

Theses and Dissertations

---

2011

**Organizational change effectiveness a case study in customer-alignment structures for employee engagement and service delivery**

Emily C. Logan

Follow this and additional works at: <https://digitalcommons.pepperdine.edu/etd>

---

**Recommended Citation**

Logan, Emily C., "Organizational change effectiveness a case study in customer-alignment structures for employee engagement and service delivery" (2011). *Theses and Dissertations*. 199.  
<https://digitalcommons.pepperdine.edu/etd/199>

This Thesis is brought to you for free and open access by Pepperdine Digital Commons. It has been accepted for inclusion in Theses and Dissertations by an authorized administrator of Pepperdine Digital Commons. For more information, please contact [bailey.berry@pepperdine.edu](mailto:bailey.berry@pepperdine.edu).

ORGANIZATIONAL CHANGE EFFECTIVENESS A CASE STUDY IN CUSTOMER-  
ALIGNMENT STRUCTURES FOR EMPLOYEE ENGAGEMENT AND SERVICE  
DELIVERY

---

A Research Project  
Presented to the Faculty of  
The George L. Graziadio  
School of Business and Management  
Pepperdine University

---

In Partial Fulfillment  
of the Requirements for the Degree  
Master of Science  
in  
Organization Development

---

by  
Emily C. Logan  
August 2011

This research project, completed by

EMILY C. LOGAN

under the guidance of the Faculty Committee and approved by its members, has been submitted to and accepted by the faculty of The George L. Graziadio School of Business and Management in partial fulfillment of the requirements for the degree of

MASTER OF SCIENCE

IN ORGANIZATION DEVELOPMENT

Date \_\_\_\_\_

Faculty Committee

\_\_\_\_\_  
Committee Chair, Ann E. Feyerherm, Ph.D.

\_\_\_\_\_  
Committee Member, Miriam Y. Lacey, Ph.D.

\_\_\_\_\_  
Linda Livingstone, Ph.D., Dean  
The George L. Graziadio School of Business and  
Management

## Abstract

Although organizational changes are common in business, few of these changes are decided based upon clearly defined organizational goals (Hilmer & Donaldson, 1996). Making structural changes may not be the best approach to improve performance, given that organizational changes are disruptive to the organization (Day, Lawson, & Leslie, 2003). Instead of following prevalent management fads, organizational leaders need to evaluate carefully any potential changes for their situation and objectives before embarking on a disruptive change. The purpose of this study is to determine the effectiveness of an organizational change in which the defined goals were to create more empowered employees and business partners who experienced a better level of service from their IT team.

This study gathered both quantitative and qualitative data from employees and from the business partners they served. A Likert-scaled survey and qualitative interviews were used to gather data from IT employees and their business partners. These methods captured impressions, feelings, and observations from the IT group regarding increased employee empowerment, better partnership with the business, and overall improved service delivery following the change.

This study focused on a structural change to improve customer alignment for an IT team within a large media conglomerate. Of the 23 IT managers and contributors polled, 10 responded. Additionally, 4 IT employees and 2 business partners completed the qualitative interviews. The survey was analyzed using descriptive statistics, while the interviews were reviewed through content analysis. The majority of the IT responses were at least 50% positive regarding increased clarity of goals, more effective partnership, level of IT service, and increased empowerment of IT employees. When specifically asked about their overall satisfaction with the organizational change, 90% of responses were favorable.

This case study found that both the IT employees and business partners perceived there was improvement through the organizational change but voiced that there needs to be continued feedback and adjustments to address new issues. This study represents preliminary results because of limitations of the small sample size, a focused case study that may not be transferable to other organizations, and potential researcher bias based on former knowledge of the organization.

## Table of Contents

	Page
Abstract .....	iii
List of Tables .....	vi
Chapter 1: Organizational Change Effectiveness .....	1
Organization Structure and Alignment .....	1
Research Setting.....	2
Purpose.....	4
Overview.....	5
Chapter 2: Review of Literature .....	7
Customer Alignment.....	7
Alignment Impact on Employees.....	12
Employee Empowerment.....	13
Organizational Impact of Structural Changes.....	16
Summary .....	21
Chapter 3: Methodology .....	23
Research Design.....	23
Qualitative Interviews.....	25
Data Collection .....	27
Measurement.....	27
Protection of Human Subjects .....	28
Survey Consent Process.....	28
Interview Consent Process.....	29
Data Analysis .....	29
Summary.....	30
Chapter 4: Results .....	31
Survey Findings .....	31
Interview Findings .....	37
Summary of Interviews.....	47
Summary.....	47
Chapter 5: Conclusions .....	49
Research Overview .....	49
Discussion.....	49

	Page
Implications for Research .....	51
Implications for Practice .....	51
Study Limitations.....	52
Recommendations for Future Study .....	53
Summary.....	53
References.....	55
Appendix A: IRB Approval.....	57
Appendix B: Certificate of Human Research Participants .....	60
Appendix C: Informed Consent Form .....	62
Appendix D: Qualitative Interview Questions—Home Entertainment .....	65
Appendix E: Qualitative Interview Questions—IT .....	67
Appendix F: Quantitative Survey Questions .....	69

## List of Tables

Table		Page
1.	IT Employee Quantitative Results .....	34
2.	Qualitative Comments on What Was Working Well .....	38
3.	Qualitative Comments on Areas for Improvement .....	39
4.	Qualitative Comments on Effect on Relationships .....	40
5.	Large Issues Before Change .....	41
6.	Large Issues After Change .....	41
7.	Proactive Strategy.....	42
8.	Resolution Ownership .....	43
9.	Changes to Resolution Ability .....	44
10.	Three Wishes for the Future .....	44
11.	Areas of Future Organizational Improvement.....	45
12.	IT Partnership .....	46

## **Chapter 1: Organizational Change Effectiveness**

With an entire section of books in the bookstore devoted to successful management, there have been plenty of fads introduced to solve the issues that organizational leaders face. Hilmer and Donaldson (1996) were able to categorize these management quick fixes into five categories, yet they strongly urged that all these solutions are only effective in the right circumstances for the organization. The authors summed up the state of the situation by saying these fads are “a pendulum that has swung too far towards simplifying and inevitably trivializing management, replacing ideas and actions based on sound reasoning with fads and dogma” (p. 30). Fraser and Strickland (2006) add that reorganizations, which are often focused on structural changes, are erroneously thought to be a quick fix for a troubled organization. They suggest, rather, that since structure is rarely the key issue, there are many other factors unique to the organization that need to be assessed before such changes are launched. Thus, with the pressure to lead an organization to success, there seems a need to take a step back and look at organizational change in-depth to ensure they meet stated goals and understand how employees were impacted by the change.

### **Organization Structure and Alignment**

Reorganization can be a very powerful tool for change, but the frequency of failure for such changes also perpetuates the skeptics who believe CEOs use this tool when they do not know what else to do in the organization (Day, Lawson, & Leslie, 2003). Day et al. further suggest that because of this high level of failure, organizational changes should only be embarked upon for the right reasons, at the right time, and with the proper planning and evaluation behind them. Additionally, Beaujean, Davidson, and Madge (2006) emphasize an employee’s impression of his or her work experience is essential as technology shifts more organizations into an intellectual product thus the employee’s role is critical in the quality and



perception of that product. Finally, as both Day et al. (2003) and Boehm and Phipps (1996) agree, it is important to measure and evaluate a large organizational decision, such as a reorganization, against the stated goals because of the potentially high costs of the disruptive nature of the change, before embarking on it for a specific work group. An increase in careful reorganization decisions, evaluating the reasoning for the change and the effect it will have on the employees and the company, would help to create a better reputation for reorganizations as changes that are sometimes necessary for an organization.

This case study focuses on an organizational redesign of the IT team supporting the home entertainment division of a major media conglomerate. This team was structured around the IT applications it supports in the day-to-day business needs of the home entertainment division (such as an inventory management application, a product distribution application, system integration applications, etc.). In March 2010, this IT team of 23 employees was restructured to align to the business functions within the home entertainment division (such as sales and marketing, supply chain, and business intelligence). The goal of the organizational change was to relieve current tension within the IT team caused by overlapping responsibilities between IT groups and thus creating rework and confusion. Additionally, this change was expected to provide a clearer connection for the home entertainment business partners, so they would have a single point of contact for all IT needs within each function.

### **Research Setting**

The larger IT organization for this media conglomerate, and for all the functions and divisions within the company, is an amalgamation of what used to be several IT teams, each within a specific business unit. The varieties of roles for the IT professionals varied significantly depending on the manager, where the job candidate came from, and when the employee was

hired. In 2004, the parent company purchased another media company and duplicated many corporate functions. To reduce disruption in an already tumultuous time, most of these functions remained largely untouched for the first couple of years. After taking the time to observe the various IT groups and further define the core business processes in the new integrated company, IT consolidation and standardization was approached in a phased fashion.

IT functions were slowly brought out of the specific business segments they supported and aligned more centrally as a larger IT group. Through this process, there were four leaders who served in Chief Information Officer (CIO) or Chief Technology Officer (CTO) type roles, grouping similar functions together. Then, in early 2008 one CIO and one CTO were chosen from the existing leaders. The new CTO would focus on development of consumer products and creating new media-specific technology, while the CIO would focus on the information technology necessary for all back-office functions of the company, in addition to the specialized applications needed for daily operations of each business division within the company.

As the IT groups moved to a second level of centralization, the organizational efforts became focused on process standardization, demand management, and cost reductions. Many of the IT efficiency goals were met in the first two years of centralizing, and then there arose a need for further focus on the service delivery of IT solutions for the specific business units. Some technology-specific groups have developed, while other IT groups were designated to a specific part of the business, or focused on hardware components, creating much overlap and finger pointing when a customer complained about a technical problem. Business customers knew only that there had been a problem with their systems, which hurt the delivery of their output. They could not assess whether it was a hardware, software, or specialized technology issue. Yet they felt they were getting passed around without resolution of their problem when they tried to report

the issue, since the right contact person for the issue might not have been the person who helped them last time. This led to an organizational change to create a single point of contact for the business user in that specific division, and allow for the IT teams internally to allocate the right resources for each issue. The goal of the change was to eliminate frustration among the business users, to create a more service-oriented operation, and allow for internal IT handoffs to remain seamless externally.

### **Purpose**

The purpose of this research is to determine the effectiveness of an organization change in which the goals of the change were to create more empowered employees and business partners who felt a better level of service from their IT team. The following two research questions are the focus of this study:

1. Do employees feel more empowered in their role after an organizational change is made to focus on partnership between an IT team and the business unit partners?
2. Do both the business partners and the IT team feel a better partnership and more successful IT service delivery after a change is made to create a customer-aligned organization structure?

With so many organizational changes implemented, it is important to take a step back and examine whether these changes were worth the time and effort needed to implement them, and more important, whether the reorganization provided the intended benefits. While the frequency of organizational changes has increased, complacency in the evaluation of the change and its impact prior to execution has also developed. This study looks at the need for organization design around customer alignment, the empowerment of employees in such a model, and the design of organizational change. It seeks the feedback of those who were part of the daily

organization in order to gauge the impact of the change and satisfaction with the results among employees and customers.

This case study involves research of customer alignment structure, employee empowerment effects, and organizational design theory through periodicals, as well as obtains firsthand feedback from the employees and business partners involved with a sample organizational change. This original research includes both the home entertainment IT team (managers and individual contributors), as well as some leaders from the home entertainment business team, which serves as the business partner to this IT team. An online quantitative survey was sent to the IT employee group. A selection of IT employees was asked to participate in qualitative interviews with the researcher to dive further into feedback around the organizational change. Finally, a small selection of leaders from the business partner team were asked to participate in qualitative interviews to provide the customer's perspective of the change.

## **Overview**

This study provides the theory behind organizational change and design, in addition to a real-world example followed over several months to help evaluate the effectiveness organizational changes have in corporations. The goal is to provide an in-depth look at redesigning the Home Entertainment IT team, streamline a point of contact for the Home Entertainment business users' IT needs, and divide out the in-depth technical experts from those skilled with business partner integration. Out of this example, other organizational consultants and business leaders can gain insight, which may help them to determine whether their own plans for realigning a service organization with an internal partner will be effective enough to rationalize the disruption the change will initially create.

This chapter covered the introduction of the topic, the setting, and the purpose of the study. Chapter 2 covers the literature review of the three areas of research related to this study: customer alignment for an organization, employee empowerment, and organizational change. Chapter 3 outlines the study methodology, including the sampling, surveys, interviews, and intended analysis. Chapter 4 addresses the findings from the surveys and interviews. This paper concludes with Chapter 5, which covers the conclusions from the study, implications for the particular organization and for organizational changes in general, and recommendations for future research in this area.

## **Chapter 2: Review of Literature**

The purpose of this research is to determine the effectiveness of an organization change, the goals of which were to create more empowered employees and business partners who felt a better level of service from their IT team. The purpose of the literature review is to examine relevant information related to organizations structured in a customer-centric structure. This chapter reviews literature addressing concepts of customer alignment, alignment impact on employees, employee empowerment, and the organizational impact of structural changes.

### **Customer Alignment**

Borrowing from the literature on external customer alignment characteristics, there is usefulness in extracting what can apply to internal customer relationships. Alignment (or partnership) between a service organization and its customer (either internal or external) has been found to increase the organization's response to customers' needs and develop specialization within the organization to increase continually service to the customer (Homburg, Workman, & Jensen, 2000). With increasing costs of obtaining new customers, organizations are keener than ever to maintain current customers, and further expand the depth and breadth of those current relationships to increase value (Beaujean et al., 2006). This partnership should be a long-term commitment to a working relationship with mutual cooperation, shared risks and benefits, and joint decision making (Henderson, 1990). To make such a partnership work, shared, agreed upon goals are a good starting point, and building incentives around these goals further solidifies the mutually beneficial relationship. Another important component in partnership building is encouraging the interactions between the organizations at all levels, instead of making it an executive only initiative.

Building on this strategy, Foote, Galbraith, Hope, and Miller (2001) take the concept a step further to suggest that a solution-providing organization should have a single point of contact for the customer and provide end-to-end ownership with a guarantee of coordinating with many different divisions within the organization to provide the best solution. When dealing with multiple products and services from one firm, restructuring to create a single point of contact for their customers and selling solutions created from the full portfolio the firm has to offer increases the likelihood of successfully meeting the customer's needs (Homburg et al., 2000). Specifically for an IT organization, there is a trend to centralize the IT function to reduce costs, standardize processes, manage the overall IT demands, maintain corporate standards, and negotiate with vendors based on scale; however, this drive toward centralization negatively impacts the business by distancing technology from the rest of the organization (Marhawa & Willmott, 2006). All the controls implemented for business interaction with a centralized IT department have tried to turn the service into a factory. However, the isolation of the IT organization, which is a service function, from the rest of the business has meant business users are less likely to leverage technology as effectively in their daily work as they could if IT were more closely aligned with its business partners. Another negative side effect of an isolated centralized IT team, is that the bureaucratic constraints of the centralized IT department motivate the business users to create work-arounds or shadow IT organizations within their division to get their IT needs met in a timely fashion. This concept of better meeting the customer needs by dispersing the specialized function throughout the organization is also supported by research specific to a marketing organization (Homburg et al., 2000), which found increased responsiveness to the customer and the opportunity to specialize for specific marketing functions through the organization-wide spread of the function.

One option to move to a customer-alignment focus is with a change in the organization structure and processes. According to authors Boehm and Phipps (1996), a “horizontal organization” (p. 1) is one that focuses on the customer needs and is built around the flow of the work instead of centering on the product or geographic splits within the company. The authors further explain that formal organizational changes do not need to be made in order to get the benefits of the horizontal organization. Furthermore, Boehm and Phipps suggest there are six steps that should be used to implement an organizational change toward the horizontal orientation. These steps include: (a) Align the commitment and mind-set of senior leaders, (b) Understand the drivers of value for the customers, (c) Identify the organizational processes that support the customer value drivers, (d) Understand the relationship between the current structure and organizational processes, (e) Develop a vision and plan for the new organizational design, and (f) Throughout the levels of the organization, develop the skills and behaviors that will support a horizontal organizational structure. These six steps focus on alignment with the customer and a clear vision of the value added for the customer.

Similarly, Homburg et al. (2000) provide a description of a customer-focused organizational structure that uses nongeographic similarities (customer industry, application, etc.) as the basis for structuring. In contrast, most traditional organizations are formed around the key products, geography, or functions within the company, which, therefore, does not take the customer needs into account when designing the organization. The marketing-centered research further found that in order to get closer to customers, an organization could bring together the best features of both horizontal processes and vertical function structures. These horizontal processes allow for communication and collaboration between the verticals without formally creating new work structures. Homburg’s et al. research overall found that in response



to the marketplace, to compete better in keeping current customers there is a general shift toward customer-focused organizations. Foote et al. (2001) suggested that successful solutions providers have formed strong “front-end” (p. 5) departments that develop and deliver integrated solutions, direct the product division to become “back-end” (p. 5) supporters of solutions, and have strong liaisons that work between the two ends. This further examines the importance of a focus on the customer and how best to serve customers and their needs through facilitation by the internal organization of the service or product provider. Additionally, Foote et al. continue to emphasize the role of the rest of the organization to support the customer-focused “front end” (p. 7) by flexibly supplying needed resources to meet the needs of the end customer. Rockart, Earl, and Ross (1996) state that Handy takes a related perspective by describing federal organizations in terms of IT organizations serving internal business customers. Handy tries to balance the need to have business (customer) alignment with the competitive drive to leverage economies of scale. Handy believes that his federal structures allow for the needed autonomy at the local level for the IT organization to support the business organizations, but also facilitate the organization-wide planning, resource allocation, centralized purchasing, and other benefits through economies of scale from a central IT organization.

Kraft provides an example of customer alignment without implementing formal structural changes to the organization (Boehm & Phipps, 1996). Kraft chose not to change structurally, as it could not afford to give up the benefits it was receiving from the economies of scale created by its functional structure. However, it did have a desire to expand and formalize its cross-functional teams to speed up and improve that decision making within its structure, and continue to empower the autonomy of its employees. Each of the Kraft teams was given a set of

objectives to optimize the stakeholder performance across the system, and yet maintain the alignment for that specific team's focus as well.

Another example of a service organization benefiting from increased customer alignment comes from the banking industry. Beaujean et al. (2006) found:

After a positive experience, more than 85 percent of customers increased their value to the bank by purchasing more products or investing more of their assets; just as tellingly, more than 70 percent reduced their commitment when things turned sour. (p. 65)

Once an organization understands what the customer values, the organization must focus its energy on the processes that most contribute to that value (Boehm & Phipps, 1996). Aligning the organization around customers is one of the value-creating steps to be taken for such benefits. To that point, a "partnership style of relationship" (p. 8), as compared to a transactional style, is descriptive of an ongoing relationship without a foreseeable end in sight, which includes joint risk taking and negotiated terms to monitor the responsibilities of each party for the negotiated goals, and needs to have been explicitly agreed upon by both parties (Henderson, 1990). This partnership approach helps both the employees and customers feel more committed to a successful relationship, and thus benefits both organizations.

When IT organizations are expressly the focus, the IT groups need to be aligned or embedded in the business group they support in order to be the partner needed for the business to gain a competitive advantage (Marhawa & Willmott, 2006). For effective partnerships, IT employees and line managers need to understand jointly the business opportunities, choose technology options with needed functionality, and make the difficult decisions to sometimes forego technical excellence to deliver an immediate technical solution for an urgent business problem (Rockart et al., 1996). Based on this need for partnership to be the most competitive, if

it is not included in the strategy and tactics designed by the line manager, and line managers are unable to understand and implement with strategies a process viewpoint, then even the best IT organizations are subsequently powerless to help achieve the company's goals. These organizational shifts toward the customer's needs do not mean the product units or their quality are any less important to the organization, but rather that the products should further be strengthened through the customer alignment and opportunity for solution selling (Foote et al., 2001).

### **Alignment Impact on Employees**

The shift of focus onto customer alignment can positively impact employees, but employees additionally have an impact on the success of the organization through their interactions with the customer. A broader skill set and greater accountability are needed when the measurement of success is based on a customer's improved performance instead of just a product's performance against specifications (Foote et al., 2001). For great customer service organizations, it is important to recruit talent for their attitudes, since the needed skills can be learned through training on the job (Bozon & Child, 2003). High emotional intelligence in customer service employees has been found to increase the ability to connect with and help customers at key moments, as they have a feeling of being responsible for the customer's well being (Beaujean et al., 2006). Fully connecting with customers and meeting their needs is increasingly important when the organization is structured around the alignment with customers.

Employees have a positive response to the customer focus only when structures and systems consistently reinforce the goal (Beaujean et al., 2006). Even for those in the organization who do not directly interact with the customer everyday, they need to have an understanding of the enterprise goal around customer alignment and see how their roles fit in

with the overall value delivery to the customer (Bozon & Child, 2003). Management rewards should be centered on these customer goals to reinforce further the importance of the customer focus (Homburg et al., 2000). Additionally, performance management needs to measure and reward the alignment with the customer needs and the success of solutions provided to the customers through collaboration throughout the organization (Foote et al., 2001). With the design of a single point of contact for the customer, team-based incentives should be implemented to motivate those main contacts who then rely heavily on the rest of the organization to be successful with the customer (Homburg et al., 2000). The mutual benefits of such alignment, or partnership, also include an improved working environment that increases the productivity and innovation among the groups, and commitment because both organizations understand that they have something to gain through the shared relationship (Henderson, 1990). Overall, it is important to design clearly the processes, structure, and rewards to reinforce the customer alignment philosophy of the organization.

### **Employee Empowerment**

The second dimension to evaluate when considering an organizational change is how the shift affects the employees involved and, specifically, the level of empowerment for the employees. Success for a service provider is increasingly determined by customer satisfaction with the experience (for both internal and external customers). Since the service employees have the most interaction with customers, they also have the most opportunity to affect the customer experience, and thus the service provider's success. Companies known for their high quality customer service are invariably good at allowing people to discover their own motivations for their work (Beaujean et al., 2006). To succeed in employee interactions with customers, it is essential to avoid implementing protocols that undermine employee empowerment. Employees

need to feel responsibility for their work and that how they approach their work is within their control. As Jim Nordstrom, of Nordstrom department stores, commented (as cited in Beaujean et al., 2006), “When you take away their incentive and start giving them rules, boom, you’ve killed their creativity” (p. 71). Malone (2003) stated, “Local decision makers have been found to be significantly more enthusiastic, committed, and creative when they have autonomy in their work” (p. 63). Overall, having a work environment that creates a productive and satisfying work experience for employees is just as important as the structure of the organization in producing great customer service (Day, 2003).

Day (2003) suggests that the role of a successful CEO is to create a work environment in which employees can figure out on their own what needs to get done, cooperate with one another to get it done, and have a feeling of personal fulfillment from the work. The change toward a fulfilled and motivated workforce requires some shifts in the work structure and processes to obtain the environment sought after. Kraft, as an example, pushed the decision-making ability down in the organization to their cross-functional teams, giving these employee-run teams more ownership of their work and outcomes (Boehm & Phipps, 1996). As another example of creating a culture of employee autonomy and empowerment, the National Health Service in England allowed frontline practitioners to be responsible for their implementation of planned change, allowing them to choose their processes for rolling out the changes. National Health Service provided the opportunity for local ownership and choice to encourage coordinated work within employee groups, allowing a feeling of relative autonomy and self-management (Bevan, Robert, Bate, Maher, & Wells, 2007). Specifically looking at employee empowerment, Malone (2003) suggests three types of decision-making structures and the communication needs of each in reference to employee empowerment opportunities: (a) “Cowboys” (p. 54) are independent,

decentralized decision makers with fairly low levels for communication; (b) “Commanders” (p. 54) are centralized decision makers with significantly higher levels of communication needs; (c) “Cyber-cowboys” (p. 54) are connected, but decentralized decision makers that require the highest level of communication for making autonomous decisions based on vast amounts of remote information. Malone believes that using decentralized empowerment, his cyber-cowboys will continue to increase in numbers as IT capabilities improve and allow for significant reductions in communication costs. These serve as a few examples of how to empower the employee base, and there are many more for other unique situations, but the most critical take-away is the overall importance to do something to empower employees for a successful organization.

Changes in the organizations of the 1990s toward a flattened structure also created single managers with many more employees to look after, thus early empowerment was born in an attempt to delegate decisions more often to nonmanagement employees (Malone, 2003). IT capabilities can enable successful empowerment through increasing the socialization of remote decision makers, making them more in touch and accessible, thus increasing loyalty and trust of that remote decision maker. Malone wrote:

Figuring out how to design effective decentralized systems and how to manage the continually shifting balance between empowerment and control will not be easy...but mastering [these areas] will be one of the most important differences between organizations that succeed in the next century and those that fail. (p. 67)

Further supporting employee empowerment, the idea of “Subsidiarity” (p. 63) suggests that all legitimate power originates at the bottom of the organization and is delegated upward only when there are benefits in doing so. This additionally perpetuates the idea that the employees are the

main source of power and how the organization utilizes this power in its structure is essential in success.

### **Organizational Impact of Structural Changes**

Last, for structural organization change, the third component to evaluate is the proper structure for the stated organization goals. Even within customer-focused organizations, there are various structures to choose. In deciding on the design of the organization, Boehm and Phipps (1996) suggest that evaluating the customer base of the organization will help determine where on the “full functional” (p. 2) to “full horizontal” (p. 2) spectrum of organizational structures an organization will be most effective. As two examples of this continuum, Ford changed from a functional organization design to one based on a few core processes, while Kraft alternately added some processes into its functional design already in existence. Furthermore, it is important to note that horizontal organizations are created through building on already existing strengths in the organization. Adding processes will not successfully make up for areas of weakness. Prior to reorganization, it is essential to evaluate what the organization does that either supports or cripples the processes that create value for the customer. This evaluation of the current state in reference to the customer’s value placement will help determine the amount of change needed, where the organization would be most effective on the continuum, and the overall organizational vision for the future.

Fraser and Strickland (2006) suggest that in addition to looking internally and at the customer base, the industry’s archetypal organization structure should also be reviewed. Those companies that followed their industry’s structure were more successful than those that used a different pure organizational structure; however, organizations that chose a hybrid structure based on the archetype had an even higher margin of success. The hybrid model allowed for

organizations to take advantage of the dominant industry structure, but also allowed an opportunity to tweak their structures to take advantage of opportunities that are unique to their organization. When planning the structure, potential constraints of the design need to be identified and analyzed by the design team, then evaluated on whether those concerns can be overcome, sometimes leading to a decision not to go through with the change if those concerns cannot be overcome (Day et al., 2003).

Day et al. (2003) advise, “All too often, companies that reorganize merely copy the organizational charts of successful companies without recognizing that they may be operating under completely different conditions” (p. 7). In the article, “Using a Design Approach to Assist Large-Scale Organizational Change,” the Bevan et al. (2007) remark, “Design is not simply about the object or the aesthetics, but about a broader creative approach to defining the problem itself and then developing a process to solve it” (p. 138). Bozon and Child (2003) further caution that organizational structures can be copied, but the intangibles that really make the organization work are more difficult to replicate. All of these dimensions need to be considered when deciding on the best structure for a given organization or work group.

Even with organizational change, the best-laid plans can go awry if the implementation plan and supporting factors are not effectively put in place for transformation. In *Failures in Organization Development and Change*, Walton (1977) made several suggestions to help with dissemination of an organizational change, such as support of upper management, written reports of the change, manager level ownership of the change management, publicity of the change, and transfer of employees who are experienced in the new way of working. Overall, ownership throughout the organization is key for dissemination of the changes, which then increases effectiveness of the change in the organization. Leaders need to focus on motivating and guiding



employees through the design of structures, systems, and mechanisms, as well as implementing new organizational systems (Day, 2003).

According to Day et al. (2003), successful reorganizations should (a) be focused on a simple and motivating business idea, (b) be carefully timed in their launch, and (c) have change leaders who are realistic in their vision of the new organization. If changes are meant to cover up the true motivations of the change, such as getting rid of poor performers or a need for headcount reduction, the lack of clarity will come through in the communication about the change and employees who are suspicious of management's plans may try covert ways to sabotage the change. Instead, it is far better to be transparent in the motivation for change, even if it is a difficult message, as change for organization survival can be a very motivating factor to involved employees. Since each employee has an impact on the change initiative, vision alignment needs to be a focus to ensure that everyone is on the same page with the change (Rezak, 2008). Properly defining and integrating the conditions for success are only achieved by a small number of organizations, which represents the small percentage who achieve their sustained organizational change and the related strategic results (Day et al., 2003). Additionally, the choice of timing for the change is critical and may involve negotiating trade-offs among the change goals. The timing is essential, as there are times that employees may be predisposed to accept rather than fiercely oppose change, which creates a far more impactful change and smoother transition.

Systems adaptation and changes in HR management should be considered in addition to the structural changes in order to move toward a customer-aligned organization (Homburg et al., 2000). This includes looking at the management practices, measurement systems, and incentives to create alignment with the new organizational goals (Day, 2003). Difficult human resourcing

decisions may need to be made as well to implement successfully the organizational change. Senior leaders need to deal actively with those people whose skills are less relevant in the new organization; if left unaddressed, they can undermine the desired changes (Homburg et al., 2000). Restaffing some of the employee population, the introduction of new training programs, and new performance measures will likely need to be put in place with the change initiative to reinforce the performance focus or process changes (Boehm & Phipps, 1996). If there is to be any job loss through the organizational change, it is best to make those reductions early in the process to minimize negative feelings while communicating the new vision (Bozon & Child, 2003). The commitment to a change, not the specifics of the technology involved in the change, is the key to success in implementation—there is a need to focus on the people and the alignment of that commitment (Rezak, 2008).

Clear and creative communication of change objectives and mobilization of energy within the organization are important components of those organizational transformations that are most successful (McKinsey Quarterly, 2006). *McKinsey Quarterly's* June 2006 survey found that successful executives have attributed their transformations to raising expectations in the organization about future performance, addressing short-term performance issues, engaging all levels of the organization, and making the change visible to the rest of the organization. Also significant, and often overlooked, is the criticality of fully explaining the importance of the change initiative so the employee group is supportive and willing to give up their well-established principles and beliefs (Rezak, 2008). Furthermore, in considering the change proposal, it is essential to evaluate that change against the organizational culture and mental models, as these must all be aligned in order for a successful transformation to occur and the desired results to be reached.

Although reorganization is a powerful tool for a CEO to use, one common perspective is that a CEO uses a reorganization initiative when he or she does not know how to deal with the difficult issues (Day et al., 2003). However, structural changes are not a panacea for all organizational issues. Instead, companies should only launch an organizational restructuring if they have some compelling evidence that the current structure is suboptimal, and that there is not another, less invasive, way to correct the shortcomings (Fraser & Strickland, 2006). Typically, the structure is not the cause of the organization's underperformance; it is more frequently that responsibilities are not clearly defined, incentives are not aligned with the priorities, or improper management processes are being used. Nor is it always appropriate to adjust the design in order to deal with social realities. Instead, showing empathy, communicating, or acknowledging the loss for individuals affected may help facilitate the change without compromising the needed design (Day et al., 2003). Alternately, if reorganization is driven by a powerful business idea, the change can motivate and unify the employees involved.

The decision of whether to undergo an organizational change needs careful assessment, as the risks associated with such changes are not minor. Executives would be foolish to assume that restructuring is a quick fix for their organizational woes (Fraser & Strickland, 2006). Often reorganizations fail, and thus instead of energizing employees with a common sense of purpose, they can put companies in a worse place than where they started, with increased negative emotions in the organization (Day et al., 2003). The stress and challenges of making an organizational change can only be handled by companies that already have strong foundation (Boehm & Phipps, 1996). Unintended ripple effects may spread throughout the organization as well. One such example, political issues, may surface when resources are reallocated to put the organizational focus on the areas that create the most customer value. Additionally, the

employees involved may present resistance to the change, as often the new change initiatives are added on top of their existing responsibilities and overwhelm them (Beaujean et al., 2006).

Finally, when planning to undertake an organizational change and to increase the likelihood of meeting the intended results, it is important to get the right people to lead the detailed design of the new organization and process flow. Specifically, someone is needed who can clearly communicate the purpose, visions, goals, and expectations of the change, and drive this message throughout all levels of the organization where the change needs to occur (Boehm & Phipps, 1996).

### **Summary**

Does a change to a customer-aligned organization structure provide for a better relationship and more efficient delivery of services for the business partner? Does employee empowerment result from such an organizational change? The literature reviewed covers multiple reasons that a feeling of partnership between a service organization and its customer, whether internal or external, is important for organizational success. Several varieties of organizational structure enable this partnership and overall customer focus. The literature highlights that the right employees are critical to strong customer alignment. Additionally, organization structure, processes, and rewards need to reinforce the positive employee behaviors and thus the empowerment to feel ownership for their actions and their successes. Finally, the literature about organizational changes cautions that such changes should only occur when other methods fail, and that communication, a clear vision, and strong leadership are essential to increase the likelihood of a successful change initiative.

The purpose of this research is to determine the effectiveness of an organization change in which the goals of the change were to create more empowered employees and business

partners who felt a better level of service from their IT team. The remaining chapters continue to explore these topics. This case study adds to the body of knowledge regarding the effectiveness of organizational changes with goals of customer alignment and employee empowerment.

### **Chapter 3: Methodology**

The purpose of this research was to determine the effectiveness of an organization change in which the goals of the change were to create more empowered employees and business partners who felt a better level of service from their IT team. The following two questions were researched:

1. Do employees feel more empowered in their role after an organizational change is made to focus on partnership between an IT team and the business unit partners?
2. Do both the business partners and the IT team feel a better partnership and more successful IT service delivery after a change is made to create a customer-aligned organization structure?

This chapter outlines the purpose of the research, the design of the study, sampling strategy, data collection, protection of human subjects, survey creation, and data analysis methods. Following this chapter reviews the study results and recommendations for future research in this area. A specific large media conglomerate IT organization realignment was used as a case study to explore the effect structural changes have on the empowerment of the employees within the organization and the effectiveness of the IT support for its business partner. This analysis includes information from employees so affected, and feedback from the Home Entertainment business unit that this IT team supports.

#### **Research Design**

This case study involved research of customer alignment structure, employee empowerment effects, and organizational design theory through periodicals, as well as obtained firsthand feedback from the IT employees and business partners involved with the organizational change. The questions of the business leader were centered around a net promoter score (an

overall customer satisfaction indicator) of the current Home Entertainment IT team. That score was based on their responsiveness to IT issues, ability to resolve the issues, the availability of the team when needed, ability to suggest strategic technical solutions to business challenges, and clarity of who to approach for a given IT issue. The organizational changes were made in December 2010, and 9 months later an online survey using Qualtrics online tool was provided to the 23 Home Entertainment IT employees (both managers and individual contributors), asking their feedback on their organization's structure change. They were invited to participate voluntarily in the survey, which included a disclosure of purpose and waiver of consent in opening statements. A reminder was sent to all participants 3 weeks after the original survey e-mail. The survey was closed for participation 25 days after its initial release. The survey was anonymous, with no identifying markers for the participants. All results were downloaded from the online tool to an Excel document, which was secured on a password-protected personal computer. The IT employees were asked to rate how likely they would be to suggest making this organizational change again based on a 5-point scale (ranging from strongly against making the change to strongly supportive of making the change, and including a neutral option), thus providing an overall net promoter score for the organization's structural change. Additionally, the employees were asked if they felt more effective, less effective, or the same as before the change in their interactions with the business partners. Other questions focused on thoughts about the previous organization, comparison of business participation before and after the change, and employee empowerment in their service-focused roles.

The timing of the survey, 9 months after the change, allowed for enough time to have passed since to have some data about how the new structure and process works, but it was not so much time that the previous structure was forgotten for comparison. This provided quantitative

data around the reorganization structural intention and the employee experience in the new structure. Most of the questions used a Likert scale to determine the degree of agreement with the statements provided. In addition to the surveys sent to the Home Entertainment IT team, face-to-face interviews were conducted with four IT employees (some managers and some individual contributors) to acquire qualitative data about the interactions with the business partners before and after the change, and to hear the level of control they felt over their work product. Additionally, interviews were conducted with two leaders in the Home Entertainment business unit (the business partner) to provide a perspective on the business outcomes of the change, and how this relates to the overall effectiveness of the teams' interactions and their feeling of support. A total of six interviews were conducted in person at the main office of the Home Entertainment IT team and business partners. Four of the interviewees were members of the Home Entertainment IT team, each in a different role on the IT team. The remaining two interviewees were business partners from the Home Entertainment business team. There were two different but related sets of interview questions, with one set for the IT participants and the other set for the business partner participants. A total of 10 potential interview candidates were contacted (six for the IT team and four for the business team) and given the opportunity to participate in the interviews. The overall goal was to evaluate the success of a new organization structure for the Home Entertainment IT group from both the IT employee perspective and the business impact of the change from the business partner's perspective.

### **Qualitative Interviews**

The IT employee interview participants self-selected either by responding or ignoring the e-mail request to participate in the described interview. The request e-mail detailed the purpose of interview data gathering, and the required time it would take them to participate, if they agree



to do so. Four IT interviews were conducted to represent 17% of the Home Entertainment IT employee population. Similarly, the Home Entertainment employee interviews involved the management who were consulted as part of the plan for the organizational change. This management team includes the six managers, two of which participated in interviews, who work day-to-day with the managers and employees in the IT organization. They were originally consulted as part of the structural design creation because they provided constructive feedback that helped identify the need for this new organizational structure. The success of the structural change is dependent on the improved interactions these managers have with the IT employees they rely on for technical support and strategy. Although the detailed consent form was sent to the participants ahead of time with the interview request, at the commencement of the interview, the participant was given an explanation of the interview and research purpose and asked to sign the given form if still willing to participate.

The interviews were conducted in either the employee's office or in a designated conference room at the media company's offices in Universal City, CA. The researcher and the interviewee both sat in the designated room, in chairs, with the researcher taking notes throughout the discussion. As previously disclosed to the participant, the interview lasted no more than 1 hour.

Three of the interview questions were identical on the two interview question sets, asking about large issues between the IT and business team both before and after the organizational change, and a question looking for the net promoter score of the organizational change. Four other items on each question set were similar in topic and only changed for the different interviewees. The remaining three items on each question set were unique and could not be compared cumulatively.

## **Data Collection**

Data were collected using a survey questionnaire and one-on-one interviews. The 10-question multiple-choice survey was sent to all 23 employees who were part of the Home Entertainment IT team. These 23 employees are the same as those who were part of the organization in March of 2010 when the organizational change was announced, so all potential respondents experienced the change firsthand. Of the 23 individuals the survey was sent to, 10 responded (about 43% of the population) and completed the survey properly.

While the survey was anonymous, all respondents have been part of the Home Entertainment IT team for a minimum of 3 years. Only one respondent is nonexempt; the rest are in exempt roles. In addition, that same individual is the only employee that has neither a formal degree in IT, nor past experience in an IT-specific role. Within the 23-person team, there are a variety of roles with varying amounts of hands-on systems coding responsibilities and client-facing and project management focused roles. This role variety existed both before and after the organizational change; however, technical and business tasks distribution has shifted in percentage and individual responsibility throughout the organizational change.

## **Measurement**

The researcher developed the IT employee survey specifically for this case study. No demographic data were collected, as the population is composed of employees in the Home Entertainment IT organization. Since the respondents are known to the researcher, it was determined that questions about age, gender, years of service, or other demographics would have likely caused participants to question assurances of anonymity. The survey questions were created using a Likert scale to facilitate the use of descriptive statistics with the survey results. The first two questions of the survey ask for perceptions of the interactions between IT and

Home Entertainment prior to the organizational change. Questions 3 through 6 ask for degree of agreement in regard to the success factors of clarity, alignment, service delivery, and employee empowerment. The seventh question asks for the net promoter score of the new organizational structure. The last two questions ask specifically for the employee perspective of the overall effectiveness of the change in regard to the relationship between IT and the business unit.

The researcher developed the two sets of qualitative interview questions. The purpose of obtaining qualitative data is to receive open-ended responses from both the IT employees and the Home Entertainment managers about their relationships prior to the organizational change, their suggestions for improved relationships, and the context around the change. Additionally, for the IT employee questions, strategy and control in issue resolution are included to evaluate employee empowerment. Finally, a question of the ideal organizational solution was asked. The interview questions designed for the Home Entertainment managers asked for feedback in very similar areas in order to provide a customer perspective of the IT employee effectiveness and, thus, either validate the data obtained from the IT employees or provide opposing information to counter the employee perspective.

### **Protection of Human Subjects**

Institutional approval was obtained from the Human Resources Vice President and from Pepperdine University's Institutional Review Board (Appendix A). In addition, on September 22, 2009, the researcher completed the Protecting Human Research Participants online course through the NIH (Appendix B).

### **Survey Consent Process**

In Part 1 of the study, there was an introductory overview covering the purpose of the research and that participation in the survey was completely voluntary and had no bearing on

their employment with the media company. The employee's participation indicated their consent as well as their submission of the online survey following their viewing of the consent waiver. The only cost to the participant was the time needed to complete and submit the survey online (approximately 10 to 15 minutes).

All responses were anonymous and kept confidential throughout the analysis and reporting phases. Only the cumulative data were reported, so as not to allow the singling out of any one respondent. If participants were interested in the survey results, they were asked to send the researcher an e-mail message so they could receive the summary of the results.

### **Interview Consent Process**

As part of the interview time request e-mail message for both the IT employee and business partner, the interviewee was provided a consent form to read ahead of time. Upon commencement of the interview time, the participant was physically handed the paper consent form and asked to decide whether to sign and still agree to participate in the interview. The cost to the participant was the time needed to complete the survey, which lasted no more than 1 hour.

All interview question responses were kept confidential and only reported as an aggregate of the subset (either representing the Home Entertainment Managers, or the IT employee participants). This information was saved on a password-protected personal computer, provided to participants in a summary manner, and only if requested by the participant through an e-mail request to the researcher.

### **Data Analysis**

The online survey was multiple-choice format, using a Likert scale methodology. Descriptive statistics were used to analyze the quantitative data obtained. Central tendencies, percentages, and distributions were calculated as appropriate.

The interview data from both the Home Entertainment business partners and from the Home Entertainment IT employees were evaluated for similarities in the qualitative data. All notes were read individually, and then similar responses were grouped together to determine any existing trends in the data.

### **Summary**

This chapter gave a summary of the research methodology used and the procedures for evaluating the change effectiveness in moving to a customer-alignment structure, focusing on the impact such a structure has on employee empowerment and service delivery. This chapter covered the study design, sample selection, data collection, protection of human subjects, survey design, and data analysis methods to come.

## **Chapter 4: Results**

The purpose of this study is to determine if an IT organizational structure aligned by the business structure provides for a better relationship and more efficient delivery of services to the business partner. The stated goal of the change was to create employees who are more empowered in their work as a business group IT team. The intent was that the Home Entertainment business partners would experience an improvement in the IT service level as a result of the increased IT employee empowerment.

This chapter provides the findings of this case study and describes the data collection results and analysis. First to be reviewed are the results from the quantitative survey sent to the IT employees and managers about the change impact. The next section provides the information gathered through qualitative interviews conducted with both a select group of IT employees, as well as similar interviews with two of the business partners. The chapter concludes with a summary of the findings.

### **Survey Findings**

In response to the first survey question inquiring about the amount of frustration experienced in working with Home Entertainment business partners prior to the organizational change, 40% (four) of respondents had only minor frustration prior to the change, with 60% (six) of respondents experiencing measurable to thorough frustration. Zero respondents stated that he or she did not have frustration prior to the change. The mean score on a 5-point scale was 3.30, with a standard deviation of 1.16; however, no respondents chose 3 (a rating of neutral feelings in terms of frustration).

The second survey question sought to find out what degree of adjustment was needed in the alignment between the Home Entertainment IT team and their business partners. Only 20%

(two) of the respondents felt there was only a need for minor adjustment of alignment between the two teams. Consequently, 80% (eight) of respondents felt there was a need for some to significant change in the alignment—specifically a full 70% (seven) of respondents felt significant change was needed. No respondents either felt change was unnecessary or was neutral on the topic. The mean rating was 4.30 on this question about need for change in alignment, with a standard deviation of 1.25.

When asked for their overall assessment about the degree they felt the organizational change was effective in increasing clarity for the Home Entertainment business about their IT support, 80% (eight) of respondents felt that the organizational change was either somewhat effective or effective in the goal. One respondent (10%) stated that it was somewhat not effective, and the other respondent (10%) stated he or she felt it was neither effective nor ineffective. The mean rating was 4.10 on a 5-point Likert scale, with a standard deviation of 0.99.

The fourth question of the survey addressed the degree respondents felt the organizational change met the goal of cleaner alignment of IT responsibility within the IT groups. Of respondents, 80% (eight) felt the change either somewhat effectively or effectively met the defined internal IT alignment (responding with either a score of a 4 or a 5 on the 5 point scale). One respondent, 10%, felt the change was somewhat not effective in defining responsibility and 10% (one) felt there was basically no change in regard to responsibility (choosing a degree of neither ineffective nor effective). The mean score was 4.10, with a standard deviation of 0.99.

The next question addressed the effectiveness of the change in providing better IT service delivery to the Home Entertainment business. Of the respondents, 50% (five) felt the goal was effectively met (choosing a rating of 5 on a 5-point scale). Of the respondents, 20% (two) felt

the change was somewhat effective (giving a rating of 4). One respondent chose each of the remaining ratings: “neither effective nor ineffective” (rating of 3), “somewhat not effective” (rating of 2), and “not at all effective” (rating of 1), constituting the remaining 30 of respondents and resulting in an overall mean rating of 3.90, with a standard deviation of 1.45.

Survey question six resulted in 30% (three) of respondents feeling that their ability to make decisions on work that affects them was diminished—answering that they have either significantly less ability (two respondents), or somewhat less ability (one respondent). Of the respondents, 20% responded neutrally, stating they felt no change in their empowerment (or ability to make decisions), and 50% (5) of respondents responded favorably in their decision-making ability increase, with 30% overall choosing the highest score, which was the mode for this question. The overall mean score for empowerment of the respondents was 3.30, with a standard deviation of 1.57.

Through the seventh survey question, 50% (five) of respondents answered that they have some control over resolving issues for their business partner (also an indicator of empowerment), and an additional 20% (two) chose the highest rating to indicate they fully have control in issue resolution, showing a combined total of 70%. One respondent (10%) felt neutral in regard to a change in his or her issue resolution empowerment since the organizational change, and two respondents (20%) stated that they significantly lack this control after the change. The overall mean rating was positive at a rating of 3.50, and had a standard deviation of 1.43.

In trying to determine the net promoter score measuring the overall satisfaction with this change, respondents were asked to what degree they would choose to make this organizational change if they had been given the option. The overall net promoter score is 4.5 (equating to the mean for this question), with a standard deviation of 1.27, and 80% (eight) of respondents



choosing the highest rating, stating they are strongly supportive of making this change again. An additional 10% (one) of respondents said he or she would be somewhat supportive, and the remaining respondent, 10%, was strongly against making this change again.

The ninth survey question asked if respondents currently have a relationship with a Home Entertainment business partner, to which 100% (10) responded that they do have such a partnership, leading to a standard deviation of 0.00.

In the final survey question, respondents were asked to rate the degree to which their relationship with their Home Entertainment business partner is now more effective than it was prior to the organizational change. Of the respondents, 70% (seven) responded favorably—either “somewhat more effective” (five respondents) or “significantly more effective” (two respondents). One respondent, 10%, felt there had been no change in the effectiveness of their relationship, and 20% (two) responded that their relationship was somewhat less effective than prior to the change, resulting in an overall mean of 3.70 and a standard deviation of 1.06 on this last question. Table 1 depicts a summary of all responses for the 10-question survey.

Table 1

*IT Employee Quantitative Results*

Question	Low % = 1	% = 2	% = 3	% = 4	High % = 5	Mean	SD
1. Degree of frustration prior to change	0	40	0	50	10	3.30	1.16
2. Degree of need to change alignment	0	20	0	10	70	4.30	1.25
3. Degree change was effective with increased clarity	0	10	10	40	40	4.10	0.99

*(table continues)*

Question	Low % = 1	% = 2	% = 3	% = 4	High % = 5	Mean	SD
4. Degree change was effective with cleaner alignment	0	10	10	40	40	4.10	0.99
5. Degree change was effective with better IT service	10	10	10	20	50	3.90	1.45
6. Degree have more decision-making ability	20	10	20	20	30	3.30	1.57
7. Degree have control to resolve issues for business	20	0	10	50	20	3.50	1.43
8. Likelihood to make this org change again	10	0	0	10	80	4.50	1.27
9. Currently have a business partner relationship	0 (No)				100 (Yes)	1.00	0.00
10. Degree relationship with business partner more effective since change	0	20	10	50	20	3.70	1.06

*N* = 10

In reviewing several of the survey questions combined, some additional deductions can be made. Although only 60% of respondents for the first question experienced a minimum of measurable frustration or more, 70% of respondents for the second question felt the need for a significant level of change in the alignment with the business partners (with an additional 10% needing some level of change). When responding to the three survey questions that inquired about the effectiveness of the three goals of the organizational change, only 20% to 30% of

respondents were either negative or neutral in their responses. These questions encompassed effectiveness of increased clarity, cleaner alignment, and better IT service (leading to 70% to 80% responding either moderately or significantly positive in their response). The question addressing the change in decision-making ability for participants had the most even spread of responses, leading to the highest standard deviation (at 1.57) of the survey, and the least level of agreement among respondents.

Research Question 1: Do employees feel more empowered in their role after an organizational change is made to focus on partnership between an IT team and the business unit partners?

Questions 6 and 7 of the survey addressed whether the employees feel more empowered after the organizational change to a customer-alignment structure. Empowerment is defined by [businessdictionary.com](http://businessdictionary.com) (n.d.) as “a management practice of sharing information, rewards, and power with employees so they can take initiative and make decisions to solve problems and improve service and performance.” Two survey questions focused on decision-making ability and issue resolution control to determine the changes in empowerment since the organizational change. The decision-making item resulted in only 50% of respondents rating this favorably, and 30% responded that they have less decision-making ability after the change.

As for the second measurement of empowerment in the survey, ability to resolve issues for the business partners, 70% of respondents answered favorably on this topic, but the overall average rating was only 3.50, again not much above neutral. The interviewees offered feedback around the issue of prioritization among engagement leader requests, which impeded the issue resolution control. The competing priorities for each business engagement team’s use of the

technical team were explained to cause some feelings of lack of control of the issue resolution as quickly as the business engagement employee would like.

Research Question 2: Do both the business partners and the IT team feel a better partnership and more successful IT service delivery after a change is made to create a customer-aligned organization structure?

This was addressed by three questions in the survey. One indicator was question 4, which asked if there was cleaner alignment after the change, to which 80% of respondents were favorable with an overall average of 4.10 agreeing that it was more effective after the change. Question 5 asked if the change resulted in better IT service, and question 10 inquired about an improvement in the IT and business partner relationships, both of these questions resulted in 70% positive response, with averages of 3.90 and 3.70, respectively.

As with the first research question, these scores for the second question indicate overall success with the goals of the organizational change, but not the full 100% approval that was hoped to result from the customer-alignment focus.

## **Interview Findings**

**What is working well between IT and the Home Entertainment business?** Both the employee interviewees, as well as the business partners commented that there is clearer role definition now than before the organizational change. Comments about communication, prioritization, and resourcing of the IT team were additionally mentioned as well-functioning components of the partnership. However, the topic of alignment provided most comments, including one IT employee who stated, “Alignment is much better—business and IT alignment (focused on the same goals) is much better—with the disparate, segregated IT teams of the past, there was limited ability of IT to recommend solutions.” Another IT employee further

commented, after the organizational change, “[there is] less of a feeling of ‘us’ versus ‘them’ and ‘CYA.’” Table 2 details the interviewees’ responses of what was working well for the partnership between IT and Home Entertainment teams.

Table 2

*Qualitative Comments on What Was Working Well*

	<i>N</i>
Clearer Roles	3
Communication	1
Prioritization	1
Resourcing	3
Alignment	2

*N* = 6 (IT and business partners)

**Areas for improvement.** The main themes for areas improvement that emerged from both the IT team and the business respondents included roles, priorities, and changes with the business team interaction with the IT team. Comments about styles of individuals on the IT team, productivity, and communication were each mentioned by just one respondent. The IT employees in their responses mentioned in multiple ways the need for some changes from the business team members. One employee commented:

Getting fully vetted ROI from the business leaders would help—they won’t do that now, which makes it difficult to prioritize all the work, so it’s left up to the technical team and business engagement leaders to try to prioritize. Numbering from 1-3 for each group doesn’t tell anything overall for the business in terms of priorities.

Table 3 below includes the categories of responses for the second interview question about areas of improvement.

Table 3

*Qualitative Comments on Areas for Improvement*

	<i>N</i>
Roles	3
Communication	1
Prioritization	3
Business Team Interaction	2
Styles	1
Productivity	1

*N* = 6 (IT and business partners)

**Organizational change effect on relationships.** Two groupings of comments were based on the role the respondents had after the change within the Home Entertainment IT team. Two of the responding IT employees commented mostly on the changes in their roles, comparing their positions before and after the organizational change. These two individuals had experienced a shift in their role to be more technology focused, instead of the business engagement focus that the overall organization shifted toward. One stated, “[My] role is now technically focused instead of business focused.” This employee didn’t indicate satisfaction or dissatisfaction with the shift, but did feel separated from the overall focus of the new organization. The other two IT employee respondents, who were realigned with their business partnership through the change, focused their responses on priorities, empowerment, and partnership. One comment, in terms of partnership, was, “[The] business trusts IT a lot more

now, more included in the process—involved more upstream but improved decisions, strategies, etc.—not to where we need to be but better than before.” The responses from the four IT respondents presented a mix of positive and negative effects from the change. The interviewee feedback regarding the organizational change effect on the partnership is summarized in Table 4.

Table 4

*Qualitative Comments on Effect on Relationships*

	<i>N</i>
Priorities	1
Empowerment	1
Roles	7
Partnership	2

*N* = 4 (only IT employees)

**Large issues prior to the change.** Four issues occurring prior to the organizational change were described by both the IT employees and those in the business unit: areas of alignment, impact of the IT Infrastructure teams, and communication, with one additional response regarding resourcing of the IT team. One of the business partners responded that he had not experienced any issues before the organizational change. One IT comment specifically addressing the impact of poor communication, was, “There will always be system issues, but the way we communicate and manage and triage through it is very important—that’s why we’re here today and it has gotten much better and has improved drastically.” Table 5 categorizes the interviewee responses around large issues prior to the organizational change.

Table 5

*Large Issues Before Change*

	<i>N</i>
Alignment	3
Infrastructure Impact	3
Communication	3
Resourcing	3

*N* = 6 (IT and business partners)

**Large issues since the change.** Both the IT employees and the Home Entertainment business partners were asked about interteam issues that occurred after the organizational change, which resulted in several comments about roles, communication, and the environment surrounding the change. Overall the most comments were made regarding resourcing. One IT employee explained:

Some feel more resources now and think it's great and some are getting fewer resources and are unhappy—if there's a good process in place and are realistic about priority, then it works. Previously it was a large very patchwork process, now we can focus resources, and get large impact projects done.

Table 6 reports areas of large issues after the organizational change.

Table 6

*Large Issues After Change*

	<i>N</i>
Roles	4

*(table continues)*



	<i>N</i>
Communication	3
Resourcing	7
Change Environment	4

*N* = 6 (IT and business partners)

**Proactive strategizing.** A few comments were made about the strategy level and prioritization, but the majority of the feedback revolved around the partnership between the IT team and the business team. The IT employees conveyed that the IT team’s ability to advise at a strategic level is getting better than before the change, but IT is still prevented from engaging in the initial strategic problem solving. One employee commented, “There are some business partners that know that the IT team knows better and can advise and come to them earlier—this is happening more, but not often enough.” Comments from interviewees regarding the proactive strategizing by the IT team are captured in table 7.

Table 7

*Proactive Strategy*

	<i>N</i>
Strategy Level	2
Prioritization	1
Partnership	4

*N* = 4 (only IT employees)

**Resolution ownership.** Communication and priorities were mentioned as barriers to complete ability of the IT employees to resolve issues for their business partners. However, both the IT employees and their business partners stated that they felt the IT employees have a higher

level of empowerment now than they did prior to the change, even if it is by working through others. As one employee commented, “I don’t have the ability to make changes myself, but I have the information, knowledge, influence, and relationships to get it resolved.” Additionally, one of the business users added their view, “The IT team has higher empowerment now than they have before the change—other may say they are not as empowered because of the increased layers.” The three categories of interviewee responses regarding the level of ownership for issue resolution are captured in table 8.

Table 8

*Resolution Ownership*

	<i>N</i>
Communication	2
Priorities	2
Empowerment	6

*N* = 6 (IT and business partners)

**Changes to resolution ability.** The responses are mixed in that the IT employees have more empowerment overall as compared to the situation before the change. However, for an individual, it will depend on which team he or she was on before and after the change, so he or she may personally be in a situation with less empowerment. One area of interest was the increased understanding from the IT Infrastructure team, as said by one employee, “[Infrastructure is] also starting to understand the applications more and don’t just think of them as generic applications taking up server space.” Other comments were also made about the specific feelings of control, as well as the level of partnership with the business team. Table 9

displays the three areas of comments regarding ability of the IT partners to resolve issues for their partners.

Table 9

*Changes to Resolution Ability*

	<i>N</i>
Partnership	3
Infrastructure Impact	4
Empowerment	5

*N* = 6 (IT and business partners)

**Three suggestions for the future partnership.** Suggestions included increased definition of roles, greater aligned goals, and increased IT knowledge of the business team. Yet, every one of the employees gave suggestions for the business team’s involvement with the IT team. To illustrate, one employee commented about the priority information from the business, “Return on investment from the business partners (they won’t do it right now)—need the business executives to make it happen.” Another employee responded, “IT should be part of the business meetings—currently can’t get into weekly staff meetings, [we are] instead brought in once the solutions come in, so IT doesn’t hear the pains or the wins.” The suggestions given for the future partnership of the IT and Home Entertainment teams are summarized in table 10.

Table 10

*Three Wishes for the Future*

	<i>N</i>
Business Team Involvement	7

*(table continues)*

	<i>N</i>
Roles	3
Goals	1
IT Knowledge	3

*N* = 4 (only IT employees)

**Likeliness to suggest the business engagement structure.** Of the six interviewees, five of them gave a rating of 4 or 5, with 5 as the highest rating. The one remaining employee gave an overall rating of 1, bringing the mean net promoter score for the change to a 4. In addition to a numeric score, each respondent also provided feedback on the area that should be adjusted. These suggestions fell into the areas of partnership with the business, communication, goals, and most often, the area of resourcing of the IT team. Employees mentioned the pressure they feel in their role because they do not have the level of resourcing they had expected in the new structure. One employee mentioned, “Still not the model planned of manager, project manager, and business analyst managing projects.” However, another employee felt differently, “The structure gives the ability of the entire IT team to focus in one direction if that is the most important thing for the business to get done—offers flexibility.” Table 11 details the interviewee suggestions to further improve the organizational change made.

Table 11

*Areas of Future Organizational Improvement*

	<i>N</i>
Partnership	2
Communications	3

*(table continues)*

	<i>N</i>
Resourcing	6
Goals	2

*N* = 6 (IT and business partners)

**Business feeling of IT support.** Only the two business partner interviewees were asked to what degree they felt their IT needs were met on a daily basis, and both responded favorably with either a comment of “good,” or “99 percent met.”

**Business feeling of IT partnership.** Only the business partners were asked this question, yet their comments were varied, including topics of partnering, proactiveness, and separation from the business unit. The business partners felt there could be improvement in this area by the IT team, commenting. “[Level of partnering] is okay—the reorganization structure umbrella was to get closer to the business, but I haven’t seen it yet—IT does what we ask them to do.” Table 12 captures suggestions from the Home Entertainment business team for future IT team improvement.

Table 12

*IT Partnership*

	<i>N</i>
Partnering	2
Proactivity	2
Separation From Business	1

*N* = 2 (only business partners)

**Knowledge of IT contact.** Both business respondents agreed that they knew 100% who the correct IT person was to contact for their area of the business.

## **Summary of Interviews**

Throughout the interviews, some topics were brought up repeatedly. The area of communication was the most frequent area discussed, as it was brought up in seven of the 13 distinct questions. This was followed by comments of clearer role definition, prioritization, resourcing, and partnership, which were each an area discussed in five of the 13 overall questions. The next most frequent topics were alignment and empowerment, with the remaining categories only addressed in one or two of the question responses.

Most of the impact from the organization change was favorable and addressed the previous feelings of misalignment and confusion in IT partnership with the Home Entertainment business partners, but new issues also surfaced. As there were only two business partners who consented to an interview, their feedback was hard to generalize beyond their specific statements; however, the main take-away was that they felt supported by their IT team and confident that they would get what they needed from their IT partners.

## **Summary**

The results of the study were presented in this chapter. The first section of this chapter detailed the quantitative data that was gathered through the use of an electronic survey given to employees in the Home Entertainment IT team. Out of a sample of 10 employees, eight responded (80%) with the highest rating of 5 for their likelihood to support a similar change again, and another respondent (10%) provided a rating of 4. The second section detailed the findings from the qualitative interviews conducted with both the IT employees and the Home Entertainment business partners, which provided feedback in support of the organizational change. Additionally, suggestions were provided to reach the change goals of improved IT

employee empowerment and alignment between the IT team and business partners. Chapter 5 provides conclusions from the study and discusses implications for further research in this area.

## **Chapter 5: Conclusions**

This chapter discusses the research findings from the case study, makes conclusions from the data, and provides recommendations both for practice and for future research.

### **Research Overview**

The purpose of this research was to determine the effectiveness of an organizational change in which the goals of the change were to create more empowered employees and business partners who felt a better level of service from their IT team. The following two questions were researched:

1. Do employees feel more empowered in their role after an organizational change is made to focus on partnership between an IT team and the business unit partners?
2. Do both the business partners and the IT team feel a better partnership and more successful IT service delivery after a change is made to create a customer-aligned organization structure?

### **Discussion**

Based on this case study, the organizational change mostly met its stated goals, in that most employees (70%-80% depending on the specific indicator measured) felt more empowered after the organizational change, and overall there seems to be a strong partnership from both the business partner and IT employee perspective. However, the overall average response of 3.30 for the survey question addressing decision making (falling just above neutral) is not as high of a response as would have been expected from the change. In speaking with the respondents in the interviews, some of this less favorable responses can be attributed to the division of technical teams from business engagement teams. Improvement of relations and processes between these two IT teams was recommended as an area of improvement for the future. In comparison, the



business partners were not as strong in their conviction that the organizational change increased their sense of partnership, as they had found work-arounds to get done what they needed to prior to the organizational change. From the IT employee perspective though, 70% of the respondents felt they had a more effective partnership after the change.

Although the organization change increased the ownership of the business relationship by the IT employee, which should have increased the feeling of empowerment, a new, unforeseen dynamic with the separation of the technical team resulted in a unexpected decrease in control and thus lessened empowerment. The survey and interview results indicate that the relationship between the IT business engagement teams and the IT technical team will need further attention to increase the empowerment among employees and their overall satisfaction with the interactions inside the IT team. Additionally, areas of communication, role clarification, prioritization, and resourcing were brought up as areas of focus to increase future success. Comments from interviews with the IT employees brought up the feeling of loss. IT members no longer own the IT applications because they now own the business engagement relationship. Overall, the IT team as well as the business partners felt there was improvement through the organizational change (as indicated by the 90%t of respondents in the survey selecting that they would make this same change again if given the opportunity). However, there will need to be continued feedback and adjustment to address new issues brought to light by the interactions. From the responses given during the interviews, it appears that the original issue was addressed through the change, but the division within the IT team to create a shared technical team will need further refining to address the new frustration and lack of control the IT employees feel. Organizations are not static and thus the changing environment and work will need an organization that can continue to change with it.

## **Implications for Research**

These findings on the connection between organizational changes and employee empowerment are consistent with Foote et al. (2001) and Boehm and Phipps (1996), in that shifting decision making to lower levels in the organization provides feelings of autonomy and ownership that create more enthusiastic and committed employees. Henderson (1990) found that shared goals and joint decision making resulted in a mutually beneficial relationship for both sides of the partnership in their feelings about the partner organization.

The areas that were brought up for future focus in the Home Entertainment IT organization for increased partnership were also discussed in the literature. Homburg et al. (2000) and Rezak (2008) highlighted that through the organizational change, those with less-relevant skills for the new organization need to be actively dealt with to ensure success. All respondents highlighted that for the service delivery and team performance goals to be met, IT employees who do not have appropriate interpersonal communication skills (on either the business engagement teams or the technical team) and those lacking the technical aptitude (specific to the technical team), will need to improve their skills or eventually leave the organization.

## **Implications for Practice**

The impact of this research is that while customer alignment focused organizational change can improve both the experience of the employees with their work, as well as the effectiveness of the organization with their customers (either internal or external), the change needs to be carefully evaluated for the specific situation before the change is undergone. An organizational change toward a partnership structure can have a negative impact on employees, creating further dissatisfaction in their work, if the change is not a fit for the particular culture

and environment. Additionally, if the change is implemented under circumstances without the appropriate readiness, or does not have the supporting features necessary to facilitate the shift to customer alignment, the disruption of the change can lead to negative results for both the service organization and the customer, and may ultimately result in an end to the partnership. Thus, the literature and the case study reviewed show that the change with this specific IT organization was relatively successful, but that each situation needs to be reviewed on its own merits before implementing the same change.

### **Study Limitations**

This study was limited in its external applicability since this was a specific case study of an individual team within the broader IT organization of a media company. It is hard to predict how transferrable this data is to other functional organizations, or to nonmedia companies. This could be investigated by conducting a study with the same research questions for either a different functional team or for a company that is not in the media sector.

Additionally, the sample size for the study is small, so while 43% of the sample responded to the quantitative survey, this only amounted to 10 respondents. This concern was offset by combining the survey with qualitative interviews with this same sample of IT employees, as well as two business partners. A survey conducted prior to the change would have been a beneficial baseline of employee empowerment level and business partner satisfaction to evaluate better the degree of impact of the change without relying on the subjects' own interpretation of the starting point and the state of employee empowerment and business alignment after the change.

Finally, there is a potential for bias by the researcher, as she was a Human Resources employee that previously supported the IT team. This bias was partially alleviated by conducting the survey and interviews after she left the IT organization.

### **Recommendations for Future Study**

A replication of this study simultaneously conducted with a functional team that is not IT and conducted with an IT team that is not in the media industry would provide data to determine if the research findings can be generalized outside of either IT teams or media companies. Since organizational structure is strongly influenced by the company's context as well as its industry, such research would help highlight the applicability of a business engagement structure in other service organizations. Additional follow-up research with this same organization would be beneficial as well, specifically if some of the further suggested improvements are made. Continued evaluation after changes will help refine the organizational structure needed for this particular organization as its environment continues to change around it. Furthermore, review of the IT service tickets logged by the business partners could allow for additional data to see if more of the issues are resolved for the business partners in a timely manner and are correctly addressed with the initial solution provided. An ongoing investigation with this small IT team could continue to serve as a customer-alignment focused organization case study, reviewing nuances that evolve over time that influence the relationship with the business partner and the empowerment of the IT employees.

### **Summary**

In terms of the original research questions the researcher sought to answer, both questions were answered through the research for the specific organization in the case study, but it is harder to generalize those findings beyond that organization. In terms of the first research

question, about improved employee empowerment through the organizational change, the group of employees in the case study did see some improvement in the ability to make decisions for their business partner and to control the issue resolution, but a new issue sprouted up in the process, which had a negative impact. Respondents noted that if the relationship and processes between the business engagement and technical teams were improved, then this empowerment would continue to rise. For other organizations, it is difficult to generalize if they would also have a resulting negative impact on empowerment through implementation of a customer-aligned structure. It is assumed that if these other organizations did not create a new division of labor as well through this change that they might only have the positive impact the business engagement teams felt in their newly defined business relationships.

Regarding the second research question addressing a feeling of increased partnership between IT and the business and increased IT service delivery, the partnership aspect appears to have the strongest results. Based on the data gathered through the survey and the interviews, the increased feeling of business partnership (specifically for those in a business engagement team after the change) appears to result from the organizational change. These results would seem to be transferable to other organizations that also choose to make such an organizational change. The secondary measure of increased IT service delivery was more difficult to answer. Through the interviews, it was discovered that the business partners had found work-arounds to get what they needed from the IT team prior to the change. So, it can be deduced that the organizational change did not increase or decrease the service delivery level, but did create a clearer process for such service delivery that did not require on the creativity of the business partner. As for how the service delivery would be impacted for a different organization that implements a customer-alignment structure, no assumptions can be made from the research gathered.

## References

- Beaujean, M., Davidson, J., and Madge, S. (2006). The 'moment of truth' in customer service. *McKinsey Quarterly*, (1), 62–73.
- Bevan, H., Robert, G., Bate, P., Maher, L., & Wells, J. (2007, March). Using a design approach to assist large-scale organizational change. *The Journal of Applied Behavioral Science*, 43(1), 135–152
- Boehm, R., & Phipps, C. (1996, August). Flatness forays. *McKinsey Quarterly*, 1–18.
- Bozon, I. J., & Child, P. N. (2003, June). Refining Shell's position in Europe. *McKinsey Quarterly*, 1–11.
- Day, J. D. (2003, Special Edition). This quarter: The value in organization. *The McKinsey Quarterly*, 4–5.
- Day, J. D., Lawson, E., & Leslie, K. (2003, June). When reorganization works. *McKinsey Quarterly*, 1–10.
- Empowerment. (n.d.). In *BusinessDictionary.com*. Retrieved from <http://www.businessdictionary.com/definition/empowerment.html>
- Foote, N. W., Galbraith, J., Hope, Q., & Miller, D. (2001, August). Making solutions the answer. *The McKinsey Quarterly*, 1–10.
- Fraser, C. H., & Strickland, W. L. (2006). When organization isn't enough. *McKinsey Quarterly*, (1), 9–11.
- Henderson, J. C. (1990, Spring). Plugging into strategic partnerships: The critical IS connection. *Sloan Management Review*, 31(3), 7–18.
- Hilmer, F. G., & Donaldson, L. (1996). The trivialization of management. *McKinsey Quarterly*, (4), 26–37.
- Homburg, C., Workman, J. P., Jr., & Jensen, O. (2000). Fundamental changes in marketing organization: The movement toward a customer-focused organizational structure. *Journal of the Academy of Marketing Sciences*, 28(4), 459–478.
- Malone, T. W. (2003). Is empowerment just a fad? Control, decision making, and IT. *Inventing the Organizations of the 21<sup>st</sup> Century*, 49–69.
- Marhawa, S., & Willmott, P. (2006, September). Managing IT for scale, speed, and innovation. *McKinsey Quarterly*, 1–10.

*McKinsey Quarterly*. (2006, June). Organizing for successful change management: A McKinsey Global Survey.

Rezak, C. (2008). *The alignment factor—Addressing change as a ‘people challenge.’* Retrieve from EzineArticles.com

Rockart, J. F., Earl, M. J., & Ross, J. W. (1996). Eight imperatives for the new IT organization. *Sloan Management Review* 38(1), 43-55.

Walton, R. E. (1977). *Failures in organization development and change*. New York, NY: John Wiley & Sons.

Appendix A  
IRB Approval



# PEPPERDINE UNIVERSITY

## Graduate & Professional Schools Institutional Review Board

November 29, 2010

Emily Logan  
11133 Aqua Vist St. #203  
Studio City, CA 91602

Protocol #: O0810M05  
Project Title: *IT Business Engagement Model*

Dear Ms. Logan:

Thank you for submitting the revisions requested by Pepperdine University's Graduate and Professional Schools IRB (GPS IRB) for your study, *IT Business Engagement Model*. The IRB has reviewed your revisions and found them acceptable. You may proceed with your study. The IRB has determined that the above entitled project meets the requirements for exemption under the federal regulations 45 CFR 46 - <http://www.nihtraining.com/ohsrsite/guidelines/45cfr46.html> that govern the protections of human subjects. Specifically, section 45 CFR 46.101(b)(2) states:

(b) Unless otherwise required by Department or Agency heads, research activities in which the only involvement of human subjects will be in one or more of the following categories are exempt from this policy:

**Category (2) of 45 CFR 46.101**, research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless: a) Information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and b) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

In addition, your application to waive documentation of consent, as indicated in your **Application for Waiver or Alteration of Informed Consent Procedures** form has been approved.


Your research must be conducted according to the proposal that was submitted to the IRB. If changes to the approved protocol occur, a revised protocol must be reviewed and approved by the IRB before implementation. For any proposed changes in your research protocol, please submit a **Request for Modification Form** to the GPS IRB. Because your study falls under exemption, there is no requirement for continuing IRB review of your project. Please be aware that changes to your protocol may prevent the research from qualifying for exemption from 45 CFR 46.101 and require submission of a new IRB application or other materials to the GPS IRB.

A goal of the IRB is to prevent negative occurrences during any research study. However, despite our best intent, unforeseen circumstances or events may arise during the research. If an unexpected situation or adverse event happens during your investigation, please notify the GPS IRB as soon as possible. We will ask for a complete explanation of the event and your response. Other actions also may be required depending on the nature of the event. Details regarding the timeframe in which adverse events must be reported to the GPS IRB and the appropriate form to be used to report this information can be found in the *Pepperdine University Protection of Human Participants in Research: Policies and Procedures Manual* (see link to "policy material" at <http://www.pepperdine.edu/irb/graduate/>).

6100 Center Drive, Los Angeles, California 90045 ■ 310-568-5600

Please refer to the protocol number denoted above in all further communication or correspondence related to this approval. Should you have additional questions, please contact me. On behalf of the GPS IRB, I wish you success in this scholarly pursuit.

Sincerely,

A handwritten signature in black ink, appearing to be 'DL', with a horizontal line extending to the right.

Doug Leigh, Ph.D.  
Associate Professor of Education  
Pepperdine University  
Graduate School of Education and Psychology  
6100 Center Dr. 5<sup>th</sup> Floor  
Los Angeles, CA 90045  
[dleigh@pepperdine.edu](mailto:dleigh@pepperdine.edu)  
(310) 568-2389

cc: Dr. Lee Kats, Associate Provost for Research & Assistant Dean of Research, Seaver College  
Ms. Alexandra Roosa, Director Research and Sponsored Programs  
Dr. Doug Leigh, Chair, Graduate and Professional Schools IRB  
Ms. Jean Kang, Manager, Graduate and Professional Schools IRB  
Dr. Ann Feyerherm

Appendix B

Certificate of Human Research Participants



Appendix C

Informed Consent Form

## INFORMED CONSENT FOR PARTICIPATION IN RESEARCH ACTIVITIES

Participant: \_\_\_\_\_

Principal Investigator: Emily Logan

Title of Project: IT Business Engagement Model

1. I \_\_\_\_\_ , agree to participate in the research study being conducted by Emily Logan as part of her Pepperdine University Masters of Science Organization Development degree under the direction of Dr. Ann Feyerherm.
2. The overall purpose of this research is to explore the affect structural changes have on the empowerment of the employees within an IT organization, and thus the improved service delivery for their business partners.
3. My participation will involve a 45-60 minute one-on-one interview conducted by the researcher answering up to 13 interview questions.
4. My participation in the study will take no longer than 60 minutes. The study shall be conducted in a private office or conference room in the Universal City, CA NBC Universal office complex.
5. I understand that the possible benefits to myself or society from this research are an increased understanding in the purpose and success factors of organizational changes. This may specifically lead to more effective IT support in the future.
6. I understand that there are certain risks and discomforts that might be associated with this research. There are no expected risks to the participants for participating in the one-on-one interview. The only cost to the participant is the time needed to complete the interview (45-60 minutes).
7. I understand that I may choose not to participate in this research.
8. I understand that my participation is voluntary and that I may refuse to participate and/or withdraw my consent and discontinue participation in the project or activity at any time without penalty.
9. I understand that the investigator(s) will take all reasonable measures to protect the confidentiality of my records and my identity will not be revealed in any publication that may result from this project. The confidentiality of my records will be maintained in accordance with applicable state and federal laws.

10. I understand that the investigator is willing to answer any inquiries I may have concerning the research herein described, and can be contacted at [emily.logan@pepperdine.edu](mailto:emily.logan@pepperdine.edu) I understand that I may contact Ann Feyerherm at [ann.feyerherm@pepperdine.edu](mailto:ann.feyerherm@pepperdine.edu) if I have other questions or concerns about this research. If I have questions about my rights as a research participant, I understand that I can contact Dr. Doug Leigh, Chairperson of the Pepperdine University Graduate Schools' Institutional Review Board, [doug.leigh@pepperdine.edu](mailto:doug.leigh@pepperdine.edu)
11. I understand to my satisfaction the information regarding participation in the research project. All my questions have been answered to my satisfaction. I have received a copy of this informed consent form which I have read and understand. I hereby consent to participate in the research described above.

---

Participant's Signature

---

Date

---

Participant Name

I have explained and defined in detail the research procedure in which the subject has consented to participate. Having explained this and answered any questions, I am cosigning this form and accepting this person's consent.

---

Principal Investigator – Emily Logan

---

Date

## Appendix D

### Qualitative Interview Questions—Home Entertainment



## Home Entertainment Business Partner Interview Questions:

1. To what degree do you feel your IT needs are met on an average day?
2. To what degree do you feel that the IT team is a business partner in your Home Entertainment organization? What is the level of proactive strategy work?
3. To what degree do you believe that you know the correct IT person to contact for a given technology issue?
4. What, if any, large issues have arisen between the business and IT teams in the last 2 years prior to the IT organizational change in March 2010?
5. What, if any, large issues have arisen between the business and IT teams in the last several months since the IT organizational change?
6. To what degree do you feel there has been increased effectiveness in the interactions between the Home Entertainment team and the IT team?
7. What other changes have you observed since the IT organizational change in March 2010?
8. What, if any, areas of your interaction with the IT team do you think could be improved? Are any of these areas new since the organizational change?
9. To what degree do you believe that your main IT contact is able to take the necessary actions needed to resolve your IT issues? Is this empowerment lower, higher, or the same level as before the organizational change?
10. Overall, how likely are you to positively describe your IT support to other business groups (1 = not at all likely, 5 = very likely)

Appendix E  
Qualitative Interview Questions—IT

## Home Entertainment IT Employee Interview Questions:

1. What do you believe is working well between the Home Entertainment business unit and the Home Entertainment IT team?
2. What do you believe could be done better or differently in the interactions between the business and IT teams?
3. What, if any, has been the effect of the March organizational change on your relationship with your Home Entertainment business partners?
4. What, if any, large issues have arisen between the business and IT teams in the last 2 years prior to the March org change?
5. What, if any, large issues have arisen between the business and IT teams in the last several months since the March org change?
6. To what degree do you feel you are able to proactively strategize with your Home Entertainment business partners?
7. Do you feel you have the ability to take necessary actions to resolve IT issues for your HE business partner?
8. How has this ability (in reference to #7) been enhanced or diluted since the organizational change?
9. If you had 3 suggestions for the IT organizational structure or interaction with the Home Entertainment Business, what would they be?
10. Overall, how likely would you be to suggest a business engagement organizational structure to another IT organization? (1 = not at all likely, 5 = very likely)

Appendix F  
Quantitative Survey Questions

All of the below questions are in reference to the organizational change that was made for the Home Entertainment IT team in March 2010, shifting to a Business Engagement focused model.

Answer the following questions thinking to before March 2010, prior to the re-org:

1. Please rate the degree to which you felt frustration with the IT and Home Entertainment business interactions (1 = no frustration through interactions, 5 = thoroughly felt frustrated)
2. Please rate the degree to which you believed there was a need to adjust the alignment between the Home Entertainment business partners and the HE IT team (1 = no need for change, 5 = thoroughly felt a need for change)

Answer the following questions in regards to the current situation today, several months since the organizational change:

1. Please rate the degree to which you believe the organizational change has been effective in the defined goal of increased clarity for the Home Entertainment business in regards to IT support (1 = not at all effective, 5 = effectively met the goal)
2. Please rate the degree to which you believe the organizational change has been effective in the defined goal of cleaner alignment of IT responsibility within the IT groups (1 = not at all effective, 5 = effectively met the goal)
3. Please rate the degree to which you believe the organizational change has been effective in the defined goal of better IT service delivery to the Home Entertainment business (1 = not at all effective, 5 = effectively met the goal)
4. Please rate the degree to which you have more or less ability to make decisions on work that affects you (1 = significantly less ability, 5 = significantly more ability)
5. Please rate the degree to which you have control over resolving issues that arise for your business partner (1 = significantly lack control to resolve issues, 5 = significantly have control to resolve issues)
6. Please rate the degree to which, if given the option, you would choose to re-organize the Home Entertainment IT team into the Business Engagement structure created in March 2010 (1 = strongly against making this change, 5 = strongly supportive of making this change)
7. Do you currently have a relationship with a HE Business Partner? Yes/No
8. If yes to question 10, rate the degree to which your relationship with your business partner has become more effective since the organizational change (1 = the

partnership has become less effective, 5 = the partnership has become significantly more effective)

Thank you for taking the time to complete this survey.

If you would be interested in participating in additional interview questions, please send me an email at: [Emily.logan@pepperdine.edu](mailto:Emily.logan@pepperdine.edu)