



# **GHANAIAN SME'S BUSINESS ENVIRONMENT AND CHANGEABILITY: AN EMPIRICAL ASSESSMENT OF THE ADKAR MODEL FOR CHANGE MANAGEMENT**

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## **Abstract**

*Constant and rapid change characterizes the world of today. To successfully contend in this environment, organisations need time and economical ways to manage change. Change is an essential tool for the survival and performance of any business organization. It winds up basic to plan a technique that stems from the upsetting effect of progress on the turbulent business environment. Unlike large business entities, ownership management in SMEs is carried out by the owner who carries out the owner-manager role. This study, therefore, seeks to examine the influence of Awareness empirically, Desire, Knowledge, Ability and Reinforcement (ADKAR) on enterprise environment and Changeability of Ghanaian based Small and Medium Scale Enterprises (SMEs). The study collects both quantitative and qualitative data using questionnaires and interview guide. 166 respondents were sampled from 36 SMEs from the study area. The three main analytical techniques used in this study are; Reliability Analysis, Factor Analysis (FA) and Regression Analysis. The discoveries of the survey discovered that several SMEs form the prospective economic backbone of many regions and make important contribution to employment than large organizations.*

*Keywords: Change, Business environment, survival and performance, Changeability, Ghana*

## INTRODUCTION

Associations' maintained aggressive operation should dependably be tied down on a ceaseless reestablishment of the associations' structure, heading advice of procedure and capacities to assist the regularly varying requirements of both inward and outer clients' (Moran and Brightman, 2001). Ansoff and Sullivan (1993) characterize change as any arranged or impromptu progress starting with one situation then onto the next. It is otherwise called having a material effect in something contrasted with a before state, changing or changing over something, or necessarily getting to be noticeably extraordinary. Foreseeing responsiveness and obligation for change utilizing change status analyze and the obsession with specialist focused change exercises is a basic progressive change accomplishment factor (Chalwa and Kelloway, 2004). Achievement in transformational change relies upon a vital and successive way to deal with change (Kotter, 2007), and by making a condition of progress preparation before the change, takes out the requirement for later activity to adapt to protection (Smith, 2005)

In business elements, change could extend from: mechanical frameworks, markets or advertising techniques, administration and basic leadership practices and organs among others. Since the nineteenth century and the Industrial Revolution, business substances have needed to manage change on an undeniably fast scale. The more noteworthy the turbulence in the inside and outside condition, the more critical it progresses toward becoming for partnerships to give the successful administration and create strong authoritative practices that can manage changes (Ristino, 2000). Evaluating the degree of progress availability, before a hierarchical change, subsequently mitigates the potential misuse of critical assets because of the disappointment of the change later on.

Ever than some time recently, the present day is described by regularly changing condition inferable from worldwide economy, extending markets, better approaches for working together and innovative changes. Businesses must, in this manner, discover routes for working by growing new skills as the old favourable position and abilities picked up is immediately dissolved (Johnson and Scholes, 2002). As a result of the way that progressions are a need in private and also open segment, each association must change with the earth else, it would end up noticeably immaterial. Jeff (2007) states that change administration is the procedure apparatuses and strategies to deal with the general population inside an association to accomplish the required business results and understand the change adequately inside the social foundation of the work environment. It is an arrangement of practices or procedures utilized to guarantee that noteworthy changes are actualized in a methodical, controlled and precise form to impact authoritative change (Burnes, 2000).

The expanding significance of Small and Medium Enterprises (SMEs) proprietorship change management is a worldwide marvel realized by advertise powers, mechanical advances, individual vocation desires and the fundamental statistic changes of the populace (Curran and Blackburn, 2001). In Ghana, with a sum of around 6000 enrolled SMEs extensively grouped under; Services, Commercial, Trade, and light assembling. This presents the defense for the entire significance for congruity in activity of SMEs, well after the proprietor supervisor has outlasted His/her commitment with the foundations. In this manner, methods for administration of possession change in SMEs in Ghana are of extraordinary significance to guarantee coherence in the financial development, and business commitment.

### **Problem Statement**

In the current turbulent worldwide business condition, change is basic for the survival and execution of business associations. In this way, technique plan and execution is of pith and it ought to be ceaselessly done to adjust to changes brought by the turbulent condition (Mintzberg, 1990). Dissimilar to vast business elements, possession administration in SMEs is done by the proprietor who completes the proprietor supervisor part. Administration of proprietorship change is an idea that has been utilized by numerous SMEs to address the difficulties that both the inner and outer conditions posture to the operations of these endeavours.

As indicated by the examination done to look at the nature and degree of authoritative change in Queensland Australia by Nicole Poole, it rose up out of the discoveries that the principle change drivers in these SMEs had a direct profile in connection to administration abilities. The discoveries additionally mirrored the view that directors tended to help types of constrained worker support and conference (Poole, 2009). Meredith (2010) led an exploration on the significance of progress administration to SMEs to approach new markets and new items or potentially benefits. The discoveries of this examination uncovered that it is imperative to have a Lewin's Model approach which accentuates arranging as key to killing the impacts of the working condition on organizations.

Inferable from the scarcity of observational examinations on SMEs, particularly with respect to administration of possession change, this investigation is persuaded by the need to fill in this information hole by experimentally looking at the impact of Awareness, Desire, Knowledge, Ability and Reinforcement (ADKAR) on big business condition and Changeability of Ghanaian based Small and Medium Scale Enterprises. The examination additionally looks to give an altered variant of the ADKAR show that might be valuable for arrangement detailing and furthermore shape the system for the right defense and usage of big business related changes

in the Ghanaian setting. From the discoveries as a premise, the investigation at that point reaches determinations and offers a few suggestions on how SME's in Ghana can upgrade their aggressiveness in the fairly profoundly focused business world. An intensive comprehension of progress availability, the outcomes of the opposite and an appraisal of the norm is in this way of most extreme significance to the association.

### **Objectives**

1. To investigate the existence of a useful relationship between enterprise environment and Changeability using Canonical Correlation Analysis
2. To examine the influence of Awareness, Desire, Knowledge, Ability and Reinforcement (ADKAR) on enterprise environment and Changeability of Ghanaian based Small and Medium Scale Enterprises using Regression analysis
3. To analyse the Enterprise's capability to accomplish or act in a new way as well as obstacles hindering the Enterprise's capability to change (if any).

## **LITERATURE REVIEW**

### **Change Management**

As showed by Rieley and Clarkson (2001), affiliations surmise that it is difficult to improve execution in a circumstance where there is consistent change. Consequently, organization of advance, for the due was hopeful rather than valuable. Their pain was uncovered by Luecke (2003) who battled that given the unfaltering change and the inconvenience of realizing change organization, affiliations expected timetables to be effective and to enhance execution. Burnes (2004) has regardless, requested that it is basic for relationship to encounter perpetual change and that calendars would dishonour advance organization. Perhaps Burnes was supporting Leifer (1989) who set that change is a conventional and regular response to inside and external characteristic turbulence.

The rate of occasion requests the basic sorts of advance as both discontinuous and also incremental change. Irregular change is separate by quick moves in system, structure or philosophy or all the three (Grundy, 1993). As showed by Senior (2002), this quick change can be begun off by key internal crises or profound outside tremor. Irregular change is seen as fiscally canny since it now and again progresses an unending methodology of costly change exercises other than making less turmoil as depicted by constant change (Pieterse et al, 2012 and Rune, 2005).

There are unique systems that organisations can take dependent upon how change happens. Burnes (2004) cleared up that in spite of the nonattendance of a comprehensively

excellent approach; an unmistakable and down to earth approach to manage progressive change organisation that reveals what changes ought to be made is an orchestrated approach. This underscores the significance of understanding the particular situations which an affiliation should involvement toward the atmosphere the whirlwind caused by the rough condition (in agreement). An orchestrated approach was Lewin in 1946, and he detailed a model named after him, Lewin's Model (Rune, 2005). In Lewin's Model, there is a stipulation for three specific walks in change organisation in case it is to force. Those are unfreezing the present, moving from the present and hardening. If this model is not taken after, by the changes will be brief. Central purposes empower change since they push labourers the desired way. Controlling forces hinder change since they push delegates the other way (Lewin, 1951).

Kotter (1995) in his book 'Driving Change' figured an eight-advance change process. The initial step is to set up a feeling of desperation through acquiring a collaboration of numerous people and ensuring they are persuaded to take part. The second step is making the directing coalition by getting enough labour to lead the change exertion. The third step is building up a change vision to help coordinate the change exertion, and create systems for accomplishing that vision. In the fourth step, the pioneer conveys the vision for purchase in and ensuring however many as could reasonably be expected to comprehend and acknowledge the idea and the system. The fifth step is to enable broad-based activity by evacuating impediments to change, modification frameworks or structures that genuinely undermine the dream and empowering hazard taking and non-regular considerations, exercises as well as actions. The 6th step creating short-term wins by getting ready for accomplishments that can without much of a stretch be made obvious. The pioneer at that point, completes those accomplishments and perceives and compensates representatives who were included.

### **Types of Change**

The contrast amongst arranged and impromptu change as proposed by Nel et al. (2001), is that an arranged change happens when associations take ponder choices to make modifications to the present state of affairs and subsequently rolling out improvements to the association. In any case, as per Mintzberg (1990) chiefs - through ordinary operations - may settle on a large group of various choices with respect to various outside orienternal working difficulties; and these choices realize a change. The seemingly random choices in the long run frame a consistent theme and reason and a change happens, yet impromptu. In addition, other inner and in addition outside elements to the association, for example, culture, history, aptitudes, information or absence of learning; governmental issues and additionally the economy; will likewise impact weights for change, be they arranged or impromptu.

Change, however all around arranged, ought not be viewed as a settled procedure inside a vacuum that is sequential and settled by nature, but instead, there are rising or impromptu (Mitzberg, 1990) qualities inside an arranged procedure that additionally should be considered and overseen. Besides, Dawson (1996) alerts that even the most all around arranged change occasions have components of impromptu or eminent change. In this survey, all change and change status components identified with the looming arranged change intercession recognize the probability of related rising change that will likewise be overseen.

Dunphy and Stace (1993) have placed that change recognized by scale be able to isolated into four distinct qualities: tweaking, incremental alteration, secluded change, and corporate change. As indicated by Nelson (2003), tweaking depicts authoritative change as a continuous procedure to coordinate the association's technique, procedures, individuals and structure. Another critical refinement in the administration of progress is simply the comprehension of the change, regardless of whether it is of a steady and nonstop nature or identified with a particular period considering a specific objective. This prompts the separation of the kind of progress experienced, in particular rambling or nonstop change. As indicated by Weick and Quinn (1999) it is imperative to recognize constant and rambling change all together for the association to respond or deal with the change appropriately. Long winded change is typically identified with a deliberate occasional change occasion and can be radical in nature and infers a critical intentional change occasion at a particular period in time. As opposed to this kind of progress, ceaseless change is identified with change of a developmental nature or an on-going procedure of steady change.

Ackerman (1997) explains on the distinctive sorts of changes in connection to what and how much change is required, or the extent of the change, by presenting the idea of transformational change. Transformational change is long winded and radical in nature and identifies with the rise of an association which is working and organized in a general sense diversely to its pre-change state. The change is normally expedited by a difference in hierarchical system (Ackerman, 1997) and is change that "profoundly adjusts an association's items, administrations, clients, abilities, upper hand and persona" (Nutt & Backoff, 1997). An association which is encountering transformational change accordingly is one which is encountering change of a significant sort and is characterized as long winded

### **The ADKAR Model (HIATT, 2006)**

The ADKAR change proposes a model to oversee change, and the early period of progress preparation specifically. The ADKAR model was produced with the perspective of making a change structure and instrument that is demonstrative by nature and a device that can show to

associations where the workers are in the change. As per (Hiatt, 2006), ADKAR is known as a change demonstrates for the most part connected to change preparation levels in a change procedure.

ADKAR is an abbreviation for five consecutive advances in which individuals need to experience all together for any change to be effective (Hiatt, 2006). The ADKAR model is intended to assess where in the change procedure workers are trapped, or are experiencing difficulty with the change and afterward to deal with the procedure from that point (Hiatt, 2006). It additionally stipulates that change won't be effective unless the majority of the components inside the ADKAR procedure have been effectively finished.

The ADKAR model is intended to assess where representatives are stuck or are experiencing difficulty in the change procedure (Hiatt, 2006). It likewise stipulates that change won't be fruitful unless the majority of the components inside the ADKAR procedure have been effectively tended to in a successive manner. While many change administration extends by and large concentrate on the means fundamental for authoritative change, the ADKAR procedure stresses that fruitful hierarchical change happens just when every individual can progress effectively from each of the five center components which are Awareness, Desire, Knowledge, Ability and Reinforcement (Hiatt, 2006).

## **RESEARCH METHODOLOGY**

In measuring the influence of Awareness, Desire, Knowledge, Ability and Reinforcement (ADKAR) on enterprise environment and Changeability of Ghanaian based Small and Medium Scale Enterprises, researchers have measured a combination of quantitative and qualitative indicators. The target population of this study was 180 from 36 SMEs registered in Kumasi Metropolis that would be in various strata: light manufacturing, commercial and trade, services, with specific attention to the owners/managers and staff of the small and medium enterprises. The responses were sought through an in-depth structured interview with the respondents chosen by a non-probability snowball sampling technique. The three main analytical techniques used in this study are; Reliability Analysis, Factor Analysis (FA) and Regression Analysis.

## **ANALYSIS**

### **Demographic Characteristics of Respondents**

This segment indicates the demographic profile of the research members in respect of their gender, age, and position, types of Company Ownership, average monthly turnover and number of full-time employees.



Table 1: Demography

<b>Age</b>	<b>Frequency (n)</b>	<b>Percentage (%)</b>
< 3 yrs.	22	13.3
4 - 7 yrs.	39	23.5
8 -10 yrs.	45	27.1
> 11 yrs.	60	36.1
<b>Position</b>		
Owner	80	48.2
CEO	21	12.7
Manager	24	14.5
Employee	41	24.7
<b>Types of Company Ownership</b>		
Proprietorship	4	2.4
Partnership	11	6.6
Private ltd	49	29.5
Public Ltd	69	41.6
Joint venture	33	19.9
<b>Average monthly turnover</b>		
< 5000gh	25	15.1
5000 - 9,999gh	34	20.5
50,000 - 100,000gh	53	31.9
> 100,000	54	32.5
<b>Number of full-time workers</b>		
1	6	3.6
2	16	9.7
3	52	31.3
4	62	37.3
5	30	18.1

Table 1 gives a detailed presentation of respondents' demographic characteristics. The characteristics measured include the age of company, position, types of company ownership, average monthly turnover, number of full-time workers and the total number of managers.



From table 1, out of a total of 166 respondents, 60 representing 36.1% asserted their companies had existed for more than 11 years. Further, 45 representing 27.1% said their companies had been in existence for 8-10 years, 39 representing 23.5% said 4-7 years whereas 22 respondents representing 13.3% said their companies had been in existence for less than three years. This indicated that most of the SMEs had been in existence for over a decade.

With respect to the positions of respondents, 80 representing 48.2% were owners, 41 representing 24.7% were employees, 24 respondents representing 14.5% were managers while the remaining 21 respondents representing 12.7% were CEOs. That notwithstanding, 67 respondents representing 41.4% asserted their companies were public limited companies, 48 respondents representing 29.6% were private limited companies, 32 representing 19.8% were joint ventures, 11 representing 6.8% were partnerships while the remaining four representing 2.5% were proprietorship companies.

However, 54 respondents representing 32.5% affirmed their companies had an average monthly turnover greater than GHS100,000, 53 representing 31.9% said GHS50,000-100,000, 34 respondents representing 20.5% asserted GHS5,000-9,999 while 25 respondents representing 15.1% had average monthly turnovers less than GHS5,000.

With regards to the number of full-time employees, 62 out of the 166 respondents representing 37.3% had four full-time employees, 52 respondents representing 31.3% had three full-time employees. While 30 representing 18.1% had five full-time employees, 16 representing 9.7% had two full-time employees while 6 representing 3.6% had only one full-time employee.

### Descriptive statistics on Changeability

Table 2: Changeability

	N	Min.	Max.	Mean	Std. Deviation
Learning is effortlessly transferred between departments within this enterprise	163	1	5	3.75	.884
There are extraordinary levels of accountability in this enterprise	166	1	33	3.66	2.515
Before this enterprise draws any business conclusion, sufficient research is done	161	1	5	3.64	.997
This enterprise constantly monitor the activities of our competitors	155	1	5	3.59	.979
Politics and emotions do sometimes get in the way of change in this enterprise	166	1	11	3.48	1.229

This enterprise is characterised by a “blame-free” culture	165	1	5	3.44	1.061
We can easily detect when we deviate from the strategic plan of this enterprise	163	1	5	3.42	1.053
Conflicts are resolved openly within this enterprise	163	1	5	3.39	1.229
This enterprise like to experiment	166	1	5	3.34	1.179
We have a perfect process to evaluate and implement new business ideas	161	1	5	3.31	1.315
Management of this enterprise regularly does strategic reviews	164	1	5	3.27	1.215
Teams operate effectively across the enterprise	163	1	5	3.21	1.114
Management of this enterprise learns from their past mistakes	165	1	5	3.14	1.173
We regularly collect data about our business environment	164	1	5	3.05	1.189

Table 2...

Table 2 shows the descriptive statistics of respondents' responses on changeability. The responses have been categorised with respect to the means and standard deviations of responses. Respondents agreed that learning is easily transferred between departments within their enterprises ( $M=3.75$ ,  $SD=.884$ ), there are high levels of accountability ( $M=3.66$ ,  $SD=2.515$ ), sufficient research is done ( $M=3.64$ ,  $SD=.997$ ), and the enterprise constantly monitors the activities of their competitors ( $M=3.59$ ,  $SD=.979$ ). Respondents, however, showed neutrality towards the following statements: politics and emotions do not get in the way of change in this enterprise ( $M=3.48$ ,  $SD=1.229$ ), their enterprise is characterised by a “blame free” culture ( $M=3.44$ ,  $SD=1.061$ ). They can easily detect when we deviate from the strategic plan of this enterprise ( $M=3.42$ ,  $SD=1.053$ ), Conflicts are resolved openly within this enterprise ( $M=3.39$ ,  $SD=1.229$ ), enterprises like to experiment ( $M=3.34$ ,  $SD=1.179$ ), there is a clear process to evaluate and implement new business ideas ( $M=3.31$ ,  $SD=1.315$ ), Strategic reviews are regularly done by management ( $M=3.27$ ,  $SD=1.215$ ), Teams operate effectively across the enterprise ( $M=3.21$ ,  $SD=1.114$ ), Management of this enterprise learns from their past mistakes ( $M=3.14$ ,  $SD=1.173$ ), enterprises regularly collect data about our business environment ( $M=3.05$ ,  $SD=1.189$ ). From the answers it can be concluded that learning is easily transferred between departments within the surveyed enterprises; likewise, the enterprises showed high levels of accountability and research activity coupled with constant monitoring of activities of competitors.

Table 2: Enterprise Environment

Statements	N	Min.	Max.	Mean	±SD
There are recurrent innovations and technological advancements in the industry	166	1	5	3.62	.942
It is easy to differentiate our products and services from other enterprises in our business line	166	1	5	3.61	.958
Competition can come from substitutes for our products and services readily available outside the core industry	166	1	5	3.53	1.069
Customers' needs are constantly changing	166	1	5	3.49	1.052
Competitors are continually entering and leaving the market	166	1	5	3.46	1.004
There are more than six competitors in our line of business	162	1	5	3.44	1.039

Table 3 depicts respondents' views on the enterprise environment in their companies. Respondents agreed that there are continual innovations and technological advancements in the industry (M=3.62, SD=.942), it is easy to differentiate our products and services from other enterprises in our business line (M=3.61, SD=.958), competition can come from substitutes for our products and services readily available outside the core industry (M=3.53, SD=1.069). Respondents were however neutral on their responses to whether Customers' needs are constantly changing (M=3.49, SD=1.052), Competitors are constantly entering and leaving the market (M=3.46, SD=1.004) and whether there are more than six competitors in their line of business (M=3.44, SD=1.039).

From the trend of responses, it could be concluded that the enterprises in the study area have continual innovations as well as technological advancement in their respective industries whereas they are able to distinguish their products and services from others. Additionally, the SMEs recognise that competition can come from substitutes for the products and services they are offering.

### Change Management using ADKAR

Change management is integral to the overall progress of any organisations as it enables companies to renew their direction structure and capabilities efficiently.

Table 3: Awareness

	N	Min.	Max.	Mean	Std. Deviation
I understand the impact of the change plans for this enterprise	162	1	5	3.57	1.062
Ready-access to information influences our decisions to change plans for this enterprise	162	1	5	3.54	1.016
I am happy to be part of strategic change plans for this Business enterprise.	162	1	5	3.49	1.138
Marketplace changes are key components that may trigger a change in this business enterprise	164	1	5	3.45	1.053
I comprehend the concerns that are being tackled by the change plans of this enterprise.	160	1	5	3.44	.995
Customer inputs are factored in the change plans of this enterprise	166	1	5	3.39	1.075
Management properly communicates change plans of this enterprise to customers and staff	166	1	5	3.32	1.090
I appreciate the goals and objectives of the change plans of this enterprise.	162	1	5	3.26	1.090

Table 4 shows respondents views on awareness as a change management practice in the enterprises that were used for the study. Respondents agreed that they understand the impact of change plans ( $M=3.57$ ,  $SD=1.062$ ) and Ready-access to information influences our decisions to change plans of this enterprise ( $M=3.54$ ,  $SD=1.016$ ). Respondents showed neutrality when they were asked whether they were excited to be part of strategic change plans for their Business enterprise, ( $M=3.49$ ,  $SD=1.138$ ), Marketplace changes are key components that may trigger a change in their business enterprise ( $M=3.45$ ,  $SD=1.053$ ). They comprehend the concerns that are being tackled by the change plans of this enterprise ( $M=3.44$ ,  $SD=.995$ ), Customer inputs are factored in the change plans of their enterprise ( $M=3.39$ ,  $SD=1.075$ ), Management properly communicates change plans of their enterprise to customers and staff ( $M=3.32$ ,  $SD=1.090$ ), and they understand the goals and objectives of the change plans of their enterprise ( $M=3.26$ ,  $SD=1.090$ ). The results imply that the enterprises understand the impact of change; much as they have ready access to information also influences their decisions to change plans of the enterprises.

Table 4: Desire

	N	Min.	Max.	Mean	Std. Deviation
Adapting the strategic change plans of this business enterprise will Enhance job security of my business	160	1	5	3.74	1.023
Not adapting the strategic change plans of this business enterprise will have negative consequence on my operations	158	1	5	3.73	.934
Affiliation and sense of belonging is the reason why I support change plans for this business enterprise	161	1	5	3.70	.948
I am not content with current state of this business enterprise, that is why I support change plans for this enterprise	161	1	5	3.60	1.026
Trust and respect for leadership is the main reason why I support change plans for this business enterprise	163	1	5	3.57	.987
There are great opportunities for me in the implement strategic changes in my business enterprise.	163	1	5	3.56	1.031
I personally will benefit from the change plans of this business enterprise	159	1	5	3.55	.898
I support the strategic change plans of the business enterprise for the sake of Career advancement	162	1	33	3.48	2.537
I support the implementation of the change plans for this business enterprise	160	1	5	3.45	.923
I support the strategic change plans of the business enterprise for the sake of Incentives or compensation that comes with it	165	1	5	3.44	1.038
Acquisition of power or position is the main reason why I support change plans for this business enterprise	165	1	5	3.38	1.027
I have the needed skills to cope with the change plans of this business enterprise	160	1	5	3.37	.873
Fear of job loss or collapse of this business enterprise is the main reason why I support change plans for this enterprise	158	1	5	3.30	1.045

From table 5, respondents agreed that adapting the strategic change plans of this business enterprise will enhance job security of their businesses ( $M=3.74$ ,  $SD=1.023$ ), not adapting the strategic change plans of this business enterprise will have negative consequence on their

operations (M=3.73, SD=.934), affiliation and sense of belonging is the reason why they support change plans of their business enterprise (M=3.70, SD=.948), they are not content with the current state of their business (M=3.60, SD=1.026), trust and respect for leadership is the main reason why they support change plans of their business (M=3.57, SD=.987), there are great opportunities for me in the implement strategic changes in my business enterprise (M=3.56, SD=1.031), they will benefit from the change plants of their business enterprise (M=3.55, SD=.898).

Respondents, however, were neutral on the fact that they support the strategic change plans of the business enterprise for the sake of career advancement (M=3.48, SD=2.537). Added to that, they were neutral on their support for the implementation of change plans of their enterprise (M=3.45, SD=.923), support for the strategic change plans of the business enterprise for the sake of incentives for compensation (M=3.44, SD=1.038), acquisition of power or position (M=3.38, SD=1.027), possess the necessary skills to cope with the change plans (M=3.55, SD=.873) and fear of job loss or collapse of their business enterprise is the main reason why they support change plans. From the responses, it could be concluded that adopting the strategic change plans of this business enterprise will enhance job security of their businesses whereas the reverse is true.

Table 5: Knowledge

	N	Min.	Max.	Mean	Std. Deviation
I can personally cope with the change plans of this business enterprise	161	1	5	3.80	.838
I personally understand how my work relates to the change plans of this business enterprise.	159	1	5	3.67	.854
I have in-depth clarity on the change plans of this business enterprise.	157	1	5	3.62	.944
I have the necessary knowledge to cope with the change plans of this business enterprise.	161	1	5	3.57	.980
Inadequate Examples and role models have been a challenge to implementation of the relevant change plans of this business enterprise	160	1	5	3.49	.932
Training and education has been inadequate on how to implement change plans of this business enterprise	159	1	5	3.44	.890
Access to information (info retrieval) is a big setback to implementing the relevant change plans of this business enterprise	159	1	5	3.37	.875

Table 6 shows respondent's views on knowledge as a change management practice. Respondents agreed that they cope with the change plans of their business enterprise (M=3.8, SD=0.838), understand how work relates to the change plans (M=3.67, SD=.854), have in-depth clarity on change plans of their business enterprise (M=3.62, SD=.944), and have necessary knowledge to cope with change plans (M=3.57, SD=.980). That notwithstanding, respondents were neutral on the fact that inadequate examples and role models have been a challenge to implementation of relevant change (M=3.49, SD=.932), training and education have been inadequate (M=3.44, SD=.890), and access to information is a big setback (M=3.37, SD=.875). The trend of responses implies that the enterprises are able to cope with the change plans of their businesses while they understand how work relates to the change plans of the business.

Table 6: Ability

	N	Min.	Max.	Mean	±SD
I will be able to perform better due to the changes that are brought about in this enterprise	160	1	5	3.77	1.075
Management is committed to removing all forms of barriers to enable this business enterprise to implement the relevant change plans of this business enterprise	161	1	5	3.71	.906
My team members and I fully support the change plans of this business enterprise.	159	1	5	3.62	.862
Mentoring is sufficiently available to enable this business enterprise to implement the relevant change plans of this business enterprise	159	1	5	3.62	.862
I personally, can positively contribute to the change.	160	1	5	3.49	.965
I have the ability to perform at the level that the changes require.	161	1	5	3.43	.973
Coaching is sufficiently available to enable this business enterprise to implement the relevant change plans of this business enterprise	161	1	5	3.43	.973
Adequate practical training on applying new skills or using new processes and tools have been done to enable this business enterprise to implement the relevant change plans of this business enterprise	161	1	5	3.39	.994



Table 7 shows respondents views on ability as a change management practice. Respondents agreed that they would be able to perform better due to changes ( $M=3.77$ ,  $SD=1.075$ ), management is committed to removing all forms of barriers ( $M=3.71$ ,  $SD=.906$ ), their team members fully support the change plans ( $M=3.62$ ,  $SD=.862$ ), mentoring is sufficiently available ( $M=3.62$ ,  $SD=.862$ ).

On the contrary, respondents were neutral on the fact that they can positively contribute to change ( $M=3.49$ ,  $SD=.965$ ), have the quality to perform at the level that the changes require ( $M=3.43$ ,  $SD=.973$ ), coaching is sufficiently available ( $M=3.43$ ,  $SD=.973$ ) and adequate practical training on applying new skills or using new process are done ( $M=3.39$ ,  $SD=.994$ ). The results imply that the SMEs are able to perform better due to changes and also the management of the SMEs are committed to removing all forms of barriers. It is worth mentioning that members of the enterprises expressed the fullness of their support towards the change of plans.

Table 7: Reinforcement to sustain change

	N	Min.	Max.	Mean	Std. Deviation
This business enterprise will grow because of this change if it is sustained	166	1	5	3.81	.857
My manager fully supports efforts at sustaining the change plans of this business enterprise	166	1	5	3.77	1.064
My personal doubts regarding sustainability of change plans of this business enterprise have been addressed	166	1	5	3.67	.877
Compensation packages are being improved to help sustain the change plans of this business enterprise	166	1	5	3.65	.872
Recognition of individual efforts shall help sustain the change plans of this business enterprise	166	1	5	3.51	.999
Incentives and rewards are in place to help sustain the change plans of this business enterprise	166	1	5	2.90	1.408
This business enterprise will grow because of this change if it is sustained	166	1	5	3.81	.857
My manager fully supports efforts at sustaining the change plans of this business enterprise	166	1	5	3.77	1.064

Table 8 presents respondents view on how reinforcement sustains change. Respondents agreed that their business enterprise would grow if change is sustained ( $M=3.81$ ,  $SD=.857$ ), their managers fully support efforts at sustaining change ( $M=3.77$ ,  $SD=1.064$ ), personal doubts

regarding sustainability of change plans have been addressed ( $M=3.367$   $SD=.877$ ), compensation packages are being improved to help sustain the change ( $M=3.65$ ,  $SD=.872$ ), recognition of individual efforts shall help sustain change ( $M=3.51$ ,  $SD=.999$ ), business enterprise will grow because of change ( $M=3.81$ ,  $SD=.857$ ) and their managers fully support efforts at sustaining change plans in their businesses ( $M=3.77$ ,  $SD=1.064$ ). Respondents were however neutral on only one item; that incentives and rewards are in place to help sustain the change plans of their business enterprises ( $M=2.90$ ,  $SD=1.408$ ). From the results, it can be concluded that the SMEs are aware of the fact that their businesses will grow if the change is sustained because the managers of the enterprises fully support the efforts directed at sustaining the changes.

## Inferential Statistics

### *Correlation Analysis of Changeability and Enterprise Environment*

Table 9: Changeability and Enterprise environment

		Changeability	Enterprise environment
Changeability	Pearson Correlation	1	.553**
	Sig. (2-tailed)		.000
	N	166	166
Enterprise environment	Pearson Correlation	.553**	1
	Sig. (2-tailed)	.000	
	N	166	167

\*\* . Correlation is significant at the 0.01 level (2-tailed).

In Table 9 a Pearson product - moment correlation was run to determine the relationship between enterprise environment and the changeability of SMEs in the study area. Variables representing changeability and enterprise environment were mean centred and was further used for the correlation analysis. The results show that there was a moderate, positive correlation between enterprise and changeability, which was statistically significant ( $r = .553$ ,  $n = 166$ ,  $p = .000$ ). From the outcomes, it can be concluded that enterprise environment positively influences the level of changeability of enterprises. From the results, it can be determined that enterprise environment has a positive influence on changeability in the sense that the enterprise environment presents businesses with better opportunities to take advantage to improve as the

environment keeps changing. Enterprises that are sensitive to the changes are always able to take advantage.

### ***Influence of Awareness, Desire, Knowledge, Ability and Reinforcement on Enterprise Environment***

Table 10: Summary of Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.666 <sup>a</sup>	.444	.426	.49122

a. Predictors: (Constant), Reinforcement, Awareness, Ability to change, Knowledge of change, Desire

Table 10 provides the  $R$  and  $R^2$  values. The  $R$ -value of the correlation is 0.666 which represents a high degree of correlation between awareness, desire, knowledge, ability and reinforcement in the enterprise environment. The  $R^2$  value of 44.4% indicates a small variation of the independent variables on the dependent variable. From the summary regression results, it can be concluded that there is a high degree of positive correlation between the dependent and independent variables.

Table 11: ANOVA representation of awareness, desire, knowledge, ability and reinforcement on enterprise environment

ANOVA <sup>a</sup>					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	29.843	5	5.969	24.735	.000 <sup>b</sup>
Residual	37.401	155	.241		
Total	67.244	160			

a. Dependent Variable: Enterprise environment

b. Predictors: (Constant), awareness, desire, knowledge, ability and reinforcement

Table 11 gives a prediction of the dependent variable, enterprise environment on the independent variables, awareness, desire, knowledge, ability and reinforcement. The table shows a statistical significant relationship between the dependent variables  $R^2 = .24.735$ ,  $F(5, 160) = 29.843$ ,  $p < .005$ . With reference to the p-value ( $p < 0.005$ ), it can be deduced that the independent variables (awareness, desire, knowledge, ability and reinforcement) statistically significantly predict the dependent variable, enterprise environment.

Table 12: Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.280	.299		.934	.352
	Awareness	.218	.079	.203	2.743	.007
	Desire	.121	.111	.103	1.093	.276
	Knowledge of change	.378	.105	.329	3.608	.000
	Ability to change	.089	.094	.080	.946	.346
	Reinforcement	.117	.107	.106	1.094	.276

a. Dependent Variable: Enterprise environment

From Table 12, it is quite obvious that awareness and knowledge of change obtained significant determinants of changeability with only one variable 'Ability to change' having a negative relationship to the dependent variable (enterprise environment). Hence it can be concluded that with regards to enterprise environment awareness, knowledge of change has significantly positive effects on the enterprise's ability to change.

#### *Model equation*

$$Y = a + bx_1 + bx_2 + bx_3 + bx_4 + bx_5$$

Where;

a=constant, b=independent variables, y=Enterprise Environment

$$Y = 0.280 + 0.218 (\text{awareness}) + 0.121 (\text{Desire}) + 0.378 (\text{knowledge of change}) - 0.089 (\text{Ability to change}) + 0.117 (\text{reinforcement})$$

From the model, it could be concluded that awareness of the enterprise environment coupled with the possession of the knowledge of change has a significant influence on the ability of the managers of the SMEs to introduce or manage change effectively in their respective enterprises.

***Influence of Awareness, Desire, Knowledge, Ability and Reinforcement on Changeability***

Table 13: Summary of regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.670 <sup>a</sup>	.449	.431	.37108

a. Predictors: (Constant), Reinforcement, Awareness, Ability to change, Knowledge of change, Desire

Table 13 provides the  $R$ , and  $R^2$  values of the regression carried out to determine the influence of awareness, desire, knowledge, ability and reinforcement on changeability. The  $R$ -value of the correlation is 0.670 which represents a high degree of correlation between awareness, desire, knowledge, ability and reinforcement on changeability. The  $R^2$  value of 44.9% indicates a small variation of the independent variables on the dependent variable remains explained as against 55.1% which remains unexplained.

Table 14: ANOVA representation of awareness, desire, knowledge, ability and reinforcement on changeability

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.403	5	3.481	25.276	.000 <sup>b</sup>
	Residual	21.344	155	0.138		
	Total	38.747	160			

a. Predictors: (Constant), Reinforcement, Awareness, Ability to change, Knowledge of change, Desire

b. Dependent Variable: Changeability

Table 14 gives a prediction of the independent variables, awareness, desire, knowledge, ability and reinforcement on the dependent variable changeability. The table shows a statistical significant relationship between the dependent variables and independent variable  $R^2 = 17.403$ ,  $f(5, 160) = 25.276$ ,  $p < .005$ . With reference to the p-value ( $p < 0.005$ ), it can be deduced that the independent variables statistically significantly predicts the dependent variable, changeability.

Table 15: Regression Model

Model		Unstandardized		Standardized		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.033	.226		4.568	.000
	Awareness	.268	.060	.329	4.470	.000
	Desire	.149	.084	.167	1.781	.077
	Knowledge of change	.247	.079	.283	3.125	.002
	Ability to change	-.065	.071	-.077	-.912	.363
	Reinforcement	.082	.081	.097	1.006	.316

a. Dependent Variable: Changeability

From Table 15 it could be observed that awareness and knowledge of change were significant determinants of changeability with only one variable 'Ability to change' having a negative relationship to the dependent variable (Changeability). Hence it can be concluded that pertaining to changeability awareness, knowledge of change have significantly positive effects on the enterprise's ability to change.

*Model equation*

$$Y = a + bx_1 + bx_2 + bx_3 + bx_4 + bx_5$$

Where;

a=constant, b=independent variables

$$Y = 1.033 + 0.268 (\text{awareness}) + 0.149 (\text{Desire}) + 0.247 (\text{knowledge of change}) - 0.065 (\text{Ability to change}) + 0.082 (\text{reinforcement})$$

From the outcomes, it can be concluded that all the independent variables have positive effects on enterprise environment except with the ability to change which obtained a negative influence on the enterprise environment.

## **FINDINGS AND DISCOVERIES**

The findings of this study provided useful insights concerning Ghanaian SME's business environment and changeability.

### **Existence of a useful relationship between enterprise environment and Changeability**

The findings indicate that learning is easily transferred between departments and that enterprises displayed high levels of accountability and research activity coupled with constant monitoring of activities of competitors. Also, the SMEs have continual innovations as well as technological advancement; hence, they are able to differentiate their products and services from others.

Again, the results of the findings indicate that SMEs appreciate the impact of change; much as they have ready access to information which influences their decisions to change strategies for their businesses. Additionally, the findings depicted that the SMEs can cope with the change plans of their businesses while they understand how work relates to the change plans of the business. However, the SMEs are able to execute creditably due to the changes they introduce and also the management of the SMEs is committed to removing all forms of barriers. Nonetheless, the SMEs are aware of the fact that their businesses will grow if the change is sustained because the managers of the enterprises fully support the efforts directed at sustaining the changes.

### **Influence of Awareness, Desire, Knowledge, Ability and Reinforcement (ADKAR) on enterprise environment and Changeability**

Relative to the relationship that exists between enterprise environment and changeability, the study found that enterprise environment has a positive influence on changeability in that, the enterprise environment presents businesses with better opportunities to take advantage to improve as the environment keeps changing. Enterprises that are sensitive to the changes are always able to take advantage, and this had a high degree of positive correlation between the needy and free factors.

Furthermore, the awareness of the enterprise environment coupled with the possession of the knowledge of change has a significant impact on the ability of the managers of the SMEs to introduce or manage change effectively. This bolsters the assertion of Fjose et al. (2010) that SMEs are the apparatus that drives world economies and the stepping stone to industrialisation, both for developing and developed economies. SMEs that work in a domain of fast change is available to a significant portion of turnover and new or improved items than those that work in steady and unsurprising conditions. SMEs that search for condition openings as a rule are those



that can make, enhance and even adjust their asset base. Even with fierce markets and situations that require SMEs to remain amazingly competitive sustainable, it is clear the need of changing their knowledge base after the changing markets and innovation. SMEs should be adaptable and creative when the market changes and technological changes require quick choices.

Relative to the influence of Awareness, Desire, Knowledge, Ability and Reinforcement (ADKAR) on enterprise environment and Changeability of Ghanaian based SMEs, findings from the study suggests that Reinforcement, Awareness, Ability to change, Knowledge of change and Desire of change have positive effects on enterprise environment except with the ability to change which obtained a negative influence on the enterprise environment.

### **The Enterprise's capability to accomplish or act in a new way as well as obstacles hindering the Enterprise's capability to change**

Regarding capability of enterprises to do or act in a new way as well as obstacles hindering the capability to change, it was discovered that SMEs remain ambivalent concerning the provision of adequate training for them. The trend of responses implies that coaching is sufficiently available to support SMEs when it comes to the implementation of changes in the business of the enterprises. Mentoring is amply available to enable business enterprises to implement relevant plans. Management of SMEs are committed to removing all forms of barriers or constraints inhibiting the change management activities in the companies.

### **RECOMMENDATIONS**

The examination discoveries captured in this study propose there is substantial scope for activity by all stakeholders to inspire and bolster activities of SMEs. Crucial areas possibly deserving of thought are recommended beneath.

- i. Recommendations for policymakers
  - There is the need to ascertain any added information and bolster components that can be focused towards SMEs to empower their contribution in these fast developing economies.
  - The need to formulate explicit indicating to assist SMEs to recognise and get the full scope of financial assistance accessible for global activities.
  - Evaluate whether further tax cuts can boost SME internationalisation, especially in the repercussion of the global economic emergency when regaining is slow in numerous economies including Ghana.

## ii. Recommendations for SMEs

- Managers are responsible for making decisions that affect the entire business; hence, they should mull over the human side of progress. Business procedures will be definitely a piece of any change inside a venture. Nevertheless, the employee affected by the change has to need to recognise all parts of the change and its direct social effect on them. Management choices ought to include the employee in all parts of change by using correspondence and training, in addition to giving processes and apparatuses for supervisors to efficiently lead change amongst their employees, to reduce and manage opposition. The procedure of effective change management that attends to the employee motivates their input and recommendations. These are keys to general positively significant change, within a firm.
- It will be essential to encourage a more SME-friendly culture in the country since, in business; change could range from technological infrastructures, markets, marketing strategies, decision-making practices among others. This will increase opportunities for meaningful transformations which can lead to change. To this end, proper incentives for personnel should be created as well since success in transformational change depends on strategic and steady approach to change.
- SMEs must resolve to undergo continuous change and new ways of doing business since routines could negate the idea of change management. They must discover innovative techniques for operating by developing new competencies as the old advantage and skills gained can quickly be eroded.
- SMEs face the errand of remaining competitive and ceaselessly reacting to the market. This is observed in Ghanaian SMEs. Since their environment is extremely tempestuous, management needs to plan and work to arrive at short-term goals while keeping long-term objectives of the firm.

## CONCLUSIONS

Change management is a procedure where all establishments experience. This is a vital strategy since it empowers the business to settle on choices that will be profitable and gainful to the organization. Furthermore, establishments that are exposed to change are generally more fruitful compared to ones that oppose it. In a globalised market, new technologies and methods are developing quickly, in order to keep up with this improvement an enterprise must be eager to adjust to management changes. The global, as well as, the local market has a very solid rivalry, so as to be on top change management must be used by SMEs.

Again, understanding the environment is of great importance to SMEs particularly in times where the changes happen rapidly and unexpectedly. The absence of flexibility sometimes can be critical, particularly for SME's, where resources are regularly comparatively limited compared to the reality of big establishments. This research focused on business environment and changeability and empirically assessed the ADKAR model for change management in Ghanaian SMEs.

## LIMITATIONS OF STUDY

Every study has limitations that are influenced by different factors (Powell and Renner 2003).

The ensuing are the limitations of this study:

- A limitation related to the subject matter is that change management is a slightly new area of inquiry, especially in Ghana's SME businesses. As a result, there were situations where respondents failed to articulate their views with regards to change management aspects being practiced. To address this limitation, the researcher explained the questions to the interviewees in the most simplified way possible.
- Also, the results obtained from this study might affect the generalisation of the findings as it may not be generalised to a wide range of similar situations concerning SMEs as a result of the non-probability sampling technique used. Although the methodology employed in this study could be applied to similar situations. Also, the issue of participant perceptions could be questioned because the sample size consisted of respondents coming from Kumasi only. Studies from other jurisdictions may differ. However, the above limitations are less significant compared to the importance of carrying out this type of research.
- Again, quantitative data was collected, and there is always an inherent problem associated with this method of data collection. Notably, the issues of the adequacy of the response rate, whether the questions are interpreted in the way they were intended and whether there were sufficient questions to depict the information being sought. These are issues that arise as a result of using questionnaires as an instrument of primary data collection.

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