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**Assessing the Implementation of a Non-profit Organizational
Change Initiative Using Kotter's (1995) 8 Step Change Model**

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Abstract

Increased emphasis on process improvements in all organizations challenges leaders to institute change. Using a case study approach, the current research examined an organizational change initiative embarked on by the leadership of a local non-profit organization to obtain improvement in service delivery and acquire outcome measurements. There is little in the literature concerning organizational change initiatives and the use of change models in the non-profit sector. This study examined staff perception of an organizational change initiative using Kotter's (1995) 8 step change model as benchmarks of success. Kotter's (1995) 8 Steps for Change is a popular change model often used in the for-profit setting. Through ethnographic observation and staff surveys, the researcher examined the progress and success of the non-profit organizational change initiative and staff perception of change using Kotter's model. The model was overlaid to illustrate its value and applicability as tool for organizational change in the non-profit setting.

Assessing the Implementation of a Non-profit Organizational Change Initiative Using Kotter's (1995) 8 Step Change Model

If you do what you've always done, you'll get what you've always gotten. Most modern societies value the individual who is willing and able to initiate and respond positively to change (Oreg, 2003). Change will at some point be necessary in the life of every individual, and change in the life of an organization is no different. Organizational change is necessary but often proves to be challenging. Despite some individual success, change remains difficult to successfully implement, and few companies manage the process as well as they would like (Beer & Nohria, 2000). The results of a recent survey of 1,536 executives involved in a variety of change initiatives indicated that only 38% thought these initiatives were successful and only 30%

thought they contributed to the sustained improvement of their organizations (Isern & Pung, 2007). Resistance to change is often cited as a reason for difficulties in implementing and the failure of change initiatives (Erwin & Garman, 2009). For example, a longitudinal study of 500 large organizations found employee resistance was the most frequently cited problem encountered by management when implementing a change initiative (Waldersee & Griffiths, 1997). Despite numerous research studies conducted, and multiple theories developed, change remains difficult and resistance to change continues to undermine many organizational change initiatives.

Purpose of the Study:

Research indicates that the majority of change initiatives result in failed attempts. In a recent study of 40 major change programs, 58% resulted in failure (LaClair & Rao, 2002). Other studies have found that change initiatives have reported failure rates of one third to two-thirds and as high as 70% (Beer & Nohria, 2000). Due to the high failure rate of change initiatives, many researchers have attempted to explore organizational change and develop models to manage the change process. Change models have been developed beginning with Lewin's (1947) 3 step unfreezing, moving, and refreezing model of change. Building on Lewin's (1947) foundation, multiple other models were developed including Lippitt, Watson, and Westley's (1958) 7 step change theory and Kotter's (1995) 8 Steps for Change. Various models have been developed, but little research has been conducted concerning the implementation of such change models. The current research will study the use of Kotter's (1995) 8 Steps for Change in the implementation of an organizational change initiative.

Organizational change causes individuals to experience a reaction process (Kyle, 1993). Individuals experience change in different ways (Carnall, 1986), and also differ in their ability

and willingness to adapt to change (Darling, 1993). The importance of individual employee cooperation is particularly vital during organizational change (Ford & Ford, 1995), and employees often resist organizational changes (Reger, Gustafson, Demarie, & Mullane, 1994). The failure of many corporate change programs is often directly attributable to change resistance (Bovey & Hede, 2001). The present study will examine staff perception of a change initiative, using Kotter's (1995) 8 Steps for Change as benchmarks.

The majority of research on organizational change, employee reactions, and resistance to change has focused on private sector organizations, federal government corporations and agencies, and state government departments and agencies (e.g. Trader-Leigh, 2001; Ruvolo & Bullis, 2003; Bovey & Hede, 2001; Cutcher, 2009). Change is common and necessary in both the for-profit and non-profit setting for organizations to remain competitive. Non-profit organizations however require continuous fundraising, mission achievement, and community transparency. There has also been a recent increased emphasis by funders, granting agencies, and community supporters for non-profit organizations to provide outcome measurements and implement continuous process improvements. Few studies have been conducted addressing organizational change in non-profit organizations of the public sector. The purpose of the present study is to monitor the success of a non-profit organizational change initiative to improve service delivery and obtain outcome measurements. The researcher will use Kotter's (1995) 8 Steps for Change as benchmarks; identifying, measuring, and evaluating employee perceptions of change. The study will attempt to identify if Kotter's (1995) popular business model for change is a useful change model for the non-profit setting.

Research Question:

To examine a non-profit organizational change initiative and staff perception of change, the researcher posed the following questions:

- What is the process of change in the organizational change initiative using Kotter's (1995) 8 step change model?
- What is the staff's perception of the change initiative?
- How far along is the organizational change initiative according to Kotter's (1995) 8 step change model?
- Is Kotter's (1995) 8 Steps of Change a useful change model for change initiatives in the non-profit setting?

Significance of the Study:

Change in all organizations is or will be necessary at some point. "Most traditional organizations have accepted, in theory at least, that they must either change or die." (Beer & Nohria, 2000, p. 133). Organizations that support and implement continuous and transformational change remain competitive (Cohen, 1999). Non-profit organizations are no different from private sector and governmental organizations in regards to the necessity for change to remain competitive. Managing change is, therefore, not only the preserve of the private sector, but integral to management in public and voluntary sectors (Stewart & Walsh, 1992). Non-profit organizations do differ from private sector organizations in their approach to service remaining mission-driven and transparent. Recently outcome measurements have been advocated as a means of eliciting better accountability and more effective program evaluation by non-profit organizations (Buckmaster, 1999). The increased emphasis on obtaining outcome measurements and continual process improvements challenges leaders to institute change. The

current research examined an organizational change initiative embarked on by the leadership of a local non-profit organization to obtain improvement in service delivery and acquire outcome measurements. The study examined this organizational change process using Kotter's (1995) 8 Steps for Change as benchmarks of success. Kotter's (1995) 8 Steps for Change is a popular change model often used in the for-profit setting. This study provides value by identifying if Kotter's popular for-profit change model is also a useful model in the non-profit setting. This study goes beyond change initiatives in the private sector and specifically explores the change initiative of a non-profit organization. The present study will be of use to other non-profit organizations that will or are undergoing a change initiative by providing information concerning the applicability of Kotter's (1995) 8 Steps for Change as a useful model in non-profit change initiatives.

Definitions of Concepts:

Staff. Any full-time or part-time paid employee.

Non-profit organization. 501(c)(3) tax-deductible , charitable organization

Change. Developmental change that flows from an organization-wide philosophy of continuous growth and development that leads to increasing competitive advantage (Gilley, McMillan, & Gilley, 2009) and improved service delivery.

Kotter's (1995) 8 Steps for Change. John Kotter created and outlined 8 critical stages of successful change management in his book entitled, "Leading Change".

Limitations:

It is important to note that this is a case-study, limited to the staff from one local nonprofit organization. The study will not include volunteers, members of the board of directors,

or clients being served by the organization. Self-report is also a factor that is subject to bias and could impact results.

Review of Literature

Organizational Change:

Organizations that support and implement continuous and transformational change remain competitive (Cohen, 1999). Because change is so vital to the continued success of organizations, the implementation of organizational change initiatives is being conducted in a wide variety of organizations and research is being conducted regarding the implementation and success of such change initiatives.

To determine the role and success of organizational change, Laclair and Rao (2002) studied change programs at 40 organizations including banks, hospitals, manufacturers, and utilities. Each of the programs could potentially have had a large impact on the organization and required major company-wide changes. While analyzing these change initiatives, Laclair and Rao focused on two dimensions. The first was to gauge the difference between the expected value of a change project and the value the company actually achieved. Second, they rated each company's strength in 12 widely recognized factors for managing change effectively. These factors included the role of senior and middle managers in the initiative as well as the company's project-management skills, training, and incentives for promoting change. These two dimensions allowed the researchers to compare patterns in change-management strengths and weaknesses to determine the return in each of the 40 initiatives. Overall, 58% of the companies failed to meet their targets and 20% captured only a third or less of the value expected. The remaining 42% of companies gained the expected returns or exceeded them-in some instances by as much as 200 to

300%. For the 11 most successful companies in the study, effective change management clicked at every level: senior and middle managers and frontline employees were all involved, responsibilities were clear, and the reasons for the change were understood throughout the organization. These 11 successful companies gained an average of 143% of the returns they expected. For the companies that fell short of their expectations, the researchers found a lack of commitment from executives, defective project-management, and a lack of training and incentives for the change. Of the companies who experienced problems, the research found that on average only 35% achieved the value they expected. Based on their findings, Laclair and Rao concluded that preparing a company for a change by making any level of the organization better able to deal with it may be as important as the details of the project.

To further investigate organizational change initiatives, a number of researchers have conducted case studies focusing on the implementation of specific organizational change initiatives. Ruvolo and Bullis (2003) conducted a case study of an organizational change initiative conducted by the U.S. Military Academy at West Point in June 1995. The change that took place was within West Point's academic department. Before the change, the department had a distinct academic feel, creating an atmosphere of warmth and acceptance. Some members of the greater community perceived this culture to be antithetical to the "warrior spirit" that they believed all officers should have and to which cadets should strive. As a result, a new department head with an outstanding reputation as a "warrior spirit" was selected to turn around the department. Ten months later, the department was in turmoil. Morale, productivity, and retention were all low less than a year after the change took place. Ruvolo and Bullis (2003) analyzed this failed change initiative to determine what went wrong, the lessons that can be learned from it, and what other organizations can do to avoid making these mistakes. The researchers drew five

lessons from the situation and presented them in a way that can be easily applied to other organizations. The lessons include: 1. Selecting leaders who have an insider's understanding of the organization, 2. Demonstrating the need for change, 3. Empowering subordinates to participate in the change process, 4. Balancing stakeholder issues, and 5. Developing leaders at senior levels. Many of Ruvolo and Bullis' (2003) five lessons show similarities to Kotter's (1995) 8 Steps for Change. For example, Kotter's first step, creating a sense of urgency, is to ensure that the need for change is communicated. Ruvolo and Bullis' second lesson, demonstrating the need for change, is also meant to ensure that a need for change is communicated. Although the lessons appear obvious, the researchers concluded that the implementation of these lessons requires thought and planning.

By conducting a case study of an organizational change initiative undertaken by the U.S. State Department, Trader-Leigh (2002) identified the necessity of anticipation and planning when implementing an organizational change initiative. The change initiative was a "reinvention of government" in an attempt to better deliver administrative services. By examining employee and stakeholder attitudes about the change through survey interviews and survey questionnaires, Trader-Leigh identified resistance to change as an obstacle to the successful implementation of the change initiative. As a result of the interview and survey data, the researcher identified variables related to resistance to change, underlying causes of resistance, and the organizations level of resistance. As an outcome of the findings, Trader-Leigh proposed that a resistance management model which suggests strategies to address resistance variables should be a part of the execution of a change implementation plan.

Change Models:

Researchers have been studying change, specifically organizational change, for decades (Erwin & Garman, 2009). Various models have been developed attempting to explain the change process beginning with Lewin (1947) who established the roots for process models of organizational change. Lewin (1947) developed a three step change theory which involves: 1. Unfreezing the present state, 2. Moving to learn new behaviors and bring about desired changes, and 3. Refreezing into the desired state to ensure new behaviors. It was Lewin's research that provided much of the early foundation for understanding change processes in social situations (Medley & Akan, 2008). Since Lewin (1947), a number of organizational scientists have proposed variations of the basic three step unfreezing, moving, and refreezing model (Armenakis, Bernerth, Pitts, & Walker, 2007). Lippitt, Watson, and Westley (1958) extended Lewin's (1947) work creating a seven step theory that focuses on the various roles of the change agent rather than on the change itself.

Some years later, Kotter (1995) developed an eight step change model for effective change which steps include: 1. Establishing a sense of urgency; 2. Forming a powerful guiding coalition; 3. Creating a vision; 4. Communicating the vision; 5. Empowering others to act; 6. Planning for and creating short-term wins; 7. Consolidating improvements and sustaining the change; and 8. Institutionalizing the new approaches. Each of these change models is similar in that they offer guidance for planning and implementing organizational change efforts. The current research will focus on the implementation of Kotter's (1995) 8 Steps for Change model in a non-profit organizational change initiative.

Kotter's 8 Steps for Change:

John Kotter developed his 8 Steps for Change in a response to observing more than 100 companies trying to remake themselves into significantly better companies. These companies included large organizations (Ford) and small ones (Landmark Communications), companies based in the United States (General Motors) and elsewhere (British Airways), and companies who were earning good money (Bristol-Myers Squibb) (Kotter, 1995). The basic goal of all change efforts was to make fundamental changes in how business is conducted in order to cope with a changing market environment. John Kotter has made it his business to study both success and failure of change initiatives in businesses. Based on his research, Kotter determined why he believes transformation efforts fail. In response to his findings, he developed eight steps for leading successful change. The eight steps were created to be followed one by one and in sequence, each step building on the previous. Kotter states that it is essential to thoroughly complete all eight steps, not cutting any one out or short. "Whenever you leave on of the steps in the 8-step change process without finishing the work, you usually pay a big price later on" (Kotter, 1996, p. 83).

Step 1 involves establishing a sense of urgency. Kotter notes that over half of the companies he observed have never been able to create enough urgency to prompt action. Urgency is crucial to gaining needed cooperation. "Without motivation, people won't help and the effort goes nowhere" (Kotter, 1995, p. 60). Kotter states that the majority of employees, as much as 75%, need to believe that considerable change is absolutely essential (Kotter, 1996).

Step 2 is to form a powerful guiding coalition. This step requires an organization to assemble a specific group of leaders with enough power to chief the change effort and encourage the group to work together as a team. Regardless of the size of the organization, Kotter says that

the guiding coalition for change needs to have at least 3-5 powerful people within the organization leading the effort.

Step 3 involves creating a vision. Creating the vision requires the guiding coalition to develop a picture of what the future with the change will look like. This picture should be one that is relatively easy to communicate and appeals to customers, stockholders, and employees. (Kotter, 1995) The vision serves three important purposes. First, by illustrating the general direction of the change; second, by motivating people to take action; and third, to help coordinate the actions which individuals will take (Kotter, 1996).

Step 4 requires communication of the vision. This step involves using every vehicle and opportunity possible to continuously communicate the change. Some key elements to effectively communicating the vision include repetition, explanation, the use of multiple forums, and leading by example (Kotter, 1996). The guiding coalition should be leading this effort by setting the example and walking the talk.

Step 5 is empowering others to act on the vision. The first action in the step requires removing any obstacles to the change. This may involve changing systems or structures within the organization. It may also involve allocating more money, time, or support needed to make the change effective.

Step 6 involves planning for short-term wins. Complete transformation takes an extensive amount of time so the loss of momentum is a major factor. Most people will not continue to work hard for change if they see no evidence of the success of their efforts. Hence it is important to plan for visible improvements, create those improvements, and recognize and reward those involved.

Step 7 involves consolidating gains and producing more change. As Kotter warns, “Do not declare victory too soon” (Kotter, 1995, pg. 66). For change to sink deeply into the culture of an organization may take years. “Successful efforts use the credibility afforded by short-term wins to tackle even bigger problems” (Kotter, 1995, pg. 66).

Step 8 involves institutionalizing the new approaches. Change sticks when it becomes “the way we do things around here” (Kotter, 1995, pg. 67). Two factors are important to making the changes part of the organizational culture. The first is to show people how the changes have helped improve performance. The second is to ensure that the next generation of the organization believes in and embodies the new ways.

Implementation of Kotter's (1995) Change Model:

Kotter's work has been used throughout the change efforts of major corporations around the world. The client list of Kotter International, a change company founded on Kotter's work to help leaders build capacity to drive transformation in their organization, includes over 150 major corporations. Some of these corporations include: Capital One, Coca-Cola Company, Dell Inc., Estee Lauder Companies, Merrill Lynch, MTV, and World Bank (Kotter International, 2010).

Norfolk Southern, a shipping and transportation company, is another client of Kotter International whose Atlanta terminal underwent a case study by Kotter International regarding the implementation of the eight step change model in an organizational change initiative. In the study, the Atlanta terminal activated a change initiative to address safety issues and operation standards. They began by creating a sense of urgency through an evaluation of safety problems. A guiding coalition was formed and composed of a few engineers, conductors, and supervisors who met regularly regarding the change initiative. The vision that the group created was designed to change employee mentality about safety. Injuries could no longer be treated as an

acceptable risk at the railroad, and had to be reduced in order to raise efficiency and lower costs. The vision was communicated through daily job briefings at the beginning of each shift. Employees were empowered by being asked to think about their own families and how they would feel about an injury to their loved one. This created a high level of engagement. A short-term goal was set – six months injury free. The goal was exceeded and nine months went by injury free. From the onset of the change initiative, the number of injuries declined 97% over the course of a year. The Atlanta terminal also had fewer missed days of work, fewer injury-related costs, and more productive workers. The guiding coalition continues to meet, looking for other ways in which they can help the company improve its operations, and hopefully, spread the philosophy to other divisions of the company (Kotter International, 2010).

Kotter's 8 Steps of Change has been implemented and used by many for-profit businesses and corporations around the world. It has proven to be a valuable and successful change model for many of these corporations, but there has been little research conducted using Kotter's popular change model in the non-profit setting.

Implementation of a Change Model in the Non-profit Sector:

Though there has been little research concerning the implementation of Kotter's (1995) change model in the non-profit setting, there has been research regarding the implementation of Lewin's (1948) 3- step change model in the non-profit setting. Though the model is different from that being used in the current research, the study is of use to the researcher by providing an example of the implementation of a change model in a non-profit organizational change initiative.

Medley & Akan (2008) conducted a study regarding the application of Lewin's (1948) 3 step change model to a change initiative undertaken by a community-based non-profit

organization. Using a case study approach, the researchers examined the actions embarked on by the organization to address decreased funding and client loss. The Lewin (1948) model was overlaid to determine its value in structuring organizational change in a non-profit change initiative. Medley & Akan's (2008) analysis of the non-profit change initiative using the Lewin (1948) model allowed them to overlay the key stages of unfreezing, moving, and refreezing to the series of actions taken place during the change process. From this process the researchers observed the continue applicability of Lewin's (1948) model for non-profit organizational change. They suggest that non-profits seeking to respond to changing needs can make gains by incorporating the Lewin model as a tool in change initiatives.

Change in the Non-profit Sector:

Various constraints placed on non-profit organizations have created turbulent environments that challenge survival. The importance of community driven non-profits as agents of social action, providers of service, and contributors to social health is evident throughout society, but the reality is that for many of these organizations everyday survival remains a constant challenge (Medley & Akan, 2008). Constraints that non-profits now face include funding shortages brought on by changes in government funding priorities, increased competition for charitable dollars, and the demand for outcome measurements. In order to respond to the various environmental conditions, many non-profit organizations find themselves in need of organizational change. The current research will study an organizational change initiative that was initiated by the leadership of a local non-profit organization in order to obtain improvement in service delivery and acquire outcome measurements. Managing change is, therefore, not only a necessity of the private sector, but integral to the life of non-profit organizations as well (Stewart and Walsh, 1992).

Outcome Measurements:

Outcome measurement procedures have been advocated recently as a means of eliciting better accountability and more effective program evaluation (Buckmaster, 1999). Organizations are being requested to demonstrate that specified goals have been achieved. Pressure for results has intensified. An example lies within the US Government Performance and Results Act (GRPA, 1993) which specifies that organizations funded by the federal government must set program outcome goals and publicly report progress toward these goals. The Act's purpose is to increase public confidence and to improve program effectiveness by holding organizations accountable for outcomes and results.

Buckmaster (1999) conducted a study which critically overviewed the issues that have prompted interest in outcome measurement. A large issue which created interest of outcome measurements is the entrustment of money. Money is entrusted to non-profits organizations that can provide outcome measurements to various constituencies including donors, granting agencies, the government, employees, boards of directors, and communities. Non-profit organizations are dependent on these various constituencies for financial support. Funders want confirmation their money expended on various programs result in the intended outcomes. They want to be ensured that services affect individuals and communities both in the short term and long term.

The non-profit organization studied in the current research became increasingly aware of the pressure for outcome measurements by various constituencies for funding and support. The organization decided to undergo an organizational change initiative in order to obtain outcome measurements.

Methods

Overview:

The purpose of the present study was to explore a non-profit organization undergoing an organizational change initiative to improve service delivery and obtain outcome measurements. The researcher used Kotter's (1995) 8 Steps for Change as benchmarks of the change process, determining if Kotter's (1995) model is a useful change model in the non-profit setting. The non-profit organization studied in the context of the current research is a faith-based organization for underprivileged children ages 6-12 in Johnson City, Tennessee, called Coalition for Kids (C4K). C4K aims to provide educational, spiritual, and social guidance to underprivileged children so that they may have the opportunity to reach their full potential in their respective communities. Children are referred to the organization by the courts, teachers, and/or principals. C4K provides support and services to children through three programs: 1. The Awesome Kids Club (AKC), an after school tutoring and homework program from 3:15-5:00 PM each weekday that focuses on meeting children's educational needs as identified by their teachers, 2. Kids in Action (KIA), an evening program offered each weekday from 5:30-8:00 PM that provides free dinner, mentoring, and extracurricular activities to community children, 3. Community Kids Activity Club, a daily summer program offering recreational and educational activities and weekly field trips.

Coalition for Kids is a young organization that has been in existence since February 1999. The original concept was to reach children in a low income apartment complex in east Johnson City, Tennessee. As the organization developed and matured, they decided to broaden their target recipients from a single housing complex to all of east Johnson City. There are currently over 530 children within a one-mile radius of the organizations main facility that the Coalition is trying to reach. C4K is now in its eleventh year of existence, operating on an annual

budget of approximately \$670,000. At the time of the study, the primary funding base for C4K included United Way funding, grants, and personal donations. Coalition currently operates with a staff of eight full-time employees, 36 part-time employees, a Board of Directors of 24 community leaders, and hundreds of volunteers. They are now operating seven after school programs and two evening programs in Johnson City.

Prior to the study, the organization's leadership became aware that the C4K was lacking specific outcome measurements advocating the success of their programs. It was becoming apparent that such outcome measurements were being requested by funders, granting agencies, and various other continuances for accountability. C4K was able to say that they were successfully making a difference in the lives of children, but there were no specific benchmarks or data to prove it. The organization's programs were designed utilizing models from similar organizations, but not within a specific youth development framework that would provide measurable outcomes. In September 2009 the executive director of C4K sought consultation and assistance from East Tennessee State University's (ETSU) Human Development and Learning (HDAL) faculty member Dr. Deborah Harley in an attempt to identify and implement a framework which would provide the organization with improved service delivery and specific outcome measurements.

In collaboration with ETSU faculty member, Dr. Deborah Harley, C4K identified the Search Institute's 40 Developmental Assets (1989) (See Appendix A) youth development framework as a viable measure of children's outcome. The 40 Developmental Assets (1989) are a set of 40 behavioral building blocks of healthy youth development. They are positive experiences and qualities that help influence the choices young people make and help them become caring individuals. The 40 Developmental Assets (1989) include assets concerning such

things as family dynamics, support from community adults, school effectiveness, peer influence, values development, and social skills. Studies of more than 2.2 million young people consistently show that the more of the 40 assets young people have, the less likely they are to engage in a wide range of high-risk behaviors and the more likely they are to thrive. Assets have power for all young people, regardless of their gender, economic status, family, or race/ethnicity, and are better predictors of high-risk involvement and thriving than poverty or being from a single-parent family (The Search Institute). The implementation of the 40 Developmental Assets (1989) framework would require a radical change in the organization's methods of service delivery and would also require staff education and training specifically concerning the 40 Developmental Assets (1989).

The current study is focused on the implementation of the organizational change initiative of C4K. To explore this change initiative the researcher used a case study approach taking place in three phases. In phase I, the researcher observed the steps of staff education and training on the 40 Developmental Assets as well as the plan to execute the new method of service delivery. In phase II, the researcher monitored staff perception of change one year into the change initiative by developing and administering staff survey questionnaires. The survey questionnaire was developed by the researcher using Kotter's (1995) 8 Steps for Change as benchmarks. In phase III the researcher analyzed the acquired data set to examine the change process and determine staff perception of the change initiative according to Kotter's (1995) 8 Steps of Change. By overlaying Kotter's (1995) 8 Steps of Change to this change initiative, the researcher sought to determine the usefulness of Kotter's (1995) popular business model for change in the non-profit setting.

Research Design:

This empirical study represented an exploratory, non-experimental, case-study research design of a non-profit organizational change initiative. The study observed the change process in Coalition for Kids, a local, faith-based, non-profit organization and assessed staff perceptions of change one year into the change initiative using Kotter's (1995) 8 Steps for Change as benchmarks. The application of Kotter's popular business model for change in a non-profit change initiative will hopefully determine the model's usefulness in the non-profit setting. This case study combines ethnographic observation and staff survey questionnaires to monitor a non-profit change initiative using Kotter's (1995) 8 step change model.

Sample:

Participants in this research were all paid staff including part-time and full-time staff of Coalition for Kids. All staff were be required by Coalition for Kid's executive director to participate in education and training concerning the 40 Developmental Assets (1989) change initiative. All staff was asked to participate in a survey regarding their perception of the organizations change initiative. The education, training, and survey population consisted of 8 full-time employees and 36 part-time employees. No paid staff was excluded from the education, training, or survey.

Instrumentation:

The survey instrument was developed by the researcher to assess staff perception of the change one year into the initiative using Kotter's (1995) 8 step change model. The survey instrument (see Appendix B) included 16 questions designed to assess staff perception of change, determining how far along they are in the change process using Kotter's 8 step change model. The researcher generated 2 questions to address each of Kotter's 8 steps yielding a total of 16

questions. The questions were formatted as a 5-point Likert scale, which ranged from 1 (strongly disagree) to 5 (strongly agree). A low score indicates a positive perception of the change initiative and a staff member who believes that the organization is far along the change process according to Kotter's (1995) 8 step change model.

Procedure:

The study was conducted in multiple phases over a two-year period. In Phase I, the researcher collected data through ethnographic observation over the course of a year. During this period, the researcher observed the organization to identify the implementation of new methods of service delivery, any rescheduling efforts or setbacks, and any goal distractions. Observations took place during all four staff education and training days from January 2010 to January 2011 which focused on the 40 Developmental Assets (1989). The researcher also made observations by communicating regularly with the leadership of C4K to monitor the implementation of new methods set forth during staff education and training, any rescheduling efforts, and any goal distractions from the change initiative. Phase II took place during January 2011. This phase involved the administration of the staff survey instrument developed by the researcher. The survey instrument was developed to determine staff perception of how far along their organization is in the change process using Kotter's (1995) 8 step change model. The survey was administered once to determine staff perception of the change process one year into the change initiative. All staff members were asked by C4K's executive director to participate in the survey. The distribution of surveys was preceded by an introductory letter indicating that the questionnaire was designed to examine staff perception of the implementation of the 40 Developmental Assets (1989) change initiative by Coalition for Kids. Survey participants were informed that their participation was anonymous, voluntary, and essential to providing a greater

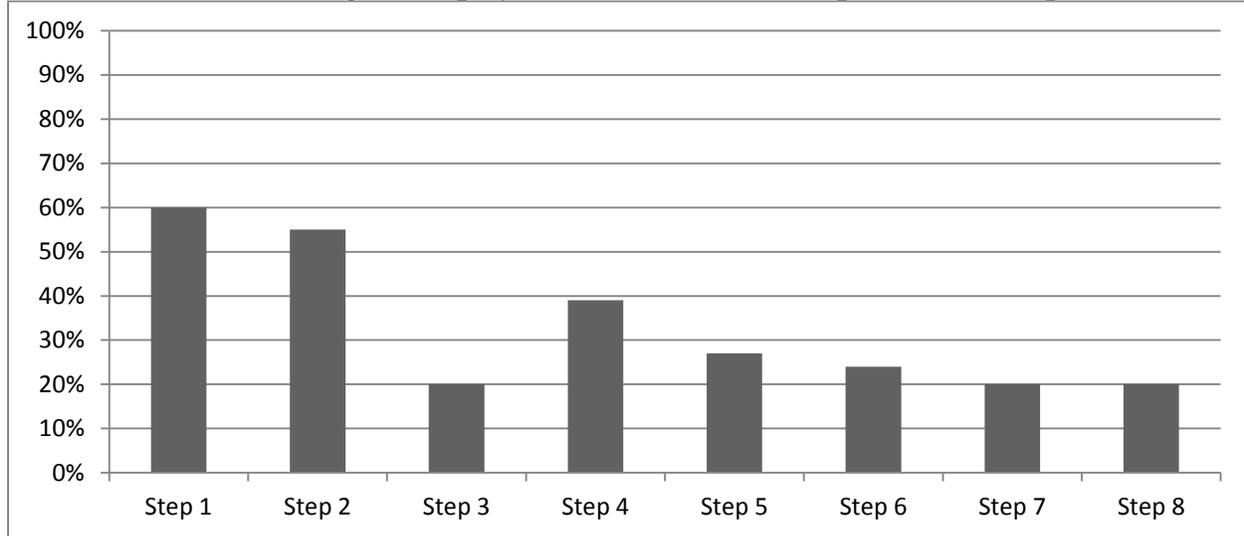
understanding of organizational factors vital to successful implementation of the 40 Developmental Assets. Phase III took place from January 2011 to April 2011. This phase involved analyzing the acquired data set to determine staff perception of change and to examine the change process using Kotter's (1995) 8 step change model. By applying Kotter's (1995) 8 step popular business model for change to a non-profit change initiative, the researcher explored the usefulness Kotter's change model in the non-profit setting.

Results

The staff survey was conducted to measure staff perception of the change initiative, assessing how far along the organization is in the change process one year into the change initiative using Kotter's (1995) 8 step change model. A total of 22 out of 44 questionnaires were returned yielding a response rate of 50%. Of the respondents, 32% were male and 68% were female. With regard to age, 82% were younger than 30, 10% were between the ages of 31 and 50, and 10% were 51 or older. With regard to position, 9% were full-time employees and 91% were part-time employees. With regard to length of employment at C4K, 45% of respondents had been employed for less than 1 year, 18% 1 to 2 years, 27% 3 to 4 years, 0% 5 to 6 years, and 9% 7 or more years. There were 2 survey questions generated to address each of Kotter's 8 steps. Respondents indicated how strongly they agreed that each of Kotter's 8 steps had been completed.

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Table 1: Percentage of employees who believe each step has been completed



Step 1 - Create a Sense of Urgency:

Creating a sense of urgency involves making people believe that the change is necessary. The results indicated that 60% of C4K employees agreed there was a sense of urgency that had been created regarding the change initiative. An attempt by the organization to create a sense of urgency was observed when all staff was required to attend training days which specifically addressed the change initiative. At the training days, employees were informed and educated on the change initiative and its need within the organization. Although 60% of employees felt a sense of urgency, Kotter states that 75% need to believe the change is essential for adequate urgency to be created (Kotter, 1996).

Step 2 – Form a Powerful Guiding Coalition:

A powerful coalition is a group of members which is required to lead the change initiative. Fifty-five percent of C4K employees agreed that there was a powerful coalition guiding the change process. All staff members were asked by the executive director to participate in the survey. They were informed that their participation was essential to providing a greater

understanding and successful implementation the change initiative. However, results revealed that only two full-time staff members completed the survey regarding the change initiative. At the time of the survey, the organization had not assigned a specific group or task force to lead the change initiative. A four person task force was assembled soon after the survey was completed which has likely increased this percentage.

Step 3 – Create a Vision:

Creating a vision refers to producing a picture of the future with the change in place, along with clarification of why people should strive to create that future (Kotter, 1996). Survey results indicated that only 20% of employees agreed that a vision for the future had been created. This lack of vision indicated a significant problem area in the change initiative.

Step 4 – Communicate the Change:

Communicating the change includes using every existing channel and opportunity available for communication. Kotter suggests that leadership should estimate how much communication is needed, and multiply that by a factor of ten (Kotter, 1995). Only 39% of employees agreed that they often heard dialogue or communication about the change initiative. Two factors which likely contributed to the lack of communication were observed. First, between the last staff training day and when the surveys were administered, 10 new staff members were hired who were not informed or educated on the undergoing change initiative. Second, C4K is able to operate using of the hundreds of volunteers daily. None of the volunteers were informed or educated on the organizational change initiative.

Step 5 – Empower Others to Act:

People are empowered to act when they are provided with the necessary resources and obstacles which may be getting in the way of the change effort are removed. Twenty-seven

percent of employees agreed that they had adequate time to put into the change effort and barriers had been removed. Observations detected various projects which were likely barriers to the change initiative. Over the course of the first year of the change initiative the organization took on a variety of other large projects including a new fundraising campaign, the launch of a new logo, and the opening of a new evening site. This collection of projects increased the amount of staff responsibilities and decreased the amount of time they had to focus on the change initiative making them barriers to change.

Step 6 – Create Short-Term Wins:

Short-term wins allow people to see that their efforts are paying off and reward them for their work. Only 24% of employees agreed that there were short-term wins in place for the change project. A contributing factor to the lack of short term-wins in place was likely the absence of a guiding coalition to create these goals.

Step 7 – Consolidate Gains and Produce More Change:

Step 7 cautions change initiatives not to declare victory too soon. This step involves tackling additional changes and bringing more people on board to help. Twenty percent of employees agreed there were changes which had been consolidated. Based on the results of the previous steps, employees likely saw no change success to declare victory over indicating this low percentage. Initial change must take place before more can be produced.

Step 8 – Institutionalize Changes:

The last and largest obstacle involves making the changes a part of the organization's culture. Only 20% of employees agreed that the changes had been institutionalized into the organization. This step comes last and depends upon the results of the change process. According

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to survey results, none of the previous steps seven had been successfully completed, making this statistic representative of the progress of the change initiative.

Table 2. Staff perception of the organizational change initiative using Kotter's (1995) 8 step change model

 Less than 35% agree	 35-65% agree	 Over 65% agree
<i>Kotter's 8 Steps</i>	<i>Survey Question 1</i>	<i>Survey Question 2</i>
Step 1: Create a Sense of Urgency	Change will have a favorable effect on the organization	Organization needs to improve service delivery
Step 2: Form a Powerful Guiding Coalition	Top leaders are guiding change	Leaders are 'walking the talk' in the change effort
Step 3: Create a Vision	Vision for the future is clear	Have a set of steps for how the future can be created
Step 4: Communicate the Vision	Change effort is often discussed	Most of peers embrace the change effort
Step 5: Empower Others to Act	Have necessary time and resources	Other jobs/duties which take focus from change
Step 6: Create Short-Term Wins	Recognized for work on the change initiative	Often encouraged by leaders to support the change
Step 7: Consolidate Changes	Provided with feedback	Have accomplished a goal
Step 8: Institutionalize Changes	Changes are part of daily operations	Changes are rooted in culture

Discussion

The analysis of staff perception using Kotter's model indicated that the C4K organizational change initiative was still in the beginning steps of the change process one year into the initiative. The implementation of Kotter's model allowed the researcher to provide the organization with a picture of the current status and advancement of the change initiative. The model allowed the organization to identify specific areas of deficiency which required their attention. By identifying focus areas, the model provided C4K with a starting point for making improvements and a detailed set of steps to help the change progress.

The results indicated that Kotter's first three steps required C4K's initial attention. Only 60% of staff agreed that Step 1, creating a sense of urgency, had been completed. Kotter suggests that 75% need to agree before an adequate amount of urgency is created. Fifty-five percent of employees agreed that Step 2, creating a powerful guiding coalition, was in place. Only 2 full-time staff members completed the survey indicating a lack of urgency and guidance from the leadership toward the change. Twenty percent of staff agreed that Step 3, creating a vision, had been reached. This indicated a major collapse in the change process and a lack of clarity for the future. These results showed moderate staff agreement regarding the completion of Steps 1 and 2, and a steep decline to a very low amount of staff agreement regarding the completion of Step 3. Subsequently, there was a steady decline in the amount of staff agreement from Step 4 (39%) through Step 8 (20%). Results support the findings that skipping any of the 8 steps, going out of sequence, or getting too far ahead without a solid base will almost always create problems (Kotter, 1996). Until C4K is able to increase the success of Steps 1 through 3, the change initiative will continue to be unproductive.

The findings also contribute to Kotter's (1996) idea that the complete success of organizational change can take an extended period of time. Changing anything of significance in highly interdependent systems means changing nearly everything within this system which can take years to complete. The analysis of C4K revealed that one year into the change initiative, not even Step 1 had been successfully completed. Organizational change must be thought of as a long term process. Kotter (1996) states that even decades can be meaningful time frames.

Conclusions & Implications

The analysis of the change initiative using Kotter's (1995) 8 step change model allowed the researcher to overlay Kotter's 8 steps to the C4K organizational change initiative and observe the applicability of this model for nonprofits. Collectively, the 8 step change model provided a valuable framework for assessing the advancement of the change process. Individually, the analysis of each step provided specific information about deficiencies that would likely have an adverse impact on change success. The use of the model allowed the researcher to identify areas where the change initiative was weakening and pinpoint specific focus areas which would require attention and improvement. The findings of this study suggest that assessing staff perception of organizational change using Kotter's (1995) 8 step change model can provide valuable information useful in planning and executing actions to improve change success. The Kotter (1995) model indicates key steps and actions that can motivate and enable the change process resulting in greater effectiveness and sustainability.

Although researchers have acknowledged the role of change models in the success of for-profit change initiatives (Armenakis et al., 2007; Beer & Nohria, 2000), the literature has not addressed the success of change models in non-profit organizational change initiatives. The findings of the current study suggest that Kotter's (1995) 8 step change model is a valuable model that can be useful in the non-profit setting. Non-profits seeking to strengthen their organization by undergoing an organizational change initiative may make advances by incorporating Kotter's (1995) 8 step change model. Findings indicate that there is much to gain from Kotter's (1995) 8 step change model toward helping non-profit organizations increase their success and effectiveness implementing change.

Further research on the use of the Kotter model in various non-profit organizational contexts is needed to enhance understanding and build a greater body of knowledge in this area. Larger, more heterogeneous samples should be tested and cross-validated with the results presented in this study. As this study reveals Kotter's model as a useful tool in non-profit organizational change initiatives, further research that examines which steps in Kotter's model are most time consuming, which are most challenging, and which are most important for success would prove valuable.

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Appendix A: 40 Developmental Assets

<i>Asset type</i>	<i>Asset name and definition</i>	
EXTERNAL ASSETS	Support 1. Family Support -Family life provides high levels of love and support. 2. Positive Family Communication -Young person and her or his parent(s) communicate positively, and young person is willing to seek advice and counsel from parents. 3. Other Adult Relationships -Young person receives support from three or more nonparent adults. 4. Caring Neighborhood -Young person experiences caring neighbors. 5. Caring School Climate -School provides a caring, encouraging environment. 6. Parent Involvement in Schooling -Parent(s) are actively involved in helping young person succeed in school.	
	Empowerment 7. Community Values Youth -Young person perceives that adults in the community value youth. 8. Youth as Resources -Young people are given useful roles in the community. 9. Service to Others -Young person serves in the community one hour or more per week. 10. Safety -Young person feels safe at home, school, and in the neighborhood.	
	Boundaries & Expectations 11. Family Boundaries -Family has clear rules and consequences and monitors the young person’s whereabouts. 12. School Boundaries -School provides clear rules and consequences. 13. Neighborhood Boundaries -Neighbors take responsibility for monitoring young people’s behavior. 14. Adult Role Models -Parent(s) and other adults model positive, responsible behavior. 15. Positive Peer Influence -Young person’s best friends model responsible behavior. 16. High Expectations -Both parent(s) and teachers encourage the young person to do well.	
	Constructive Use of Time 17. Creative Activities -Young person spends three or more hours per week in lessons or practice in music, theater, or other arts. 18. Youth Programs -Young person spends three or more hours per week in sports, clubs, or organizations at school and/or in the community. 19. Religious Community -Young person spends one or more hours per week in activities in a religious institution. 20. Time at Home -Young person is out with friends "with nothing special to do" two or fewer nights per week.	
	INTERNAL ASSETS	Commitment to Learning 21. Achievement Motivation -Young person is motivated to do well in school. 22. School Engagement -Young person is actively engaged in learning. 23. Homework -Young person reports doing at least one hour of homework every school day. 24. Bonding to School -Young person cares about her or his school. 25. Reading for Pleasure -Young person reads for pleasure three or more hours per week.
		Positive Values 26. Caring -Young person places high value on helping other people. 27. Equality and Social Justice -Young person places high value on promoting equality and reducing hunger and poverty. 28. Integrity -Young person acts on convictions and stands up for her or his beliefs. 29. Honesty -Young person "tells the truth even when it is not easy." 30. Responsibility -Young person accepts and takes personal responsibility. 31. Restraint -Young person believes it is important not to be sexually active or to use alcohol or other drugs.
		Social Competencies 32. Planning and Decision Making -Young person knows how to plan ahead and make choices. 33. Interpersonal Competence -Young person has empathy, sensitivity, and friendship skills. 34. Cultural Competence -Young person has knowledge of and comfort with people of different cultural/racial/ethnic backgrounds. 35. Resistance Skills -Young person can resist negative peer pressure and dangerous situations. 36. Peaceful Conflict Resolution -Young person seeks to resolve conflict nonviolently.
		Positive Identity 37. Personal Power -Young person feels he or she has control over "things that happen to me." 38. Self-Esteem -Young person reports having a high self-esteem. 39. Sense of Purpose - Young person reports that "my life has purpose." 40. Positive view of personal future - Young person is optimistic about her or his personal future.

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Appendix B: Change Perception Questionnaire

	5 Strongly Disagree	4 Disagree	3 Not Sure	2 Agree	1 Strongly Agree
1. The 40 Assets change effort in process will have a favorable effect on our organization, C4K. (step 1: creating a sense of urgency)	0	0	0	0	0
2. C4K needs to improve our service delivery by implementing an organizational change. (step 1: creating a sense of urgency)	0	0	0	0	0
3. The top leaders in my organization are effectively guiding the 40 Assets change effort. (step 2: forming a guiding coalition)	0	0	0	0	0
4. There are leaders in my organization who are 'walking the talk' concerning the 40 Assets. (step 2: forming a guiding coalition)	0	0	0	0	0
5. The vision for the future with this change project is very clear to me. (step 3: creating a vision)	0	0	0	0	0
6. I have a set of steps for how our future with the 40 Assets can be created. (step 3: creating a vision)	0	0	0	0	0
7. The 40 Assets change effort is often talked about and discussed within our organization. (step 4: communicating the vision)	0	0	0	0	0
8. Most of my peers embrace the proposed change effort. (step 4: communicating the vision)	0	0	0	0	0
9. I feel that I have the resources and time to implement these changes. (step 5: empowering others to act)	0	0	0	0	0
10. There are other projects/job duties which take attention away from the 40 Assets change effort. (step 5: empowering others to act)	0	0	0	0	0
11. I am recognized for my work on the 40 Assets. (step 6: short-term wins)	0	0	0	0	0
12. I am often encouraged by leaders to support	0	0	0	0	0

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<p>this change effort. (step 6: short-term wins)</p>					
<p>13. I am provided with feedback concerning my efforts on the 40 Assets change project. (step 7: sustain momentum)</p>	0	0	0	0	0
<p>14. Our organization has already accomplished a goal concerning the 40 Assets and is ready to move on to a new goal. (step 7: sustain momentum)</p>	0	0	0	0	0
<p>15. The 40 Assets have become a part of our organization and how we operate daily. (step 8: institutionalizing new approaches)</p>	0	0	0	0	0
<p>16. The 40 Assets have become rooted into the culture of our organization, C4K . (step 8: institutionalizing new approaches)</p>	0	0	0	0	0