

**KAMPALA INTERNATIONAL UNIVERSITY SCHOOL OF BUSINESS AND
MANAGEMENT.**

**THE IMPACT OF CHANGE ON ORGANISATIONAL
DEVELOPMENT, CASE STUDY KAKIRA
SUGAR WORKS**

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DECLARATION


I, Shamshad Raza declare that this piece of work has been out of my entire effort and has never been presented in any other institution.

Signature. *Shamshad*.....
Shamshad Raza

Date. *11-07-2018*

APPROVAL

This Dissertation has been submitted under my supervision as a University Supervisor.

Signature.....  . 01/07/2008.

Mr. Okello Francis
SUPERVISOR

Date.....

DEDICATION

This piece of work is dedicated to my parents and family, your belief in education has given me a sense of inspiration and to my supervisor. Thanks to God almighty.

ACKNOWLEDGEMENT

I would love to acknowledge the following persons in their capacities who have contributed towards my education and the generation of this piece of work;

Sincere thanks are extended to my Supervisor Mr. Okello Francis for his advice, comments and guidance that enabled me produce this work, I will never forget his help and may God bless him so much. I would also like to register my deep appreciation to Kakira Sugar Works.

My family especially my parents, sisters and brothers for loving and praying for me while I pursued my studies.

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ABSTRACT

The study set out to find out the impact of change on organizational development. It was guided by a number of objectives which were; to examine the effect of Organizational change on organizational leadership development, to evaluate the relationship between organizational changes and capital growth of the organization and to analyze the effect of organizational changes on internal harmony of the organization

With the world becoming one global village, organizations have realized that they have to change if they are to achieve organizational development and service in the market. The study focused on kakira sugar estate to determine the impact of change on organizational development. Data was collected on such information-using interviewing, observation and use of existing literature. Interviewing was done by the use of questionnaires and face-to-face conversation with the respondents.

The findings of the study shows that organization have benefited from changes in the area of leadership development, technological advancement, Brand name development, increased sale, reduced cost of production as well as improved efficiency in the entire system. Through changes the government and general public have benefited from organizational changes.

Recommendations emphasize the need for the changes to be aimed at problem solving, embrace everyone, and be based on research if at all it is to result to organizational development. There is need to sensitize staff first. The staffs need to know how they will be affected by changes. Usually if changes aim at benefiting everyone within the organization and for the good of everyone, it will get total support from the staff.

Change also requires strong leadership. Those who are able to stand to take risks and stand firm in times of difficult changes and defend their positions without any fear or favor. It has been realized that effective organizational change yields good results like leadership development through promotions, training good results like leadership development through promotions, training and empowerment of employees. Change is

mainly in the areas of investment technological advancement, manpower recruitment, marketing and other policies that involve day-to-day running of the organization.

As a result of organizational change, organizations have been able to realize capital growth through increased production, sales and general efficiency in the entire process, created internal harmony within the organization because of conducive atmosphere created. However, for change to cause organizational development leaders should be motivating, innovating, inspiring and unafraid to take risks as in times of difficult change, a leader's resilience, stamina and commitment to their vision will be vital. Change should also be managed from top. Top officials need to appreciate the drive to change first like general manager and departmental managers before it is sold to other members of the staff. This is so because such officials are key decision makers of the organization.

Before any change research should be carried out especially in the market place and within the organization itself. This should be done to ensure effective changes are made. External consultants are also required as they are less subject to the internal politics of the organization and as a result they can be more effective in facilitating significant and meaningful changes compared to internal change agents or consultants.

CHAPTER ONE

1.1 Introduction

Organizational development is an effort, planned organization-wide and managed from the top to increase organization effectiveness and organization health through planned interventions in the organization's processes, using behavioral-science knowledge. "In essence, organizational development is a planned system of change. Change is used as a strategy for organizational development worldwide. Change takes various forms that are labor change, mission and vision, product change and other aspects of the organization operations. Effective change is an initiative of all stakeholders. Therefore, change is undertaken to bring about organizational development.

1.2 Background

As seen already, change is a strategy for organizational development to overcome their internal and external weaknesses and to make the organization relevant to needs of the society. Because of change, organizations have developed from small to big, national to international, having few workers to thousands of workers and many have earned respect in the society.

In the past according to Robert (1995), organizational change was a leadership responsibility in an organization. However, most organizations nowadays, including Kakira sugar works, perceive change as a duty of all stakeholders and at times consultants are induced to facilitate change. It must be noted that, Kakira sugar works has embraced a number of changes over the years and as a result, it has attained organizational growth and increased its efficiency in service delivery, and addressing the needs especially for marginalized societies.

The organization has come up with developmental programmes that have touched the hearts of many like setting up water projects in areas where there was water scarcity. It has also worked in partnership with governments and other development partners to provide logistic support in areas of their operation. As a known profit organization, its changes have yielded many benefits for the betterment of people. There is no doubt that it

will continue carrying out changes and adapting to new changes as a tool for efficiency and continued organizational development. It's upon this background that the research will be carried to find out the impact of change on organizational development especially in Kakira sugar works.

1.3 Problem Statement

In most profit-oriented organizations, major changes have taken place in the areas of human resource, capital investment and in general branding of an organization, hence considering change as a tool for organizational development. Though a number of changes have taken place at Kakira Sugar, there is quite limited information available on their effect on leadership, national/ international recognition, capital and general growth of an organization. In most organizations, such changes have resulted into internal disharmony and even the collapse of the organizations. Therefore, there is no doubt about the need to find out the impact of change on organizational development especially in Kakira sugar works and there is hope the researcher will achieve this. The library of congress country studies; CIA World Fact book (December 1990).

1.4 Objectives of the Study

1.4.1 General objective

The overall objective is to find out the impact of change on organizational development.

1.4.2 Specific Objectives

This research will be guided by the following specific objectives.

1. To examine the effect of Organizational change on organizational leadership development
2. To evaluate the relationship between organizational changes and capital growth of the organization.
3. To analyze the effect of organizational changes on internal harmony of the organization

1.5 Research Questions

1. What is the effect of Organizational change on organizational leadership development?
2. What is the relationship between organizational changes and capital growth of the organization?
3. What is the effect of organizational changes internal harmony of the organization?

1.6 Scope of the Study

This research will focus on Kakira sugar works. It will concentrate on the impacts of changes and how they have affected organizational development. The study will focus on the period of 2000-2008 since it is the period when major changes have been effected in the organization.

1.7 Significance/ Justification on the Study

Change contributes greatly to organizational developments in terms of improving efficiency, increase on capital turn over and re-branding of the organizational. The same applies to the Kakira sugar works. But little information has been published concerning the effects of change on organizational developments. Therefore this study is significant in that.

- i. It will provide information about the effects of change on organizational development.
- ii. The research will help in planning. It will assist policy makers in designing policies and making decisions.
- iii. The acquired information will be very important to other scholars most especially to those that will be carried out relevant study.
- iv. The data collected will enable stakeholders in organizations and consultants in order to recommend appropriate interventions.

CHAPTER TWO

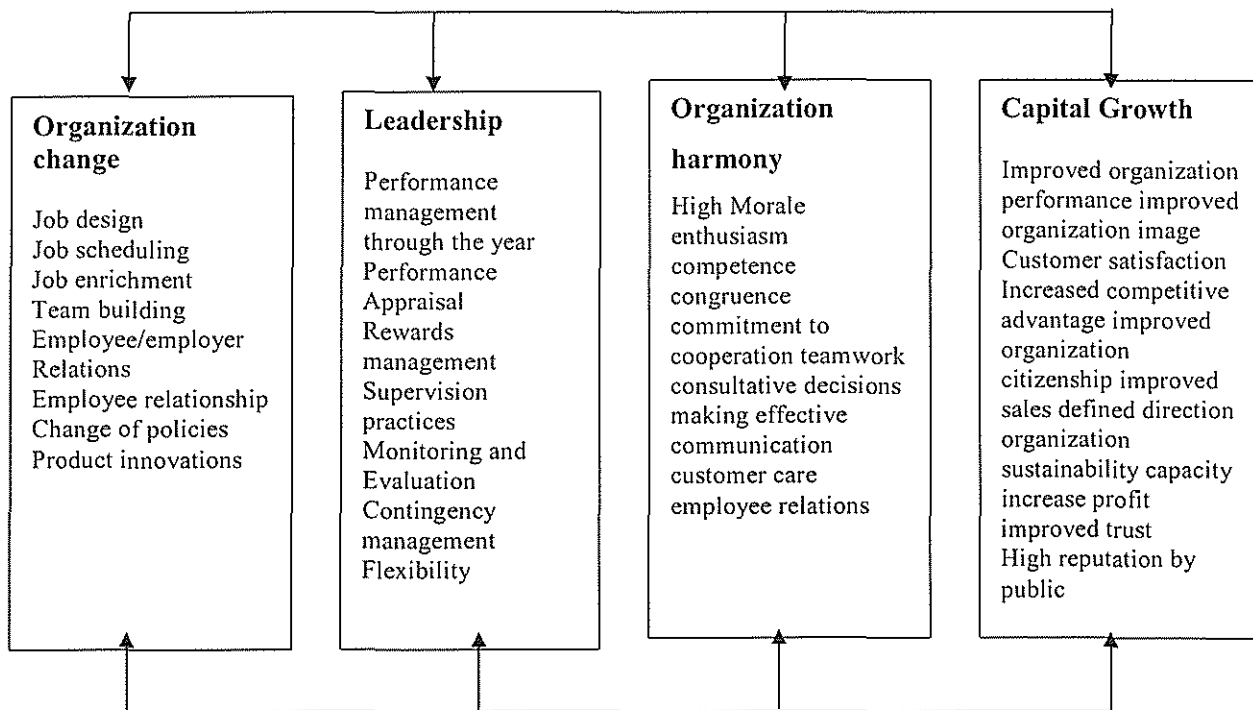
REVIEW OF RELATED LITREATURE

2.1 Introduction

This part of the study presents information that is associated with views of other scholars on the similar subject. It indicates generally that the researcher is not the first to undertake a related study but just a frontier confrontation of the aspects involved in the study. The literature review also indicates the conceptual framework that indicates the relationship that exists among the study variable.

2.1 Conceptual frame work

Detailed explanation of the above conceptual framework



Source: the researcher's personal Conceptual Framework

The conceptual framework above indicates that organizational change is a complex undertaking in an organization. It involves job design, job scheduling, job enrichment, team building, employment/employer relations, employee relationships, change of

policies and product innovations. If organizational development is successfully achieved, it leads into leadership development characterized with Flexibility in Performance Management through the year, Performance Appraisal, Rewards management, improved Supervision Practices, Monitoring & Evaluation and Contingency management. It also leads to organizational harmony and improved organizational capital based on activity.

2.2 Organizational Development and Management of Change

Beckhard (2004) defines organization development as an effort, planned, organization-wide, and managed from the top, to increase the organization effectiveness and health through planned interventions in the organization's processes, using behavioral science knowledge. "In essence, organization development (OD) is a planned system of change".

- Planned organization development takes along range approach to improving organizational performance and efficiency. It avoids the (usual) "quick fix".
- Organization-wide organizational development focuses on the total system.
- Managed from the top to be effective organization development must have the support of top management. They have to model, not just espouse it. The organization development process also needs the buy-in and ownership of workers thought the organization.
- Increase organization effectiveness and health. Organization development is tied to the bottom-line its goal is to improve the organization, to make it more efficient and more to competitive by aligning the organizations systems with its people.
- Planned interventions. After proper preparation, organization development uses activities called interventions to make system wide, permanent changes in the organization.
- Using behavioral- science knowledge. Organization development is discipline that combines research and experience to understanding people, business systems and their interactions.

Armstrong (2003) notes that we usually think of organization development only in terms of interventions themselves. This article seeks to show that those activities are only the most visible part of a complex process and to put some perspective and unity into the myriad of organization development tools that are used in business today. These activities include total quality management (an evolutionary approach to improving an organization) and reengineering (a more revolutionary approach). And there are dozens of other interventions such as strategic planning and team building. It is critical to select the correct interventions and this can only be done with proper preparation.

2.3 Benefits of Organizational Change

Viewing the arguments that were raised by Burke (1982) organizational development has a number of benefits that range from national, international and organization based benefits. These benefits in general analysis includes;

Human resources. Our people may be a large fraction of our costs of doing business. They certainly can make the difference between organizational success and failure. We better know how to manage them.

Changing nature of work place. Our workers today want freedom on their performance a sense of accomplishment feelings of value and worth and commitment to social responsibility. They need to be more efficient to improve their time management. And of course if we are to continue doing more work with less people, we need to make our processes more efficient.

Global markets. Our environments are changing, and our organizations must also change to survive and prosper. We need to be more responsible to and develop closer partnership with our customers. We must change to survive and argue that we should attack the problems not the symptoms in a systematic planned human manner.

Accelerated rate of change. Taking an open system approach, we can easily identify the competitors on an international scale for people capital physical resources and information.

According to Armstrong (1998), to be successful organization development must have the buy-in, ownership, and involvement of all stakeholders not just of the employees thought the organization. Change argents- people or teams that have the responsibility for initiating and managing the change effort usually facilitate organization development. These change argents may be either employees of the organization (internal consultants) or people from outside the organization (external consultants).

According to Cummings (1993), effective change requires leadership with knowledge, and experience in change management. We strongly recommend that external or internal consultants be used, preferably a combination of both. Bennis (2003) notes that “external consultants can manage to affect... the power structure in a way that most internal change agents can not.” Since experts from outside are less subject to the politics and motivations found with in the organization they can be more effective in facilitating significant and meaningful changes.

2.4 Readiness for Organization Development

There is a formula attributed to **David Aleicher** (3, 4), which we can use to decide if an organization is ready for change. $\text{Dissatisfaction} \times \text{vision} \times \text{first step} = \text{Resistance to change}$. This means that three components must all be present to overcome the resistance to change in an organization.

Dissatisfaction with the present situation, a vision of what is the possible in the future, and achievable first steps towards reaching this vision. If any of the three is zero or near zero the product will also be zero or near zero and the resistance to change will dominate. We use this model as an easy, quick diagnostic aid to decide if change is possible. Organization development can bring approaches to the organization that will enable these three components to surface, so we can begin the process of change.

2.5 Organization Development as Process

Action research is a process, which serves as a model for most organization development interventions. French and Bell (2004) describe Action Research as “a process of systematically collecting research data a bout an ongoing system relative to some

objective goal, or need of that system; feeding these data back into the system taking actions by altering selected variables with in the system based both on the date and on hypothesis, and evaluating the results of action by collecting more date". The steps in action research are.

Entry. This phase consists of marketing, i.e. finding needs for change with in an organization. It's also the time to quickly grasp the nature of the organization, identify the appropriate decision maker, and build a trusting relationship. Startup and contracting. In this step we identify critical success factors and the real issues link into the organizations culture and processes and employees. This is also the time to deal with resistance within the organization. A formal or informal contract will define the change process.

Assessment and diagnosis. Here we collect data in order to find the opportunities and problems in the organization (refer to the =R above). This is also the time for the consultant to make a diagnosis, in order to recommend appropriate interventions.

Feedback. This two-way process serves to tell what we found out based on an analysis of the data. Every one who contributed information should have an opportunity to learn about the findings of the assessment process (provided there is no apparent breach of any ones confidentiality). This provides an opportunity for the organizations people to become involved in the change process, to learn about how different parts of the organization affect each other and to participate in selecting appropriate change interventions.

Action planning. In this step we will distill recommendation from the assessment and feedback, consider alternative actions and focus our interventions on activities that have the most leverage to affect positive change in the organization. An implementation will be developed that is based on the assessment data, is logically organized, results-oriented, measurable and rewarded we must plan for a participative decision-making process for the intervention.

Intervention. Now and only now, do we actually carry out the change process? It is important to follow the action plan, yet remain flexible enough to modify the process as the organization changes and as new information emerges.

Evaluation. Successful organization development must have made meaningful change in the performance and efficiency of the people and their organization. We need to have an evaluation procedure to verify this success identity needs for new or continuing organization development activities and improve the organization development process itself to help make future interventions more successful.

Adoption. After steps have been made to change the organization and plans have been formulated, we follow-up by implementing processes to insure that this remains an ongoing activity within the organization, that commitments for action have been obtained and that they will be carried out.

Separation. We must recognize when it is more productive for the client and consultant to undertake other activities and when continued consultation is countered productive. We should also plan for future contracts to monitor the success of this change and possibly to plan for the change activities.

It would be nice if real organizational development is followed by these steps sequentially. This real happens but instead the consultants must be flexible and be ready to change their strategy when necessary. Often they will have to move back and repeat previous steps in light of new information, new influences or because of changes that have already been made. But for successful organization development to take place, all of these steps must be followed. It works best if they are taken in the order described. And since learning is really an alternative not a sequential process, we must be prepared to re-enter this process when and where appropriate.

2.6 Leading Effective Change in Organizations

Anne Paulson (2005) the librarian school of oriental and African studies wrote “A real leader faces the even when he doesn’t like the tune” (Anon). The world of librarianship and information science (Lis) has operated in a state of constant change and flux for a number of years including facing the impact of changing technologies, heightened competition within and between sectors, increased lack of or different findings streams and heightened expectations from our users or demand is higher quality experience. In order to develop organizations effectively, leader and managers have had to expect that unpredictability is fact of life and to understand how individuals and teams work with and react to change. For one sector, the governments white paper of 2003 stated that strong leadership and visionary management setting and achieving clear goals for improving quality would help universities not just respond to but drive change. Successful leaders of change are those who make change happen, not just those react positively change and they have the ability to enable other people to be able to cop up with and adapt to and in time, embrace change.

2.7 Understanding Strategic leadership in Organizational Change

As put forward by Robert (1995) Leaders are individuals who develop strategy and priorities for an organization, to promote new ways of working, prioritize philosophy and values and think long time. The leadership trust’s definition of leadership is “using our personal power to win the hearts and minds of people to achieve a common purpose”. To win peoples hearts, leaders have to focus on people, to involve them, to earn their respect and confidence and inspire them to change and development. Supporting this is a charity of purpose and vision, which is aback born of a leader’s ability to win peoples minds. The importance of vision in defining strategic leadership cannot be over stated. ALis notes that leader must have a clear concept of where they wish to take the library, what the library means to its staff and users.

Both actual and potential and how this fits in the overall organizational plans. This vision should be focused yet inspirational and should underpin the values of organizational cultures. Once a leader has defined their vision, it must be articulated clearly to all staff.

By doing this well, a leader can win peoples hearts by empowering them to act upon this vision. By embedding new approaches and fostering a culture where all people in all parts of the organization are working together to achieve mutually agreed goals and targets .its important too that a leader engenders shared sense of values amongst their staff and articulates what professional standards and behaviors people should expect from each other.

Much of the language used to describe good leaders focuses on their personal power and attributes. Leaders should be motivating, innovating, inspiring and unafraid to take risks. In times of difficult change, the leader's resistance, stamina and commitment of their vision will be vital: even when people may not agree with and feel unsettled by change that is happening, a strong leader who can take decision and support them will generate trust and combat negatively.

2.8 Leading organizational change.

Reflecting over-all vision and strategy, organizational change must be managed in order to solve the problems caused by external and internal forces and to ensure that the library service retains and enhances its relevance and quality with as much control as much as possible. A leader must know what the organization wants to achieve and prioritize, what it can afford and from where the resources will come and what the role of other staff will be, Armstrong (2003).

Where possible, organizational change should be incremental to provide time to identify and explain change drivers to all staff and stakeholders and to analysis the need to for change on both departmental and service levels. It is important to establish that change is not being implemented for change's sake but that policies and procedures are being developed to reflect the most up to date business model for the organization and the most suitable working environment for the staff and the needs of the library. The most common business reasons behind organizational change are to establish a high profile for the library within the market place, to improve customer satisfaction and provide services tailored to customer's real needs and expectations to allocate resources effectively

demonstrating accountability and value for money and solve organizational problems and historic lack of decision making, Maicibi (2005).

Once a leader has analyzed all the issues and identified direction, again they must communicate the way forward as clearly as possible. Changing the culture takes along time and it is important that the length of the process is made clear from the beginning to all involved. Sometimes “big bang” change can be avoided but again, it is important that a leader articulates the reasons, the process and out comes transparently.

Staff involvement is critical to the change process. A leader should never under estimate the importance of a library staff’s attitudes and commitment and should make every effort to involve all staff at all levels to develop and implement change. Every member of staff has a stake in future of a work place and their moral will be improved significantly if there is a sense of involvement in the planning process.

According top Bell (2004), time should be spent ensuring that staff understands clearly the changes taking place as it is the front line staff who will be the key in the selling the library to users- word of mouth is the most useful tool in marketing change. It is important for the leader to remember that little things matter and that other staffs have a more day-to-day view of life at the coalface and can make some helpful practical change suggestions. Leaders should ensure that any quick simple wins are implemented to bring pragmatic improvements to the daily routine “ little things” matters and can make a big difference on personal level in wining people’s hearts over.

Some staff may be more reluctant to embrace the changes taking place so it is also vital foster number of change agents at different levels with in the staff structure who can help to influence the tide towards change. “New blood” appointments that bring a flesh eye to the organization as well as different experiences from other institutions can be extremely helpful in engendering positive approaches to change. Adopting a flexible approach to work, to developing new skills and encouraging each other to move to the library and the organization forward for mutual benefit will ensure progress. As Charles Darwin stated “it is not the strongest species that survives, nor the most intelligent but ones most responsive to change” (on the origin of the species).

When the presentations of Armstrong (2003) are viewed critically, the key lesson to remember when dealing with organizational change is that there can never be too much communication through out the process. Even when change is complex, it's important to be as transparent as possible in ones dissemination of the process so that it's not perceived to be a "hidden management agenda". Leaders need to be honest about the changes that a going to take place even if their unpalatable to some. Realism about genuine constraints under which the organization operates and what is actually achievable will provide staff with a better awareness of both external and internal environments and this is can help lessen the impact of change when it actually happens.

Communication must be repeated in a number of different ways and for including meetings, newsletters, one to one or group briefings and emails to ensure that the change message permits through out the organization. Often leaders and managers are told that they are not communicating when infect people are reluctant to hear what is being said, so positive but firm. Repetition is essential. Leading by example will foster an environment of involvement, collaboration and openness.

The words of Beck hard (1996) indicate that a good leader especially one who is a "change funkier" must participate that staff may be frightened f change and make allowances for fear. Too many change is threatening and can also be seen as an apportioning of blame to current staff effort so it is important also to be positive about the strength of areas which are not going to change and to depersonalized change development in the change process help to progress it, leaders need to accept that there may be people who are reactant to tae responsibility for few ideas and role and change averse or those who believe that "noting ever really changes any way so why brother" every effort should be made to train nature and encourage those people and their particular strength whilst change agent are taking more accepting stuff with them but a leader has to take a tough line on those who "won't do" as opposed to "can't do" strong leader will have to drive their vision through and accept that whilst the majority of staff will accept change in the long run these may be a few staff who will remain opposed.

Resilience and having the coverage of one's convictions will ensure success for a change of one's convictions will ensure success for a change leader. Much of leadership in LIS is intrinsically linked with dealing with change and aspiring leaders should have plenty of experience of this in their working life. Without debating whether leadership can be taught or not, it is certainly true that leaders must want to do it rather than just know how to do it and seize every opportunity to practice leadership goals from earlier on in their carrier at what ever level within the structure. Leadership is a personal matter and revolves around interpersonal skills and meetings that that very real challenge of winning hearts and minds in difficult circumstances.

Learning from mentors and good leaders is stimulating but learning from less proficient leaders can also be very empowering. There is no single carrier path solution becoming a top LIS leader but the concept of good leadership and how to attain the necessary strategic and emotional skills is being taken very seriously in all sectors as evidenced by developments such as the close leadership program. In part, this has been to help combat the perceived lack of secession planning, of interests by individuals and financial incentives within the professions, (1994).

However it has also helped to foster the development of self-knowledge, self-confidence and the ability to adapt in one's style to different context, which is very significant for individuals leaning to lead. The twin skills of leadership and change management and now highly valuable within LIS career development and should encourage newer professional to discover how rewarding leadership can be.

In conclusion according to Anne Paulson (2005), focuses on strategic leadership within the organization is that if organization development is to be achieved she highlighted factors like time and staff involvement as critical to change process. According to French Bell (1990), organization development is seen in terms of process, “ a process of systematically collecting research data. Such steps include entry, start up and contracting, assessment and diagnosis, feedback action planning, intervention, evaluation, adoption and separation”. It would be better if these steps were followed, however, it is not always the case some steps are ignored. Also a part from strategic leadership there are other changes that impact greatly on organizational development. Considering the already existing literature about the impact of change on organizational development. The research will expose more into other unidentified and unknown sources of organizational development.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter makes clarification on the research design, the study area, population and sample the methods of data collection as well as procedures.

3.2 Research Design

Quantitative and qualitative techniques were used to collect and analyze data. Justification of using both methods is that each of these methods tends to provide insufficient information

3.3 Survey Population

The survey population comprised that of many study areas of Kakira sugar works. The target population was the management of Kakira sugar works including the entry work force in general.

3.4 Methods of Data Collection

The following methods were used in data collection.

3.4.1 Interviewing.

This method was done using written questionnaires and face-to-face conversation the respondent's efforts were made to ensure that the method is impressive to avoid suspicion. It was used a long side with questionnaire to collect information like reasons that causes world vision and the impact of change to organizational development

3.3.2 Document Review

Use of existing literature. Various textbooks, periodic reports, publications that are related with change and organizational development were used. The above methods were vital in assisting the researcher to collect the required information.

3.4 Methods of Data Analysis

Quantitative and qualitative methods were used.

3.4.1 Quantitative Data Analysis.

Editing; data was edited before living the respondents. The researcher checked for conformity, accuracy, consistency, legibility, complimentarily and comprehensiveness of the data collected. Each questionnaire was checked through to ensure that all questions are applicable to all respondents of the key informants.

Coding; the data was coded using coding friends to give numbers to similar groups or categories. The codes on interview schedule were therefore used. Form codes were used on open-ended questions.

Tabulation; after coding, construction of tables and interpretation of results was done. This involves the use of frequency and percentage distribution of respondents per code. The frequencies thus obtained were converted into percentages. Here the researcher identified independent and dependant variables and some of the statistical tests to use.

3.4.2 Qualitative Data Analysis

Data was analyzed during and after collection. The answers to research questions were during the collection of data. After the collection of data of the same code category, data was analyzed, sorted, classified, assembled together and a report was written.

3.5 PROBLEMS ANTICIPATED.

The researcher expected to accomplish the research successfully but however, in the course of research some problems were anticipated.

Some of the respondents refused to give the necessary information, since they were biased about the purpose of the research. As a result, they declined to disclose the

information considered to be sensitive. For example, if there is a change that was made and it backfired.

Time was also a problem. For the research to be accomplished fully, this required considerable time, which was not available considering the time period that was not located to it.

There were also logistical problems like money and other resources required. Since the research found by the researcher and resources available were not enough.

Some of the respondents were arrogant and rude they created the atmosphere that was difficult to collect the required information.

However, the researcher did all that was possible to ensure that the above problems did not hinder or in any way affect the process of data collection. Each of the problems anticipated, a solution was looked in advance to ensure a smooth process of data collection.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF THE RESULTS

4.1 Introduction

The current chapter of this study is concerned with presentation, analysis and interpretation of the results. The study was carried out along three research objectives. These objectives were.

1. To examine the effect of Organizational change on organizational leadership development
2. To evaluate the relationship between organizational changes and capital growth of the organization.
3. To analyze the effect of organizational changes on internal harmony of the organization

Data collected under the above objectives was presented in two sections. Where section one presents information on the background of the respondents, while section two presents how the hypotheses were verified as well as information on how the objectives were answered.

4.2 SECTION ONE: Background Information

On the background of the respondents, a number of variables were investigated. The researcher regarded investigating the background variables about the respondents a necessary matter, because it determines the extent of respondents' acquaintance with their organization and perception of the work environment, which subsequently gave the researcher a direction on the mode of investigation. The results on the background information of the respondents are indicated in the following presentation.

The background characteristics of the respondents such as sex, age, educational level and purpose of such information was to know more about the respondents. That information is presented in the tables 1, 2, 3 and 4.

Table (1): Sex of the respondents

Sex	Frequency	Percentage
Male	25	62
Female	15	38

Source: primary data (2008).

Table 1 shows that most of the respondents were males compared to females. This shows that males are more than females in Kakira sugar works.

Table (2): Ages of the respondents

Age	Frequency	Percentage
15- 24	12	30
25- 34	18	45
35- 44	8	20
45- 54	2	5
55+	0	0

Source: primary data (2008)

According to the age structure of the respondents' youth forms the largest percentage as the age groups between 15- 24 and 25- 34 add up to 75%. This means that Kakira sugar works has a lot of impact on youth.

Table (3): Educational level of respondents

Educational level	Frequency	Percentage
Nil	0	0
P1- P7	0	0
S1- S2	5	13
S5- S6	11	27
Institutions	24	60

Source: primary data (2008)

Table 3 shows the educational level of respondents in Kakira. Due to the fact that the study targeted mostly people running the factory and those heading the plantations including some support staff, the population seems to be educated with majority having attended higher institutions of learning.

Table (4): Marital status of respondents

Marital	Frequency	Percent
Single	23	57
Married	17	43

Source: primary data (2008)

Table 4 shows that most of the respondents are single, this is due to the fact that it's the youth that formed a larger part of the study.

4.3 Effect of organizational change on organizational leadership development

Effective organizational change leads to promotions of some employees in the organizations, hard working individuals and those who demonstrate leadership capabilities and willingness to make opportunity. Promotion brings out new leadership skills beneficial for the entire development of the organization. Promotions also go hand in hand with demotions. Those who fail to run the organization effectively are either

demoted or retired resulting into smooth running of the organization hence development of leaders.

In relation with leadership development change leads to employees training in which workers are given extra training in leadership and management courses ranging from 1- 4 weeks and medium and long term courses ranging from 6 months to 2 years or more. Through such trainings individuals are equipped with knowledge and skills that enable them to be good leaders and work towards achieving organization objectives and goals. However, employers complained that after training their employees they end up losing them to other organizations, which hinders organizations efforts in preparing new leaders for their organizations.

Staff involvement is critical to the change process this is so because every employee has a stake in the future of the organization. Time should be spent ensuring that staff understands clearly the changes taking place, as it is the frontline staff that will be moving the organization ahead. Involvement of the staff in the entire planning process is very essential as it prepares them as future leaders and gives them a sense of belonging to the organization.

Empowerment is also important as regards to changes in the organization. This can be done by assigning individuals important duties, these can be meetings or workshops or even negotiations. Such assignments empowers them as future leaders and also enables them to make necessary steps and right procedures as far as running of the organization is concerned. It is important to be empowered before they take leadership responsibilities and run short of ideas.

In addition to the above, decision-making is also critical to change process. Another way in which employees can be empowered and involved is through decision-making. Employees should be allowed to participate in important decisions of the organization as they are affected by the outcome. When workers participate in making decisions, they will support organizations change plans including preparing them to make future decisions thus ensuring continuity of the organization.

Conclusively, when employees realize a sense of organizational belonging through involvement in every activity and they enhance their personal skills and expertise through training, promotions and various ways of empowerment they will give in whatever they have to ensure smooth running of the organization.

4.4 Effect of change on national and international recognition of the organization.

First of all change can put emphasis on the marketing, through marketing an organization is known both locally and internationally. It can be done in a number of ways through advertising in Newspapers, Radios, Televisions, and Websites. When organization uses its marketing strategies clearly its able to make an impact on both local and international markets.

Through changes sophisticated ways of doing work are introduced in the organization that is from using out-dated technologies to more advanced technologies. Also their services are linked to the Internet, which enables them to have a wide coverage worldwide. For example Kakira sugar works has been able to have impact in the region due to advancement in technology as they can easily contact their agents in neighboring countries like Rwanda and Sudan.

Now days most organizations including Kakira sugar factory are moving towards developing the communities in the names of corporate social responsibility and as a way of giving back to their customers. As a result they have supported various local project the environment. This has enabled them to receive recognition and acceptance in communities in which they live.

Associated with other factors like advertisement, Kakira sugar has built its brand name in the country. It's a well-known sugar brand in the country and all users know Kakira by its

brand name. Since its rehabilitation in 1990, Kakira estate has steadily built its brand that has kept it in the market despite of local and regional competition especially from Kenya.

Due to change and major decisions being undertaken, Kakira estate including other organizations have been able undergo growth including growth in tax revenue. Kakira estate is one of leading tax payers in the country and the society feels that they are getting something from the estate as the tax paid is used by the government to facilitate well being of its citizens, the recognition of the organization among other factors depending on its tax base.

Change is also associated with an increase in investment for example, in 1990 Kakira estate invested in US\$ 70 Millions making it one of the largest sugar processors in the country in addition to Lugazi estates. The Madhvani family together with the government of Republic of Uganda has been investing in the estate and the process it has greatly contributed to satisfying sugar demands both nationally and internationally. Due to increased investment, it has resulted into increased production, which has also lead to increase in sales. Uganda has a refining sugar capacity of more than 140,000 tons per annum and Kakira estate contributes a big percentage. Kakira sugar is readily available not only in Uganda but in other countries to, this has added to the recognition of the estate.

Also due to increased investment, production and sale, labor input has also increased. The estate employs a number of people as professionals like managers, engineers, drivers and non-professionals like those employed in sugar plantations to do a number of casual work. A part from direct employment a number of people are also indirectly employed as out growers and through multiplies effect as a number of people supply a number of products to the estate both food stuff and non food items.

Due to growth and development of Kakira estate and good policies, its growth is also manifested in infrastructure development that is both physical and economic infrastructure for example schools, Roads and Hospitals have emerged either directly built by the estate or as a result of estate growth. Also various Towns and centers have

grown in the area, meaning that it has facilitated area development and enhanced economic well being of the communities around and the entire country in general.

Also since its rehabilitation in 1990, Kakira estate has acted as a tourist attraction in the region. A number of both local and foreign guests visit the estate for study as students research and pleasure as they catch the glimpse of the estate, this has greatly contributed to its recognition as who ever visit the estate will have some thing to say about it. Despite all that, environmental degradation has been “a thorn in flesh” which has negatively affected its recognition both nationally and internationally. The estate has been criticized for deforestation to pave way for sugar growing and a number of forests have been lost through that process especially in Busoga sub region. The environmentalists see the estate as a profit oriented without the concern for environment and stability of eco-system.

In the final analysis, there is no doubt that the changes that were carried by the estate in the areas of investment, marketing, technology advancement and man power recruitment have led to its recognition both nationally and internationally. However, the estate should continue to support and come up with other new projects of tree planting, such that it is seen to be concerned about the environment and to mitigate bad effects associated with environmental degradation.

4.5 Relationship between organizational change and capital growth.

First of all it leads to efficiency. Work in the organization can be done with less people because of efficient processes. For this to be achieved time management has to be improved and all these are possible if there is a feed back on workers performance a sense of accomplishment feelings of value and worth with efficiency in the process, reduced time wastage and being able to achieve 100% capacity from available workers, an organization will experience capital growth.

In addition to efficiency there will be reduced wastage of resources like capital, raw materials, Electricity/ power and water resources will be spent or used when they are supposed to be. However, this requires proper management of Human Resources since

they are responsible for organizational success and failure. With proper management of Human and other resources, capital growth will be realized.

Effective organizational change leads to increased output/ production which will in turn lead to an increase in sales. Sales increase usually translates to increased profits hence capital growth.

Reduction in production costs is another factor for capital growth. When the costs of doing business are low and efforts are being made to reduce production costs by minimizing resource spent on labor, raw materials machinery, electricity and water, the savings made will result into capital growth.

Another area in which changes are made is market. Due to the fact that the world is changing, organizations change to survive and grow. This is done by developing closer partnership with customers. In any business “a customer is a king” and for capital growth to be realized an organization should first retain its customers before venturing into other new markets.

In addition to the above change must take an open- systems approach, through this approach competition can easily be identified on both local and international scale for people, capital physical resources and information. When change beats such competition and an organization continues to survive in the market environment it will realize capital growth.

However, it should be noted that for change to realize capital growth, there should be proper management of resources that is human resources capital, physical resources and information as they largely depend on one another if capital growth is to be achieved especially in this changing environment where it is “survival for the fittest”.

4.6 Organizational change and internal harmony of the organization.

First of all staff should be involved in every activity of the organization especially in decision-making. By that employees will have a sense of belonging and have the spirit of the organization and they will also feel that their contributions are being appreciated and respected. They will not see a lot of distinction between them and their bosses. In that way internal harmony will be realized in the organization.

Another way in which internal harmony can be realized is by building structures. When an organization build strong departments which are independent of one another and they can come up with their own decisions that is decisions are “bottom top” not “top down”, employees appreciates the organization’s working conditions and any one feel being accommodated.

Internal harmony can also be achieved if changes made allow employees to form employees unions. If the management as a forum gazettes such unions in which they can air their differences and grievances, and showing willingness to listen and respect their views with out creating ego’s in the organization everyone in the organization will live at peace with one another.

Another way to ensure internal harmony is by stimulating each one responsibility such that everyone in the organization knows his/ her job description where to start and where to end whether a director, a manager, an accountant or messenger knows clearly what he is supposed to do and not to do. In that way no one will complain that some interfere with his work or being ever burdened with a lot of work while others doing their personal work.

Salary increment especially for hard working employees and those who receive extra training is necessary. Here workers become under obligation to perform knowing that their efforts are not in vain, salary increment also give employees commitment and perform their duties “whole sowed”. If one is certain that he will be paid according to performance, education and training, expertise and professionalism issues of favoritism will not be heard in an organization and as a result internal harmony will be achieved.

Selling of shares to the members of the public especially to the employees is also vital in creating harmony within the organization. When employees own some shares despite of how insignificant they may be, they will feel that the organization belong to them and they will work hard for its growth and development. Also neither will they engage or fuel conflicts knowing that they affected by the out come. It will also limit labor turnover as their departure can be compared to self-betrayal.

Also promotions should be based on merit. If changes made within the organization do away with nepotism, sectarianism and corruption, job dissatisfaction and other wrangles and conflicts will be considerably minimized. If promotion and recruitment are entirely on “technical know how” internal disharmony will be dealt away with.

In addition to the above, job security is also essential in creating internal harmony. If employees are appointed permanent/ contract basis, they will always work to fulfill their contractual obligations as they have a drive to perform. It is in instances where employees are fired anyhow and with out any notice, that they do their duties haphazardly and thus creating problems within organizations as exercises and quarrels will be the order of the day.

It should also be noted that employees prefer to always advance their careers through training, promotions and through other various assignments. When workers are not tied in one place and are allowed to undertake extra trainings that its self acts as a motivation to work, when employees have a positive motivation towards work, usually internal harmony is realized.

However, for internal harmony to be realized in the organization changes should be effective. Employees should be involved in key decision making within the organization and they should have a sense of belonging. They should also be given opportunities to growth and allowed to express themselves freely. However, it requires a real leader, someone who is motivating, innovating, inspiring and unafraid to take risks, otherwise such good ideas may work against the organization.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter of the study presents the conclusions and recommendations of the study. The researcher made sure that recommendations and conclusions are aligned with the objectives of the study.

5.2 Conclusion.

It has been realized that effective organizational change yields good results like leadership development through promotions, training and empowerment of employees. Change is mainly in the areas of investment technological advancement, manpower recruitment, marketing and other policies that involve day-to-day running of the organization.

As a result of organizational change, organizations have been able to realize capital growth through increased production, sales and general efficiency in the entire process, created internal harmony within the organization because of conducive atmosphere created. However, for change to cause organizational development leaders should be motivating, innovating, inspiring and unafraid to take risks as in times of difficult change, a leader's resilience, stamina and commitment to their vision will be vital.

5.3 Recommendations

For change to yield organizational development change should aim at problem solving, change should not be just for the sake of it but rather to address both internal and external forces that hinders organizational development.

Change should involve everyone within the organization from top to bottom as every one is affected by change and its organization's employees who will implement major

changes taken if they are not involved from the beginning and in the entire planning process they may sabotage what may be beneficial for the organization.

Change should be incremental so as to provide time needed to analyze the intentions of change and explain to the staff and stakeholders reasons for change on both departmental and service levels as changes are mainly made to provide customers' satisfaction and effectively allocate resources.

There is a need to sensitize staff first. The staffs need to know how they will be affected by changes. Usually if changes aim at benefiting everyone within the organization and for the good of everyone, it will get total support from the staff.

Change also requires strong leadership. Those who are able to stand to take risks and stand firm in times of difficult changes and defend their positions without any fear or favor.

Change should also be managed from top. Top officials need to appreciate the drive to change first like general manager and departmental managers before it is sold to other members of the staff. This is so because such officials are key decision makers of the organization.

Before any change research should be carried out especially in the market place and within the organization itself. This should be done to ensure effective changes are made.

External consultants are also required as they are less subject to the internal politics of the organization and as a result they can be more effective in facilitating significant and meaningful changes compared to internal change agents or consultants.

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APPENDIX (1)
Research Questionnaire

1. Sex of the respondents

Male

Female

2. Age of the respondents

15- 24

25- 34

35- 44

45- 54

3. Educational level of the respondents

P1- P7

S1- S2

S5- S6

Institutions

4. Marital status

Single

Married

5. What changes have you carried out in your organization.....

6. What measures have you put in place to develop leaders in Kakira sugar estate.....

7. How were the changes made related to leadership development.....

8. Do you think that leadership development is important for organizational development?

Yes

No

If yes how?.....

9. What criteria do you use to come up with best leader for the organization?.....

10. What is the target market for your products?

a) Uganda

b) East Africa

c) Africa

d) Others

Specify.....

11. Have you been successful in entering your market targets?

Yes

No

If yes what has facilitated your success?.....

12. What have you done to achieve national and international recognition of your organization?.....

13. Do the changes made related to your national and international recognition?

Yes

No

If yes how?.....

14. In what areas have you achieved growth over the time?

a) Capital

b) Investment

c) Sales

d) Man power

e) Others

Specify.....

15. How do the changes made related to the organizational growth in areas specified?.....

16. What internal disharmony do you usually experience?.....

17. What causes such disharmony?.....

18. What have you put in place to overcome such disputes?.....

19. What should be done to create harmony within the organization?.....

20. Do you think that major changes should be done if harmony is to be created?

Yes

No

If yes what kind of changes?.....

21. In your own views why do you think change is important for organizational development?.....

APPENDIX 2
COST OF THE RESEARCH

Activity	Cost Item	Cost (UG. SHS)	Total Cost (UG SHS)
<i>Study preparation</i>			
2. Library Research 6 days	Transport	50,000	50,000/=
	Meals	30,000	30,000/=
3. Visiting the case study area	Transport	30,000	30,000/=
	Meals	20,000	20,000/=
<i>Sub- total</i>			130,000/=
<i>Stationery</i>			
	1. 3 Ream of paper	21000	21000/=
	1. A dozen of pens	3600x1	3600/=
	2. Researcher's bag	20,000x1	20,000/=
	3. 2 Box File	5000x2	10,000/=
<i>Sub-total</i>			54,600/=
<i>Data collection</i>			
Visiting Kakira sugar	Transport to each port for 6 days	10.000x2x6	120.000/=
	Meals	5,000x2x6	60,000/=
Sub total			180,000/=
<i>Data processing and analysis</i>			
1. Data entry into computer (10 days)	Data entry Assistant	25,000	25,000/=
<i>Sub total</i>			25,000/=

<i>2. Data analyst</i>		25,000	25,000/=
<i>1. Secretarial</i>	Typing and printing first draft	500x 30 pages x1 100 x500x1	15,000/=
	Producing 2 nd draft		50,000/=
<i>Sub-total</i>			65,000/=
<i>3. Producing final copies</i>	1 copy for the sponsors	30x500x1	15,000/=
	1 copy for the researcher	30x500x1	15,000/=
	Binding (2 drafts+3 final Copies)= 5 copies	500x5	25,000/=
	Research Assistant in Data Collection	40,000x1	40,000/=
	Typist	50,000x1	50,000/=
	Telephone Communication	30,000	30,000/=
	Contingence costs	15,000	15,000/=
<i>Sub-total</i>			190,000/=
<i>Grand total</i>			644,000/=