits from the project are gained (Artto, Martinsuo & Kujala 2011, 35). In this thesis the term *change project* covers the entire lifecycle of a change project as described by Artto et al. (table 1).

TABLE 1. General description of a project lifecycle (Artto et al. 2011, 35)

Project lifecycle		
Work stages preceding the project	Work stages during the project	Work stages following the project
Ideation, scanning possibilities and preparation	Project execution	Utilizing project results and supporting product use

Essentially change means that something is ending and new things are coming in. In between the start and the end of a change project there is often an interim phase when neither previous nor new system work, or both need to be used simultaneously (Nurmi 2012, 12). That is usually the case when implementing new IT systems or massive organisational changes, for example.

In today's working life change is continuous and it may vary in pace, scale and duration. Change may involve the organisation, the industry, business environment or all of these. Whatever the reason for change is it eventually comes down to an individual employee regardless of what his or her position in the organisation is (Juholin 2013, 388).

Organisations experience small-scale changes every day, for example, when orders come in from new customers or production schedules are changed. These day-to-day occurrences do not usually create significant difficulties for organisations in implementing them and they are usually dealt with a routine manner. (Jones & Murray 2008, 8). In this

thesis routine-level changes are excluded and the focus is placed on developmental and transformational changes.

2.1 Drivers of change

Today's organisations are forced to change in order to survive in evolving environment. From the 1970s onwards the periods of stability when an organisation's operations could be managed without disruptive changes, have become shorter and the need to make changes more frequent (*Ibid.*, 13). The fast development of information technology and manufacturing methods has substantially decreased the need of manual work and shortened connections around the globe. Endless possibilities offered by World Wide Web have created new business opportunities such as online commerce which challenges traditional retail and local stores.

Competitive pressure is an important driver of change (*Ibid.*, 14). Globalisation has transformed the production of goods and services as well as widened markets and competition. Whereas some decades ago businesses were mainly competing against national or continental peers, today the battle field covers the entire globe. Reductions in transportation, information and communication costs have made the global market smaller and different from what it was (Paton & McCalman 2008, 8).

Businesses and organisations are faced with dynamic and ever more complex operating environments. Technologies and products, along with the industries they support and serve, are converging. Old traditions, conventions and systems are being challenged. Regulatory pressures are increasing as those in control i.e. governments, civil services, politicians and leaders, attempt to both direct and manage in an increasingly dramatic and dynamic environment. (*Ibid.*, 6.)

Senior (2002, 26) suggests that organisations operate in three types of environment. Temporal environment influences organisations in two ways. The first is in a general way through the cycles of industry-based innovation which move organisations through series of developments. The second is in a more specific way through the lifecycle of the organisation itself including its history built up from its founder days through periods of expansion and decline. The second type of environment is the external environment which

includes the political, economic, technological and socio-cultural (PETS) environment. The third environment is the organisation's internal environment which consists of those organisational changes which are the first-line responses to changes in the external and temporal environments. This organisational system is depicted in figure 1.

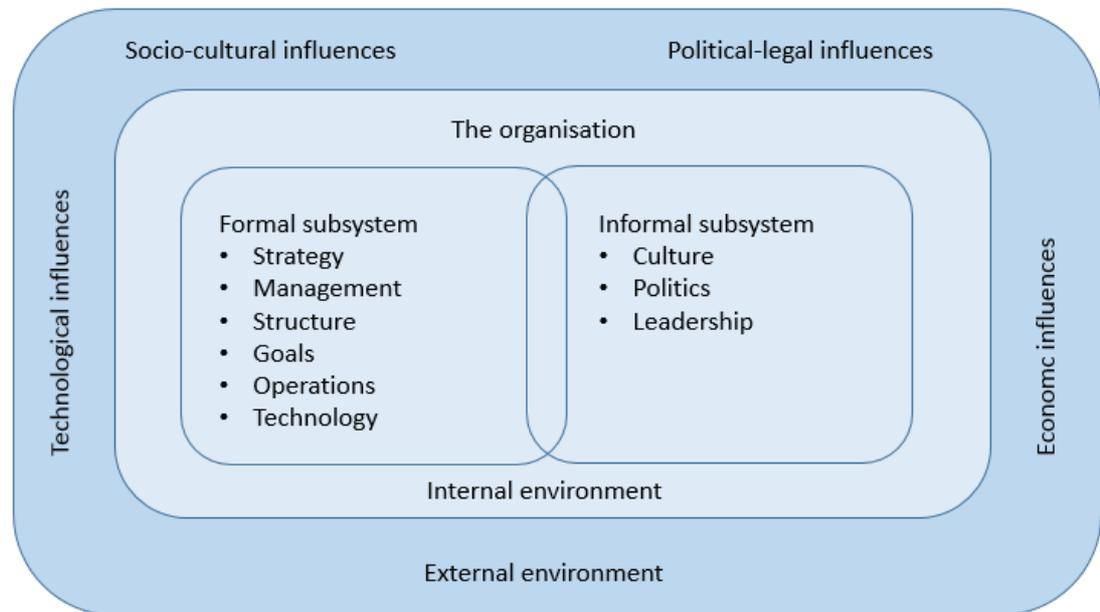


FIGURE 1. The organisational system in multidimensional environments (*Ibid.*, 27)

Jones & Murray (2008, 15–16) have visualised the changing organisational context as a series of concentric circles which represent four different zones namely immediate, internal, near external and far external. Similarities to Senior's (2002, 27) model are apparent although Jones & Murray have broken down the environments into more detailed pieces as can be seen from the visualisation in figure 2.

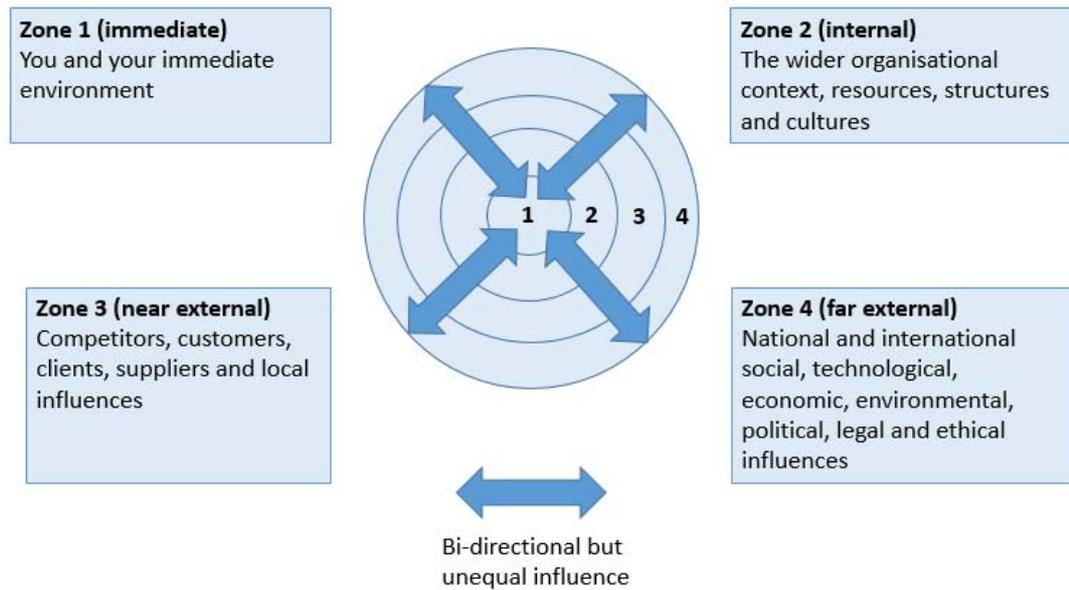


FIGURE 2. The changing organisational context (Jones & Murray 2008, 16)

According to Frost & Sullivan (2014) the global megatrends to 2025 include, for example, eco cities, use of robots in everyday life, virtual shopping and autonomous cars. Furthermore, according to KPMG (2014) Asia's share of global exports is expected to nearly double to 39 % by 2030 with India and China accounting for 25 % of global GDP.

Based on the expected megatrends it is clear that organisations need to rethink their operations also in the upcoming years and decades. Increased flexibility, agility and global approach are needed to be able to survive in international competition within ever-changing environment. As the world around organisations is changing, their formal sub-systems need to change as well to be able to respond to new challenges.

2.2 Convergent and transformational types of change

Change is essential for any type of organisation in order to develop and survive in the long term. Organisational change has many faces meaning there are many different types of change. According to Senior (2002, 35) a basic distinction is made between *convergent* types of change and *transformational* change.

Convergent change covers both fine-tuning and incremental adaptations. Whereas fine-tuning is aimed at doing better what is already done well, incremental adaptation involves small changes in response to minor shifts in the environment where organisation operates. (Senior 2002, 40).

Convergent type of change is often called developmental change because it is usually planned to enhance some existing aspect of an organisation. Continual improvement programs often involve this kind of incremental change. (Jones & Murray 2008, 8). Practical examples of developmental change include upgraded quality standards or OHS procedures.

Transformational change is organisation wide and characterized by radical shifts in strategy, mission and values as well as related changes of structures and systems (Senior 2002, 35). In this type of the change the organisation makes fundamental changes in the way it carries out its business under the influences of external or internal pressures. By its nature, transformational change can be more disruptive and worrying for the people involved, but it can also be an exciting opportunity for creativity and innovation to flourish. (Jones & Murray 2008, 8).

Examples of transformational change include redirecting strategy, cutting of business lines or restructuring the organisational set-up. According to Juholin (2013, 388) transformational change means metamorphosis where the fundamentals of the organisation change into something new.

In this thesis the word *change* is used in wider meaning to cover both developmental and transformational aspects. Daily routine-type changes are excluded from the scope of this thesis.

2.3 Planned and emergent types of change

In addition to convergent and transformational types of change, organisational changes can be divided into planned and emergent types. Fine-tuning and incremental change are features of organisational life and development which can be planned (Senior 2002, 44).

Considering our previous example of upgrading quality standards, it is relatively easy to plan the needed actions and schedule together with the quality team and production staff.

On the other hand, the term *emergent* is used to describe change that cannot be planned definitively and in detail from the start, but which emerges as things become clearer and possible solutions become evident. Therefore, emergent change arises as a consequence of undertaking and engaging with the change process. (Jones & Murray 2008, 10.)

Literature features also criticism towards the division between planned and emergent change types as in some respects change could be viewed as neither wholly emergent nor planned (Senior 2002, 45–46). According to Christensen (2014, 377), organisational change is not something static but an ongoing process that develops and fluctuates over time.

In fact many change projects include both planned and emergent elements. As change process evolves during its lifecycle it may bring along emergent elements although well-planned in the first phase. Practical example could be company-wide safety awareness program which includes both upgrading of safety standards as well as affecting people's safety behaviour. This type of change program can be planned ahead but emergent elements may appear in the form of a new governmental OHS regulation or a fatal accident taking place in company's premises during the program.

For all types of change there is a need for careful analysis of both the external forces at play as well as the internal resources available to the organisation to meet the challenge (Jones & Murray 2008, 10). Planned changes naturally leave more time for systematic thinking and planning ahead whereas a sudden emergent change calls for more rapid reactions.

2.4 Change curve

When people face changes their feelings fluctuate in different stages of the change. They generally go through a series of phases as they come to terms with the change (O'Donovan 65, 2014). A commonly used way to describe the emotional ride is called *change*

curve. It can be considered a map through the change where people may locate themselves and realize where they actually are on their change journey. (Duck 2001, 18.)

As people move through the different stages their attitude to the change and their ability to cope with it evolve. According to O'Donovan (2014, 65), the phases of this process are as follows:

- Shock and denial. When a person first receives bad news he or she can go into a state of denial or even shock. It may appear that this person is doing well with the news but this can be far from the truth.
- Anger. As people start to understand the implications of the news on them they may enter into a state of anger. This might also impact people around them.
- Yearning for the good old days. The person tries to bargain for the old way of doing things forgetting all the problems that were involved. In this phase people can sink into a depression if they feel overwhelmed by their loss and powerless in the face of it.
- Commitment to the new. As people go about their day-to-day lives they start to experience a new way of living. Along with this comes acceptance and commitment.

This process forms the change curve. It applies to organisations in all kinds of change situations. Although the details vary from organisation to another, the commonalities are strong and the learnings of one change can be applied to others. (Duck 2011, 19.)

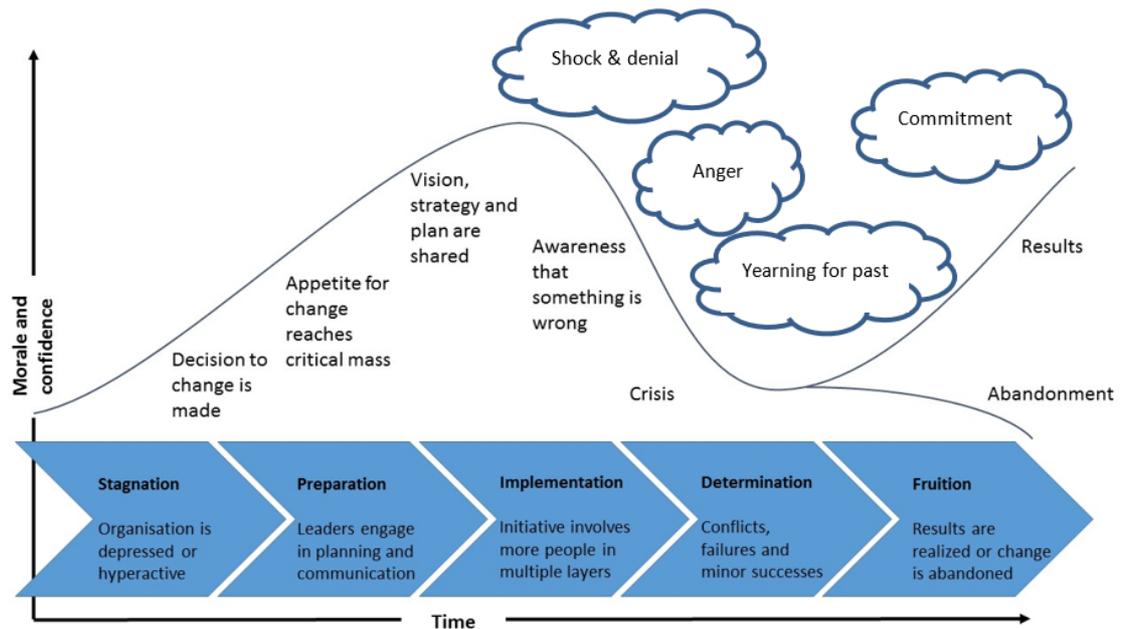


FIGURE 3. Change curve (Duck 2011, 16.; O'Donovan 2014, 66; modified)

Although change curve is applicable to various changes and organisational settings, it is important to keep in mind that it is a simplification. When an organisation is in the middle of change, different departments and subgroups are typically in different phases at any given time. Those people who have been involved in the decision making and planning from the beginning are further along the curve than other people in the organisation. This usually refers to the senior management and other executives. (Duck 2011, 18.)

The role of frontline and middle managers is pivotal in change implementation. However, in many organisations these managers become disempowered as they are by-passed in change implementation strategies. Instead of announcing change to everyone at the same time, local managers should be considered as first adapters. Their role is crucial when connecting the needs of the organisation to change with the people having to change at local level. Disempowered frontline managers may derail even the most well planned changes. (Proctor 2015).

As all people are different the individuals move through the stages of change curve at different speeds depending on how the change impacts them and the level of their own coping abilities. Line managers need to be alert to such differences in their teams and treat people as individuals. (O'Donovan 66, 2014). This requires that managers know

their subordinates well and are able to discuss the change with them individually, if needed. In large, multi-national teams this might be a challenging task to perform.

It is also worthwhile to notice that organisations, departments or individuals may not progress from one phase to the next in an orderly sequence. Some of them may stay in one phase for a longer time than others while some progress rapidly through all phases. Also moving back and forth between phases is typical in change situations. (Duck 2011, 19.) As the scope and impact often become clearer during the change project, it may take people back and forth in their journey along the change curve.

2.5 Change resistance

It is natural for people to resist change. Especially when changes take place all the time, they start to feel like a burden. If someone has experienced many unsuccessful changes a new initiative may cause feelings of fear, fatigue and resistance. It has been estimated that nearly 70 per cent of changes fail in one way or another (Nurmi 2012, 23). Typically senior management blames change resistance and poor implementation, whereas employees say it was because of bad management (Mattila 2007, 11). All in all, it is common that people have both positive and negative feelings and assumptions regarding changes based on their past experiences.

As described, the majority of change projects either fail or do not bring the wanted results. Typical reasons for change efforts to fail include underestimating the importance of people and neglecting the emotional side of change (UPM 2012, 9). When the change project is initiated the members of the organisation make conscious or unconscious evaluation on the effort–reward ratio. If the change requires little effort and provides high reward, people usually support it quickly. On the other hand, if the change is seen to have high effort – low reward ratio, people have negative attitude towards it. In case the change requires little effort and provides minimal reward, organisation is not even interested in it. (Mattila 2007, 19.)

In organisational changes most of the resistance stems from grassroot employees and experts in the organisation. This is mainly because of this group of people is often least involved in preparing the change project and thus also least aware of the reasoning behind

it. They start to build their own view only when the senior management and middle-managers already expect for enthusiastic approach to change. (*Ibid.*, 21–22.)

According to Mattila (*Ibid.*, 22) the sources and reasons for change resistance vary and they can be categorised in different ways (table 2).

TABLE 2. Sources and reasons for change resistance (*Ibid.*, 22)

Source of change resistance	Reason for change resistance
Need for stability	Change causes instability and creates resistance reaction.
Habits	It is difficult to give up comfort and safety.
Norms in the community	Changing accepted norms creates resistance.
Fear of losing job	Aim to secure own job and resist potential risk.
Fear of losing benefits and position	Own benefit overrules the benefit of organisation.
Misunderstandings and lack of knowledge	The idea and consequences of change are not understood or internalised.
Conflicting views	Open conflict with the norms and values of the organisation or its members.
Fear of unknown	Lack of knowledge on future state creates uncertainty.
Fear of not being able to cope	Learning curve and new challenges cause fear.
Need for change is not credible	Reasoning does not feel right and there seems to be a conflict between the work of organisation and external requirements.
Lack of reward	The effort seems to be higher than the reward.

According to Campbell (2009, 216–218), reasons for change resistance can be categorised into fear, feelings of powerlessness and absence of self-interest. Previous experiences have an effect on how people react and what is their reason for resistance.

Change resistance is often seen as a negative phenomenon which indicates that change is considered to be superior to any other ideas or feelings. Criticism from employees is taken as disturbance to the change project instead of fixing potential problems and creating even better ways of working. Controversially, change resistance is not a bad thing as it makes essential issues visible so that they can be considered in the decision making process. In case there are no comments or doubts in the organisation, it has lost its ability to discuss and interact. (Juholin 2013, 390.)

Thus, change resistance should not be taken as a purely negative factor in a change project but more like an opportunity to learn new aspects and development ideas brought in by a larger group of people than those who originally were planning the change. Usually those employees who voice their critique are the ones who are most committed to the organisation and its development – critique is their development tool (Mattila 2007, 26).

Leaders of changing organisations should remember that everyone perceives change differently. Some people love change because they are motivated by variety, challenge or opportunity. Others resist change because they are more cautious or they fear losing something. It is easy to think those who resist change are wrong. Some leaders even choose to exclude late adopters from the change process, keeping the change quiet. However, smart leaders realise that those who resist change often identify gaps in strategy and raise objections that must be addressed. When these people become part of the change-agency group and participate in the rollout, their buy-in increases the credibility of the change process. (Wilson 2014, 41.)

Proctor & Doukakis (2003, 275) suggest that before implementing change the management needs to create readiness for change within the organisation. Organisation should be considered as an internal market for change initiatives where ideas have to be marketed.

By anticipating and welcoming resistance, change project managers are able to convert resistance into a perceived need for change. Thus potential sources of resistance have to be identified. (*Ibid.*, 275). Creating an awareness of the existing problems together with a sense of urgency make people feel there is a need for change. According to Dr. John P.

Kotter urgency is a combination of thoughts, feelings and actual behaviour (Harvard Business Review).

In order for people to see new ideas in favourable light they first need to see what is wrong with the status quo. Sometimes people are not ready to accept that problem exists, even when it is blatantly obvious to an outside person. In these cases it may be necessary to create awareness of problems that exist and point out the potential hazards of not accepting the need for change. Furthermore, stressing the benefits of change is needed to make people acknowledge it is in their own best interest to do so. (Proctor & Doukakis 2003, 275).

When the employees are allowed and able to develop a shared diagnosis on what is wrong in the organisation they will be more committed to change and work towards the set goals. This way change resistance could be turned into change receptivity.

3 STRATEGIC CHANGE COMMUNICATIONS

Communication happens everywhere in the organisation where people meet either face-to-face or virtually (Kortetjärvi-Nurmi & Murtola 2015, 9). From the organisational structure perspective communications is usually one of the support functions in business organisations. The role of organisational communications is to proactively share information internally and externally. In this thesis, the focus is on internal communications targeted to employees. External shareholders, such as customers, shareholders or investors, are excluded from the scope.

The purpose of communications is to enable all other activities within the organisation (*Ibid.*, 9). Similar to other business activities, such as sales or purchasing, communications is executed based on the plans and targets derived from the business strategy. Communications strategy links with company strategy thus supporting overall business goals (*Ibid.*, 54).

In addition to strategy, communications planning is based on vision, mission and values of the organisation. Communications strategy is a backbone for the operative level which includes daily tasks and unplanned ad hoc activities which cannot be completely avoided. With an effective communications strategy and planning the main emphasis is, however, on the proactive work rather than reactive (Juholin 2013, 86– 87).

Also in the times of change communication works best when it is proactive. The need for information increases significantly in change situations. (Kortetjärvi-Nurmi & Murtola 2015, 67). The need for change and change objectives need to be communicated within the organisation. Why the change is needed? What are we targeting with the change project? These questions need to be addressed to with planned communications. According to Juholin (2013, 391) it is practically impossible to execute change projects without communications.

However, communication is also a difficult and frustrating aspect of managing change in an organisation. Therefore, there is a strong need to have well-planned communication and information strategies during the planned change process. (Christensen 2014, 36.)

Proctor & Doukakis (2003, 275) suggest that communication helps employees to overcome ambiguity and uncertainty while also providing information and power to those who are facing changes. Communication enables them to have control over their destiny, to understand why change is necessary and eases fears. According to Christensen (2014, 380) high quality information provided during change reduces psychological insecurity about the effects of change and also increases acceptance, openness and commitment to change.

The importance of communication goes beyond change and is intertwined with all organisational activities. Communication is part of organisation's everyday life but in many cases management tends to forget the special importance it has during a change situation as a result of financial, technical and operational demands of the change process. (*Ibid.*, 382.)

3.1 Planning change communications

The content of communication concerns what information is conveyed to employees before, during and after the change initiative, as well as what information is sought from employees. On the other hand, methods of communication include issues of both timing and media (Goodman & Truss 2004, 218). In regards to media, the most commonly used media in organisational communications include verbal (meetings, information sharing sessions), written (emails, newsletters, note boards) and digital (intranet, info screens, chatter tools).

When the change process is ongoing the need for communications is continuous and regular methods of communications prove insufficient (Juholin 2013, 404). Despite the fact that change project cannot succeed without planned communications, many change initiatives are rolled out without proper communications planning. This leads to reactive communications which takes place too late, is often in written form and does not satisfy the need for information within employees (*Ibid.*, 404).

When communications is considered as equally important part of the change project as financial or legal topics, the communications activities can be planned and executed in a proactive manner. Proactive communication is a process, not an individual action, which

takes form in interaction, dialogue and face-to-face meetings (*Ibid.*, 404). Through open communication channels employees can express their doubts about the proposed changes and can understand the necessity for new ideas (Proctor & Doukakis 2003, 275). According to Christensen (2014, 365) communication by means of feedback and employee participation drives the change process forward.

By using proactive communications the change leaders are able to create understanding of the reasoning for change and the targets. In practice, however, there is often need for both proactive and reactive communications as unexpected things happen during change projects no matter how well everything is planned ahead. Examples of unexpected circumstances include strikes, key people leaving the company and changes in business environment, such as sudden bankruptcy of a competitor.

When planning any communications activities it is important to focus on the content and customise it according to the audience. In order to avoid information overload the main focus topics should be emphasised. When employees face excessive amount of information it gets hard for them to understand the essentials of the change messages (Juholin 2013, 406). Targeted, simple messages that are consistently repeated throughout the change process have proven to be most effective.

According to Barret (2002, 220) the five primary goals for effective employee communication during major change are to:

1. ensure clear and consistent messages to educate employees in the company vision, strategic goals and what the change means to them;
2. motivate employee support for the company's new direction;
3. encourage higher performance and unrestricted effort;
4. limit misunderstandings and rumours that may damage productivity; and
5. align employees behind the strategic goals.

When the change project is initiated people are most worried about themselves: what will happen to me and my job? Later on in the process they become more interested in big picture, that is, what will happen to my colleagues, our department, our company? The critical questions vary along the process and communications should be able to answer them no matter how difficult they may be (Juholin 2013, 407). Quite often employees ask

questions that no one can answer at that point. This is the case when starting employee negotiations or a merger process with another company. Even then it is important to reply the questions with the best available information although the response does not include all the answers.

Dr. John P. Kotter (2007, 4) has introduced eight steps to transforming organisation where communication plays an important role especially in step 4 Communicating the Vision and in step 6 Planning for and Creating Short-Term Wins. However, engaging and meaningful communication enables and eases also other transformation steps (see Appendix 2).

3.2 Principles of change communication

Change communication is part of strategy communication and leadership (Juholin 2013, 391). It should follow the similar basic principles as any communications taking place in the organisation. However, change communication is often taking place in somewhat untypical circumstances in regards to schedules and pressure from both management and employees. Sometimes the general communications principles such as openness and interaction are forgotten or they prove impossible to follow (*Ibid.*, 408).

The most typical way of driving change communication in organisations is the top-down method. This method is often called cascading down information in the organisation. However, relying on an attempt to implement ideas only from the top is likely to meet with difficulties (Proctor & Doukakis 2003, 275). According to Christensen (2014, 360) an effective strategy to avoid pitfalls and hindrances during the project is to involve employees in planning and implementing the change with regard to information and ideas. Thus, the only way to ensure that change is firmly rooted in the organisation, is to involve people from all levels of the organisation.

As discussed, employees need to understand why the change is needed. Usually when people are reasoning a change, they start with what is going to be done and how it will be done. In order to motivate people, a reverse order of reasoning should be used (Sinek 2010). In order to inspire action, managers and leaders should begin messaging from why the change is needed and only after that progress to how it will be done and what is the

expected outcome. People can digest only two to five messages at a time (UPM 2012, 10) so it is critical to focus on few key messages around the question why.

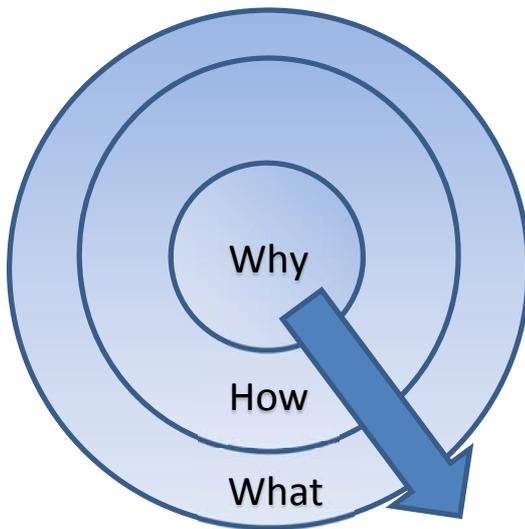


FIGURE 4. How to build inspiring messages (Sinek 2010)

As change processes often evolve along the way and details are defined step-by-step, it is not possible to give precise information to everyone in the organisation immediately when the change is initiated. Employees often require detailed information in the early phases of the change project whereas the management is not willing to share things that are still under discussion or wait for the final decision. Openness is anyhow the recommended approach also in these situations as the topics will become public sooner or later anyhow. When the management is the first to comment on the topic, it is easier to control the content of the messages than when the rumours are already spreading in the isles of the office. Even in case of bad news, people rather hear them sooner than later allowing them to have more time for considering available options (Juholin 2013, 408).

If change communications is not open or does not exist, people will need to rely on unofficial information. The lack of information and communication from managers could give live to rumours and gossip and lead to anxiety associated with the change (Christensen 2014, 360). The importance of rumours and gossip talk varies according to person's cultural background (Lahti 2014, 90). Today's workplaces are more diverse than ever so cultural factors should be considered as part of change communications planning. In some cultures rumours are not important and they are seen as negative talk whereas in other

cultures they are an essential part of information sharing and people think rumours provide important background information to official messages (Lahti 2014, 90).

In addition to openness another key principle in change communications is interaction. Whereas daily communications in normal situation can be largely transmitted via e-mail, intranet and chatter tools, a change situation calls for face-to-face communications. Face-to-face communications should be the most important and most frequently used method of change communications (Juholin 2013, 409). According to Juholin (*Ibid.*, 409) face-to-face communication can be broke down into remote and close approaches (table 3).

TABLE 3. Remote and close approach of face-to-face communications (*Ibid.*, 409)

Remote face-to-face communications	Close face-to-face communications
- information sessions held by management	- team meetings
- negotiations	- discussions between the manager and the employee
- unit and department meetings	- group discussions
- general discussion and development meetings	- workshops
- webcast	- world café
- video negotiations	

In addition to face-to-face communications, other channels may be used to support the change communications. These include intranet, employee newsletter, email and note boards. It is, however, essential to understand that these channels alone are not enough for delivering change messages. Communicating only through official communications channels is one of the key reasons why change efforts fail (UPM 2012, 9).

4 INFLUENCING CHANGE RECEPTIVITY WITH COMMUNICATIONS

This paragraph describes the research method selected for the thesis. Furthermore, it presents four studies on using employee communications to facilitate change. Each study is introduced using a similar structure starting with the definition of the problem, followed by findings and concluded with researcher's own reflections on the topic.

4.1 Deductive research method

Research provides a basis for developing knowledge on a certain field or subject. There are several ways to conduct a research based on different methods. In regards to the methodology of theory and knowledge building there are alternative schools of thought, namely deductive and inductive (Lancaster 2005, 22).

Whereas in inductive research the researcher develops hypotheses or theories with a view to explaining empirical observations of the real world, in deductive research the process is reversed. Deductive research develops theories or hypotheses and then tests out them through empirical observation. (*Ibid.*, 22, 25).

Deductive research starts with the generation of theories. These can be generated in multiple ways, for example, based on researcher's ideas stemming from his or her previous experiences. (*Ibid.*, 22–23).

In this thesis the theory brings together the ideas of others originating from literature review. Furthermore, the researcher aims to work out a solution to a specific problem i.e. how to improve change receptivity by the means of communications.

Deductive reasoning begins from the more general narrowing down to the more specific. Thus, after generating the theory and hypotheses, the collection of observations begins leading to the test of hypotheses with specific data and, finally, confirm or refute the original theories. (Social Research Methods 2015).

4.1.1 Planning secondary data collection

The completion of academic research normally requires the collection of data. The data is then analysed and used to assess the area on which the project is focused aiming to solve problems, explore issues and ultimately make recommendations. Different categories of data include primary and secondary data as well as quantitative and qualitative data. (Lancaster 2005, 80.)

In this thesis the collection of observations and data is done through a desk study based on secondary data. According to Lancaster (*Ibid.*, 80) secondary data is not collected specifically and primarily for the purpose of the research being conducted. However, there is often so much secondary data available that it alone can provide all the answers to the research questions. In some cases it may even be used to confirm or refute hypotheses. Prerequisite for this to happen is careful planning of secondary data collection. (*Ibid.*, 80–82).

According to Lancaster (*Ibid.*, 82), there are a number of steps that any secondary data collection exercise will encompass. The questions include what to look for, where to look and how to look. In regards to what to look for the researcher should focus only on those sources that primarily relate to the research question. There is a multitude of potential sources of data available and the researcher should again concentrate on sources that best serve the research problem and objectives. Finally, the researcher should be interested in finding information rather than data. (*Ibid.*, 82–84.)

All secondary data should be assessed and evaluated according to accuracy, dependability, validity, reliability and relevance to the research at hand (*Ibid.*, 94). The secondary data used in this thesis is derived from four academic studies on using employee communication to facilitate change. The studies were selected on the basis of topicality, relevance and reliability. Academic studies were considered to be a reliable source of information, especially when they are of recent origin and address the thesis research question precisely.

4.2 How communication nature influences resistance to change, Simoes & Esposito 2014

In 2014, an article *Improving change management: how communication nature influences resistance to change* by scholars Paula Matos Marques Simoes and Mark Esposito from the Grenoble Ecole de Management, France, was published in the Journal of Management Development (Vol. 33 Iss 4, 324–341). They studied how communication nature influences change process by conducting a case study in an organisation which was acquired by a larger corporation. Qualitative data was gathered through observation, interviews and questionnaires. Document analysis and group discussions were also used to complement multiple sources of evidence. (Simoes & Esposito 2014, 332.)

The case organisation, here called Organisation X, was one of the largest pharmaceutical companies in Brazil. After having financial difficulties, it was acquired in 2009 by a multi-national pharmaceutical corporation, here called The Group. Simoes & Esposito studied the Organisation X during the years 2009 to 2011 in order to explore communication nature dimensions, identify levels of resistance to change and to find out what are the contributions or implications of internal monologic or dialogic communication natures to resistance to change. (*Ibid.*, 331–335.)

When the acquisition of Organisation X by The Group was announced the main feeling among the employees was of relief due to previous financial problems and related fears about losing jobs. The new owner was expected to bring along financial stability and possibilities for professional development in international business context. The culture within Organisation X was strong embracing informal and open internal climate, and this culture was to be preserved through the acquisition process as required several times by the President of Organisation X. (*Ibid.*, 333–334.)

Six elements of dialogic communication were observed in the study, namely mutuality, propinquity, risk, empathy, commitment and input use. Mutuality is the first principle meaning that participants in dialogue are viewed as persons and not as targets of change. The exercise of power or superiority should be avoided in dialogue. Propinquity means that participants of a dialogue are engaged in the present, instead of after the decision making. It is also related to a willing engagement in the process. Risk is one the key principles of dialogic communication, as it means that participants are able to recognize

openly what they do not know and assume uncertainty as part of the process and the results. The vulnerability of not having such control reveals itself as a position of strength rather than weakness. Then new meaning can be developed collectively. (*Ibid.*, 329–330, 332.)

Empathy is about the environment of support and trust that must exist for dialogue to succeed whereas commitment can be understood as genuineness, commitment to conversation and interpretations. Input use is a dimension to dialogic communication created by Simoes & Esposito covering the idea that the input collected during communication effort could really influence the change initiative. (*Ibid.*, 330.)

In the evaluation of organisational resistance to change three dimensions were used, namely cognitive, affective and behavioural. Among the employees of Organisation X the strongest component in resistance was in affective dimension, meaning feelings of fear, anger or anxiety. This was the case at the beginning of the process but not later in the study. As there was a common understanding concerning the acquisition, cognitive was the weakest dimension of resistance to change. Behavioural dimension of resistance also fell down during the research period but not in the same pace as other dimensions. Potential explanation is the fact that nowadays employees are encouraged to act and voice their negative feelings in regular meetings as a contribution to shaping the change itself. (*Ibid.*, 335–336.)

Through the case study Simoes & Esposito concluded that dialogic communication works best in reducing resistance to change. While communication was becoming highly dialogic the resistance to change was decreasing (*Ibid.*, 336). Dialogue is honest and forthright. The key to dialogue is to keep open to new interpretations as it is by interacting with other participants that one ends up either validating or not one's own interpretations. Under dialogic communication and participation, unexpected reactions to a change process would not immediately be seen as resistance. Actually responses are seen as contribution to change initiatives that should be open to change while being implemented. (*Ibid.*, 330.)

4.2.1 Reflections

The findings of Simoes & Esposito suggest that the main emphasis in change communications should be placed in dialogue. This requires both time and fertile internal environment that supports open and honest discussions. In the case study employees of Organisation X felt quite positive about the acquisition which was a good starting point for a change process. The internal climate was described open and supportive which enables fruitful discussions. In many other cases the internal climate of the organisation may be more challenging based on difficult experiences, such as lay-offs or conflicts between teams or individuals.

In the case organisation there were no new vehicles of communication created after the acquisition but the existing ones were preserved. Still there was a general understanding that both communications quality and quantity were adequate. (*Ibid.*, 334.) This finding underscores the fact that dialogue does not require latest tools or techniques but is mostly about discussions and opportunities to give honest feedback. This should be taken into consideration when planning and scheduling change initiatives. Discussions are a low-cost yet an effective way to engage employees and decrease change resistance. However, there must be time allocated in managers' agendas to participate in discussions and allow employees to share their doubts and ideas concerning the change process.

4.3 Linking change communication to change receptivity, Frahm & Brown 2007

Scholars Jennifer Frahm from the University of Melbourne, Australia, together with Kerry Brown from the Queensland University of Technology, Australia, published an article *First steps: linking change communication to change receptivity* in the Journal of Organisational Change Management in 2007 (Vol. 20 No. 3, 370–387). They studied the process of change in the initial stages of a change agenda within a public sector organisation and analysed the communication of change. The aim of the study was to investigate whether organisational change communication is a crucial element in employees' receptivity to change. (Frahm & Brown 370, 2007.)

The study by Frahm & Brown describes the findings of the first 100 days of change in a non-profit organisation engaged in technology diffusion. The researchers had a unique

opportunity to gain access to the organisation before the change process started and were thus able to track the receptivity and communication efforts in real time. The research focuses on the organisational change communication in terms of formal communication, memos and briefings, as well as conversations and dialogue about the change process. (*Ibid.*, 371.) There were a number of changes introduced in the first 100 days, such as restructuring, culture change, and 360 degree feedback. (*Ibid.*, 379.)

The new CEO of the case organisation wanted the organisation to be continuously changing, learning organisation. Furthermore, the organisation was operating under volatile conditions in regards to political environment and available funding. Despite the turbulent environmental context, the organisation is not a typical example of continuous change organisation when compared to technology-driven NPD organisations with pro-innovation people. In fact, many employees find uncertainty in the workplace uncomfortable as they have been used to a high degree of predictability. (*Ibid.*, 373.)

Frahm & Brown used multiple methods in their study including participant observation, documentation, focus groups interviews and surveys. The results show that communication of change is problematic. It was perceived that middle managers are responsible for communicating what is happening at a senior level. Thus, they were seen responsible for communication breakdowns as well. Lack of clear vision, feedback channels and two-way communication were seen as obstacles for effective change communications. On the contrary, CEO's personal communication style was appreciated as it was open, frank and approachable. (*Ibid.*, 375–380.)

In the case organisation there was also a lack of formal communications channels such as group meetings, get togethers, weekly reports and internal newsletters. Whereas the new CEO highlighted openness and listening, the employees preferred traditional change communication. The value of ad hoc and informal communication should not be diminished but it cannot replace formal communication for consistency and timeliness. (*Ibid.*, 380–381.)

The results of the study suggest that those who are leading emergent change processes need to ensure that employees' and managers' expectations align with understanding of the change goal and the accompanying styles of communication (*Ibid.*, 384). Managers

who facilitated trust and openness in their teams were able to create a comfortable atmosphere where employees were able to ask about the changes and their potential implications. If the team did not have open lines of communication with their manager, they perceived that there was not a lot happening and felt frustrated at how slow the change process was progressing. (*Ibid.*, 379.)

4.3.1 Reflections

Organisational change communication is a crucial element when affecting employees' receptivity to change. In practice, information is often shared downwards through middle managers and supervisors. This one-way flow of information contains risks as the messages may stop at higher levels of organisation or change in content. Without change communication it is very hard for lower level employees to make sense of the change or see the progress.

Execution of change initiatives calls for planned communications activities targeted for various groups within the organisation utilizing proper channels. As Juholin (2013, 409) suggested, regular communications channels and methods are not sufficient in the times of change. Face-to-face communication is often required to create a common understanding of the change goals and implications. The study by Frahm & Brown indicates that no matter how open and approachable the CEO of the organisation is in his or her presentations, it cannot replace the formal and regular communications expected by the employees (Frahm & Brown 2007, 381).

The case study results also underline the importance of middle managers as conduits of information (*Ibid.*, 379). As the CEO and senior management of the organisation are often seen as distant and difficult to approach, the closest supervisor or line manager is the key person for employees to discuss openly without a fear of losing their face or asking stupid questions from the top management.

4.4 The role of internal communication and employee development, Proctor & Doukakis, 2003

Tony Proctor, Professor at the Liverpool University in the United Kingdom, together with Ioanna Doukakis from the Intercollege Limassol, Cyprus, published an article *Change management: the role of internal communication and employee development* in *Corporate Communications: An International Journal* in 2003 (Vol. 8 No. 4, 268–277). They studied a change in the organisational structure of a large public organisation and the following difficulties which arose in facilitating the change. (Proctor & Doukakis 2003, 268.)

In the case organisation there was a need to cut costs and find ways of saving expenditure. Personnel costs were an obvious target for savings and after a thorough analysis of the situation it became clear that there were too many levels of middle management. The senior management decided to embark on a voluntary redundancy scheme encouraging middle managers to take early retirement or accept redundancy payments. (*Ibid.*, 270.)

While these initiatives were ongoing an external consultancy firm was hired to make a study to identify the quality of the communications process with employees. It was performed as an employee survey which resulted in over 1,000 replies with a response rate of 30 per cent. The findings indicated that the restructuring process left employees with a fear of losing their job and with low job satisfaction. Staff understood that there was a need for change but believed there had been a focus on financial objectives at the expense of services and personnel. There was a strong feeling that everything in the organisation happened under a veil of secrecy. In other words, employee communications was insufficient and ineffective during the change process. (*Ibid.*, 270–271.)

Poor communication was seen as the main driver of negative feelings in the organisation. Employees felt that the only way to find out what was happening was either from the rumours or local newspaper. Clear vision seemed to be missing from the senior management team and communication was neither open nor honest. (*Ibid.*, 270.)

In order to specifically define what improvements could be made to improve communication and staff morale Proctor & Doukakis conducted around 40 in-depth interviews with employees at all levels in the organisation. The interviews revealed further infor-

mation about the problems in the organisation. Actually there was a problem within middle management and more specifically in the quality of people management and both upward and downward communication that was taking place. The model of cascading information downwards in the organisation did not work out well as the flow of information from the chief executive to the senior management and again to the middle managers was not fluent. On the contrary, some of the information was being withheld, changed, manipulated or delivered too late. (*Ibid.*, 270–271.)

Three streams of actions were identified as means of tackling communications problems in the organisation. Firstly, the use of digital communication channels was recommended whenever possible to short-cut the passage of information through the various levels of middle management. This method would also guarantee that information is directly and timely available for front-line managers and operations people. (*Ibid.*, 271.)

Secondly, the middle management needed training in management skills as the overall quality of people management was estimated to be poor. Third recommended action was to introduce a system of employee development focusing on the important communication issues. When linked to the other two streams of action it would have a synergistic effect. (*Ibid.*, 271.)

4.4.1 Reflections

The communication problems in the case organisation seem to be almost universal in any large organisation be it public sector or private owned. Whenever there are several hundreds or thousands of people in the organisation it becomes more difficult to ensure that communication reaches everyone in right format and in timely manner. Different time zones and language barriers create further challenges for reaching everyone simultaneously. In small and medium-sized enterprises it is somewhat easier to keep employees equally informed and to arrange regular face-to-face information sharing sessions.

Proctor & Doukakis (2003, 271) recommended that wherever possible the flow of information should be short-cut from the top directly to front-line managers with the help of IT systems and digital communication channels. This recommendation is, however, in conflict with Juholin's view on the importance of face-to-face communication in the times

of change (Juholin 2013, 409). In practice modern tools for remote face-to-face communication provide the best solution for information sharing within large corporations. Nowadays it is relatively easy to reach employees around the globe with video webcasts, audio meetings and chatter tools. These channels also enable interaction in the form of several presenters and Q&A sessions.

The case organisation Proctor & Doukakis (2003, 268–277) studied suffered from lack of communication on the lower levels of the organisation caused by delays and manipulation in the top-down information flow. The role of middle management is critical when cascading messages from the top management to front-line managers and shop floor employees. Middle managers are critical hubs of information going both upward and downward (Nurmi 2012, 130).

Middle managers need training to understand their role as key communicators in the organisation. Unfortunately, some managers still think that communication is the work of a specific communications function or team and nothing for themselves. However, many employees feel that their closest manager is the most reliable and relevant source of information. The closest manager understands the facts and practicalities of the work whereas the senior management is rarely aware of the concerns of those working on lower levels of organisation (*Ibid.*, 131).

The literature review also shows that interactive face-to-face communication is most appreciated in the times of change and the closest manager is usually the one person who is easily available for discussions. People tend to trust people they know best (*Ibid.*, 131).

4.5 Using strategic employee communication to facilitate major change, Barret 2002

In 2002, an article *Change communication: using strategic employee communication to facilitate major change* by scholar Deborah J. Barret from the Rice University in Texas, USA, was published in *Corporate Communications: An International Journal* (Vol. 7, Iss 4, 219–231). In the article she introduced a Strategic Employee Communication Model which can be used to help management understand the strategic role communication plays in the day-to-day success of any company as well as during major changes. Furthermore,

the article introduces a combined case study where Barret sums up experiences from several Fortune 500 companies where she has worked as an external consultant. (Barret 2002, 219.)

Barret suggests that employee communications can mean the success or failure of any major change program. Some companies still do not realise that without effective employee communication, change is impossible and change management fails. Thus, they do not apply the same analytical rigor to employee communications that they give to the financial and operational components of any change program. Barret introduces Strategic Employee Communication Model (see Appendix 1.) which provides an analytical tool to assess and improve employee communications, thus forming the foundation for using strategic employee communication to facilitate change. (*Ibid.*, 219–221)

Through her studies in various companies, Barret has listed best practices definitions of effective employee communications. The first one is linking communications objectives to company's strategic objectives as there should be a clear correlation between these two. Secondly, Barret highlights that both senior and middle management must be involved in and assume responsibility for communications up, down and across the organisation. Managers must model the behaviour they expect of their employees, in other words walk the talk. As the third best practice, Barret suggests targeted messages and effective media. Targeted messages are tailored to the audience and delivered using all vehicles to reach them. Most importantly, effective employee communication relies on face-to-face communication over indirect, print or electronic media. (*Ibid.*, 221.)

Barret also highlights that communications staff needs to be well-positioned and have a seat in the senior management team to understand the company strategy and to participate in the decision making. Communications staff should be seen as facilitators of change and not just publishers of information. By using the Strategic Employee Communication Model to regularly assess the needs for communication and the performance of communications actions the company is able to set tangible goals for any change communication program. Best practices can serve as a benchmark against which companies can measure the potential need for communications improvement in their organisation. (*Ibid.*, 222.)

4.5.1 Reflections

In her article Barret (2002, 221) emphasizes the importance of face-to-face communications over other regular communications channels in the organisation such as printed newsletters or email. This recommendation is aligned with Juholin's (2013, 409) view on the need for face-to-face communication during times of change. To enable this there needs to be more faces available for communication in the organisation than just the senior management and communications team. The role of middle managers is crucial as their teams form the majority of the employees who are affected by the change. With the support and active presence of middle managers the face-to-face sessions are easier to arrange for a larger group of people. This finding is aligned with the conclusions by Frahm & Brown (2007, 379) who underlined the role of middle managers as conduits of information.

The role and purpose of communications function or team is not correctly understood in all organisations as Barret states (2002, 220). Communications is considered to be information publishing and polishing of presentation materials. On the other hand, some people see communications as an overwhelming topic which cannot be effectively managed by anyone in the organisation. In order to become a vital part of organisation's planning and decision making, communication should be seen by the management as a key ingredient in becoming high performing company. If the communications function has no representative in the senior management team it is difficult to plan communications actions properly according to the strategy and affect the overall plans early enough. This applies also to change projects where communications is quite often forgotten in the planning phase, as noticed by Barret (2002, 219) and Christensen (2014, 382).

5 CONCLUSIONS AND DISCUSSION

The objective of this thesis was to examine the interrelation of employee change receptivity and organisational communications in the context of changes taking place in business organisations. The aim was to study literature and academic papers around this topic and mirror researcher's own experiences in this field against the theory. Following the objective of the thesis, the research question was formulated as *How to improve change receptivity with organisational communications?* To cover all aspects of the research question three supplementing sub-questions were defined. These assisting questions are discussed below.

The first assisting question was *Why employees feel change resistance?* In today's organisations employees face changes of different scale and scope more frequently than ever. They are advised to embrace the change but in reality many of them do not feel that positive about ongoing changes that shake their position, networks and benefits. Repeated changes make people feel change fatigue and think about their previous experiences on change projects. In case the experiences are mainly negative, there is a strong likelihood that people become change resistant. Studies show that two thirds of change initiatives fail so in the majority of organisations there are people who have negative experiences of badly executed change projects.

Change resistance can have negative effects on the change project execution in regards to schedule, progress and general level of engagement within the organisation. Thus, it is important to take resistance into consideration already in the change project planning phase and think about ways to tackle it. People have different reasons to be change resistant but the most common are fear of losing power, position or control. Managers in charge of teams should be able to evaluate the fear factors their subordinates are likely to have when the change becomes obvious. As people are individuals with personal feelings middle managers should prepare themselves to face subordinates' emotions and give them support on an individual level.

Communication is in the core of every change project. Without communication it is practically impossible to drive change and engage people. Communication is a tool for announcing, explaining and informing, thus preparing and motivating people for change. In

business organisations there is usually a person or a team responsible for communications planning and execution. However, communication is not solely the responsibility of the communications professionals as communication happens every time people meet. In change projects it is essential to find change agents from all levels of organisation who will be helping others to understand the change reasoning and goals.

The role of middle management is seen to be crucial in delivering messages both downwards and upwards as well as in engaging the grassroots employees. People tend to trust people they know and whereas the senior management may be considered to be too distant the closest manager is often the most reliable source of information for individual employees. To ensure that the middle management is prepared to take this important role they need to be involved in the change project planning phase. Thus, they are able to understand the reasoning for change and to internalise the key messages before they need to communicate them to their teams. This also enables middle managers to move along the change curve ahead of their teams which is necessary to be able to support individuals in their emotional ride when change project execution phase starts.

The second assisting question was related to the concept of strategic change communications: *What is strategic change communications and why is it needed?* Communication is needed in every organisation in order to share information and motivate people through shared strategy, vision and targets. Communications strategy should be aligned with the overall company strategy in order to secure focus on right targets, messages and direction. When aligned with the overall strategy, the communications strategy and plans provide the necessary support and tools that are needed in the organisation to succeed. Strategic communication should be well-thought and planned to ensure timely actions. This approach applies also to change communications whenever a change is planned. Also in case of emergent change there is a need to plan communications activities but often with greater speed than in the case of planned changes.

When planning changes in organisations, there are several pitfalls to be avoided. First, communications should be taken as seriously as all other aspects of the project such as financial and operational considerations. This requires that a communications professional is participating in the management team and project steering meetings. Secondly, involving several people from various levels of the organisation in the project planning phase increases the likelihood of project success through wider commitment and change

agents' influence on their colleagues. Third point to mention is the attitude towards change resistance. Employees who have courage to voice their doubts are the ones who actually are the most committed to the organisation. Their views may provide valuable input both in the planning and execution phase.

In order to make people really understand the need for change and become committed, the question *why* has to be answered. This key question is the basis for communicating any change project and the communications plan should be built around it. Employees need to understand what the goal is and why the status quo has to be changed. The change comes down to each individual involved which makes them evaluate what is in it for them. These personal implications need to be addressed by communications although there are often no definitive answers available upon the launch of a change project. In addition to affects to individuals, employees need to understand how the change fits with company culture and values.

The third sub-question of this thesis concerned practical level of communications activities: *What type of communication works best in improving change receptivity during different phases of change projects?* When thinking about different sized organisations, it is evident that it is easier to achieve the necessary level of awareness and understanding in smaller organisations. However, larger organisations could do much more to empower their employees with knowledge about the change context. If the strategy and reasons for change are facts that only senior management and change project leaders truly know and understand, it is obvious that a common understanding and commitment throughout the organisation will not take place.

In the project planning phase communication should be built around involving and engaging people in the change project. Change project team should include members from all levels of the organisation in order to build a network of pro-change people, or agents, who act as conduits of information when the execution phase starts. If employees are engaged and encouraged to see themselves as change agents equipped with the knowledge, tools and confidence to suggest ways of improving organisational performance, the success ratio of change projects will increase notably. Employees are much more likely to accept changes from projects if they have been part of designing those changes.

In addition to planning targeted messages for different parts of the organisation, the planning phase includes training and coaching the key people to face their teams' individual reactions. This applies especially to middle managers who often have less experience in delivering difficult messages than the senior management.

In the project execution phase the importance of reasoning and information sharing is highlighted. Communication activities should aim to create a common sense of urgency in the organisation which makes people understand that the status quo has to be changed. The main emphasis should be put on answering why the change is needed. Detailed plans on how and when it will be done are secondary information in the first stage. Employees affected by the change need to understand the individual implications and reasoning behind. There will be many difficult questions flying around and there is no definitive answer available in the early days of the change. However, all these questions and concerns need to be addressed properly to avoid rumours gaining ground as the best source of information.

Face-to-face communication is the key to successful change within an organisation in all phases of the project but especially so in the execution phase. In order to build commitment, motivation and understanding throughout the organisation the managers need to participate in a dialogue with their teams. This applies to senior management, middle managers as well as change project managers. Face-to-face communications should be complemented with more structured communications through regular channels such as intranet and email but it is worthwhile to notice that these channels should not be used alone without dialogue and interaction. Openness and timeliness should be guiding communication principles also during the times of change.

5.1 Communications framework for the lifecycle of change projects

Change projects have similarities to any other projects conducted in business organisations. Project lifecycle can be broken down to three phases which are preparation, execution and conclusion phase utilising results. Based on the literature, academic study cases as well as researcher's reflections and experiences, the following communications framework was created to support communications planning and execution throughout the change project lifecycle. The framework supports not only communications professionals

but also senior management, middle managers and project management teams who play key role in change project execution and messaging. The framework can be used as a checklist in each phase of the project as to remind of the key priorities in communications.

TABLE 4. Communications framework for project preparation phase.

Project preparation phase			
Theme	Engage people in planning.		
Project management team tasks	Consider employees as subjects of change, not objects.	Invite people from all levels of organisation in the planning. Set a network of change agents.	Allow change resistant ideas and use them to further develop the plan.
Senior management tasks	Create and reinforce understanding on the need for change.	Participate actively in the project planning. Show example when building commitment to change objectives.	Prepare key messages for the entire organisation. Special focus on question why.
Middle management tasks	Participate actively in the project planning. Bring in the view from the grass-root employees and teams.	Get to know your team well enough to understand personalities and individuals' potential reasons for change resistance.	Prepare key messages for teams based on senior management messages. Use suitable language for the team. Be prepared to face a wide array of emotions from the team.

Communications team tasks	Participate actively in the project planning. Make sure communications is one of the project key areas.	Prepare change communications plan and share it with the project team. Make sure they understand the importance of frequent and open communications.	Train senior management, middle management and change agents to answer questions from the organisation.
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TABLE 5. Communications framework for project execution phase.

Project execution phase			
Theme	Share reasoning for the change.		
Project management team tasks	Roll out the project based on the plans. Be prepared for emergent elements and update plan accordingly.	Repeat the reasons for change consistently and make people understand why this is happening.	Share regular updates on project progress in the organisation. Show direction and example.
Senior management tasks	Spend time with your people, be available for them. Keep your door open for people with questions and doubts.	Share early successes and quick wins. Show example to the whole organisation in regards to motivation and determination.	Accept that most of the organisation is in the middle of change curve as they have just heard the news. Don't force them to follow before they are ready to do so.

Middle management tasks	Gather your team for face-to-face meetings both on team and individual level. For remote employees, use phone and video connection to discuss the change. Repeat consistent messages.	Explain the implications on both team and individual level with the best available information. All questions need to be addressed although defined answers may not be available immediately.	Support team members as they are moving along the change curve. Listen and understand their fears and doubts. Transmit messages both downwards and upwards along the process.
Communications team tasks	Facilitate info sharings, think tanks and discussion forums for the employees.	Support senior and middle management as well as change agents in their tasks. Update communications plan if necessary.	Update intranet and other regular employee communications channels. Main focus is on face-to-face communication but regularly updated support material is needed.

TABLE 6. Communications framework for project conclusion phase.

Conclusion phase – utilising the project results			
Theme	Share successes		
Project management team tasks	With project results starting to show, share them with the project team.	Give recognition to middle managers and change agents for their contribution in the project.	As the project ends, arrange a wrap-up meeting for the entire project team to share learnings and development ideas for the next change project.

Senior management tasks	Share examples on how the change has improved the organisation compared to previous state of affairs.	Give recognition to employees as their role in making the change happen is crucial.	Celebrate project success together with the organisation.
Middle management tasks	Make sure all team members have progressed through the change curve. Reassure those who are still doubtful with repeated consistent messages.	Give recognition to the team and individuals for implementing the change in their responsibility areas.	Celebrate project success together with the team.
Communications team tasks	Share project results with the organisation. Include concrete examples how things are improving.	Shift from intense face-to-face communications to regular communications frequency and channels.	Share success stories within the organisation. Discuss also learnings openly when possible.

The main communication themes can be summarised and depicted as in figure 5.

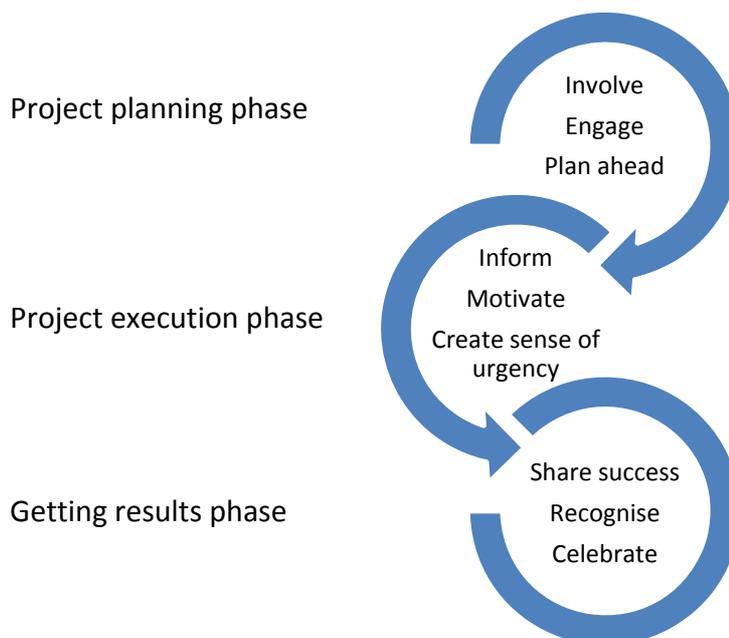


FIGURE 5. Communication themes during project lifecycle

5.2 Recommendations for future research

The research method used in this thesis was deductive desk study. Based on the literature review and academic study cases combined with researcher's reflections a communications framework for change project lifecycle was created. Future research could be done as empirical study applying the suggested communications framework in real life change project taking place in a business organisation.

Further study could be initiated around middle managers and their demanding role in change projects. As several resources used in this thesis suggest, the importance of middle management as conduits of information up, down and across the organisation is crucial in change projects. Empirical study could be done in an organisation where middle management is involved in the project planning and execution phase as change agents. Quantitative research among the employees would give indication on the success of involving middle management actively in communications efforts. On the other hand, qualitative methods could be used in interviewing project management team, top management and employees on their experiences on organisational communications activities through the project lifecycle.

As organisations are becoming more international and widespread, future research could be done around using digital communications channels as remote face-to-face media. Especially in multinational companies virtual teams are common already today and it is rare that the whole team could be gathered in the same room. Thus, the use of digital communications channels such as webcasts and video meetings is a must also in change situations. It would be interesting to research how remote employees consider virtual face-to-face change communications and what type of expectations they have for both the managers and the channels in the future change communications efforts.

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APPENDICES

Appendix 1. Strategic Employee Communications Model (Barret 2002, 221)



Appendix 2. Eight steps to transforming your organisation (Kotter 2007, 4)

1 Establishing a Sense of Urgency	<ul style="list-style-type: none"> • Examining market and competitive realities • Identifying and discussing crises, potential crises or major opportunities
2 Forming a Powerful Guiding Coalition	<ul style="list-style-type: none"> • Assembling a group with enough power to lead the change effort • Encouraging the group to work together as a team
3 Creating a Vision	<ul style="list-style-type: none"> • Creating a vision to help direct the change effort • Developing strategies for achieving that vision
4 Communicating the Vision	<ul style="list-style-type: none"> • Using every vehicle possible to communicate the new vision and strategies • Teaching new behaviours by the example of the guiding coalition
5 Empowering Others to Act on the Vision	<ul style="list-style-type: none"> • Getting rid of obstacles to change • Changing systems or structures that seriously undermine the vision • Encouraging risk taking and non-traditional ideas, activities and actions
6 Planning for and Creating Short-Term Wins	<ul style="list-style-type: none"> • Planning for visible performance improvements • Creating those improvements • Recognizing and rewarding employees involved in the improvements
7 Consolidating Improvements and Producing Still More Change	<ul style="list-style-type: none"> • Using increased credibility to change systems, structures and policies that do not fit the vision • Hiring, promoting and developing employees who can implement the vision • Reinvigorating the process with new projects, themes and change agents
8 Institutionalizing New Approaches	<ul style="list-style-type: none"> • Articulating the connections between the new behaviours and corporate success • Developing the means to ensure leadership development and succession